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- Various pagings.
- Appendix No. 1, No. 2, No. 4, No. 7 & No. 8 were not printed.

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

FROM THE 25TH FEBRUARY TO THE 2ND JUNE, 1886,
BOTH DAYS INCLUSIVE.

BEING THE FOURTH SESSION OF THE FIFTH PARLIAMENT OF CANADA.

SESSION 1886.



VOLUME XX.

APPENDIX.

LIST OF APPENDICES, 1886.

- No. 1.—First Report of the Select Standing Committee on Privileges and Elections. *In re Charges made by Mr. Edgar. Not printed.*
- No. 2.—Fourth Report of the Joint Committee of both Houses on the Printing of Parliament. Audit of Printing Accounts, &c. *Not printed.*
- No. 3.—Second Report of the Select Standing Committee on Public Accounts. *In re Inch Arran Hotel.*
- No. 4.—Third Report of the Select Standing Committee on Public Accounts. *In re Georgian Bay Survey. Not printed.*
- No. 5.—Fourth Report of the Select Standing Committee on Public Accounts. *In re Indebtedness of Mr. Herman H. Cook.*
- No. 6.—Report of the Select Standing Committee on Immigration and Colonization.
- No. 7.—Seventh Report of the Joint Committee of both Houses on the Printing of Parliament. Tenders for Printing Paper. *Not printed.*
- No. 8.—Eighth Report of the Joint Committee of both Houses on the Printing of Parliament. Audit of Printing Accounts, &c. *Not printed.*

REPORT.

COMMITTEE ROOM,

THURSDAY, 20th May, 1886.

The Select Standing Committee on Public Accounts beg leave to present the following as their Second Report :—

Your Committee have had under consideration items connected with the Dalhousie Branch of the Intercolonial Railway (page 268, part ii, of the Public Accounts for the year ended 30th June, 1885), more especially with reference to freight and passengers carried by the said railway for the Inch Arran Hotel, at Dalhousie, N.B. ; and have examined certain witnesses in connection therewith, and for the information of the House append hereto copies of the evidence given by the persons examined by your Committee, together with the exhibits filed by them and a statement showing the cost of the enquiry.

All which is respectfully submitted.

J. C. RYKERT, *Chairman.*

MINUTES OF EVIDENCE.

OTTAWA, 29th April, 1886.

The Public Accounts Committee met ; Mr. RYKERT in the Chair.

Mr. DONAT CORMIER, called and examined :—

By Mr. Davies :

1. Were you employed in the Intercolonial Railway at Moncton ? Yes, from 1882 until 1885.
2. In what capacity ? In the audit office, as checker of reports that came in.
3. From outer stations ? From all stations from Halifax to Montreal.
4. And did your duties require you to check all the tickets issued by the ticket agents ? Yes, Sir.
5. Well, in the year 1884, you were then in the audit office as checker ? Yes.
6. Had you occasion to check any issues of tickets to Dalhousie, N.B., from Montreal or elsewhere ? Yes, Sir, from Montreal the tickets were issued. They read from Point Lévis to Dalhousie and return. Montreal had authority, or always had, to issue tickets to any part of the line at all. These read, "From Point Lévis to Dalhousie and return."
7. That is the Montreal agent ? Yes.
8. What is his name ? G. W. Robinson.
9. You had to check his return ? Yes, he always had two reports. One was a through ticket report and one was a local report.
10. Very well, he made returns to Moncton ? A. Yes.

11. And you checked that. What means had you of checking it? He always sent in a stub with his report. That would be similar to the tickets. He kept the stub in order to make his report, and he gave the ticket to the purchaser.
12. You would call it a kind of counterfoil? Yes.
13. And he would forward a return and also these stubs of tickets or counterfoils as vouchers for his return? Yes, and they would be matched with the tickets collected by the conductors at the end of every month.
14. And then you would compare these vouchers or stubs with the tickets collected by the conductors of trains? Yes, Sir.
15. You did that in the month of August, 1884? Yes.
16. Did you find any issued specially to the Inch Arran Hotel in that year? Yes, Sir, there were four in the month of August.
17. That is August, 1884? Yes, Sir.
18. What was special about those tickets? They were marked on the Montreal ticket agent's report as "servants to Inch Arran House."
19. You say you got Mr. Robinson's report and checked it, and you found these four special tickets? Yes, they were reported *nil*.
20. What do you mean by that? No value.
21. What you would call a free ticket, is it? Yes, Sir.
22. And they were marked "*nil*" in his report? Yes, Sir.
23. Was that the regular course of business or otherwise? No, Sir, it was not. I went to Mr. Busby, the general passenger ticket agent.
24. He was your superior officer? Yes. I asked him to give me authority to accept that report, or else I would have to charge the Montreal agency with the deficiency.
25. You went to Mr. Busby and you asked him for authority to accept that report, or else you would charge Mr. Robinson with the deficiency? Yes, Sir.
26. Well, did you get the authority? Yes, Sir.
27. From Mr. Busby? Yes, from Mr. Busby.
28. That authority is among the records in the Intercolonial office? Yes, it is enclosed in the Montreal reports.
29. Having got the authority from Mr. Busby, you simply passed the returns? Yes; of course I could not do anything else.
30. Is that the end of these special tickets that you speak of? Yes, that is in 1884.
31. When was your attention next called to a similar issue of tickets? In June, 1885.
32. What were these special tickets, was there anything saying for what purpose they were issued? It was marked on the stubs of the ticket: "On account of Inch Arran House."
33. So that they showed on their face what they were for? Yes, Sir; they were specially marked so on the report also: "On account of Inch Arran House."
34. Now go on to 1885. You say that in June, 1885, your attention was again called to a similar issue of these tickets? Yes, Sir.
35. Issued by the same officer Mr. Robinson? Yes, Sir.
36. And to the same place? Yes, Sir.
37. And were they marked in the same way, special for the Inch Arran Hotel? Yes, Sir.
38. How many were there in June? I should think from twenty to twenty-five.
39. The return will show specifically? Yes.
40. Who will have them, Mr. Bruce or Mr. Busby? Mr. Bruce, I think.
41. Well, what did you do with those—did you pass them without an order? No, I could not. I got authority from Mr. Busby to "accept them for the present," as the authority read.
42. And then you passed them on Mr. Busby's authority? Yes.
43. What becomes of these stubs after you have checked them? They are matched with the tickets to see if they compare.

44. With the tickets collected by the conductors? Yes.
45. When they come out all right what is done with them as a rule? They are destroyed.
46. Then, in June, 1885, you think there were about fifteen. After you had compared them you found that they were all right, I suppose, so far as they corresponded with the tickets of the conductors? Yes.
47. And what called your attention to them at all? What most directed my attention to them was that I could not see why so many free tickets were issued to that house, with which the Intercolonial Railway had nothing to do.
48. Was this repeated in the July following? Yes, Sir, and the authority I got in June to accept those tickets for the present. I thought that the Montreal agent could account for the deficiency in his July report.
49. Did the Montreal agent account for the deficiency in his July report? No, Sir.
50. When the July report came in did you find that the issuing of these special tickets had stopped? No; there was as many if not more in July.
51. About how many? The papers will show exactly.
52. Can you state approximately? I should think between twenty and twenty-five.
53. Were they issued in the same way "on account of Inch Arran Hotel?" Yes, Sir.
54. And they were marked "free" too? Yes, Sir.
55. What would be the price of an ordinary ticket from Point Lévis to Dalhousie? The tourist rate at that time was \$9.75.
56. What did you do with the July report of Mr. Robinson's when you found it did not account for those free tickets? I went to Mr. Busby again, and he told me he would give me authority, which he did, to accept the report for the present.
57. And on that, of course, you acted? On that I acted.
58. Did Mr. Robinson account in August for these tickets? No, Sir, he did not.
59. Did he account for them in September? No, Sir.
60. Did he account in October? No, Sir.
61. I believe you were discharged from the railway employ somewhere about that date? Yes, on the 27th of October, but the report was checked by me.
62. You had checked the October report? Yes.
63. And what date were you discharged? On the 27th of October.
64. Did you keep this matter to yourself after you were discharged, or did you make it public. I saw the charges in the Moncton papers. Was it with your authority that the charges were made? I kept it to myself until 4th February, the first date that I published it.
65. Will you look at these stubs you gave me (see Exhibit A.) Are those the stubs of the tickets that you spoke of? Yes, Sir.
66. Take one of them, are they different? Except in some cases the name of the person to whom they were issued is marked, and in other cases they are not.
67. In the first place the word "nil" was marked across the face of them all? Yes, Sir.
68. And the word "special" is marked across the face of them all? Yes, Sir, it is on all of them.
69. What does that word "nil" mean? It means that they were reported free, not accounted for.
70. And no money returned? No, Sir.
71. On the backs of these tickets what is marked? "On account Inch Arran House."
72. And in some cases the names of the parties to whom they are issued? Yes, Sir.
73. But in all cases it is stated "on account of Inch Arran House"? Yes, on account of Inch Arran House.

74. And those are the identical ones that you compared, you did not destroy these? No, but the tickets were destroyed.

75. And Mr. Robinson's returns were in accordance with those tickets? Yes, Sir.

76. Each of those tickets he returned "nil"—no name? Yes, Sir.

77. Mr. Busby instructed you to accept them for the present you said? Yes, for the present.

78. How many are there of those stubs that you produce? Nineteen.

79. Is that the number you gave me? Yes, Sir.

80. On the 27th of October you were dismissed? Yes, Sir.

81. About those stubs, just tell the committee exactly what your duty was with regard to them when they came into your charge first? When you left the employ of the railway company how is it that you have these stubs still in your possession? At the end of the month, when the tickets would be matched with these stubs to see if they compared with the distance going and coming, and to see if it was the same on the agent's report as on the ticket. After they were matched the ticket and stub were destroyed. But in this case, after I had matched the tickets with these stubs and checked the reports, although the stubs were valueless and not good for passage, I destroyed the tickets and kept the stubs in order to show the matter.

By Mr. Bowell:

82. Why did you destroy all the others and keep these; what object had you in doing that? Well, it was just to show the matter.

83. How long did you keep them in your possession? I kept them from the time they were matched until now.

84. When did you give them to Mr. Davies? I do not know exactly; I am not sure how long it is.

85. You kept them in your possession for future use? Yes, Sir.

By Mr. White (Renfrew):

86. You did not require them to justify your own action. You say you had special authority from Mr. Busby with regard to that? Well, special authority will be found in the reports, which are filed away.

By Mr. Bowell:

87. How long was it from the time you laid these away until you were dismissed? It would be about four months.

88. Why were you dismissed? Well, on account of a report that the traffic auditor made against me.

89. What for; keeping the company's property in your possession, or what? He made a report against me. One day I went out of the office—I could not get leave of absence—and he made a report that I had not been to work that day, and that he thought I was under the influence of liquor.

By Mr. Davies:

90. Who was it that made the report? Mr. Bruce.

91. He was your superior officer? Yes.

By Mr. Chapleau:

92. And you had the stubs of the tickets in your possession then? Yes, Sir.

93. Are those all the stubs you have? Yes, Sir.

94. You have not got the tickets? No, Sir, the tickets were destroyed.

By Mr. Bowell:

95. You said you had some of 1884, what did you do with them? I have not got them.

96. These are part then of those issued in June and July, 1885? In June and July.

By Mr. McLelan :

97. In what month were you dismissed? In October.

98. October, 1885? Yes.

99. Did you remonstrate against being dismissed? Yes, Sir.

100. Did you communicate with the railway authorities by letter or otherwise? I did, verbally, to Mr. Pottinger.

101. You made no written complaint? No, Sir.

By Mr. Chapleau :

102. Was it part of your duty to destroy these stubs? Oh, well, when they are matched with the tickets they are always destroyed, but it does not make any difference.

By Mr. McLelan :

103. I understand you to say then that you made no admission by letter that you were drunk at the time? I did. There was a confession extracted from me under false pretences as I thought at the time.

By Mr. Davies :

104. Do I understand you to say that it was your duty to destroy all these stubs as a rule? Yes.

105. And that in cases where you found them regular you did destroy them? Yes, Sir.

106. And those you found not regular you kept for purposes of your own? Yes.

By Mr. Bowell :

107. Did you consider it a part of your duty to keep those stubs? I did in these special cases.

108. Tell us why? Because they were not entered in the regular way—because they were not reported in the regular way.

By Mr. Davies :

109. On the authority of Mr. Bruce you were to accept them for the present? Yes, Sir.

By the Chairman :

110. Was the authority in writing? Yes, Sir.—The authority is enclosed in the report.

By Mr. Davies :

111. This issue of tickets, were they all for the Intercolonial alone or were they part for the Intercolonial and part for the Grand Trunk? They read from Point Lévis to Dalhousie and return to Point Lévis.

112. That is all over the Intercolonial? That is over the Intercolonial.

113. Were there any tickets issued by him over part of the Intercolonial? Yes, Sir. There was a clerk especially for that report. That is what they called the through-ticket report, and he was authorized to report the Grand Trunk portion on the Grand Trunk sheet at half rate.

114. Who was that? The clerk who checks the through tickets.

115. What is his name? Mr. Grose.

116. And Mr. Robinson made returns, to what effect? He was authorized to report the Grand Trunk proportion on the sheets at half rate.

117. That will appear in the documents to be produced? Yes, Sir.

118. Well? I asked him supposing the Grand Trunk will not accept the half rate what will you do. Well, he said, report half rate and if they will not accept it we will have to remit the other half next month.

119. Did they accept it? I do not know. He had special charge of that business, and I don't know whether they accepted the half rate or not.

120. Will Mr. Bruce or Mr. Busby know? Mr. Bruce may know.

121. Mr. Pottinger is the superintendent of your road? Yes, Sir.

122. Did he know of the issue of the two classes of tickets you speak of—one over the Intercolonial entirely, and the other partly over the Grand Trunk and partly over the Intercolonial Railway with instructions to pay half rate to the Grand Trunk? I should think so.

123. Have you any means of knowing whether he did? No, except from the instructions.

124. Except from the instructions you got from your superior officers? Yes.

125. At any rate, up to the time you left the company's service, the price of these tickets had not been accounted for? No, Sir.

By Mr. Davies :

126. (To Mr. Bruce.) Will you produce Mr. Robinson's returns for June and July, 1885? (Papers produced. See Exhibit B.)

127. (To witness.) You have in your hand, Mr. Robinson's return? Yes, Sir.

128. Have you the authority with the document you speak of? Yes, Sir. There is one for Inch Arran, marked "nil," another for Inch Arran, "nil," another for Inch Arran, "nil," and another, Inch Arran, "nil." They agree with the stubs.

129. Have you with that document the authority you speak of? No, Sir. They have been taken out.

Mr. Bruce.—I have got them at my hotel, and can produce them.

By the Chairman :

130. Is this the full report for June? That is the full local report.

131. Will that show the issue of the entire twenty or twenty-five tickets for June? I cannot say exactly. I only speak from memory.

By Mr. Chapleau :

132. Did you ever take a copy of this report? No, Sir.

133. Did you make notes from the paper? I took a copy of the authority; I had to accept the report.

134. Did you take any memorandum of this at all? No.

135. And when you spoke it was only from memory? Yes, Sir.

136. How many did you find in that return for June? The stubs will show, because the dates are stamped on the back.

By Mr. Bowell :

137. In what column is the word "nil" put? In the column where "paid" goes.

By Mr. Chapleau :

138. Is the word written or is there merely a blank? It is written.

By Mr. Davies :

139. I want you now to look at the July report. How many are there in that month? I see on that one, Inch Arran, Dalhousie—Dalhousie is the station to which it is sold? A. Yes.

140. Under the column of rate he has written, "Inch Arran, nil"? Yes.

140½. And in the amount column are the words "see letter June"? Yes.

141. In the column where the amount usually goes you have written the words, "see letter" in red ink? Yes.

142. In the rate column is the word "*nil*" in black ink. Whose writing is that? Mr. Robinson's.

143. Is there any other statement you desire to make in reference to this matter? No, Sir.

By Mr. Bowell:

144. Did you furnish anyone with any of these papers? No, Sir, the reports were all filed.

145. No information with reference to this matter? No, Sir.

By Mr. Davies:

146. I asked you if you gave any information to the Moncton papers? Yes, I did, on 4th February.

By Mr. Bowell:

147. And you were dismissed in October last? On 27th October.

148. You gave the information in February? In February.

149. You did not say you gave the information in 1884? No, Sir. I was dismissed in October, 1885, and I gave the information to the papers in February, 1886.

GEORGE WILLIAM ROBINSON, called and examined:—

By Mr. Davies:

150. You hold an official position on the Intercolonial Railway? Yes.

151. What is it and where? Eastern freight and passenger agent, at the office in Montreal.

152. Part of your duties will be to issue tickets to passengers for different points along the line? Yes.

153. Was that your duty in 1884? Yes.

154. Did you issue any tickets from Montreal to Dalhousie or to the Inch Arran Hotel in 1884? Yes.

155. How many, can you remember, or can you state from your papers? I cannot tell how many were issued altogether in connection with Inch Arran, but I can tell you how many issued for the servants.

156. How many were issued otherwise than regularly? There were five issued to the servants of the Inch Arran House on the Intercolonial in 1884.

157. That was all? Yes.

158. The last witness said there were four? There were five.

159. Now we come to 1885; will you look at the stubs produced by the last witness? Yes.

160. Were they issued by you? Yes.

161. Were they free tickets? They were not free tickets, but the money was not collected for them at the time.

162. What are they marked? They are marked "*nil*." I may explain in connection with this that my chief clerk, who makes out the report, is a Frenchman, and does not understand the meaning of the word "*nil*" as we do. It means "to be accounted for," but the column is not wide enough to take those words in. Nothing had been collected when the tickets were issued, and therefore he put down the word "*nil*."

163. What authority had you for issuing these special tickets, and from whom? From the general passenger agent.

164. Who is the general passenger agent? Mr. Busby.

165. Where is his authority? I suppose the authority would be in the auditor's office, because it would accompany my report.

166. Having received the authority to issue the tickets, would you return it with your report? Yes; but perhaps it might not go with the report, because I might not have received the authority then.

167. Have you got it? No, Sir.

By Mr Chapleau :

168. Had you authority for issuing these special tickets? At the time they were issued I do not think we had the authority. I issued the tickets upon the same conditions upon which they were issued to other seaside hotels—half fare for the double journey—but pending receiving the authority we had to mark them “*nil*,” “to be accounted for hereafter.” At any rate, the document is here, or a copy of it.

By Mr. Davies :

169. I want to ask you if in the month of September, 1884, you received special authority from the Intercolonial Railway, from Mr. Busby or Mr. Bruce, I am not sure which, to issue for free report certain tickets? Not for free report, but at half rates.

170. Will you swear that there was not such a letter written, received by you, and acted upon by you? Not for the whole of those tickets.

171. I did not ask you that. Will you swear you did not receive such authority and act upon it? I received a letter. I have not it before me, and I cannot give the exact wording. It might be construed to mean the whole of the tickets or only a part of the tickets. (Letter produced.)

“INTERCOLONIAL RAILWAY OF CANADA,
“GENERAL PASSENGER AND TICKET AGENT’S OFFICE,
“MONCTON, N.B., 8th September, 1884.

“G. W. ROBINSON, Esq.,

“Agent Intercolonial Railway, Montreal.

“DEAR SIR,—This will be your authority to auditor for free report of the following ticket, Local Book No. 2983, Point Lévis to Dalhousie and return.” (See Exhibit C.)

Shall I explain what ticket that is? It is not a ticket issued on account of the hotel or to a servant. At the period great inducements were being held out to passengers to go to the Atlantic coast instead of to the lower St. Lawrence. The officials of the railway were doing all they could to counteract that. I knew a very intelligent gentleman, who writes for the American magazines and some Montreal newspapers, and I suggested to Mr. Busby, as this gentleman was an acquaintance of mine and would not receive pay for anything he did, that it would be a good idea to get this gentleman to go down and write up the several resorts we were trying to cultivate. He said, “It would be a capital idea; but,” he asked, “what would he require for it?” I said he would not accept pay. I gave him a ticket, and he went down; and I think I am not to blame for it.

1. 2. You issued a ticket? Yes.

173. A ticket to Dalhousie? It took him to intermediate places, Bic and Little Métis, for instance. The authority of Mr. Busby continues: “Local Book, Nos. 1459 to 1462 (4), Point Lévis to Dalhousie; Local Book, No. 1464, Point Lévis to Dalhousie; also ticket No. 291, Dalhousie to Point Lévis.”

174. That makes four; were they for gentlemen to write up the hotel, too? No, Sir, these were servants’ tickets.

175. To the Inch Arran Hotel? Yes. “Point Lévis to Dalhousie, 1464,” that is a servant’s ticket; also “ticket No. 291, Dalhousie to Point Lévis.”

176. This is for the year 1884? Yes.

177. It is under that authority you issued tickets in 1884? It is under that authority that I reported them blank in the meantime.

178. There was no intention to collect all of those—you know that? I do not know.

179. What does this mean, that you received: "This will be your authority to the auditor for a free report"? Do I understand you to state to the Committee that you understand by that that they were to be paid for? I understood by that that I was not to pay for them. I had issued the tickets and reported them free in the meantime, and a settlement would be made between the audit office and the hotel.

180. Who did you think was to pay for them? The hotel.

181. And this special ticket was to go absolutely free? Yes, certainly.

182. And you had the same authority for that as you had for the others? Yes; the authority for the others is in the same letter.

183. Now we will come to the next year, in which the great bulk of the tickets were issued. The hotel was open then? Yes.

184. Did you receive any personal authority from Mr. Pottinger, or from any other official of the road, and if so, from whom, to issue tickets in 1885? I received authority to issue at half rates in 1885.

185. From whom? From the general passenger agent.

186. Who is he? Mr. Busby.

187. Did you receive any authority from Mr. Pottinger? Not that I am aware of.

188. Or from any other official than Mr. Busby? No; he is the official who should give instructions.

189. Had you any personal authority from these gentlemen? I do not think so.

190. You do not clearly recollect that, I understand? I do not like to say what I am not positive of, but I have no recollection of having any authority from Mr. Pottinger on the subject.

191. Did you receive any written authority in that year? I think I did.

192. Will you produce the written authority? The authority would be passed to the audit office. I would write to the general passenger agent notifying him that half rate tickets had been issued to the servants of the Inch Arran Hotel, and advising him to advise the audit office to accept the special rates.

193. I ask Mr. Busby, have you the letter authorizing Mr. Robinson to issue the tickets?

Mr. Busby.—The authority would go to the auditor; not to the agent.

194. When you received the authority you acted upon it, and returned it to the audit office, do you produce it? I have not it with me here.

195. You must have had it to issue tickets on? It might not have come at the time I issued the tickets; but subsequently.

196. You had it; and after having it you returned it—? To the audit office.

197. You would not issue free tickets and depend upon getting subsequent authority? I might, Sir.

198. But you would not issue free tickets without some authority? Not free tickets; they were not intended to be free.

199. They were free in the first instance; the people who got them paid nothing to you for them? They were, undoubtedly, not free tickets.

200. But the people who got them paid nothing to you for them? Not in the first instance.

201. And they travelled on them without paying anything on them first? Yes.

202. Whether they were paid for subsequently do you not know? I do know.

203. Was the money paid to you? It was paid to me.

204. When? It was paid on the 4th February last.

By Sir Richard Cartwright;

205. 4th February, 1886? Yes. At that time a list of tickets had been made out, tickets which were supposed not to have been paid for; a very long list, amounting to many hundreds of dollars. A very thorough investigation was made of all the tickets issued, and three, four or five were found to have escaped notice by some means in the audit office, not in my office.

By Mr. Bowell :

206. I understand Mr. Robinson to say there were four or five tickets in the list of the auditor which were omitted; they were paid for in February; when were the others paid for? The account for 1885 was made up at the close of the season. We received orders for the tickets in this way: the manager of the hotel used to telegraph to the employment agency to send him servants, and on the presentation of these telegrams we issued tickets. These were to be paid for at the end of the season, and they were paid for at the end of the season.

By Mr. Chapleau :

207. Did you say a few moments ago that those four tickets were overlooked and were paid for later? Yes.

208. And the others, the bulk of the tickets, were paid for at the end of the season of 1885? Yes.

By Mr. Davies :

209. I understand you to say that the four tickets paid for in 1886 were tickets issued in 1884? They were.

210. They were not paid for in 1884, or in 1885, but on the 4th February, 1886? Yes.

211. Now we come to 1885; here is a stub issued from your office; it bears your stamp? Yes.

212. It is marked "nil"? Yes.

213. It is also marked "special"? Yes.

214. And "on account of Inch Arran"? Yes.

215. Now I want to ask you, would you issue a ticket of that kind, a special ticket marked "nil," and returned here in your report under the fare rate as "nil," without a personal or written authority from some superior officer? I would, Sir.

216. And do you take the responsibility of stating that you did? I do not think at that time I had the general passenger agent's written authority for it.

217. That is not the point; I am not limiting my question to written authority. I ask you whether you would take the responsibility, as ticket agent at Montreal, of issuing a special ticket on account of Inch Arran Hotel, from Point Lévis to Inch Arran, for nothing; and make your return to Moncton "nothing" for those tickets, without authority, written or verbal, of your superior officer? Not for nothing, but at half rate I would.

218. Did you or did you not receive authority, verbal or written, from some superior officer to issue those tickets? I could not say positively, whether I had received authority at that time.

219. Did you issue any such ticket for any other point on the road? I did not, but the Grand Trunk did.

220. Never mind the Grand Trunk; here are your returns, can you show any similar ticket for any other point on your road? No.

221. Regarding part of the tickets you issued, part of the pay was to go to the Grand Trunk? Yes.

222. Still you issued them "nil"? They were marked "nil."

223. You got no money for them? No.

224. You are aware that when these tickets were returned by you to the head office at Moncton your head office had to pay half the fare to the Grand Trunk? No, not half of the fare, but a part of it.

225. Now look at that document (see Exhibit D.) and see what the superintendent has written across there; Mr. Pottinger writes there "on the Grand Trunk tickets pay half fare"? That is not half the amount of the whole through ticket.

226. It means that half the fare was to be paid? No, Sir; I will explain that if you will allow me. We will suppose the fare to Inch Arran and return is \$15. Half

of that would be \$7.50. We do not pay that to the Grand Trunk. The Grand Trunk proportion of the entire fare would be \$5. Half fare would be half of that, \$2.50.

227. Then half the Grand Trunk portion has to be paid for? Yes.

228. Now, you say you would issue tickets which would require the payment by the head of your Department to another railway, of money; would you give those tickets for nothing, return them "nil" to the Department, and all without authority? I would not give them for nothing.

229. Did you give them for nothing? I did not. I issued them without receiving money at the time. I had authority from the Grand Trunk for their part. I arranged with the general passenger agent of the Grand Trunk, and our own general passenger agent that I had made the arrangements, namely, half fare for the double journey.

230. Have those tickets got all to do with the Grand Trunk, or have not by far the larger proportion to do with the Intercolonial Railway alone; had the Grand Trunk anything to do with the majority of these "nil" tickets—the tickets issued from Point Lévis to Dalhousie? Yes.

231. Take these stubs? The Grand Trunk parts are not here.

232. Then so far as these nineteen stubs are concerned, the Grand Trunk has nothing to do with them? There are corresponding tickets with those issued for the Grand Trunk.

By Mr. White (Renfrew) :

233. Of course, you issued separate special tickets for the separate roads at the same time? Yes, Sir.

By Mr. Davies :

234. Then, so far as those stubs are concerned, have the Grand Trunk anything to do with them? I do not understand your meaning.

235. Would they receive any portion of the pay? They would receive their own proportion.

236. From Point Lévis to Dalhousie would they get any proportion of it? They would get their own proportion.

237. You have authority to issue tickets at Montreal from any point to any point on the Intercolonial? I can, but I did not issue them separate in this case.

238. But from Point Lévis to Dalhousie is the Intercolonial road, purely? Yes.

By Mr. Chapleau :

239. The witness has said that these are not issued separately, but in conjunction with tickets issued over the Grand Trunk? They were issued in connection with other tickets on the Grand Trunk.

By Mr. Davies :

240. But the other tickets are not here? That is not my fault.

241. Are we interested in them? Yes.

242. To what extent? To show that the Grand Trunk has issued tickets at half rate.

243. Do you say that the Intercolonial was paid half rate for these tickets? I do.

244. Do your returns show that? My returns do show that.

245. Do not your returns show "nil"? They were reported "nil," but they were paid for at the agreed rate at the end of the season.

246. Here is your return for this month. In the first place we will take the first ticket, No. 9468, second class, from Montreal to Point Lévis, on account of St. George's Society: rate one-half; when it is half rate, you return the rate as half. The next ticket is on account of Inch Arran: return rate, "nil." Now, if you return the St. George's Society ticket as at half rate, and the Inch Arran ticket as "nil," and you say it is the same thing? I say they are the same thing. When the St. George's

Society come to us we give them, for the poor people they wish to send away, half rates, the same as the Grand Trunk does. But in the case of the Inch Arran House there was an understanding that the tickets were to be issued at half rate, as required, on the order of the employment agency, or the manager, and they were to be paid for at the end of the season. In the meantime they were reported to the audit office as "nil," to be accounted for and subsequently paid.

247. Who arranged to pay for them at the end of the season? The manager of the hotel.

248. Who was the manager of the hotel? Mr. Roderique. He asked me to issue these tickets, and at the end of the season to render the account and they would be paid for. He said: "I shall be wanting servants from time to time, and I will telegraph up for them, and on the presentation of the telegrams you will issue tickets, and I will settle for them at the end of the season."

By Mr. Chapleau :

249. Did you agree to that? I agreed to that.

250. Did the Grand Trunk agree to issue tickets on the same conditions? They did. I wrote asking the general passenger agent if they would, as usual in such cases, and he agreed.

By Mr. White (Renfrew) :

251. They were issued over the Grand Trunk the same as over the Intercolonial? Yes, and were all paid for in the same way.

By Mr. Davies :

252. Who owns the hotel? I believe Mr. Schreiber owns the hotel now.

253. Has Mr. Pottinger anything to do with it? Not to my knowledge; I don't think so.

254. Who was the owner of the hotel when Mr. Roderique made this arrangement? I believe the same proprietor; he can answer for himself.

255. Whose handwriting is that on the document: "pay half fare to the Grand Trunk"? That looks like the writing and the initials of Mr. Pottinger.

256. You have no doubt that it is his? I have no doubt.

257. That means that the Intercolonial Railway was to pay half fare for these tickets at the time? Not at that time.

258. Were not they to credit the Grand Trunk with these tickets? In the usual course when they made settlements. I would say yes, at the time, this is dated 11th July.

By Mr. McLelan :

259. You speak of the usual course, what do you mean by that; is there a custom respecting hotels similar to what you pursue? When I say in the usual course, I mean in the usual course of settlement between the Intercolonial and the Grand Trunk. You asked me if there is a usual custom with respect to hotels. I answer yes. This system has been followed for years past in the case of the St. Lawrence Hotel, Cacouna; the tickets are issued at half rates.

By Mr. Davies :

260. On the application of any owner or proprietor of a hotel, you issue them do you? I have not been required to do it for any other hotel except for the St. Lawrence Hall, Cacouna.

261. Mr. Pottinger's order on the face of that return of yours, you understand to mean that the Intercolonial was to credit the Grand Trunk with half the fare at the time? Half of their fare; instead of paying them \$5 to pay them \$2.50.

262. At the time? I do not know; but in the course of settlement.

263. Did Mr. Roderique ever come to you and pay for those tickets? Mr. Roderique did not pay.

264. Who is the individual who did pay for them? I made out the account and sent it down to the general passenger agent and requested him to get a settlement with the hotel.

265. When? At the end of 1885 season.

266. When was that? It might be at the end of the year; I could not say positively.

267. Was the issuing of these tickets discontinued in July; were there more issued in August? There were some issued in August, I believe.

268. Look again and see? I could not tell.

269. Can you tell me the date when you made out the account and requested the agent to recover the money? I cannot tell the exact date.

270. Was it before the end of December in that year? It was before the end of December.

271. How long before? I cannot tell; I know that payment was made. I cannot tell you without the papers.

272. Where are the papers? I have some memoranda at my hotel.

273. Where is the account you rendered; you think it was in the month of December? I think the account was rendered before December.

274. It was not rendered, at any rate, until after the season was over? Until after the season was over.

275. Until Cormier was dismissed from the employment of the Intercolonial Railway? I could not say that.

276. He was dismissed on 27th October? I could not tell you whether it was before that or not.

By Mr. Chapleau :

277. That account was not sent in on account of the dismissal of Cormier? I did not know anything of his dismissal until two or three months ago. I read it then in the newspapers. I never knew him at all.

By Mr. Davies :

278. Did you receive any written instructions from any of the officials of the Department with reference to these tickets during the season? I cannot say that I did.

279. You will not say that you received any verbal instructions, and I ask you did you receive any written? There was a verbal understanding at any rate.

280. Whom was it with? With the general passenger agent.

281. Who was that? Mr. Busby. I could not tell whether I had written instructions because I would not retain them in my possession. They would be sent to the audit office.

282. How long have you been in the employment of the Intercolonial Railway? Ten years.

283. Do you know anything about the construction of the Inch Arran Hotel? In what respect?

284. In any respect? I have often advocated that a hotel should be built about midway between St. John and Quebec in order to attract business for the road. On every occasion, and upon every opportunity, I used to advocate this, because I found that without it we could not get passengers down for any long distance over the road. We could send them down as far as River du Loup and Cacouna. The farthest we could send them was to Little Métis; but there was very little accommodation there. At all events this hotel at Dalhousie was lower down the road and we derived, from every passenger going there, three times the amount that we derived from passengers going only to River du Loup.

285. Is that all you know about it? If there is anything else you want to know I will be glad to tell you. I may know it in a general way.

286. Who got the hotel under way? The party who commenced to build the hotel was a Mrs. Grant.

287. Were you detained at the hotel or sent to the hotel in the summer of 1883 or 1884 to examine the accounts of the hotel? I was not. I took Mrs. Robinson down there, and while I was down there I found the hotel in a miserable muddle. There were ladies with large families there and gentlemen and it was expected that within twenty-four hours the whole place would collapse. There was no place for them to go to. I endeavored to get them to remain and went to the office and took an interest in the place during the few days I was there.

288. Did you make up the books and accounts? Some parties wanted to pay and I made up their accounts in the office and handed them over to the manager.

289. You acted as a friend? I was a guest at the hotel and paid my board.

290. You had nothing to do with it? No.

291. Nor do you believe that Mr. Pottinger had? No.

292. But Mr. Schreiber had? I did not know that he had.

293. Do you mean to tell this committee that Mrs. Grant built that hotel? I do not know.

294. Do you know who built it? I do not know.

295. Do you know where the material to build it came from? I do not.

By Mr. Bowell:

296. Did you go fishing there or playing ball, we may as well have all the particulars? I was only there a few days.

By Mr. Davies:

297. And you spent those few days in making up the accounts? I did not say that. I do not think you should put words in my mouth.

By Mr. McLelan:

298. Have you any interest in that hotel? None whatever, no personal interest in it, my only interest in it was a railway man's interest in an enterprise advantageous to his road. I was anxious to induce people to go there because I knew we would get a revenue out of it, and the railway have derived thousands of dollars in having a sea side resort there instead of nearer Montreal.

298a. It is very important to the railway that there should be hotels near the sea side? Yes, Sir, and I think I can say without exaggeration that if we had more we could fill them all.

298b. Is there anything done in connection with this hotel different to what is done as regards other hotels? The same thing is done by other railways, and the same thing is done with reference to the St. Lawrence Hotel, Cacouna, half rates for the double journey.

298c. And the Grand Trunk consents to this arrangement? Yes, I was myself in communication with the general passenger agent of the Grand Trunk on the subject, and he consented with pleasure.

298d. The Grand Trunk willingly agrees to this as being in the interests of the road? Yes, Sir.

299. In returning tickets as "nil," you say your understanding of it was that they were to be hereafter accounted for? Yes.

300. And you believe they were accounted for? I know the money was paid.

301. Can you give the date when it was paid? For the season 1885?

302. Yes; for 1885? I received the cashier's receipt for the money on 4th December, 1885; and it appeared in the December returns for 1885.

303. That was for the season of 1885? Yes.

304. You mentioned a short time ago, that in going over the accounts of 1884, you found a number of tickets not settled for? The remark I made was this, that I saw a published statement in the newspapers of a number of tickets not accounted for. I should imagine they would represent upwards of a thousand dollars. There were tickets to all points; one hundred to Dalhousie; one hundred and fifty to Dalhousie and return. It was stated that they had not been accounted for. An investigation

was made to find out if, by any possibility, a slip had been made, and we found that these four tickets of 1884 had been overlooked at the general office.

305. And the others, for 1885 were accounted for in December? Yes; at the close of the season.

306. Do you call that the end of the season? Don't you think you allowed three or four months to elapse? They allowed sufficient margin, I admit, but there was no intention that they should not be paid for.

307. Was the man who made the understanding there to pay you? Did he pay you? He did not pay me personally.

308. You had no understanding with anybody else? To whom did you send the account? To the general passenger agent. He acknowledged the receipt of it, and the cashier sent me a receipt for the money.

By Mr. Langelier :

309. Was the same thing done for the St. Lawrence Hotel, at Cacouna? It was for years.

310. Tickets issued without cash and to be paid for afterwards—not in my office, but the office of the agent of the Grand Trunk, Mr. O'Brien's? They have been getting tickets at Mr. O'Brien's for years, and the practice is to do so.

311. I understand you to say that these tickets were out at half rates? They were reported "nil," and the cash was paid for them afterwards.

312. That explanation does not accord with the meaning of the word "nil"? I did not use the word "nil," myself.

By the Chairman :

313. You did not use the word "nil," yourself? No; and I would not have used it myself.

By Mr. Mulock :

314. Were those four or five tickets in 1884 partly over the Grand Trunk, or entirely over the Intercolonial? They were partly over the Grand Trunk; there were Grand Trunk tickets issued in connection with them. The Grand Trunk were never paid any more than the Intercolonial. They overlooked them, as we did.

315. When were they paid for their portion? I could not tell you. The arrangement was made in the general offices.

316. Were they paid? I cannot say. I have nothing to do with the settlements between the two roads. I am responsible to the general office only. If I do wrong, I am responsible to the general office.

317. You issued, in connection with those four or five tickets in 1884, corresponding tickets over the Grand Trunk? I did.

318. Who accounted to the Grand Trunk for their share of these four or five tickets? I do not know; I reported the matter to the general office. The general agent can give information on that point.

319. Is he here? Yes.

320. When did this hotel close its business in 1885? I think it would be the end of September before they closed up.

321. Does the passenger traffic close about that time? To the seaside resorts it does, though a few go later than that to close up their cottages, and some come back in October.

322. Do you think this hotel closed about that time? Yes, about that time.

323. So that you must have ceased to issue tickets about the end of September? Yes.

324. Did you issue any of this kind later than July, 1885? Oh, yes, we did.

By Mr. Davies :

325. How many? I do not know; I have no particulars here, but the account will show. I can produce a copy of the account if necessary. I think I call to you the number from memory—twenty tickets Intercolonial, and twenty-two Grand Trunk connection tickets altogether.

326. What officer would be able to explain to us how the Grand Trunk was accounted for? Mr. Bruce, the auditor.

By Mr. McLelan :

327. How long have you been ticket agent at Montreal? I have been in the business for twenty-two years.

328. Before your connection with the Intercolonial, was the same system followed by the Grand Trunk? I was not with the Grand Trunk.

329. How long have you been issuing for the Intercolonial? Ten years—since the road opened through.

330. And during that ten years, in regard to seaside hotels, the same system has prevailed? Always. The tickets were never paid for at the time they were issued, on the order of the manager. They were paid for at the end of the season.

By Mr. Davies :

331. Were there any other free tickets issued? There were no other free tickets issued, except one to the newspaper correspondent.

By Mr. Howell :

332. I thought I understood you to say, a dozen times, that these were not free tickets? Yes, I did not quite understand Mr. Davies. These were not free tickets; they were not intended to be free.

By Mr. Mulock :

333. How did it come that these tickets of 1884 came to be unpaid for so long? I cannot tell you. They were overlooked by the general office, I suppose.

334. How was the discovery made? I tried to explain that before. A statement appeared in a newspaper that there was a tremendous defalcation. An investigation was made. We did not believe there was a possibility of anything having been overlooked. We found, however, these four tickets. The whole thing means \$17; that is the whole of this hundreds or thousands of dollars' defalcation.

By Mr. Davies :

335. You are the only one who has spoken of hundreds of thousands of dollars? I said hundreds or thousands; I think the figures were twelve hundred.

336. You led me to believe a little while ago that you voluntarily made up the accounts at the Loch Arran House as a mere matter of kindness as a guest? Not as a guest, but as having an interest in the railway.

337. Were you not indignant at being kept there to make up the accounts? I was not indignant, but I felt that it was a job that was not congenial to me. There was a crisis at that moment. The house was about to fall to pieces; the people were going out and there was no one to attend to them. I turned in, as any other railway man would, who had an interest in the road.

338. At whose instance? Of my own accord.

339. Did you not express yourself as being indignant at being kept there? I do not think I did. No one kept me there.

340. Were you requested by anyone to do it? I do not think I was.

341. You just did it as any railroad man would? As any railroad man having an interest in his road, and the guests being people whom he had sent there.

By Mr. Mulock :

342. You had no interest in the hotel? Not the slightest.

By Mr. Howell ;

343. You have no interest in the tickets you sell? Not at all.

344. You are under salary? I am under salary. The only interest I have is to sell as many tickets as possible.

The Committee adjourned.

FRIDAY, 30th April, 1886.

The Public Accounts Committee met ; Mr. RYKERT in the Chair.

ARTHUR BUSBY, called and examined :—

By Mr. Davies :

345. Have you the papers that you produced yesterday ? No, Sir; the chairman has them.

346. What position do you occupy on the Intercolonial ? I am general passenger agent.

347. You have held that position, I suppose, for some time ? Yes, Sir.

348. Do you remember of tickets having been issued in the summer of 1884 for the Inch Arran Hotel ? There were some tickets issued in that year for servants of the Inch Arran Hotel.

349. You were aware of the fact of their being issued ? Oh, yes, Sir.

350. Did you authorize them yourself ? I authorized the auditor to receive the report of the tickets at the time, and in the month they were issued, in order that the return for that month might be cleared in the audit office and the account for that month settled up.

351. The four or five tickets that were issued in 1884 you authorized the auditor to pass them as returned "nil" ? Yes.

352. And that return shows the tickets to be reported "nil," which means that he did not send any money to you for them ? No.

353. Practically they were free tickets at the time ? At the time.

354. Did you do that of your own notion ? Yes, entirely, on my own authority ; and on the authority I have as general passenger agent.

355. I do not know whether you did it after consultation with Mr. Pottinger, the general manager, or not ? No, there was no necessity for doing it at that time, because the rate had not been settled on, and that authority that was given on the 8th of September was merely to clear the report for the month, in order that the month's business might be settled up.

356. Had the passenger agent issued these free passes before you gave the authority, or afterwards ? Before.

357. Mr. Robinson did it first, and then you authorized it ? Yes.

358. And when he issued them you were not aware of it ? Mr. Robinson is general agent for the road at Montreal. He is in a different position from the ordinary station master.

359. He has authority to do such things ? Yes.

360. And you ratified it afterwards ? Yes.

361. Have you authority to issue free passes on the road ? Not to issue passes unless in connection with the passenger business.

362. Do you ever ? Do you mean do I ever issue tickets ?

363. Authority to the conductors to pass a man over ? I have the authority to issue a pass in connection with the passenger business.

364. Have you issued passes in 1884 or 1885 to persons for the Inch Arran Hotel ? I have no present recollection of doing so.

365. Who issues free passes besides you ? The heads of departments.

366. There will be only a few ? The general officers, in their own departments.

367. Who would they be ? The general manager, the general superintendent, the chief engineer, the mechanical superintendent, myself and the general freight agent.

368. They would all have authority to issue free passes ? In connection with their own departments.

369. They could give passes to people going to and coming from the hotel if they wished ? I presume so.

370. You don't recollect having done so ? I do not.

371. Are you clear enough to say that you did not? Yes, I think I can say that I did not, for I have no recollection of having done so.

372. In the summer of 1885, and in the months of June and July, a number of tickets were issued at Mr. Robinson's? Yes, to servants of Inch Arran House.

373. And to employés? No, not to employés.

374. Well, it is only a similar term; employés would be servants? I thought you meant employés of the railway.

375. No; railway employés go free? If travelling on railway business, of course.

376. I see some of the tickets produced here by Mr. Cormier, and issued on account of Inch Arran, have the name of the person to whom they were issued upon them? That may be.

377. And some have not the names? Yes.

378. Would they all be issued to servants? All the same—issued to servants.

379. How do you know they were servants who used these tickets? I presume they were from the fact that Mr. Robinson told me they were for servants.

380. I see the names on the tickets are evidently those of servants? It is not probable that the manager of the hotel would pay for the general public going to his hotel.

381. The returns which Mr. Robinson made do not show for what class of people these tickets were issued. Just look and state whether it is so or not. Of your own knowledge you do not know who used these tickets? No, I do not.

382. From the face of the return which came under your notice could you ascertain at the time? I can show you the account Mr. Robinson rendered.

383. I just wish to ask you with reference to those issued in June. The document which Mr. Robinson forwarded to the head office in June for that month's tickets, and in July for that month's tickets, did not, on the face of it, show to whom, or for whom, those tickets were issued? It might not; I cannot say. They were issued to "Dalhousie, Inch Arran House."

384. Now, there could be no objection to your answering my question whether from the face of that document, you can gather for whom, or for what class of people, these tickets were issued? This does not say.

385. Therefore you had no knowledge at that time to whom they were issued? I believed they were issued to servants of the Inch Arran House, or certainly they would not have got my authority.

386. When Mr. Cormier went to you at first did you give him authority to pass the return? I want to state that Mr. Cormier never came to me. I never had any communication with him. His statement in that regard is incorrect. When I give authority I give it to the agent who issues the ticket or to the auditor. I have nothing to do with clerks in matters of that kind.

387. Is that authority given by you? (See Exhibit E.) Yes, that authority is given by me.

388. Just read it? "Mr. Bruce, please accept Mr. Robinson's report of these tickets, as per this memo., for the present."

389. You see that each of these tickets is marked "nil" on the return which you authorized to be accepted? Yes.

390. You were aware that Mr. Bruce was to accept this return without any pay? Yes.

391. It is the same in July? There is no question of his having authority to accept the return. It is admitted.

392. Now, look at the original document again, and tell me if that is Mr. Pottinger's writing upon it? Yes, I believe it is.

393. That refers to some of the tickets on that return of Mr. Robinson's? I presume so.

394. You are an official of the road, and this document comes from your office, and it contains a memorandum from you to pass it? Yes.

395. I want to know what the meaning of it is? It means that we are to accept half fare on these tickets.

396. Read it, and see what it means? "Pay half fare."

397. What does it mean? Does it mean that you are to pay half fare to the Grand Trunk or not? No; it means that Arran House is to pay half fare on these tickets.

398. That was not put on at the time the return was made? No, afterwards—when the memorandum was taken to Mr. Pottinger for his authority as to what rate the tickets were to be reported on at.

399. Is it not a curious thing that this is only marked on the Grand Trunk issue, and not on the Intercolonial issue at all; that it is confined to the Grand Trunk issue, and there is no such mark on the Intercolonial issue? It is not necessary to put it in two places, I presume. One is enough, if it is understood what it refers to.

400. Is that to you or to the auditor? It is to me. I think I recollect taking that to Mr. Pottinger myself, and his putting that on; and the understanding was that the tickets were to be reported out at half fare.

401. You had no understanding with anyone at the time you gave this memorandum to Mr. Bruce to accept Mr. Robinson's report free? None whatever.

402. Can you tell the date Mr. Pottinger put that on? It shows the date there.

403. I see "December, 1885," is put here in pencil; what does that mean? I do not know; I do not know whose figures they are; I did not put any memorandum there.

404. Do you know when these tickets were paid for? I believe they were paid for.

405. I do not want to know what you believe, I want to know what you know? Then I cannot tell you.

406. Who can tell me when the tickets were paid for? The auditor, Mr. Bruce.

407. Therefore you cannot tell by whom the money was paid? No.

408. You have no knowledge yourself of the Inch Arran Hotel business? None whatever.

409. It is no use my asking you, then, any question about the ownership? I have no personal knowledge. I believe Mr. Schreiber is the proprietor.

410. Do you know Mr. Hillson? Yes.

411. What position does he hold on the road? There are two on the road.

412. Do you know which Mr. Hillson has been a good deal about the Inch Arran Hotel? Mr. Charles Hillson, I know, has been at Dalhousie.

413. What position does he hold on the road? I believe he is inspector of buildings.

414. Has he been inspector long? I cannot tell you.

415. Who will be able to tell about that? Mr. Bruce, the auditor.

416. I understand you to say that when you gave the order to Mr. Bruce to accept these reports you had had no previous conversation with anyone? I had had no previous conversation with anyone.

417. Had you ever given similar authority regarding any other hotel on the road, to Mr. Robinson? Not to Mr. Robinson.

418. I want to know whether Mr. Robinson ever issued similar tickets before? Other tickets have been issued to other summer resorts at the same rates over the Intercolonial, by the agent of the Grand Trunk.

419. We are not examining the Grand Trunk at all; we are speaking of the Intercolonial? It affected the Intercolonial, because the rates were the same over our line.

420. Do you know whose writing that is on the tickets—that mark "nil?" No, I cannot say; I do not know the handwriting.

421. Did Mr. Robinson correspond with you? He did.

422. And you corresponded with him? Yes.

423. And this is a letter you gave Mr. Robinson? Yes.

424. Will you read it? It is dated 8th September, 1884: "G. W. Robinson, Esq., Agent I.C.R., Montreal, Dear Sir,—This will be your authority to auditor for "free report of the following tickets: Local Book, No. 2983, Point Lévis to Dalhousie "and return; Local Book Nos. 1459 to 1462 (4) Point Lévis to Dalhousie; Local "Book, 1464, Point Lévis to Dalhousie; also ticket No. 291, Dalhousie to Point Lévis."

425. That does not appear to me to be quite consistent with the statement that it was to be half fare. That is an authority to give a free report, and you wish me to understand that half fare was to be paid? On the 6th of October I wrote Mr. Robinson as follows:—"Dear Sir *re* yours of 2nd October, and authority to issue tickets to Dalhousie at half rate, on account of Inch Arran House. If you will send me an account for these tickets I will see that the money is remitted you." (See Exhibit F.)

426. The date of the other letter is the 8th September, 1884? Yes.

427. Now, will you produce Mr. Robinson's letter, to which this is an answer? I have not got it.

428. Is it not on the files? I haven't it.

429. Who has it? It will be in my office in Moncton, I think.

430. Why did you not bring up the letter to which it is an answer, seeing that you brought this? This covers the question.

431. It does not cover the question. Do you wish me to understand that this letter qualifies or alters your letter of the 8th of September? Certainly.

432. That letter says: "This will be your authority to auditor for free report of the following tickets." Now, does this letter of 6th October refer to these tickets? Yes it does.

433. You say in your letter of 6th October, "*re* yours of 2nd October, and authority to issue tickets to Dalhousie at half rate, on account of Inch Arran House. If you will send me the account for the tickets I will have the money remitted you." What did you mean here by having the money remitted to him? There would be no money to remit to him? I would see that the account was paid.

434. What had you to do with remitting money to Mr. Robinson? It was an account for which I had given him authority, and when he sent the account to me, I would see that it was settled.

435. What possible interest could you have as general ticket agent of the Intercolonial in remitting Mr. Robinson money for tickets? Did you ever remit him a dollar? Yes, I have.

436. For those tickets? No, I did not for those tickets.

437. How is it you did not? The fact is, with regard to these five tickets in 1884, that the papers got mislaid and the matter dropped out of mind altogether in my office. Nothing was done until the 6th of February, when the matter was brought up in the newspapers. Then, looking over the matter, I found that the tickets had not been paid for. They were at once paid for, the money being paid by Mr. Pottinger.

438. To whom would Mr. Pottinger pay it? Through Mr. Robinson, or to the treasurer, I cannot tell you which. But I understand from the auditor that the accounts for these tickets has been paid.

439. He remitted the money either to Mr. Robinson or to —? The treasurer.

440. I cannot see, then, what you would have to do in remitting Mr. Robinson money for tickets? If I asked him to send me an account, I would see that the account was paid.

441. Would you remit him money? I had no money to remit him.

442. If he reports to you at Moncton, and you give the auditor authority to pass his report, and the report is accepted, the money afterwards paid would not be paid to Mr. Robinson, but into the Intercolonial office? It would be paid to him, and he would charge himself with those tickets at the amount for which he was to report them.

443. Although his report was gone over months before, and had been passed by the auditor? Certainly, that was only to clear that month's tickets. This is precisely what was done in regard to the tickets in 1885.

444. Tell me how that was done in 1885? Here is the account (See Exhibit G).
 445. This was made up when? On the 28th November.
 446. At whose instance? It was sent to me by Mr. Robinson for collection.
 447. Who wrote to Mr. Robinson to send it? I cannot say whether I wrote to him or not, or whether he sent it of his own accord.
 448. What date is this?—I cannot find the date. Is this a copy of the original? I believe so.
 449. I understand that Mr. Robinson furnished an account to the Intercolonial Railway, or to your office; where is that account? I cannot tell you; Mr. Pottinger could tell you.
 450. You cannot tell me where that account is, but you think Mr. Pottinger can? Yes.
 451. And you only produce here what purports to be a copy of the account; this document is a document supplied you by Mr. Robinson since you came here? In Montreal. I am personally aware, though, that that account is paid, because I handed the money to the treasurer on the 3rd December.
 452. This account, which Mr. Robinson handed you in Montreal, does it, or does it not contain, on its face, any date? I do not see any date on it.
 453. The original account supplied to you, you do not produce? No, because I have not got it.
 454. But you think Mr. Pottinger has? I will ask him to produce it now. Will you produce the original account, Mr. Pottinger?
 Mr. Pottinger.—It was receipted and sent to Mr. Schreiber, and he has it at his house.

Mr. BUSBY's examination resumed.

By Mr. Davies :

455. Did you pay to anybody this money? Yes, to the treasurer.
 456. What is his name? Mr. Williams is the treasurer. I received the amount from Mr. Pottinger.
 457. That was how many weeks after Cormier had been discharged? I do not know anything about his discharge.
 458. Oh, but you do know? I do not know anything about the date of his discharge. He was not employed by me. He was not in my office.
 459. Mr. Robinson puts in a letter, which he says accompanied the account (Exhibit "H"):

" 25th November, 1885.

" DEAR SIR,—In accordance with your letter of the 23rd inst., I enclose accounts for tickets issued during the past season to servants of the Inch Arran House. You mention that chief superintendent agrees to accept same rates as for other hotels, and as the Grand Trunk Railway presumably with your consent ticketed servants of St. Lawrence Hall, Cacouna, at half the return fare, viz, \$4.13, I have accordingly made out the account on same conditions. As before advised you, I arranged with Mr. Edgar, Grand Trunk Railway, to accept as their company's proportion \$2.50 (servants' return tickets account, Inch Arran House).

" Yours truly,

" G. W. ROBINSON,
 " Eastern Freight and Passenger Agent.

" A. BUSBY, Esq., General Passenger Agent, I. C. R., Moncton, N.B."

Evidently you had written him? Here is the receipt from the cashier for the amount. (See Exhibit "I.")

460. You say you received the money from Mr. Pottinger, and you handed it to the cashier; that is sufficient for my purposes. Mr. Robinson writes "in accordance with your letter of the 23rd." You evidently wrote Mr. Robinson for the

account, and I want to know who instructed you to do it, and where the letter is. I am instructed, and I recollect that it was four or five weeks after Cormier's discharge before the account was written for. I want to know who instructed you to write for it? No one.

461. Will you produce the letter you wrote? I cannot; I have not the letter here.

[Letter produced by Mr. Robertson, (See Exhibit J). Mr. Davies reads the letter.]

"MONCTON, 23rd November, 1885.

"DEAR SIR,—*Re* tickets supplied servants of Inch Arran House last summer Chief superintendent has decided that we will accept for above same rates as other hotels, viz.: half local first class fare.

"Auditor has been advised that you will report these tickets at above rates. Please send me an account for any tickets supplied servants of Inch Arran House, when money for same will be sent you.

"Yours truly,

"A. BUSBY, G. P. A.

"G. W. ROBINSON, Agent I.C.R., Montreal."

462. Is this the account enclosed in that letter, \$152.60; is that half rate? Yes, Sir.

By Mr. Bowell:

463. Do I understand you to say that the same practice in reference to the issue of tickets at half fare for the Inch Arran Hotel prevails for other summer resorts along the Intercolonial Railway? It has, for a great many years, in regard to the St. Lawrence Hotel, Cacouna.

By Mr. McLelan:

464. I understand you to say that the Grand Trunk issued tickets on the same terms as the Intercolonial? They issued tickets for the St. Lawrence Hall, Cacouna.

465. For the distance you carried these passengers what did you receive? Half rate, the same as for the servants carried for the Inch Arran Hotel.

466. Then when the Grand Trunk issued a ticket at half rate, you received half rate for the distance you carried? Yes, precisely.

467. And when you issued tickets you paid the Grand Trunk half rate for their share? Yes.

By Mr. Ives:

468. You were asked why you should remit the amount of this account to Mr. Robinson. Mr. Robinson was the agent in Montreal who issued the tickets? Yes.

469. As a matter of railroad practice the agent who sold tickets is the proper party to whom the money is to be remitted? Yes, in order that he may charge himself with the tickets.

470. He accounts for the the value of those tickets, whether they are half fare or at full rates? Yes.

471. And that would be the proper and regular channel through which to remit the money? Yes.

By Mr. Davies:

472. But as a matter of fact, you did not send in the money. Instead of remitting the money to Mr. Robinson, you got the money from Mr. Pottinger and took it to the treasurer? You will see that the cashier's receipt sent to Mr. Robinson was virtually the cash. It saved remitting the money to Montreal, and the cashier was in Moncton, and the money could be paid into the funds of the railway company there.

By Mr. Ives :

473. I ask you with reference to these tickets which you proposed in your letter to remit to Mr. Robinson for, if that would not be the regular and ordinary course? Certainly.

By Mr. McLelan :

374. Do you know anything about a guide book issued for the Intercolonial Railway? I do.

475. What year was that in? I think it was in 1883.

476. Did that guide book give a list of the hotels? It did.

477. What reference did it make to the hotels on the Bay of Chaleur, or on the sea coast down there? It gave a list of the hotels, I think. We published a list on the back of the book, and the different resorts along the St. Lawrence were written up in the book.

478. Was a hotel promised at Dalhousie? It was, I think, and there was an advertisement of the hotel in the book as well.

479. Was the hotel then built or not? No, it was in course of erection, or about to be built.

By Mr. Ives :

480. Could you give an idea what proportion of your travel during the summer months is made up of sportsmen, and people going down there for summer recreation? I can give you an idea of the business we have done at Dalhousie for three seasons, 1883-84-85. During June, July and August, in 1883, our business was \$768 to Dalhousie; in 1884, the first year the Inch Arran House was in operation, it was \$1,647.66, and in 1885, it was \$3,035.65. (See Exhibit K.)

By Mr. Bowell :

481. You mean the passenger traffic? Yes.

By Mr. Ives :

482. That, you would say, was attributable to there being accommodation there for tourists? To a very great extent.

483. And to the results of advertising the hotel in this guide book, and otherwise? Precisely.

484. Is it not a fact that the passenger travel on the Intercolonial is larger in the summer season than it is in the winter? Yes.

485. And that the Intercolonial is indebted for a very large portion of its receipts to summer travel? To that description of travel.

By Mr. Davies :

486. You have read a comparative statement of receipts from traffic to Dalhousie in 1883 as compared with 1884? Yes.

487. And you attribute the large increase to the presence there of this hotel? To a considerable extent.

488. Was the branch railway finished to Dalhousie in 1883? I do not think it was.

489. So that you are comparing a period before the railway was built with a period after it was built? It does not make any difference; people were going there all the same.

By Mr. Ives :

490. What about 1884 and 1885? The railway was built in 1884.

By Mr. Davies :

491. What time of the year 1884 was the branch railway finished? I cannot tell you.

492. Don't you know, as a matter of fact, that it was not finished till late in the season? I cannot tell you.

493. I have asked you in reference to the increase in passenger receipts, and I understand you to have asserted twice that this system of half fare or "nil" tickets was not extended to the guests of the hotel, but was confined to the servants of the hotel? Precisely; there never was a passenger ticket, that I am aware of, issued to any guest or to any servant of the Inch Arran House free.

By Mr. Bowell:

494. Was not that branch opened on the 20th June, 1884? I think it was some time early in the summer.

By Mr. Wood (Westmoreland):

495. You refer to a letter asking for an account from Mr. Robinson; I understand that refers to an account of the tickets issued in 1884; the letter was dated October, 1884? That letter is on the file.

496. You do not know whether that account was furnished or not? I cannot say.

497. Those tickets, I understand from you, were not paid for until the present year? Not till February.

498. Had the Grand Trunk any interest in those tickets? Yes.

499. When did they get their proportion? At the same time that the Intercolonial got theirs.

500. Not till 1886? Not till 1886. Curiously enough the Grand Trunk overlooked the account also.

By Mr. Mulock:

501. You know it to be a fact that the Grand Trunk did not get their proportion until February 1886? No, not until the Intercolonial got theirs.

By Mr. Davies:

502. Do I understand you to say that the Inch Arran Hotel, before it was built had been advertised on the Intercolonial hand bills? No, the advertisement was inserted in the Intercolonial guide book. It was circulated during the winter of 1883-84.

503. Have you one of these with you? I have not, but I can get you one.

504. Was there any other hotel in the maritime provinces advertised besides the Inch Arran House? There were a large number of hotels advertised.

505. You did not advertise any of the Shediac hotels? I cannot say whether the Shediac hotels were advertised or not.

506. I want to know, because it is curious if the Inch Arran Hotel was advertised alone? Oh, it was not; there were a number of hotels. There were hotels at St. John and Halifax.

507. I am speaking of seaside hotels? I cannot tell you exactly the number. The book was published by contract from the hotels and the advertisements were solicited.

By Mr. White (Cardwell):

508. There were hotels at Bic Matane, Little Métis and at Cacouna? Yes.

Mr. J. R. BRUCE, called and examined:—

By Mr. Davies:

509. You are the auditor of the Intercolonial Railway? Yes.

510. Do you remember Mr. Cormier being in your department? Yes.

511. When was he discharged? I think he was discharged in October.

512. The 27th October, 1885? Yes.

513. Do you remember before his discharge his coming to you in reference to Robinson's returns for the months of June and July, 1885? He may have. I have no distinct recollection. It is quite usual for the clerks to come to me.

514. Have you any recollection with respect to any of these returns of a number of "nil" tickets? The only knowledge I have of them is what is derived from the return to me.

515. Do you remember the return at the time? Yes.

516. Do you remember that the return contained the word "nil" with reference to those tickets? Yes.

517. What did you do with reference to them? Did you accept the report? Yes, Sir, when I got the authority.

518. But before you got the authority, what did you do? As soon as I got the authority that was sufficient for my purpose, and the report was filed.

519. When you got Robinson's report, did you understand he was authorized to sign all the returns and mark the word "nil" for the fare, or did you go to anyone to get the authority? In cases of that kind, where the tickets are not reported regularly, I either myself get the authority or depute one of the clerks to get it.

520. In this particular instance did you yourself go and get it, and if so to whom did you go? Did you go to the general superintendent? I don't remember that I went to anyone about those tickets particularly.

521. Perhaps you will kindly look at the return itself? I remember the return.

522. Is that the document? These are the documents and authorities.

523. That was the document sent to you at the time, by Mr. Robinson? It was not sent at the time. It was sent the following month. The June issues were covered by the authority dated July, and the July ones, by the authority dated August.

524. You got authority from Mr. Busby? Yes, Sir.

525. That was sufficient for you? Yes.

526. Did you hear anything of it after Cormier left? Were there any disclosures? There were some disclosures made in the papers. With regard to the tickets for June and July, 1885, even when Cormier was in the office, correspondence was going on for the settlement of them.

527. What do you mean by correspondence? Well, there were letters passing between—

528. Will you produce them? Yes. Here is the copy of a letter sent by me to Mr. Robinson, dated 25th November, 1885. "In re yours of 10th instant and Inch Arran tickets, Mr. Busby advises that we are to accept as Intercolonial Railway *pro* half local first class. You will please report accordingly in November. Also report in 'through' the Grand Trunk Railway feeders at rate agreed upon (\$2.50)."

529. You say that is after Cormier left the office? Yes.

530. You say that when Cormier was in the office, correspondence was passing—I ask you to produce it now? I should correct myself. I should have said that while Cormier was there, correspondence was going on with respect to the 1884 tickets in 1885, and that same correspondence is what Mr. Busby tells you were mislaid.

531. There was correspondence with regard to 1884? Yes.

532. Now, you produce this letter dated 4th November, 1885. That is some days after Cormier left? Yes.

533. This is a letter from you to Robinson? Yes.

534. I will read it. "The Grand Trunk Railway are asking for the report of tickets 1542, 1543, &c., to 3006. These were reported by you 'nil Inch Arran House' and are shown in the same manner by the report of the Grand Trunk Railway. Please advise me what is the arrangement for settlement." So you wrote him that the Grand Trunk was demanding or requesting a report for these tickets? Yes.

535. That was after Cormier left the office? Yes.

536. That is the first time the correspondence took place? Yes.

537. It was owing to the Grand Trunk requesting settlement for their share of the tickets that you wrote Mr. Robinson? Not necessarily. The clerk who had this special work in hand in 1885 was taken ill. He was confined to his house for two months, and it was immediately on his return to the office that this correspondence

t
 look place. He has the special duty to perform and it is hard to get any other clerk to do it.

538. It was immediately on his return? Yes, immediately on his return to the office.

539. He had to arrange the proportion of the fares? Yes.

540. Does your office audit all the accounts? Yes, that is the accounts appertaining to the revenue of the road.

541. Do you know anything about the building of the Inch Arran Hotel? No, nothing about it.

542. Or about the freight carried to it? No.

543. Who would be able to give information about the building? It depends upon what information is required. I can give you some slight information.

544. For instance, if I wanted to know the freight paid for the carriage of material for the Inch Arran Hotel? I can give you the information.

545. How can you give it? Have you the documents? Yes, I have got the files. If yours is a general question I can answer you; but if you refer to a particular consignment, I shall have to look it up.

546. If you can answer the general question in a satisfactory way, why, answer it. What general answer do you want to give? I can produce the several returns, but I want to know which of them you require.

547. What I want to ask you is, whether you have any returns with reference to lumber sent from Amherst? Yes, I have them. Here are copies of the bills. Of course, the originals are filed away. (See Exhibit L.)

548. Where are the originals? They were filed at Dalhousie station, but the station was burnt down and they were destroyed.

549. Well, take one in your hand. That is a weigh bill? Yes, Sir.

550. Who is the consignor? James Caird, sen.

551. Who is the person to whom it is consigned? Charles T. Hillson.

552. Who is Charles T. Hillson? He is the inspector of buildings on the Intercolonial Railway.

553. He is a Government official? I think so.

554. You know he is? I have no official knowledge.

555. Don't you pay his account? No, Sir.

556. Don't you pay his account monthly? No, Sir.

557. Don't you audit the payment sheets? No, Sir.

558. Not in your department? No, Sir.

559. Have you the slightest information? No, Sir.

560. This Chas. T. Hillson, you are very doubtful whether he is or is not the inspector of buildings? He is, I believe.

561. Have you the slightest doubt about it? I do not know that I have any doubt about it, but I don't know it officially.

562. This lumber was consigned to Chas. T. Hillson, the inspector of buildings? Yes, Sir.

563. What had he to do with the building of Inch Arran Hotel? I cannot answer that question.

564. Will you look at the next one? That is the same consignee. I think they are pretty much all the same.

565. So that all the weigh-bills you produce of supplies for this hotel were consigned to Hillson, at Dalhousie? There may be an exceptional bill consigned to the proprietor.

566. There is one Intercolonial Railway care of McLellan? That was consigned to the track master, and was material for the hotel, which was charged for.

567. So that where it is not consigned to Hillson it is to another official of the road? Well, there are two Hillsons, and this one is the track master.

568. Where did this lumber come from? The lumber was sent to the inspector of buildings from whom? Well, the bills themselves should give the shipper, but I

believe, to the best of my knowledge, that the most of the lumber was shipped by Rand, Currie & Co.

569. But as a matter of fact the name of the sender is left blank? There is no design in that.

570. I don't say there was any design. But as a matter of fact it was consigned from Currie & Co., was it? I know nothing more than that, except that they carry on a general manufacturing business at Amherst.

571. You know that they have a contract with the Government for supplying material for St. John station? Yes, Sir.

572. So that the contractor, for supplying the material for the St. John station, forwarded the lumber for the construction of this hotel, and forwarded it to Chas. T. Hillson, inspector of buildings of the Intercolonial Railway. Will you tell me what Hillson had to do with the construction of that building, if it was a private enterprise? I cannot answer that.

573. As far as the freight is concerned I understand you to say that it was paid? It is all paid for.

574. Was it all paid for at the time? It was not all paid for at the time.

575. Why was it not all paid for at the time? Because they had a running account.

576. Who had the running account, Chas. T. Hillson, the inspector, or Inch Arran House? Inch Arran House.

577. But the consignee was Hillson, one of the employees of the road? Yes.

578. Who was liable for it? Inch Arran House.

579. That is not a corporation? Well, I never troubled myself much about it.

By Mr. Ives :

580. The freight was paid? The freight was paid.

By Mr. Davies :

581. Was it paid at the time, and if not, how long afterwards? Well, the freight extended for a considerable time and there were, of course, several settlements at different periods.

By Mr. Bowell :

582. Did I understand you to say that Cormier was dismissed in October? I think it was in October.

583. Was he not suspended on the 24th of October and dismissed on the 27th November? I cannot answer that question positively.

By Mr. Mulock :

584. Can you tell us why the tickets sold in July, 1884, remained unsettled for so long? Yes, it was through an accident. The tickets were reported *nil*. The matter was immediately taken up by correspondence. The correspondence was in the hands of Mr. Busby, and it unfortunately got misplaced.

585. There is a date on that correspondence? You see the correspondence itself was lost.

586. What year was that in? In 1884.

OTTAWA, 12th May, 1886.

The Public Accounts Committee met, Mr. Rykert in the chair.

D. POTTINGER, Esq., General Superintendent of the Intercolonial Railway, called and examined :—

By Mr. Davies :

587. Mr. Pottinger, the auditor of your road, Mr. Bruce, when he was examined the other day, brought down certain weigh bills, I think you call them? Yes, we call them that.

588. Showing freight carried over the Intercolonial Railway to Dalhousie for the Inch Arran Hotel? Yes.

589. You knew about them, I suppose? I heard about them in September.

590. September last? Yes.

591. What did you hear about them in September? I heard that the freight had been sent on these bills without charges being put on them by the station master at Amherst. I learned that from the station master at Dalhousie.

592. You learned that freight had been sent free? No, but without charges being put on the bills.

593. I see that some of the bills at the time are marked free. I see it on the bills? I have never seen those bills. They may have been marked free.

594. But you learned in September last that freight had been sent on those bills without charges being put on them. Was that the first occasion you heard of freight going to the Inch Arran House without charge? Certainly, that was the first occasion I heard of it, and that came out in answer to a question of mine, addressed to the station master at Dalhousie.

595. Had you any suspicion of it? No, I had not, but I wanted to settle all the bills in connection with it, as I was paying all the money away for Mr. Schreiber. Mr. Schreiber resided here a long way from the place, and I acted as agent for paying money.

596. You do not mean Mr. Schreiber as general superintendent? Mr. Schreiber in his private capacity as owner of the hotel.

597. And you in your private capacity was acting as his agent? Quite so. If you will allow me I will give you a letter. On the 14th September, I telegraphed I was going away for six weeks, and I wished to see that all the accounts were closed up properly before I went, as the hotel was closed about the 15th or 16th of September, and on the 14th September I telegraphed (See Exhibit M) to J. McLeod, Dalhousie as follows:—"Do Rhodes & Curry owe you anything? Were the materials they brought up this year for improvements at Inch Arran consigned to them or to whom? Were the way-bills prepaid or to pay?"

D. POTTINGER."

598. That was addressed to the Station Master at Dalhousie? Yes. On the 14th September, I wrote a letter following that telegram to Mr. McLeod. (See Exhibit N.)

599. What date is that letter? 14th September, 1885. The house was closed at that time.

600. And you evidently were afraid, then, that some persons were forwarding freight to Hillson free, and you wanted to check it? No, but Mr. Schreiber, after he became owner of the house, gave me instructions in writing and verba'ly, to see that nothing was done in favor of that hotel more than any other hotel and to see that everything was kept perfectly straight.

601. Have you got those instructions in writing? I think I have, somewhere.

602. Can you produce them? I do not know whether I can or not, just now.

603. Those instructions were given to you when Mr. Schreiber took charge of the hotel, on the 13th of September; now, I have information that certain freight had been carried over that road free. You evidently must have had such information too, before you wrote that letter? No, I did not know that any freight had been carried free, but I thought that possibly there had been some mistake.

604. Why did you speak of freight to be carried to Hillson more than to any other? If you will allow me, briefly, to go into the whole thing from the beginning you will understand all about it. On the 14th of September the same day I telegraphed to him, Mr. McLeod, the station master, answered this way. (See Exhibit O.) That is his telegram. His letter of the 15th September arrived after I went away. I went away on the 16th and I did not see it until my return. (See Exhibit P.) Here is another letter I wrote him on the 15th, (See Exhibit Q.) and on 17th (See Exhibit R). Then there is a letter written to McLeod on the 15th October, 1885, about a month afterwards. (See Exhibit S.)

605. Who is that? That is Mr. McLeod, the station master at Dalhousie.
606. That is the very thing I was asking you about. Then this lumber was sent from Rhodes, Curry & Co., at Amherst, who had the contract for supplying the terminus at St. John station, to C. T. Hillson, at Dalhousie? Yes, part of the supplies.
607. And was sent on what you call "memo. bills"? Yes; you say it is marked free on some of them.
608. I turn up the bills, and I see under the head of charges it is marked free? I do not know about that.
609. I want to know whether that was so or not, and whether C. T. Hillson had any authority for carrying these things free over the Intercolonial? No, I do not believe that the station master had any authority for sending them. But, as I told you a moment ago, you cannot understand this thing without seeing it from the beginning.
610. I am not going to stop you from going to the beginning, but I just wish to have this point explained. At any rate, whether he had authority or not, the station master did send it free? The station master or his assistant, I don't know which.
611. And some lime was also sent to Mr. Archibald? Yes.
- 611½. He is another employé of the Intercolonial Railway? Yes.
612. So that this stuff was sent from the directors of the Intercolonial Railway to the employees of the Intercolonial Railway free, and it was some months before you discovered it. Now, I want to know whether or not, when you wrote some two or three months afterwards to the station master at Dalhousie to make the charges, he did not write you that he thought the station master at Amherst was the proper person to do so? Did you write to the station master at Dalhousie to make the charges in his books? I wrote what I read there.
613. Nothing else? Nothing else.
614. Did he write that he thought the station master at Amherst was the proper party to do so? No, he did not.
615. Did you write him to make the charges? Did you give him any authority except what you have read here? None whatever.
616. Or to anybody else? Not to my knowledge.
617. Do you know how he made the charges? No; I know that he did make the charges.
618. Were vouchers sent in for half freight? I have no doubt they were. The arrangement was that this hotel, with the other summer hotels, should have freight carried at half rates.
619. Then, as a matter of fact, the freight sent to this hotel was sent at half rates? Certainly; that is to say for material used for the building and furnishing of the house, but not for supplies. The supplies were charged at full rates.
620. Then the materials used for the building of the house, and for the furnishing, were to be sent at half rates? Yes, they were.
621. And you, in pursuance of that, or some person by your authority, sent him an overcharge voucher from Amherst; for this freight which had gone free? The general freight agent did.
622. Then some of the officials must have deliberately broken what they knew was the rate of the road. In fact it was an attempt to defraud on the part of some one? I cannot say why the stuff was way-billed from Amherst free, but if the station master intended it to go free he was certainly wrong.
623. Was lumber ever forwarded from Eddy's mills for the building of the hotel, and if so, at what rate? I cannot say, from my recollection now.
624. Do you recollect the fact that lumber was taken from Eddy's mills to Dalhousie over the Intercolonial Railway? I know that the original proprietor got some materials down to the place, but I do not know anything about the charges; but, if I remember rightly, some half-rate was refunded to her. I have not the particulars of that.
625. I thought you would have those particulars? I never heard of it before; but when you speak of it, I remember that she talked about getting lumber from here.

626. Who is she? Mrs. Grant, the original owner.

627. And she did get lumber from Eddy's? I do not know that she did.

628. What is your opinion? I have no opinion about it.

629. You say you do know that lumber was forwarded? I said I remembered that she talked about getting lumber from Ottawa, or somewhere. That is all I know about it.

630. And you do not know whether it went or not? I do not know.

631. You cannot tell whether it was carried over the Intercolonial or not? No.

By Mr. Bowell:

632. Was there any lumber carried? I do not know.

By Mr. Davies:

633. Your statement leads me to ask a good many questions. You say the materials for building the house were to be carried at half rate, and that the ordinary supplies were not so to be carried? Yes, certainly.

634. And that any officials who were privy, or party, to the carrying of them free, were guilty of breaches of their duty? Decidedly.

635. Well, now, in reference to this particular item, to which you refer—this item that you discovered—you seem to have had some idea or suspicion when you wrote to the station master at Dalhousie about it. Was he also instructed that a deposit had been made with the treasurer at Moncton to cover the amount? He may have been, and I have no doubt he was, because I paid the balance out of money belonging to Mr. Schreiber, that I had in my hands.

636. Then you have no doubt at all, from the fact that you paid the balance, that there was gross irregularity. Who was the man that was guilty of that? I do not know.

637. Did you ever take steps to ascertain who it was, and punish him? I have not yet.

638. Was it not a serious breach of the regulations for any official to carry stuff over the road and smuggle it free, when it should have been paid for? Yes, but still there is no doubt about getting it back, because I had the matter in my hands.

639. But if you had not discovered it, the public would have been defrauded? Certainly, they might have been.

640. Certainly they would have been; it was owing to you finding it out that the public did not lose the money. Who is the station master at Dalhousie? Mr. J. J. McLeod.

641. What has happened to him since this investigation was opened? I think he has gone to the United States.

642. He was not in the United States when this investigation opened? When I left he was not.

643. But since you left, he has gone? Yes.

644. He is the man who would know a good deal about it? He may know something.

645. Being the station master he must know. I take it that the station master at Dalhousie would know what freight came there improperly? He tells me in that letter what freight came improperly.

646. That is not my question. I want to know, as a matter of fact, whether or not he would know? Certainly.

647. But he is not to be had? No, but I can account for his absence. I do not want to do the man any injury, but I can account for his absence outside of the hotel altogether.

648. You can either do it now or afterwards, as you please? I may say here that when his accounts as station master came to be audited last fall there were considerable irregularities found in them in regard to freight not having been accounted for, and he has been employed nearly all winter between the audit office at Moncton, and going down to the ports along the Bay of Chaleur, in trying to sort them

out and ascertain where those irregularities were. To make the matter more difficult the station was burned down just about the time the audit took place, and copies of the way bills and of all the papers had to be got from Chabot of the steamer "Admiral," and others, and this occupied all winter. On the 14th of April he telegraphed to Mr. Bruce, "I will report myself at your office on Thursday" (See Exhibit T). And on the 16th he wrote a letter from Boston to Mr. Bruce, of which this is a copy (See Exhibit U).

649. Who was Mr. T. S. Archibald, to whom the lime was consigned? Chief engineer of the railway.

650. And this lime was the same way as the other? So it is stated in that letter of McLeod's, but I may say that Mr. Bruce could find nothing of any such lime being sent there, or that it had arrived, but that some had been consigned to W. W. McLellan.

651. But as a matter of fact it is stated there, and such is my information, whether true or not, and I understood you to state before you read the letter that among the things consigned was lime to Mr. Archibald, chief engineer of the road? I did not say so, because my own information on the subject is in that letter of McLeod's. Not to my knowledge I did not.

652. Well, as a matter of fact, did you make any return on behalf of Mr. Schreiber for any lime carried on the road and carried improperly? Lime?

653. Yes? From Amherst, yes.

654. Now, I want to ask you whether any of the workmen engaged upon that building were paid by the station master upon your order. For instance, I will take the man Dickey? Yes.

655. Was he paid \$75 by the Dalhousie station master by your order? Yes, he was

656. Were any of the others? Yes, but I want to explain. This money was owing to Dickey by Mr. Schreiber, for making the foundation of the house.

657. I only want you to state the fact without explaining? Well, I will give both the fact and the explanation. It is quite clear that you only want to get one side of it while I want to get both.

658. I am as anxious to get both sides as you are. I do not want any imputations of that kind? It was paid with Mr. Schreiber's money and in this way—

659. Were any others paid besides Dickey? I think there were. The watchman was paid.

660. By the station master and on your order? Quite so, and with Mr. Schreiber's money in this way. My own private bills I sometimes pay in the same way. I pay the money to the cashier in Moncton to whom all the money of the road is remitted, and then write to the station master to pay the bill and send the receipt in to the cashier, as cash, so that it is really paid with my own money, or Mr. Schreiber's money, as the case may be. It is paid with really my own money, and the cashier of the railway will testify to that.

661. I did not ask anything of that kind. That could not be done. I only wanted to know if you paid your money or Mr. Schreiber's money to those engaged in the construction of that building? Mr. Schreiber's money, certainly.

662. How many of them, and what amount did you pay, and why did you pay some and not the others? I do not understand the question.

663. How much money of this kind did you pay? I cannot tell you. It was chiefly the watchman, who lives in the house all the time, and I think Dickey's bill.

664. Dickey's was for the construction of the foundation wall? Yes, the completion of the foundation wall.

665. What was the sense of paying him in particular? I had no other way of paying him except I sent it to him by the train.

666. Why was he paid and the others not? All the others were paid who did any work for Mr. Schreiber.

667. In the same way? Not in the same way. Some were paid direct, I suppose.

668 You say you recouped the Government? I did not say I recouped the Government. I said I paid the money to the cashier of the Intercolonial railway before I wrote to the agent to pay it. That is my invariable custom.

669. I wanted to know why you paid some of the men and not the others? I suppose it was more convenient to pay in that way at one time than another.

670. Then it was passed through the Government book? No.

671. If the station master paid it out of the Government moneys you say he accounted for it? It was not Government money. I paid it first, and sent word to the station master, and the station master at Dalhousie sent me a piece of paper saying he had paid \$75 on my order to Dickey, and the money was not transmitted at all.

672. Certainly not. The station master paid it out of the Government money, but you put sufficient to meet it there? He did not. The money of the whole railway is taken as a whole.

673. Was the money you deposited sent from Moncton to Dalhousie? It was not.

674. Then the actual \$75 that Dickey got was Government money? Not at all.

By Mr. McLelan :

675. You put it to the credit of the Dalhousie station? No, it was left in the cashier's hands, credited to nobody until the bill came in. Will you now let me explain things generally. It will clear up a great many things and let the people know what the thing is.

676. I am perfectly willing, but I wish to ask you one or two questions before you go on. Who was the inspector of Government buildings on your road? Mr. C. T. Hillson.

677. He is inspector of what? Inspector of buildings, of the repairs and buildings chiefly.

678. When was he appointed? I cannot remember that.

679. About when? Several years ago.

680. Four or five years ago? I should think so.

681. At what salary was he appointed? I do not remember that.

682. I suppose the general manager should know what salary the men get? It is pretty hard to remember them all. I think he gets something like \$1,200 a year.

683. Paid monthly? Yes.

684. I suppose he has got about that much all the time he has been there? No, I think not; I think his pay was increased, but I am not certain about that.

685. What are his duties? To inspect buildings where there are no resident inspectors.

686. Well, did Mr. Hillson spend any of his time inspecting the Inch Arran House? He did spend some time there in 1884.

687. How much of it? I do not know how much.

688. Two months? Well, he was travelling about over the line. It would be difficult to state where his work lies.

689. It may have been about two months? I could not state that.

690. Have you no reasonable idea that you can state? I know he spent some there by my order.

691. Inspecting the hotel? Yes, inspecting the hotel, and hastening its completion.

692. Then, all the time he spent there was spent properly, because he was acting under the orders of his superior officer? Certainly.

693. Now, you can go on with your general statement? Perhaps a letter I wrote to Mr. Schreiber on the 20th March, 1886, for the Minister's information, would give something like a general idea.

694. Since this investigation was asked for? Certainly. (See Exhibit V.)

695. When you speak of the owner in that letter you mean Mrs. Grant? Yes. At the time I wrote this I did not want to drag her into the business. Here is another letter that I wrote in 1882 that I might as well read now, if it does not take

up too much of your time. The letter is dated the 21st January, 1882, and is addressed to Mr. Schreiber.—(See Exhibit W.) Here is Mr. Busby's letter, dated the 10th of January, to me.—(See Exhibit X.)

695. Has that anything to do with this investigation? It has this to do. It shows that at that early day we had begun to consider the necessity for such a hotel along the line of railway.

697. As a matter of fact, the Minister did not act upon your suggestion, and the Government did not construct the hotel? No. I wrote them to show that the railway had a great interest in the thing, and that explains the presence of Mr. Hillson at Dalhousie, which you think so singular.

698. I did not say I thought it singular? But you seemed to think so. You seemed to question it.

699. As a matter of fact the Minister did not adopt your suggestion, and the hotel was not constructed by the Government? No.

700. What I want to ask you is this: When Mr. Schreiber took this hotel off the hands of Mrs. Grant, were you party or privy to the arrangement? I knew something about the arrangement, but I did not make the arrangement.

701. Were you there? No, I was not there.

702. You did not see Mrs. Grant personally? No, I did not at that time.

703. At what time did you see her? I was in the hotel some weeks before.

704. With reference to her leaving and Mr. Schreiber taking possession of it? Yes, I spoke to her.

705. You went there for that purpose? No, I did not; I went there and found everything in confusion. The people talked of leaving the house. I talked to Mrs. Grant, and asked her if she would not sell out to Mr. Schreiber.

706. Without having consulted Mr. Schreiber? Yes.

707. That seems singular to me? She demurred strongly to it. We had only five minutes' conversation, or perhaps less.

708. You suggested that she should give up the hotel to Mr. Schreiber, and she demurred? Yes, she demurred.

709. As a matter of fact, do you know what the arrangements were when she gave up to Mr. Schreiber? I do not. They are all in writing somewhere.

710. It is not within your knowledge, that as part of her consideration for giving up the hotel, her husband was to get a situation on the road? It is not.

711. Will you swear that that is not in writing? I will swear that it is not, to my knowledge.

712. Did you draw the writings? I did not.

713. There was a lawyer sent to draw them? Who drew them? Mr. Harrison.

714. He is the Government agent of the Minister of Justice in St. John? He is the agent of the Minister of Justice in St. John. I paid him for this work. I forget exactly the amount.

715. I only want to identify him? And I say in addition to that, that I paid him.

716. You paid him, and it would surprise you a good deal if he signed a document promising that if Mrs. Grant went out, her husband would get a situation? I have heard that he signed such a document.

717. Yes, and you paid him for his labor there, and the contract was carried out. He is in your employ? He is in our employ.

718. And has been since? He was employed shortly after that and has been since. He is employed as a temporary engineer of construction.

By Mr. McLelan :

719. Was he ever in the employ of the company before? Yes, he was employed as division engineer of construction.

By Mr. Davies :

720. How many years before you took him on again? I cannot remember.

721. A good many years? Several years.

722. Several years may mean 2, 3, 4, 5, 6, 7, 8, 9, 10 or 11 years.

By Mr. Tupper :

723. Was Mr. Grant on the Canadian Pacific Railway in the interval, away west? Not to my knowledge; he may have been.

By Mr. Davies :

724. Was it not five or six years since he had been employed on the Intercolonial Railway? I do not know when he ceased to be employed on the Intercolonial, but I know that we employed him in the summer of 1884.

725. Just after Mrs. Grant gave up the hotel? I do not know. I know his immediate employment before that was on the Baie des Chaleurs Railway.

726. And you know that Harrison signed that document, that if she gave up the hotel he should have employment on the Intercolonial Railway? I heard there was such a document, and I understand it is not in the agreement at all.

727. In a separate document? I understand that there is some separate document in existence.

728. And as a matter of fact you have employed him ever since? Yes.

By Mr. Bowell :

729. Do you mean to say that Harrison wrote a letter saying that he should have employment? He wrote a letter, as I understand it. The way I have heard it is that it has been mentioned since.

By Mr. Davies :

730. Servants and workmen were allowed to travel over the road for half fare, and material for construction half-price, and the same arrangements would be made with other summer hotels along the line, and the irregularity of carrying free was not with your knowledge. When you found it out you paid the money? It was not with my knowledge, certainly.

731. Nor with your consent? Not with my consent.

732. And has any money been paid to the Dalhousie station afterwards, or since this investigation began which should have been paid previously on account of the Inch Arran Hotel? I can tell you when these payments were made.

733. You can answer that question? I do not answer in that way exactly. I read certain papers with regard to the freight, certain correspondence with McLeod. With regard to the freight that went in the summer of 1885 to the Inch Arran House. You showed me the way-bills. Well, those accounts, as I showed you, I wrote letters bringing them down to Taylor's hands, telling the agent to send them to Taylor, and Taylor corresponded with the station master at Dalhousie during the months of October and December, and it was not until January or February that those accounts were finally adjusted that you see those way-bills for.

734. I cannot understand how the adjustment of small accounts like these should take so long? They went backwards and forwards between the station master at Dalhousie and Mr. Taylor, and Mr. Taylor asked the station master at Dalhousie to make them out properly and so on, and to adjust them, and when the account was adjusted the amount due was \$67.67 to be paid to the railway, and I paid it on the 2nd of March in this year.

735. So that, as a matter of fact, I have been correctly informed that sixty odd dollars have been paid since this investigation has been moved for, due under those way bills, for the carriage of freight in 1885? On the 2nd of March, 1886, I paid over, \$67 upon these way bills.

736. I asked the witness whether or not, the accounts were paid before or since this investigation was commenced, and he said "Yes"? I did not say that. You said that.

737. I asked you whether you made any payments to the Dalhousie officials since the investigation was moved for in the Inch Arran matter? I made a payment of \$7.26.

738. What date did you make that? I gave that to Mr. Bruce. That was an amount which he found when he went to examine into the books at Amherst, before he came up here, and I judge before this enquiry. The \$67 was paid on the 2nd of March, and that was since the accounts were adjusted. Seven odd dollars were paid since.

739. Was there any payment made since this investigation began? I do not know clearly what you understand by "when the investigation began."

740. Since you heard that a motion was made in Parliament that this investigation was to be made? There was \$7.26 paid since that.

741. And the \$67? Was paid on the 2nd of March.

742. Of this year? 1886.

743. You have explained that it was in reference to these way bills? Quite so.

744. Some of the freight that was carried irregularly by the officers had to be adjusted? Yes.

By Mr. McLelan :

745. This \$67 was paid upon the action taken upon your letters written in September? Yes.

By Mr. Davies :

746. What action was taken on your letters? The matter was followed without intermission by Mr. Taylor until the money was paid. The papers did not come back the last time from the agent in Dalhousie until some time in February.

747. Do you know anything about the supplies furnished to that hotel, where the crockery and table linen came from? They came from Montreal, I think.

748. Are you sure? The great bulk of it came from there, they bought a good deal of stuff in Dalhousie.

749. Did any of it come from Moncton? I do not think so, but I do not know.

750. There is some misunderstanding in the minds of the public on that point. I think it should be explained? There was stuff went from Moncton properly way billed and charged. I do not know what it was. It was mostly bread and meat, and things like that.

751. If anybody charged that any of the table linen or crockery or cutlery went from Moncton would that be correct or not? Well, I do not know about that. I do not know whether it did or not.

752. Supposing anybody charged that some of the crockery or table linen or cutlery went from the refreshment room? You mean Government property. I thought you meant was bought in Moncton. There was nothing went to my knowledge.

By Mr. Bowell :

753. Does the Government own the table linen or crockery or cutlery at Moncton? No, they do not.

By Mr. Davies :

754. Who does own the supplies for the refreshment room at Moncton station? I do not know, George R. Sangster is the man who runs it.

755. Did any goods come from the Government supplies at Moncton to this hotel at Inch Arran? None, that I know of, my instructions were that none should go.

756. You believe not. So far as your information and knowledge goes, you state that it is not so? Certainly. I have no reason to believe that it was.

757. Do you know whether any of the paints or oils were taken from the Intercolonial Railway stores? Will you state positively that that was not done? Of course, I do not handle them all. I did not see all the paints and oils that went into

that building, but to the best of my knowledge and belief, nothing was ever taken belonging to the railway into the building, and I do not believe that anything did go into the building.

By Mr. McLelan :

758. Have you three buildings at Dalhousie, government buildings, that require inspection? The station house, and there was the freight shed and wharf building there at that time.

759. Who was the inspector there? There was a resident inspector on the wharf, and Mr. Hillson inspected the station and freight shed.

By Mr. Davies :

760. What salary is Mr. Grant receiving? \$100 a month.

761. The same as Mr. Hillson? I did not say that.

762. I thought you said he was getting \$1,200? I said I thought Mr. Hillson's salary was \$1,200 a year.

763. But you told me that Hillson's salary was \$1,200 a year? I said that to the best of my knowledge and belief that was his salary.

764. To the best of your knowledge and belief, \$100 a month? To the best of my knowledge.

765. Then, Mr. Hillson is getting the same salary as Mr. Grant? No, I did not say that. I do not know that he is.

766. There is no difference? There is this difference that I did not say it.

667. You say that one gets \$100 a month and the other \$1,200 a year. There is no difference? There is this difference. I said that Mr. Grant gets \$100 a month and I say this absolutely, because I know it; and I say, that to the best of my knowledge, Mr. Hillson gets \$1,200 a year.

Mr. Bowell.—Mr. Hillson says he gets \$1,300 a year.

Mr. Pottinger.—If you wish I will alter it now.

By Mr. Wood (Westmoreland) :

768. Did I understand you that Mr. McLeod was station master at Dalhousie? Yes, station master at Dalhousie.

769. When did he leave there? About the 15th of April. He writes from Boston on the 15th April, and he left, I should think, about the 15th of April.

770. Was that in 1884? No, this year, 1886.

By Mr. Bowell :

771. There was a proposition, Mr. Pottinger, to build a hotel at Carlton some time ago? Yes, at Carlton, on the north shore of the Baie des Chaleurs.

772. What I wish to ask you is whether certain concessions were not offered to the parties who were about to build that hotel, similar concessions to those given in this instance? Yes, the same concessions were given. Mr. Richard proposed putting up the hotel at Carlton, and he was told he would have the same concessions, and a rebate of freight on his furniture brought down was given him, even though he did not complete his original scheme. He bought some houses and used them.

By Mr. Davies :

773. You had no interest in this matter? You were simply acting as agent for Mr. Schreiber? I had not a single cent in it excepting the general interest of the railway in it for traffic.

774. You acted frequently for Mr. Schreiber, and not as a paid official? You acted as his agent merely as a matter of friendship? For friendship, and in the interest of the railway.

By Mr. Costigan :

775. It was stated that it had been a long time before that that Mr. Grant had been employed by the Government. Do you not recollect him being employed before

that on the Baie des Chaleur Railway and on the Dalhousie Branch surveying the location? He was employed on the Baie des Chaleurs Branch, but I think it was not by the company.

776. And not on the Dalhousie branch? I do not think he was employed on the Dalhousie branch that I remember. He may have surveyed it though.

By Mr. McLelan:

777. Have you any other open accounts along the line, of companies or individuals? We have some.

778. Are there other cases of delays in closing them up? There are cases of that kind.

779. Then this delay was not exceptional, not wholly exceptional? No.

CHARLES T. HILLSON called and examined.

By Mr. Davies:

780. You are the inspector of buildings on the Intercolonial Railway? Yes.

781. When were you appointed? In 1878, I think.

782. Salary? The amount of salary?

783. Yes. My salary was \$75 a month then, but it is now \$108.33 a month.

784. I want you to speak with reference to the Dalhousie investigation. When did you go there? You know the Inch Arran Hotel? I do.

785. When did you first go to inspect the construction of that building? I cannot say that ever I went there particularly at any time to inspect the Inch Arran Hotel. I was at Dalhousie at the time of the construction of the branch and the buildings and wharf, almost every week, and at different times I went down to this hotel.

786. Had you received any instructions from any of your superior officers to attend to the construction of that hotel? After Mrs. Grant had commenced the house—she commenced the house, I think, in 1883—in 1884, after she had commenced the house, she made a contract with Rhodes and Currie—at least I introduced her at Amherst to Rhodes & Currie—and she made a contract with them to complete the house, and Mr. Schreiber, as I understood from her at the time, was advancing her some \$4,000 or \$5,000 to complete the house. Rhodes & Currie would not take her for the amount, and Mr. Schreiber paid the amount to Rhodes and Currie.

787. What amount to Rhodes and Currie? The amount of their contract. \$4,000 or \$5,000. \$4,500 I think it was. Mr. Pottinger asked me when I was there to take a run down to the house and see if the work was being carried out right, and I did.

788. Then it was under Mr. Pottinger's instructions that you saw the work was carried out right? Yes.

789. Who were the contractors for the construction of it? Rhodes, Currie & Co.

790. I thought they were merely the parties from whom the timber was bought? No, they were the contractors.

791. And you saw that the work was carried out right? In other words, you inspected it on the instructions of Mr. Pottinger? Each time I used to run down there. In fact, later on I made the hotel my headquarters. My wife and daughter stayed at the hotel in 1884 and 1885, and instead of going home I remained there.

792. How long would you be there at a time during these inspection trips? Well, I might be there half an hour after my own work was done at the station or the wharf, or whenever I went to see after my own business I might drive or walk down there and stay an hour or half an hour.

793. You just embraced the occasion? Just in that way. At the same time I was inspecting timber. We got a large amount of cedar timber on Eel River.

794. We will get some evidence of the length of time afterwards. During the construction of the hotel you just gave as much time to the inspection as you thought necessary and no more? I gave just as much time as I told you. After my work was done, unless I went there, I would be doing nothing at the hotel I was stopping at.

795. Now then, will you kindly explain. This Rhodes, Currie & Co., the contractors for the construction of this building, living in Amherst, brought their stuff from Amherst? Yes, much of it.

796. How was it that so much was consigned to you? To my knowledge there was but one thing consigned to me in 1884. Neither to my knowledge or at my suggestion was there anything sent to me in 1885, until this affair came out when I knew it was. I gave no orders whatever, but Rhodes & Currie consigned a good deal of stuff for repairs along the road, which, when they consigned it, if I had ordered the stuff was consigned to me for the repairs on the different stations.

797. Well, I see in this case they sent part of it "I. C. R. care of C. T. Hilson, part of it C. T. Hilson free," and then "C. T. Hilson" direct, marked "free." These are the only way bills produced. The goods were sent by James Caird in the first place, the next Rhodes Currie & Co., the next sender is Clark, then the rest is I. C. R. without number, 2,000 lbs. weight. I just take them as Mr. Bruce the auditor produced them here the other day—and the consignee I. C. R. care C. T. Hilson. They all appear to be to Mr. C. T. Hilson? Well, as I told you I do not know anything about it. I never gave any orders for this stuff to be consigned to me. If Rhodes & Currie sent it to me they sent it on their own responsibility.

By Mr. Tupper :

798. Had they any other contract there? No, not at Dalhousie. They had contracts on the road all the time.

By Mr. Davies :

799. They had no other contracts than this? Not at Dalhousie.

800. They had a large contract at St. John? Yes, they had the station at St. John, the general offices at Moncton and quite a number of buildings.

801. How would these things be obtained when they came to the place if the consignee did not know anything about it? On starting in 1885 to complete their contract which they had to complete, there were some little repairs made on the house that year. That work they did by day. They sent the stuff up there as I say, I did not know they billed it to me in any way, but they did the work by the day and consigned the material to the railway or to me.

802. Then you were aware of that fact? I am aware of it now, but I was not at the time.

803. Can you explain why you imagine they did it? I am aware of it because McLeod, the station agent, explained to me that there was some stuff came for me. I said, "it is not for me." He said, "what about the freight?" I said, "you keep account, I am going home." I said "Rhodes & Currie. (I knew it was their stuff going down to the house) have consigned it to me. You keep account of the freight and send it to Mr. Taylor and Mr. Pottinger and they will settle with you when Rhodes & Currie have finished the contract." That is the only time I ever spoke to McLeod.

804. That was the goods that came in 1885? In 1885—yes.

805. Well, after you told McLeod that he would understand that the rest which came would have to be delivered at Dalhousie? Certainly.

806. So that as a matter of fact you knew all about it? He never presented me a bill.

807. But the first bill? The first bill that came he interviewed me on it, I told him this, that if anything came over the line, no matter who it came for, and was sent by Rhodes, Currie & Co for this house, to keep an account of the amount, that is if the freight were not paid upon it.

808. And you told him to keep the account? Yes.

809. You knew at once it was for the house, and that others would follow? Certainly; I knew it was for repairs.

810. Then when the first consignment was made in 1885, you were informed by the station master when it came to your care and you told him it was for the house? And to deliver it to the house.

811. You did not pay any attention to the payment of the freight? You merely told McLeod about it? Yes, Sir.

812. And this is the man who has left there? Yes.

813. And you cannot get him? I think you can.

814. Where is he now? I think he writes from Boston? Yes.

815. Then you had some further connection with the house, than simply inspector of it, during its construction. After its completion I understand you had something to do with its management? No, I had not.

816. What had you to do? Well, at the time that Mrs. Grant failed in keeping the house, when the place was full, I was stopping there with my wife and daughter, and the people were grumbling frightfully at the way the house was run and blaming the Intercolonial Railway which we supposed at the time had nothing to do with it. Every year I got leave of absence for two weeks from the road. I can go where I choose. I got that leave of absence from Mr. Pottinger, in writing, and I spent two weeks there which is the only time that I ever spent there.

817. What were you doing there during those two weeks? I was out boating and fishing.

818. Well, I was not asking you about that? I answer you because you asked me.

819. I ask you if you had anything to do with the management of the hotel, and to tell me that you were out boating and fishing is mere trifling? If you had waited until I had finished I would have told you all that I did through the day. I assisted until the manager came, for three days, in getting food and provisions for the house. I would go up to Haddow's or Labillois and buy stuff for the house.

820. You bought stuff for the house for three whole days; you are quite sure you were three whole days? I told you I was there for two whole weeks.

821. Then the boating and fishing was thrown in for the purpose of amusement? Amusement for myself, of course.

822. The boating and fishing had a great deal to do with the hotel? It has a great deal to do with it.

823. Then for that fortnight you say——? I stopped there all the time.

824. You stopped there all the time, and you bought for the hotel all that was required? No, not all; I say I bought some things.

825. And generally managed, I suppose? Well, I don't know.

826. Who did, if you did not? Well, Mrs. Grant was still there.

827. Was she manager at this time? She was.

828. What were you doing? I was assisting her, for the benefit of the Intercolonial Railway, for this reason: that the people had come over the road from Toronto, Montreal, and all over the country, and they were going on frightfully about the management of the house, and it was my interest to assist them all I could.

829. Had you anything to do with it subsequently? No.

830. After Mrs. Grant handed it over to Mr. Schreiber? No, not from the moment the new manager came, which, as I tell you, was within three or four days.

831. You can give no idea of the length of time you were inspecting that hotel, as it was at different intervals; you kept no memorandum of it? No, I kept no memorandum of it.

832. Were you present when Mrs. Grant handed over the hotel? Yes.

833. Mr. Harrison was there? Yes.

834. Did you see the writing Mr. Harrison gave her? No, I did not see it. I saw the agreement Harrison drew out about the transfer of the property to Mr. Schreiber from Mrs. Grant.

835. Did you pay any of the bills? Yes.

836. How many of the bills did you pay? I cannot tell you exactly now, but it was quite a large amount.

837. Quite a large amount means anything or nothing? Well, it means say \$1,000. That is quite a large amount.

By Mr. Bowell :

838. Do you mean accounts against the Inch Arran Hotel? Yes.

By Mr. Davies :

839. Accounts against the Inch Arran Hotel paid by you, you taking the receipts and forwarding them to Mr. Pottinger? Yes.

840. Where did you get the money? From Mr. Pottinger.

841. He forwarded you so much money to pay the bills? Yes.

842. And you paid them? At different times, if I was going to St. John or other places, and there were bills due, he gave me the money to pay them.

843. Were you urging Mrs. Grant to give up the hotel? No, not urging.

844. Well, urging may be too strong an expression? I advised her.

845. Was she insisting upon her husband getting employment on the Intercolonial Railway? Not at that time.

846. At what time did she? She never did to me. She had frequently been wanting employment for her husband. She never approached me about it, however, as I suppose she knew I had no authority in any way.

847. Did she ask anybody else that you knew of? I only know from the report I heard.

848. Do you know anything about some lumber coming down from Eddy's mills or am I wrongly informed on that point? You are wrongly informed altogether. There was no such lumber. The only thing I ever heard about Eddy's mills was when she came down to Amherst and I introduced her to Rhodes and Currie. She gave me a list of Eddy's prices for sashes and doors, but to my knowledge there never was one dollar's worth of lumber came from here. I know there was not.

849. It came from Rhodes and Currie? Yes, with the exception of that which came from George Moffat, which she had paid the year before.

850. Who is George Moffat? Where is his place? He lives at Dalhousie. He runs a mill there.

851. Whose bills did you pay? I think I paid the bill of the Oxford Manufacturing Company, one that I remember very distinctly about, for furniture which she had bought, and which Schreiber paid for afterwards. I also paid one in St. John, to a firm there, for furniture supplied.

852. What was the firm? White, I think, but I really forget now. I also paid Mr. Haddow a bill, and Mr. Labillois a bill. That is about all.

853. You were not present when Mrs. Grant and Mr. Harrison made the agreement together? I was there mostly all the time when the arrangement was made between Harrison and Mrs. Grant.

854. Do I understand you to deny or affirm that Mrs. Grant did insist upon her husband getting employment, as a consideration for giving up the hotel? I heard nothing of the kind with the exception of what I told you, that Harrison said: Mrs. Grant wanted employment for her husband if she signed this agreement.

855. It was from Harrison that you heard it? It was from Harrison that I got it, but I did not see any paper. I understand Harrison gave her a letter saying that her husband would get employment, but I never saw it.

By Mr. McLelan :

856. Did any railway material go into the construction of this house? Not one dollar's worth. I swear that positively.

H. E. FOLSOM, called and examined:—

By Mr. McLelan :

857. You are connected with some railway? Yes, with the Connecticut and Passumpsic Railway of Vermont and part of Canada.

858. In what capacity? As general superintendent.

859. Have you had any connection with the construction or management of hotels in connection with your railway? Yes, Sir; our company built a hotel at Newport, on Lake Memphremagog, quite a large hotel of 250 rooms, which they operated themselves till 1880, and then sold it. It was run two years by the parties who bought it, when the company bought it back again, and they have run it ever since.

860. What was the object in building that hotel? State in general terms for the information of the committee? It was to encourage passenger traffic to this lake, Lake Memphremagog, during the summer season.

861. Was it as a commercial speculation in connection with the railway, or was it for the benefit of the road? For the benefit of the road, to increase the traffic.

862. Not as a commercial speculation in itself? Not as a profit on the hotel directly.

863. Did it have the effect of increasing the traffic that you intended? Yes, Sir, very largely.

864. Do you think it is in the interests of railroads generally to encourage the building of hotels along the line for summer travel? Yes, if the line has natural advantages which a hotel will bring out—that a hotel will allow to be made use of like these lakes and the White Mountains.

865. Then it was built entirely by the railway company? Entirely.

866. In the interest of the road? Yes.

By Mr. Wood (Westmoreland):

867. How many months do you keep the hotel open? Four months.

868. The season is about the same as on the St. Lawrence, very nearly? Perhaps a little bit longer.

By Mr. McLelan:

869. You say that it passed out of the company's hands afterwards? Yes, Sir.

870. Did you give the new company any special arrangement? Yes, Sir; free transportation for the employees of the hotel, and free transportation for lumber used in repairs or for new furniture.

By Mr. Bowell:

871. Free freight and free fares? Yes, Sir.

By Mr. Davies:

872. That was part of your bargain in the sale of the hotel to them? Yes, Sir.

By Mr. Wood:

873. What was the custom with regard to the servants? That included the servants.

874. Do you do that with all the summer hotels? Not with all. There are two other hotels on the line that we do that for. The White Mountains hotels are not upon our line, but the New York travel goes over our route to the White Mountains, and the employees of these hotels we carry at half the regular fare and the material for building in the same way, half rate.

By Mr. McLelan:

875. That is, for those hotels you carry at half rate? Yes, but they are not on our line.

876. Those on your line you carry free? Yes.

877. And you never had any interest in these hotels? None, whatever, except to carry passengers there.

By Mr. Davies :

878. Do you mean for all the hotels on your line you carry free? No, only for the summer hotels.

879. How many are there that you carry free for? Three. I may say that we formerly carried, up to 1882, the servants and all the employees of the White Mountains hotels, large hotels of over 200 guests, free; but, in 1882, we cut it off and reduced it to one-half.

By Mr. McLelan :

880. They are not solely dependent on your line? Oh, no, Sir; they are off our line, but a great deal of their traffic goes over our line.

881. But for the hotels on your line you carry free? Yes, Sir, the servants and the material for construction.

882. Is your road owned by a private company? Yes, Sir, Boston men.

883. It is entirely a private enterprise? It is a corporation.

884. It is not a State corporation? No, Sir.

885. And you do this entirely in the interests of the road? Yes.

886. And with the knowledge of the company and the stockholders? Yes, Sir; with the instructions of the directors, who represent the stockholders, of course.

By Mr. Colby :

887. What is the usage in New England in regard to that? You are familiar with the New England and New York roads? I think we adopt their policy so far as I know. I know that the Boston and Lowell Railway, who have more to do with the travel on the White Mountains system, as they control the large hotels, give free passage for employees of the hotels, but not for boarding houses, and free transportation for lumber for building the hotels and adding to them, and for furniture to equip them.

888. Was it well understood by the directors and stockholders of your corporation that this Memphremagog house could, by no possibility, pay as a hotel? I think it was by the directors, but I cannot say as to the stockholders exactly.

889. But, in connection with the railway, have the incidental advantages been favorable or unfavorable? They have been favorable.

890. Although the hotel, as a hotel, has been a losing concern? Yes, it has never paid yet.

GEORGE HADDOW, called and examined :—

By Mr. Davies :

891. You reside at Dalhousie? Yes.

892. Do you remember the construction of the Inch Arran Hotel? I remember when it was started.

893. Who was it started by? Mrs. Grant.

894. Under what circumstances? I know a number of railway officials came to Dalhousie some time before she came there; it was some time in the fall of 1882 or early in 1883. She came herself in 1883 and said she was going to start a hotel down on the point of land owned by Hon. William Hamilton, for which she said the Minister of Railways had promised her a grant of money. When she came and got credit from myself and others it was on the distinct understanding that she was to get the grant.

895. You heard afterwards that the Minister did not see his way clear to do that? I did not say the Minister did not see his way clear to do it.

896. Well, we know that so far as the house was concerned no vote was given? She told me Mr. Archibald was coming there to make an inventory, and as a matter of fact, he did come.

897. Mr. Archibald is a railway official? Yes.

898. What office does he hold? Chief engineer.

899. What did he do? He went round about the premises.

By Mr. Tupper :

900. Did Mrs. Grant show you any letter from the Minister of Railways to corroborate her statement? No, Sir.

901. She just told you she had his promise? Yes.

By Mr. Wood :

902. And that is the only evidence you had of it? No, in the winter of that year she had to call a meeting of her creditors. She had her attorney from St. John, Mr. J. G. Forbes, with her, and they both stated that she had had this promise from the Minister. It was stated that the Minister was on his way from England to Ottawa, and that if the creditors would consent she would go to Ottawa to see him again about the promise he had made. Mr. Forbes said he had personal knowledge of the fact there had been such a promise. We all believed them, and consented that Mrs. Grant should visit Ottawa.

By Mr. Davies :

903. She came to Ottawa? Yes.

904. Do you know that during the construction of that hotel, Intercolonial Railway officials had anything to do with it? I know that Mr. Hilson had to do with it.

905. What had he to do with it? You lived there; just state the extent of your knowledge of his connection with the hotel? I know that the first year Mrs. Grant was there we supplied her with more than we should have done. When in 1884 she came for more supplies, I told her I could not supply her with anything more except on Mr. Hilson's order. I went out to see Mr. Hilson. He asked me what she was getting.

906. This was when? July, 1884.

907. Well, in that month you went to see Mr. Hilson about the desirability of your giving supplies to Mrs. Grant? Yes; and he came to see them. He said "you can give her these; but do not give her anything more, for I will not be accountable for anything more." That was on 11th July. There was \$20 worth that day. On the 12th she got \$50 worth. On the 14th she got \$12 worth. On the 31st July, Mr. Hilson himself bought a number of things: mattresses, cotton, tickings, hinges.

908. These were supplied for the house? Yes; and he paid me himself for the whole of them, some time afterwards. The bill was \$129.47. (See Exhibit Y.)

909. All the supplies you furnished in that year were bought by Hilson? All I supplied after that time.

910. Do you know anything about the surrender of the hotel to Mrs. Grant? I went to the records and saw there was a memorandum of agreement and a grant claim deed.

911. When did Mrs. Grant give up to Mr. Schreiber? That would be at the date of this grant claim deed, 25th July, 1884.

912. Did you see the agreement which Mr. Harrison signed to Mrs. Grant, spoken of by Mr. Pottinger? Yes; I saw a paper signed by Mr. Harrison in which he said Mr. Grant was to receive temporary employment for the present and permanent employment if possible.

By Mr. Tupper :

913. How long ago was it that you saw it? Very soon after it was written, in 1884.

914. How long after it was written was it that you read it? I only read it once.

915. You could not testify on oath to the contents of a document you only read once, and that in 1884? I would give you on oath the pith of the matter contained in the document. It was very important to me and to all our Dalhousie people.

By Mr. McLelan :

916. Was there a stipulation in it that "if she would give up the hotel?" No, Sir.

By Mr. Bowell :

917. Do I understand Mr. Haddow to refer to the agreement made for the sale of the hotel, or to another letter to Mrs. Grant, by Mr. Harrison, promising a situation? What I refer to is a letter written by Mr. Harrison.

By Mr. Davies :

918. Contemporaneous with the agreement? I think so.

By Mr. Bowell :

919. Was it at the same time? I could not swear that it was written at the same time.

By Mr. Davies :

920. Were they the same date? The substance of the letter, not the date, was of importance to me.

By Mr. McLelan :

921. Was it signed by Mr. Harrison as attorney for some one? I cannot tell. The initials of Mr. Harrison were there.

922. Did he sign as attorney? No, Sir, my recollection is that the paper was not signed in that way.

923. He signed in his own individual name? Yes.

By Mr. Davies :

924. Do you know Mr. L. B. Harrison? Not personally. I knew he was in the town. In small places we always know when strangers come.

By Mr. Farrow :

925. Do you know what the hotel cost in the first place? Do you mean before Mr. Schreiber got it?

926. Yes; I could help to a solution of that question if the Chairman would permit me. Here is a statement rendered by Mrs. Grant, which was presented to the meeting, of \$3,736.94.

By Mr. Tupper :

927. Does that include the amount due you? Yes.

928. You pressed Mr. Schreiber to pay that? Never.

929. You pressed Mr. Hilson to pay? I do not remember that I did.

930. You do not remember that you did not? I do not remember but that I may have asked him whether he would pay. In fact Mr. Hilson said he was a stockholder in it; that he had stock in it to the extent of \$100 and that Mr. Pottinger had stock too.

931. When did he make that statement? It was in the spring of 1884. He may have been "gassing" with me.

932. Do you know whether it was in joke or in earnest? I do not know. I thought at the time he wanted me to believe it.

933. You would not say it was serious; Mr. Hilson says he never said anything of the kind? I can tell him the circumstances; it was standing down near Delaney's hotel.

By Mr. Davies :

934. Who else did he say had stock in it? Mr. Archibald and Mr. Pottinger. He said, "I have stock in it myself to the extent of \$100."

By Mr. McLelan :

935. Had you any stock in it? No, Sir.

By Mr. Wood :

936. Was it considered that Mr. Schreiber got a good bargain when he bought the property? I do not know that I can answer that very well. I would not like to give an expression of opinion about that. I have heard that Mr. Schreiber has said he would sell it out for just what he gave for it.

By Mr. Tupper :

937. Will you deny that on more than one occasion you asked Mr. Hilson to get Mr. Schreiber to pay your bill? I do not think I asked him to do it.

938. Will you deny that you have asked him to get your bill paid? I will positively deny that I ever asked him to get my bill paid.

939. Had you any conversation with him about it? Yes, I had, so frequently was he there, and so frequently did he talk about it.

940. You had several conversations with Mr. Hilson, and you cannot tell what the purport of those conversations was? Well, they would not be to ask him to pay the bill; I knew Mr. Hilson could not pay the bill.

941. And after thinking over it you still say you did not ask him to induce any one to pay your bill? Yes, I will say that. I will add that I have talked to him about the wrong of keeping so many of us out of our money.

942. Whom did you think ought to pay it? I want to know if you thought Mr. Schreiber should have paid it? My opinion, and the opinion of most of the people of Dalhousie, is that the Government should have paid it

By Mr. Davies :

943. Why? I do not say we did so rightly; but we all believed it was Government property.

By Mr. Tupper :

944. You have been here during the whole of this investigation? Most of it.

945. And do you still retain the opinion that the Government owns that hotel? If I must answer that question I will say I have not heard anything to change my mind on that point.

By Mr. Davies :

946. Have you any other statement to make? Did Mrs. Grant say she had this document or that she insisted upon getting it before she gave up the hotel? After I heard she had given up the hotel, I went down to see her about my account. She told me what she had done and she said, "I have succeeded in getting work for Mr. Grant; come in," and she took me into a room and showed me the document to which I have referred.

By Mr. McLelan :

947. Were there many people stopping at this hotel last year? Yes, a good many.

948. Did they bring a great deal of traffic to the railroad and of trade to the village? The hotel is a benefit both to the railroad and to Dalhousie.

949. That idea that it belonged to the Government grew out of the advantage it was to the railroad, I suppose? Mrs. Grant created the impression first.

950. And then it was strengthened by the fact that it was a benefit to the railroad, was it not? I have to make some other statements here.

951. Make any statement you have to make? It was strengthened by this fact, that individuals in our town have been told by our representative that their bills would be paid.

By Mr. Tupper :

952. That is not to your knowledge? If you doubt me, send for A. G. Wallace and Edward Gordon.

By Mr. McLelan :

953. A number of the bills have been paid by some person or other ; the whole of the bills contracted by Mrs. Grant are not unpaid ? I have heard of Mr. Labillois being paid. I think he had Mr. Grant in prison, and he was paid in order that he might get out.

954. And you think the hotel is a benefit to the road ? A great advantage to the road and to the place.

955. And with the exception of the \$300, you were pleased to see it there ? Quite pleased. I would be pleased to see two or three more.

By Mr. Davies :

956. Is the bulk of the bills incurred by Mrs. Grant paid ? No.

957. What proportion are unpaid ? Of course I could not tell.

958. I think you said there was a statement submitted by her to her creditors ? I would venture to say that twenty per cent. has not been paid.

By Mr. Wood :

959. Do you think the hotel pays ? I cannot tell that. Mr. Schreiber can tell you better than I can.

960. You might give your judgment about it ? It only runs for about two months.

By Mr Tupper ;

961. Referring to what Mr. McLelan spoke to you about ; you said it was an advantage to the place to have that hotel there ; I suppose you would have favored the original scheme of the Government building the hotel ? If I had been a representative ?

962. Or as a merchant ? You want to know if I would as the supporter of a party, go in for the building of hotels ?

963. You heard a gentleman who is the superintendent of a private road, saying that they adopted the plan of building hotels, in order to attract passengers over the road ; would you approve of the policy of the Government building a hotel at Dalhousie for the same purpose ? Are you putting that to me as a Dalhousie man ? It involves the general principle of building hotels all along the road.

964. What do you think of Dalhousie ; are you in favor of building hotels there ? I would be in favor of building other hotels there also.

965. You think it benefits the road ? There are hotel keepers there who say it injures them.

966. Do you think it is an advantage to the road ? Of course.

967. Do you think the Government ought to build them ? I would rather that you would not put that question to me.

C. T. HILSON recalled and further examined :—

By Mr. Tupper :

968. You heard Mr. Haddow make a statement that you told him you were a stockholder in the Inch Arran Hotel, and that Mr. Archibald and Mr. Pottinger were stockholders ? I have some recollection of the conversation. It was in this way : Mr. Haddow repeatedly talked to me about Mrs. Grant's old bill. I said to him, "Mrs. Grant owes me nearly as much as she owes you ; she has \$100 or \$200 of my money." I deny that I said I had stock in the hotel.

Mr. Haddow.—It may have been in that way that Mr. Hilson meant that he had stock in the hotel.

By Mr. Davies :

969. Did you make the contracts for the ice for the hotel ? When ?

970. This autumn, this spring ? No. Yes, in one way. Mr. Stewart sent by me at one time when I was at Dalhousie this fall, letters to Mr. Pottinger giving him

the amount he could fill the ice house and cut the wood, as he did not fill the ice house last year, but he cut the wood. He sent the letters by me to Mr. Pottinger and I gave them to Mr. Pottinger. I made no agreement because I could not.

By Mr. McLelan :

971. You carried his tender? I took his tender to Mr. Pottinger and I think Mr. Pottinger answered him, because I know he filled the ice house and supplied the wood.

MR. POTTINGER recalled and further examined :—

By Mr. Davies :

972. Will you state whether you give the same terms to the hotel at Shediac as you give to the Inch Arran House? Not to the hotel at Shediac; that is a hotel which is open all the year round. They have made an addition to the house in which they take summer travellers; but they keep open all the year round. They have never asked for the terms.

973. Are there any other hotels to which you give such terms? Cacouna, and the one at Carlton. It is for summer hotels that the arrangement is made, not for hotels that are open all the year round.

974. When was that hotel at Cacouna opened? I do not know, it was before the line was opened there.

COLLINGWOOD SCHREIBER, called and examined :—

By Mr. Howell :

975. You heard a statement made by Mr. Haddow that Mrs. Grant told him that she had been promised aid from the Minister of Railways, and also his statement that Jas. G. Forbes had personal knowledge of the promise made by the Minister to Mrs. Grant; have you any knowledge of any promise made by him? I think I was at every interview she had with Sir Charles and he certainly made no such promise. She wrote him on the subject and I replied for him in this way: (See Exhibit Z.)
The committee then adjourned.

OTTAWA, 19th May, 1885.

Public Accounts Committee met—Mr. Rykert in the Chair.

Mr. C. H. Tupper, M.P., read the following :—

(Telegrams and letter.)

OTTAWA, 12th May, 1886.

To JAMES G. FORBES, Barrister, St. John, N.B.

Haddow states that you informed a meeting of Mrs. Grant's creditors you had personal knowledge that Sir Charles promised Government would pay for construction of Inch Arran. Is this correct?

CHARLES H. TUPPER.

(From St. John, N.B.)

12th May, 1886.

Haddow states what is absolutely false. I never at any time had a word of conversation with Sir Charles on the subject, and it was long after meeting of creditors I visited Ottawa. If necessary will go to Ottawa and contradict him on oath. I brand Haddow a liar.

J. G. FORBES.

ST. JOHN, N.B., 12th May, 1886.

MY DEAR TUPPER,—I received your telegram and at once replied to same. At meeting of creditors referred to, the name of Sir Charles was never mentioned. I advised the creditors to have patience with Mrs. Grant, and I would go in her interest and endeavor to get assistance from Schreiber for her, or in some other way render her assistance. What I did say was that if they discharged Mr. Grant from custody

where he then was I would use my influence to get Grant appointed to some position on railroad, and in connection with this I pointed out to creditors the folly of keeping him in gaol in Dalhousie. So far as Inch Arran is concerned, I may say I never knew of any connection whatever between the Government and it. I simply acted in Mrs. Grant's interest, and never had any interview with Mr. Schreiber or any member of the Government in her interest in regard to Inch Arran. I am astounded at the impudence of Haddow in making this charge out of whole cloth. If subpoenaed I will proceed to Ottawa at an hour's notice and testify these statements are absolutely false and without any foundation.

In haste,

J. G. FORBES.

Mrs. PETER GRANT, called and examined:—

By Mr. Davies:

976. You have been summoned as a witness in this enquiry we are making about the Inch Arran Hotel. You have not been very well? No, I caught cold coming up. I had a gumboil and some other things.

977. Were you the original proprietor of the hotel? Yes.

978. Will you tell the committee under what circumstances you built the hotel? There is very little to tell about it. I thought I was going to make a little living for myself. It was a private affair. I do not think the committee should enquire into my private business very particularly. Nobody helped me to build the hotel. I did it with my own private means, and I object to the jurisdiction of these gentlemen enquiring into what is purely and simply a private affair of my own.

979. I hope they will not interfere? So far as it is consistent with my right as a private citizen I will be happy to answer them, but I object to the jurisdiction of these gentlemen enquiring into my private affairs.

980. It is *ultra vires*. I suppose you wish that filed as a protest? Yes, I enter that as a protest before I answer any further question.

981. I wanted to ask whether you had any hope of obtaining, or any reason to hope you would obtain, any assistance from the officials in that matter? I am sorry to say, Sir, that I know the people and politicians of Canada too well to found anything on their promises.

982. How is it you come to entertain such a bad opinion about the promises of politicians? Have they broken any of these promises to you? Practical experience, but not in connection with Inch Arran, remember.

983. Then the promises were kept in that regard? I did not say so.

984. Were they broken? That is my private business.

985. Then you refuse to answer? I do not refuse to answer, but I object to the jurisdiction. I object to be questioned on what I consider private business. The Government and no official ever contributed one dollar directly or indirectly.

986. Were you promised any assistance? No, I do not think I was. They always said they were willing to do it, but they could not do it. There was a technical difficulty in the way. Sir Charles Tupper was quite willing, but he could not get it passed through the Council; consequently there never was one dollar paid or promised to me in writing. I am not learned enough in your legislative laws to say what was the difficulty, but there was a difficulty.

987. To what extent did the verbal promise go? I never had a verbal promise; not a distinct one.

988. Not a distinct one? No.

989. What was the nature of the promise? I often asked them for help. There was no promise whatever. They distinctly refused, and said they could not do it.

990. Why should you ask them for help for your private hotel? Why should not I ask for help any more than a member of Parliament. Everybody who knows anything about Canada knows that anybody who comes here wants help.

991. In asking for Government aid for your private hotel you thought you were only asking in accordance with the custom of the country? Yes.

992. Had you reason to believe that help would be given to you? I had not.
993. Did you write, asking for it? No, Sir. I do all my business of that kind verbally, so that there is no record.
994. Then, you did not get any letter in reply to any letter you wrote asking for help? Yes, the Minister wrote me a letter saying he could not.
995. But you said you did not write? Not directly; but it was written, and he wrote back through Mr. Schreiber.
996. You say not directly; but then who did write it? Other people may have written it.
997. Who wrote it? Sir Charles did not inform me who wrote it.
998. And you say you did not write asking for aid? Not directly. If I write a private letter to a private friend I do not see what that has to do with the matter.
999. Did you write to Sir Charles Tupper? I have written to him several times in connection with the hotel.
1000. Did you write him asking for aid for the hotel? The inference was that if anything could be done, as he had said, it would be done, but you see it never was done, consequently, I did not get any assistance. I do not think any gentleman here has power to enquire into my private business.
1001. Mr. Schreiber puts in a letter written on the 11th December, 1883, saying: "Dear Mr. Grant, in reply to your letter of the 9th ult., addressed to Sir Charles Tupper, I am to repeat what the honorable minister has told you on several occasions, that he regrets it is not in his power to grant you any pecuniary aid in the construction of the hotel at Dalhousie." So that you had written? It is three or four years ago, and the plans were here. I know Sir Charles a little. I had an introduction to him. We submitted the plans to him for approval, because it was more than an ordinary undertaking.
1002. Who drew the plans for you? My husband.
1003. Did Sir Charles approve of them? No more than you would have, if I had submitted them to you as a private friend.
1004. Did he, as a matter of fact, or did he not? No, he did not, as a matter of fact, if you come down to a fine legal point.
1005. I just want the facts. Did he or did he not? He did not give me any reason to know whether he did or not. I just left them in the office. I had no conversation with him about them. I just showed them to him as a matter of friendship—not as a Minister, but as a matter of friendship. He knew it was a thing I was going into myself.
1006. When you called back for them, did you hear what he thought of them? No, I did not exchange words with the secretary. The parcel was left for me, and I took it and left.
1007. Who superintended the construction of the hotel? At what time do you mean?
1008. Any time at all? I had nothing whatever to do with the superintending or the construction. I had a personal loan from Mr. Schreiber, and I know nothing about it.
1009. Who superintended the construction of the hotel before you sold out to Mr. Schreiber? In what year do you mean?
1010. I do not know the year? Oh, well, you ought to be better posted before asking that question.
1011. It is because I do not know, that I am asking you? In the little I did myself in 1883, it was a common foreman from Dalhousie who superintended it.
1012. Did Mr. Hilson superintend it? He was round there often, but I have no idea what his duties were.
1013. What was his work? I had other work to do than to know what he was doing. He belongs to the Department, and the people who are there are capable of giving you the information, and not me. I had my house and my children to look after, and I had nothing to do with what he did or where he went.

1014. How long was Mr. Hilson there, off and on? I do not know anything at all about it.

1015. But you can tell me that? If you apply to Mr. Charles Moffatt, the hotel keeper with whom he boarded, he can tell you how long he was there.

1016. But you can give me an idea? No, I cannot.

1017. Was he there all summer, six months or three months? I cannot say. I am not Mr. Hilson's keeper.

1018. But you were there? I was there in a separate house altogether. I did not keep any track of Mr. Hilson. He was there, off and on, a good deal.

1019. How long—one summer, or two summers? One summer.

1020. Pretty nearly all the summer? No; he was there off and on.

1021. Every day? Not every day.

1022. Who were the men employed under him? Rhodes, Currie & Co., of Amherst, did the work.

1023. You say he was there pretty well all summer? I did not say anything of the kind; but he was there pretty often. You can ascertain how long from Mr. Moffatt.

1024. But Mr. Moffatt cannot tell me any better than you can; what you don't know about Dalhousie is not worth knowing? He can tell you. I don't keep track of Mr. Moffatt's boarders.

1025. When you sold, you sold out to Mr. Schreiber? Yes.

1026. Had you been running the hotel up to the time you sold out? Yes.

1027. Had you sole control of it up to that time; had you any assistance in running it? What do you mean by that?

1028. Any assistance from any of the Government officials? Not any assistance from Government officials. There was a clerk in the house.

1029. Who was that? George Sangster.

1030. Who was he? He keeps the restaurant at Moncton. He was sent over to help me to open the books, and in keeping the house.

1031. Who sent him? Mr. Hilson brought him there and introduced him to me. He was paid no salary—as the man to open the books and assist me in keeping the house.

1032. He was paid no salary by you? No, Sir. It was a distinct understanding that he was to be paid no salary.

1033. Afterwards you sold to Mr. Schreiber? Yes.

1034. Did Mr. Hilson himself devote any time to the management of this hotel? When do you mean?

1035. Any time; I did not limit it? Not in my time. I managed my own house myself.

1036. But after your time? I know nothing about that; I left the place.

1037. During the time you were there nobody interfered with your business? No, I managed my own house.

1038. You sold out to Mr. Schreiber for a certain amount of money? Yes.

1039. Who were the lawyers who drew the document? Mr. Harrison, of St. John.

1040. Did you leave the place at the time? Well, about a week after I think. I have no proper record of the time, but I was only there a few days afterwards. I left the province, so that I have no information about the house after Mr. Schreiber got it.

1041. Did you get any agreement from Mr. Harrison that your husband would be employed on the Intercolonial Railway if you sold the hotel to Mr. Schreiber.

(Question objected to by Mr. Tupper.)

1042. As a matter of fact you got a document from Mr. Harrison? Yes, I got a document from Mr. Harrison.

1043. With reference to your husband and his employment? Yes.

1044. Did you get a document signed by Mr. Harrison? Now, as regards my husband's employment and what he does, he is employed by the Department of Railways and Canals.

By the Chairman :

1045. That is not an answer to the question you are asked? I will answer the question bye-and-by. My husband is capable of giving the reason why, without bringing a man's wife here to answer the question, and that is the reason why I object to answering that question *in toto*. I object to being brought here to answer that question and will not answer any question in regard to it. Others have the evidence to be given besides me.

By Mr. Davies :

1046. Who can give the evidence? Hon. Mr. Pope, or those who represent him, who employ my husband, are perfectly capable, I think, of giving the reason why they employ a servant.

1047. We were asking about an agreement Mr. Harrison signed for you; have you that agreement? I appeal from that question.

By the Chairman :

1048. Have you the agreement with you? I suppose it could be found.

By Mr. Davies :

1049. Where is it? I could not exactly tell you where it is.

1050. You will bring it here? If you will wait. I think it comes from Moncton. I will see if it can be produced. I have not it with me.

1051. You have that document with you in Ottawa? No, I have not it.

1052. Did you bring the document with you to Ottawa? Have you any right to ask that question?

1053. Yes; and if you have the document you must produce it? I suppose it can be produced.

1054. Will you produce it? If the law compels me to produce it I will produce it; if you have a right to order me to produce it I will produce it; but I object.

By the Chairman :

1055. Have you the agreement in the city; if you have you must produce it? I think it is a very unfair position for a woman to be put in. It shows very little honor or manhood among the legislators of Canada to put a woman in such a position. I object to produce any evidence about my husband's position. You can commit me to prison if you choose.

1056. You prefer the dungeon to giving evidence? Yes, I prefer the prison to stating anything about my husband's position. He never got a dollar from the Government that he did not give ample value for.

1057. Then rather than produce this document you will take any consequence that will follow? No, but I say I object to produce it.

1058. I don't want to know what you object to. Will you produce it? I will not give any evidence about my husband at all.

1059. Were you advised not to produce that document? No, I was not advised. I am acting upon my own responsibility entirely; I am not in the habit of consulting people as to what I should do.

1060. Do you deny to me that you consulted people in this matter, in the face of what I know? You can know what you please, I have not consulted anybody directly in this matter at all.

1061. Will you say that you did not consult any person? Not as to what I was to say. I made up my own mind on that subject.

1062. Or as to what you were to do? Yes, and as to what I am to do.

1063. Did you consult anybody in regard to that? I do not think that you have any right to ask me my private business at all.

1064. Do you think you are serving your own interests or the interest of anybody else by withholding the document? That is my business.

By Mr. White (Cardwell):

1065. Were you advised by any person to withhold this document? No, I am not aware that anybody in Ottawa knew that I had it.

1066. Nobody advised you not to produce it? No.

By Mr. Mulock:

1067. Have you that document in your pocket now? No, Sir.

By the Chairman:

1068. I think you should produce it? It is not in my possession, it is not in my custody and it is a fundamental principle in English law that no wife can be arraigned against her husband. On that principle I protest against your interference. I will not produce it, I will go to prison first.

By Mr. Davies:

1069. You must answer this question or I must ask that your refusal be reported to the House? All right, I am quite willing to abide by the voice of the House of Commons; I am willing to abide by the vote of the House of Commons.

1070. Did you bring that document with you to Ottawa? I appeal against that question. The document relates to my husband.

1071. Did you bring that document, signed by Mr. Harrison and delivered to you at the time you gave over the hotel to Mr. Schreiber, to Ottawa? I brought the document to Ottawa. It is not in my possession.

1072. Whose possession is it in? I decline to answer that question. It is enough for you to know it is in Ottawa.

By the Chairman:

1073. I think you should answer that question? If I produce the document it is of very little importance in whose possession it is now.

1074. That is the reason why you should produce. You will only create a suspicion by refusing to produce it? There is not much in the document.

By Mr. Davies:

1075. In whose possession is it? I left it with a private friend.

1076. How long would it take you to get it? When do you meet next? It would take me a long time, unless you could wait until to-morrow.

1077. We intend to have a meeting to-morrow morning. You had better bring the document then? At what hour?

1088. At 10.30.

By Mr. McLelan:

1079. You have been asked if you had been advised since you came here? Have you had any interview with Mr. Schreiber? No, Sir. I did not see Mr. Schreiber until I shook hands with him to-day in the committee room.

The Committee then adjourned.

OTTAWA, 20th May.

Mrs. PETER GRANT, called and further examined:—

By Mr. Davies:

1080. You were to produce this morning, Mrs. Grant, the document referred to yesterday? Yes; this is it.

DALHOUSIE, 28th July, 1884.

Mrs. Helen G. Grant:

DEAR MADAM,—It is the intention of the Railway Department to employ Mr. Grant at once temporarily, to be followed as soon as practicable, with permanent employment at a suitable remuneration.

L. R. HARRISON.

1081. This was given to you at the time you passed the hotel over to Mr. Schreiber? It was. It was the result of three years' lobbying in the House of Commons.

1082. It is dated 28th July, 1884? Yes, Sir.

1083. That is the time you sold the hotel to Mr. Schreiber? Yes.

1084. Did you insist upon getting this document before giving up possession? It was given to me by Mr. Harrison; I do not know how much my insisting would have had any effect.

1085. Did you insist? I did not say that I insisted. But my husband was idle at the time, and it was part and parcel. Mr. Schreiber knew very well that the hotel was all I had to support my family at the time; and it was done as a personal thing for me.

1086. It was part and parcel of what? Nothing; you asked me if I got the document —

1087. Was it part and parcel of your agreement? The only objection I had to giving up the hotel was that I would be thrown out on the world with my children who were too young to labor.

1088. I am not blaming you at all? Well, you know all about the whole thing.

1089. I do not? Oh yes, you do. I have been dragged here; and now I just have a few words to say about my husband. I protest against the Government or the representatives of the Government having to apologize to the people of Canada or the House of Commons, for the Railway Department employing Peter Grant as engineer. My husband, I am prepared to say, may have equals as an engineer, but he certainly has few superiors in Canada. Mr. Sandford Fleming, Mr. Marcus Smith and Mr. Walter Shanly whose words stand so high in Canada will bear me out in this. I do not think it is necessary that the Government should apologize for employing my husband.

1090. Certainly not? Well, he has just one failing.

1091. Oh, we do not want to know his failings? But I will tell you that his one failing is the practical adherence —

1092. We really do not want to enquire into his failings? His failing is his practical adherence to the ten commandments and his belief in them.

1093. That is his failing; I am sorry I interrupted you? Yes; and it has barred him more than anything else.

1094. He is quite a model man then? So far as the country is concerned he certainly is; anything else is my business.

1095. It is well to have him there then; his influence upon the other employees will be worth his salary; do I understand you to say that you would not give up the hotel unless you got employment for your husband? I got that when I sold the hotel.

1096. But you would not sell the hotel without it? I did not say that; and it is not a fact anyway.

1097. You say you did not say that; would you have given up possession of that hotel if you had not got that document or employment for your husband? Yes; and other conditions.

1098. What other conditions? That is my private business; and I object to that question. I will not answer it. You have asked what you like and I will give you no more.

1099. Was that a condition of your giving up the hotel? Did not you tell me that it was yourself?

1100. Was it a condition of your giving up the hotel that you should have this agreement? It was talked of at the time. But then, there is no legal document. If they choose to dispute it, it is not worth that.

1101. Was it a condition of your giving up the hotel? I am not going to answer any more questions. You have the document, and what more can you have?

1102. You must answer that question? Well, I won't

1103. And you will not tell me any more about it? I think that you are asking questions that you know all about.

1104. I know a great deal, but I want the Committee to know? The House and Committee can find out what they want. I have lived too long in Ottawa not to know what they can find out if they want.

1105. Will you leave the document? The document is not much worth; but I want to keep it as a souvenir.

By Mr. Bowell:

1106. Did you have any negotiations with Mr. Schreiber in reference to the hotel? No, Sir. I did not see Mr. Schreiber for long after.

1107. Did he make any promise to you at that time? None, whatever.

By Mr. McLelan:

1108. Had Mr. Grant been in the Government employ before? Since ever he came to Canada, with some short intermissions.

1109. Give the date when he commenced? 1869.

1110. What work was he on? He was on the Intercolonial. He was eight years at Metapedia. He was most of the time at Metapedia on Sections 19, 18 and 17.

1111. As an engineer? As an engineer.

1112. Can you say what his salary was then? He had the ordinary salary of a division engineer, \$166 and some odd cents—what the odd cents were for I do not know—a month; and at certain times he superintended some extra work for which he got some \$30 or \$40.

1113. He was paid some \$2,000 a year? \$2,500 for a considerable time.

1114. What is he receiving now? \$100 a month.

1115. That is about half he received during the eight or ten years he was employed before? Yes; and about half what he is worth.

By Mr. Mulock:

1116. What position did he hold when he drew \$2,000 a year? He was division engineer at Metapedia on sections 19, 18 and 17.

1117. Was the road constructed then? No, Sir; my husband was on the Intercolonial at its commencement, and he was the last man to leave the work.

1118. When did he leave? In September, 1876.

1119. And when was he taken on again? He was employed on and off.

1120. I mean, when, under the agreement with Mr. Harrison, did he get on again? In July; but he was off and on several times before that.

1121. He was not permanently on? There is no engineer permanently on.

1122. Since that agreement he has been on without interruption? Yes.

1123. They have lived up to the agreement all right? Yes.

1124. When did he go in under that? On the 1st August, under that agreement.

1125. And he has been in the employment of the Government since then without interruption? Yes.

1126. He is not doing the same sort of work that he was doing when the road was under construction? He is in the office at Moncton. He goes out when necessary. For instance, he staked out the Pictou branch. I was with him there.

1127. Well, the Government has not any big railways on hand just now? No; only scraps.

By Mr. McLelan:

1128. He was on the survey of the Pictou branch? He was staking off the Pictou branch lately.

1129. He is employed in the office at Moncton. Yes, and we reside at Moncton for the present.

1130. And he goes out under orders? Under orders. He is under Mr. Peter Archibald.

1131. There are other engineers employed on the staff at Moncton? Yes; there is a regular staff there.

1132. He is not the only engineer there? No, Sir.

COLLINGWOOD SCHREIBER called:—

By Mr. Howell:

1133. You have heard Mrs. Grant's evidence, and you have heard the letter signed by Mr. Harrison. Did you give any authority to Mr. Harrison or to Mr. Pottinger, who negotiated this purchase for you, to make any promise in connection with the matter for the appointment of anyone? None whatever.

1134. Had you any knowledge of it? I knew nothing whatever of it until I heard that there was such a thing afterwards.

By Mr. Davies:

1135. What did you pay Mrs. Grant for the hotel, Mr. Schreiber? I paid a number of liabilities of hers. Under the agreement I think I paid—well, if it is important I can let you know exactly, but I really cannot remember now.

1136. Give it to me approximately? Was it two, three, four or five thousand dollars? I think the hotel and furniture cost something like—

1137. Four thousand dollars? More than that. I had a mortgage upon it for \$4,000, and then after that I paid her liabilities. I think it amounted, in all, to about \$10,000.

1138. You had advanced her the money originally to build it, and you took a mortgage for the first advance? I took a mortgage.

1139. And then afterwards what did you pay her? I paid her a thousand dollars in cash and the balance of her liabilities.

1140. The liabilities and the thousand dollars would make five thousand, I suppose? I think that with the liabilities I paid altogether \$10,000.

By Mr. Howell:

1141. When you purchased that hotel did you go into it as a commercial speculation? No, I did not expect to hold it. I took it over so as to get it into the hands of some one who could run it well. I offered it for sale at the same price that I gave for it. I told Mr. Pottinger—although I knew I was not liable for the debts of Mrs. Grant—that if he could get enough to cover them, to pay them, for I did not want to make anything out of it; I was not liable for them whatever.

1142. You bought it more in the interests of the railway than as a private speculation? I did it merely for that. I was foolish to do it, but I did it.

1143. And you instructed Mr. Pottinger to offer it for sale? I did, yes.

By Mr. Davies:

1144. Has it been advertised? No.

1145. Do you know whether Mr. Pottinger ever offered it to anybody? Yes, we negotiated with several people.

1146. And did not come to anything? No.

By Mr. Mulock:

1147. If you bought it in the interest of the railway, who would get the profits out of it? I would have got the profits if there had been any.

By Mr. Davies:

1148. Mr. Pottinger acted as your agent? He did.

1149. And the hotel was doing very well last season? It was full last year all the time. In the hands of a regular hotel keeper it would be a very good thing; but it is not any profit to me.

By Mr. McLelan:

1150. It was stated yesterday that the restaurant keeper at Moncton lent you an officer to help at the hotel? He was not a Government officer.

By Mr. Davies :

1151. How is it that he went to work for nothing for Mrs. Grant? I could not tell that. I was never at the hotel except on three different Sundays.

By Mr. Mulock :

1152. How long did he remain there? I do not know, I have no idea. I think it must have been several weeks.

1153. He has not an office under Government? No, we have nothing whatever to do with him.

1154. What about the officer who audited accounts there? Mr. Robinson is agent at Montreal. He gave some evidence about being there; but I know no more than that he gave that evidence.

1155. Do you know how he came to go down there? I do not.

By Mr. McLelan :

1156. Mrs. Grant says you have a number of engineers on the staff; how many have you? The number is not always the same. We have at the present time, I think, four. It depends upon the work we are carrying on in the construction of branches and so on.

1157. The ordinary staff would be three or four? The ordinary staff is three.

1158. Then if Mr. Grant were not employed you would have to have some one else there in his place? Is he there idle? If he were not employed there would be some other engineer in his place.

By Mr. Davies :

1159. You only believe that, or do you know it to be a matter of fact? I know it. I know what he is engaged upon. I know there would have to be an engineer for those works.

1160. Is he receiving more salary than the others or any more than his attainments would warrant? There are none receiving less than he, but two, I think, are receiving more. Mr. Mackenzie receives \$1,400.

1161. He is a good engineer and understands his business having been on the Intercolonial before? He understands his business very well.

By Mr. Davies :

1162. Why was not he employed before if he is such a good man? I think he was in the employ of the Canadian Pacific Railway. Judge Clark I know engaged him up here on a statement of the Canadian Pacific Railway claims, and I am aware that Judge Clark complimented him upon his work.

1163. You do not know what he was doing immediately before he was engaged; Mrs. Grant said they were poor and that if he did not get work she did not know how they were to live? He was on the Bay of Chaleurs Railway, I think, before this for a year.

By Mr. McLelan :

1164. That was under a company? Yes.

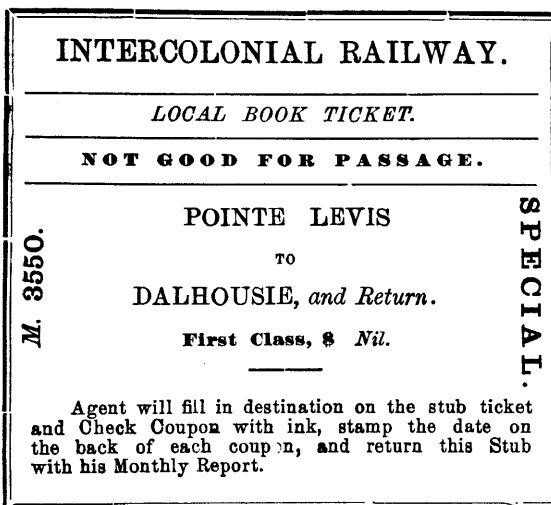
By Mr. Davies :

1165. But the Government was building the road? The Government made the surveys.

By Mr. McLelan :

1166. Did he make the survey for the Government? He was engaged upon that in connection with the right of way—staking out the right of way.

EXHIBIT A.



On the reverse side is the Company's stamp, as follows: "Intercolonial Railway, G. W. Robinson, Eastern Agent, Montreal; June 1, 1885." And written across: "Acc't Inch Arran House."

The above is one of the nineteen tickets laid before Committee. As all were very much alike, only one is printed.

EXHIBIT B.

Specimen of Monthly Return.

RETURN of Tickets sold at Montreal, month ending 31st July, 1885.

Class.	Stations.	Com. No.	Clos. No.	Issued.	Rate.	Amount.	Passengers.	Distance.	Mileage.
					\$ cts.	\$ cts.			
L B	Pointe Lévis to Newcastle.....	3,607	3,608	.....	Stu'nt	7 70	2	412	824
	do Dalhousie	8	9	.....	do .	6 80	2	320	640
	do Cacouna	9	10	.....	do .	2 60	2	122	244
		10	8	.....				
	do Dalhousie	8	9	.....	do .	6 80	2	320	640
	do Cacouna	9	20	.....	do .	2 60	2	122	244
	do Halifax	20	1	.....	do .	14 20	2	678	1,356
	do Newcastle.....	1	2	.....	do .	8 60	2	412	824
	do Charlo	2	3	.....	do .	7 00	2	324	648
	do Dalhousie	3	4	.....	do .	6 80	2	320	640
	do Ste. Anne.....	4	5	.....	do .	1 90	2	73	146
	do Jacquet River	5	6	Cancelled					
	do St. John.....	6	7	.....		12 55	2	580	1,160
	do St. Alexander	7	8	.....		2 40	2	104	208
	do Halifax	8	9	.....		16 50	2	678	1,356
	do Dalhousie	9	30	Inch Arran		*Nil.	2	320	640
	do Halifax	30	2	.....	16 50	33 00	4	678	2,712
	do Jacquet River	2	5	Mon. sp. ex. 7 20		21 60	6	339	2,034
	do Cedar Hall.....	5	6	.....		8 30	2	236	472
	do Cacouna	6	7	.....		3 60	2	122	244
	do Jacquet River.....	7	8	.....		7 20	2	339	678
	do Halifax	8	9	.....		16 50	2	678	1,356
	do Dalhousie	9	43	Act. Inch Arran		*Nil.	8	320	2,560

RETURN of Tickets sold at Montreal, month ending 31st July, 1885—Continued.

Class.	Stations.	Com. No.	Clos. No.	Issued.	Rate.	Amount.	Passen- gers.	Dis- tance.	Mileage.
					\$ cts	\$ cts.			
L B	Pointé Lévis to Shubenacadie .	43	4	.....	.....	20 30	2	638	1,276
	do Dalhousie	4	7	Act. Inch	Arran	*Nil.	6	320	1,920
	do N. D. du Portage	7	8	.....	.....	2 40	2	110	220
	do Little Métis	3,648	3,649	.....	.....	5 05	2	209	418
B B	Moncton to St. John	1,133	1,136	.....	3 30	9 90	6	89	534
"	Pointe Lévis to Rimouski and Rimouski to Rivière du Loup	6	7	.....	.....	5 40	2	.....	248
"	Moncton to St. John	7	41	.....	3 30	13 20	8	89	712
"	Rivière du Loup to Métis.....	1,141	1,142	.....	.....	4 19	2	93	186
C S	Pointe Lévis to Rimouski.....	2	7	.....	.....	4 40	10	182	1,820
"	do do	7	10	.....	.....	2 20	6	182	1,092
"	do do	10	1	.....	.....	4 40	2	182	364
"	do St. John.....	1	2	Cancelled	.....	.....	.....	.....	.....
"	do do	2	4	.....	.....	12 55	4	580	2,320
A B	do Charlo	6	9	.....	.....	10 45	6	324	1,944
	do do	9	10	.....	.....	5 23	2	324	648
	do Dalhousie.....	10	1	.....	.....	9 75	2	320	640
	do Ste. Helene	1	2	.....	.....	2 00	2	95	190
	do Moncton	2	3	.....	.....	14 00	2	490	980
	do Causapscal.....	3	4	.....	.....	8 80	2	257	514
	do Isle Verte.....	4	5	.....	.....	4 65	2	133	266
	do do	5	9	.....	.....	3 80	8	133	1,064
	do do	9	20	.....	.....	4 65	2	133	266
	do Dalhousie	20	2	.....	.....	9 75	4	320	1,280
	do Newcastle.....	2	3	.....	.....	13 00	2	412	824
	do Chatham	3	4	.....	.....	13 80	2	427	854
	do St. François.....	4	5	.....	.....	1 00	2	29	58
	do Jacquet River	5	7	.....	.....	11 80	4	339	1,356
	do Métapédia.....	7	30	.....	.....	9 70	6	292	1,752
	do St. John	30	1	.....	.....	15 75	2	580	1,160
	do Dalhousie	1	3	.....	.....	9 75	4	320	1,280
	do do	3	5	.....	.....	4 87	4	320	1,280
	do Métapédia	5	6	.....	.....	9 70	2	292	584
	do Isle verte	6	7	.....	.....	4 65	2	133	266
	do St. John	7	8	.....	.....	15 75	2	580	1,160
	do Dalhousie	8	41	.....	.....	9 75	6	320	1,920
	do do	41	4	.....	.....	4 87	6	320	1,920
	do Halifax	4	6	.....	.....	16 50	4	678	2,712
	do Jacquet River	6	8	.....	.....	11 00	4	339	1,356
	do Halifax	8	9	.....	.....	16 50	2	678	1,356
	do Campbellton	9	50	.....	.....	9 75	2	305	616
	do Dalhousie	50	3	.....	.....	9 75	6	320	1,920
	do do	3	4	.....	.....	9 75	2	320	640
	do do	4	6	.....	.....	4 87	4	320	1,280
	do do	6	7	.....	.....	9 75	2	320	640
	do N. D. du Portage..	7	9	.....	.....	3 75	4	110	440
	do Halifax	9	60	.....	.....	16 50	2	678	1,356
	do Campbellton	60	1	.....	.....	9 75	2	305	610
	do Dalhousie	1	3	.....	.....	9 75	4	320	1,280
	do Métapédia	63	64	.....	.....	9 70	2	292	584
						830 89	222	.....	57,726

*See June Report.

EXHIBIT C.

No. 57868.]

THE INTERCOLONIAL RAILWAY OF CANADA,
GENERAL PASSENGER AND TICKET AGENT'S OFFICE,
MONCTON, N.B., 8th September, 1884.

DEAR SIR,—This will be your authority to auditor for free report of the following tickets, Local Book No. 2,983, Point Lévis to Dalhousie and return; L. B. Nos. 1459

to 1462 (4), Point Lévis to Dalhousie; L. B. 1464, Point Lévis to Dalhousie; also ticket No. 291, Dalhousie to Point Lévis.

Yours truly,

A. BUSBY, *General Passenger Agent.*

GEO. W. ROBINSON, Esq.,
Agent Intercolonial Railway, Montreal.

EXHIBIT D.

GRAND TRUNK RAILWAY ISSUE.

Form.	Nos.	Class.	From.	To.	Rate.	Account.
9465	685-6	2nd	Montreal....	Point Lévis.	Half	St. George's Society.
3006	1542-52	Return....	do	do	Nil	Inch Arran House.
3006	1574	do	do	do	Nil	do
3006	1601	do	do	do	Nil	do
3006	1683	do	do	do	Nil	do

INTERCOLONIAL RAILWAY ISSUE.

Local book..	1028-9	2nd	Point Lévis.	St. John.....	Half.	St. George's Society.
do ...	2216-7	1st	do	Halifax.....	\$9.36 ...	Lytell Opera Company.
do ...	2223-6	1st	do	do	9.36...	do
do ...	2236-43	1st	do	do	9.36...	do
do ...	2281	1st	do	Dalhousie...	3.40....	Mr. Hogan.
do ...	3547	Return....	do	do	Nil	Inch Arran House.
do ...	3649-66	do	do	do	Nil	do
do ...	3560	do	do	do	Nil	do
do ...	3689	do	do	do	Nil	do
do ...	3606	do	do	do	Nil	do

MR. BRUCE.—Pls. accept this report of tickets for the present.

A. BUSBY, 7-14-85.

Pay $\frac{1}{2}$ fare. D. P. 11-7-85.

EXHIBIT E.

MEMO. of Special Tickets issued at Montreal Agency during July, 1885.

INTERCOLONIAL RAILWAY ISSUE.

Form.	Nos.	Class.	From.	To.	Account.	Rate.
L. B.	3629	Return....	Point Lévis.	Dalhousie ...	Inch Arran House.....	Nil.
do	3639-42	do	do	do	do	Nil.
do	3644	do	do	do	do	Nil.
do	3645-6	do	do	do	do	Nil.
S. B.	113-5	do	do	do	Montreal Star	\$6.80.
do	1111	do	do	Riv. du Loup	Allan Line	2.40.

GRAND TRUNK RAILWAY ISSUE.

3006	1796	Return	Montreal	Point Lévis.	Inch Arran House	Nil.
3006	1841	do	do	do	do	Nil.
3006	1861-3	do	do	do	do	Nil.
3006	1871	do	do	do	do	Nil.
3006	1883-4	do	do	do	do	Nil.
946	1746	1st	do	do	Sleeping Car Porter	Nil.

G. W. ROBINSON.

MR. BRUCE.—Please accept Mr. Robinson's report of these tickets, as per this memo. for the present.

A. BUSBY, 9-5-85.

EXHIBIT F.

No. 4077.]

INTERCOLONIAL RAILWAY OF CANADA,
OFFICE OF THE GENERAL PASSENGER AGENT,
MONCTON, N.B., 6th Oct., 1884.

DEAR SIR,—*Re* yours of 2nd October, and authority to issue tickets to Dalhousie at half rates on account of the Inch Arran House, if you will send me the account for the tickets, I will have the money remitted you.

Yours truly,

GEO. ROBINSON, Esq.,
Agent Intercolonial Railway, Montreal.

A. BUSBY, *General Passenger Agent.*

EXHIBIT G.

Inch Arran House, Dalhousie, N.B., to Montreal Agency, I.C.R., Dr., for tickets supplied servants, as under.

Issue.	Form.	No. of Tickets.		No. Issued.	From	To	Rate.	Amount.	
		Com- mencing	Closing					\$	cts.
G.T.R.....	916	1294	.....	1	Montreal	Point Lévis and return...	\$	cts.	
do	3006	1542	.....	1	do	do			2 50
do	3006	1544	1583	9	do	do	2 50		22 50
do	3006	1574	.....	1	do	do			2 50
do	3006	1601	.....	1	do	do			2 50
do	3006	1683	.....	1	do	do			2 50
do	3006	1796	.....	1	do	do			2 50
do	3006	1841	.....	1	do	do			2 50
do	3006	1861	1864	3	do	do	2 50		7 50
do	3006	1871	.....	1	do	do			2 50
do	3006	1883	1885	2	do	do	2 50		5 00
I.C.R.....	L.B....	3547	.....	1	Point Lévis.....	Dalhousie and return ...			4 88
do	do ...	3549	3557	8	do	do	4 88		39 04
do	do ...	3560	.....	1	do	do			4 88
do	do ...	3589	.....	1	do	do			4 88
do	do ...	3606	.....	1	do	do			4 88
do	do ...	3629	.....	1	do	do			4 88
do	do ...	3639	.....	1	do	do			4 88
do	do ...	3640	3643	3	do	do	4 88		14 64
do	do ...	3644	3647	3	do	do	4 88		14 64
									152 60

G. W. ROBINSON.

EXHIBIT H.

25th November, 1885.

DEAR SIR,—In accordance with your letter of 23rd instant, I enclose account for tickets issued during the past season to servants of Inch Arran House.

You mention that chief superintendent agrees to accept same rates as for other hotels, and as the Grand Trunk Railway Company, presumably with your consent, ticketed servants of St. Lawrence Hall, Cacouna, at half the return fare, viz., \$4.13 each, I have accordingly made out the account on same conditions.

As before advised you, I arranged with Mr. Edgar, G. T. R., to accept as their company's proportion \$2.50 each. (Servants' return tickets, account Inch Arran House.)

Yours truly,

G. W. ROBINSON, *Eastern F. and P. Agent.*

A. BUSBY, Esq., General P. and F. Agent, I. C. R., Moncton, N. B.

EXHIBIT I.

No.]

[Form No. 15.

INTERCOLONIAL RAILWAY, CASHIER'S OFFICE, 4th December, 1885.

Received from the station master at Montreal station the sum of \$152.00 for account T. Williams.

C. D. THOMPSON, *Cashier.*

EXHIBIT J.

INTERCOLONIAL RAILWAY OF CANADA,
OFFICE OF THE GENERAL PASSENGER AND TICKET AGENT,
MONCTON, N. B., 23rd November, 1885.

DEAR SIR,—*Re* tickets supplied servants of Inch Arran House last summer, chief superintendent has decided that we will accept for above same rates as other hotels, viz., half local first class fare.

Auditor has been advised that you will report these tickets at above rates.

Please send me an account for any tickets supplied servants of Inch Arran House, when money for same will be sent you.

Yours truly,

A. BUSBY, *G. P. A.*

G. W. ROBINSON, Agent I. C. R., Montreal.

EXHIBIT K.

MEMORANDUM showing the value of Tickets sold to Dalhousie Station, for the months as undermentioned, for the Years 1883, 1884 and 1885.

1883.		1884.		1885.	
	\$ cts.		\$ cts.		\$ cts.
June	176 85	June	254 71	June	552 30
July	381 16	July	893 77	July	1,496 82
August	210 50	August	499 18	August	986 53
Totals	768 51	.....	1,647 66	.....	3,035 65

AUDIT OFFICE, I. C. R.,
MONCTON, 26th April, 1886.

EXHIBIT L.
Specimen of Way Bill.
INTERCOLONIAL RAILWAY.

No. **Memo. Ry. Copy.** Prog. No. [Form No. 20]
WAY BILL OF SUNDRIES sent from Amherst to Dalhousie, per o'clock Train, the 15th day of May, 1886.

No. of Car.	Sender.	Consignee.	Marks	Residence.	No. Species of Goods.	Weight in lbs.	Rate per 100 lbs.	Charges.		Total.		Under charges	Over charges
								For Freight.	For Ex-penses.	Pre-Paid.	To Pay		
23954 G.T.R.	R. O. & Co.	I.O.R., care C. T. Hillson.....	.....	Dalhousie	1 Car lumber.....	20,000	\$ cts.	\$ cts. 26 00	\$ cts.	\$ cts. 26 00	\$ cts.	\$ cts.	\$ cts.

Station Master.

EXHIBIT M.

(Telegram.)

MONCTON, 14th September, 1885.

J. McLEOD, Dalhousie,—

Do Rhodes & Currie owe you anything? Were the materials they brought up this year for improvements at Inch Arran consigned to them or to whom, and were they way-billed, prepaid, or to pay?

D. POTTINGER.

EXHIBIT N.

14th September, 1885.

DEAR SIR,—I presume all the freight that came to the Inch Arran House or for use there, was properly way-billed and charged; if not let me know, so that it may be properly charged. See that no materials have come consigned to C. T. Hilson, free of charge.

I have telegraphed you to-day, asking if Rhodes, Currie & Co. owe any bill for freight, and if this freight came properly way-billed, and whether prepaid or to pay. Answer this to-morrow, as I leave for the west Tuesday night.

Yours truly,

D. POTTINGER.

J. McLEOD, Esq., station master, Dalhousie.

EXHIBIT O.

Form No. 94.

INTERCOLONIAL RAILWAY.

14th September, 1886.

*By Telegram from Dalhousie to D.*Pottinger :—*

Rhodes and Currie do not owe me anything; most of the material came on memo. bills to C. T. Hilson. There is a small balance due me by Wm. Watson, who put water pipes in at Inch Arran House, and C. T. Hilson owes me a small balance on goods, &c., that came to him for Inch Arran House.

J. I. McLEOD.

EXHIBIT P.

Form No. 92.

INTERCOLONIAL RAILWAY.

DALHOUSIE STATION, 15th September, 1885.

DEAR SIR,—In reply to your letter of 14th instant, I beg to say that all goods and supplies for Inch Arran House were way-billed properly and charges collected, except some material that came in the spring for repairs to the hotel. Some of that was received on a memo. bill for C. T. Hilson, and some lime came addressed, P. S. Archibald. Rhodes, Currie & Co. paid all their freight bills. Mr. Roderique paid all freight bills on goods consigned to him or Inch Arran House. There is a small balance due me from C. T. Hilson on freight consigned to him for use of Inch Arran, and Wm. Watson, who put in water pipes at the hotel, owes me a small balance. That is all that is owing to me on any freight, &c., arriving for use of Inch Arran. The material that came on memo. bills will not be very large amount.

Yours truly,

J. I. McLEOD.

D. POTTINGER, Chief Superintendent Intercolonial Railway, Moncton.

EXHIBIT Q.

15th September, 1885.

DEAR SIR,—I have your telegram of September 14th. Have a statement prepared and send it to Mr. Taylor at Moncton, of the materials consigned to C. T. Hilson on Memo. Bills, as all the materials sent for the Inch Arran House should have been charged.

You must be sure that you omit nothing. Send also to Mr. Taylor a copy of C. T. Hilson's account, which you say is owing.

Send him also a copy of Watson's account.

Yours truly,

D. POTTINGER.

J. McLEOD, Esq., Station Master, Dalhousie.

EXHIBIT R.

INTERCOLONIAL RAILWAY OF CANADA,
OFFICE OF THE CHIEF SUPERINTENDENT,
MONCTON, N.B., 17th September, 1885.

DEAR SIR,—Referring to your letter of the 15th inst., be good enough to let me have the particulars of the amounts outstanding against C. T. Hilson and William Watson.

Yours truly,

D. POTTINGER, *Chief Superintendent.*

Per A. J. M.

Mr. J. I. McLEOD, Station Master, Dalhousie.

EXHIBIT S.

INTERCOLONIAL RAILWAY,
DALHOUSIE STATION, 15th October, 1885.

DEAR SIR,—As requested by the chief superintendent, in his letter of 17th September, inclose you original memos., bills for lumber, &c., that come here to C. T. Hilson, and used for repairs on Inch Arran Hotel. The shipments are mostly from Amherst. I also send you copies of way bill for a balance due me by C. T. Hilson and Wm. Watson for freight on material for Inch Arran Hotel. I paid this amount to the railway myself thinking to get it back from Mr. Hilson, but have not yet received it. You will know whether Amherst or Dalhousie should make up freight charges on attached memos.

Yours truly,

J. I. McLEOD.

GEO. TAYLOR, Esq.

EXHIBIT T.

Form No. 93.

INTERCOLONIAL RAILWAY,
DALHOUSIE STATION, 14th April, 1886.

J. R. Bruce :—

I will report myself in your office Thursday.

J. I. McLEOD.

2.37 p. m.

EXHIBIT U.

BOSTON, 16th April, 1886.

DEAR SIR,—You will, no doubt, think very strange that I have not reported myself at your office as promised in my telegram of 14th. When I sent that telegram I intended to leave by No. 34 train that same night, but there was something happened that changed my mind.

I will explain, but I doubt if you will believe me, but as God is my judge, it is true. You see, when I left Moncton I went down the bay as far as Newport. I got bill of lading from Robin & Co., Paspébiac, for the two cars flour, that we wanted. At Newport, I found that the car flour that was consigned Newport, had been landed at Cape Cove, to Robin & Co's agent, but I could not get there on account of the river's breaking up. The six cars that is entered on April "freight in store," were delivered as follows (as near as I can remember): The one charged \$100 to Captain J. Leblanc, Carleton; one \$89.10 to C. H. LaBillois, Dalhousie; two \$81.25 landed at North Richmond, one of them to Campbell, the other to W. H. Watson, they appear on agent's manifest, but car numbers not given. The purser took up all bills of lading himself and posted the agents who to deliver to. I got receipts for many of the amounts and some bills of lading for small amounts. I got some bills of lading and receipts from R. Fair and others. When I came home I made up my report, and put all the bills of lading, receipts and other notes in one package, and put them in my satchel. Well, on Wednesday my wife was packing up to go to Sussex, as I intended leaving the road as soon as I got this steamer business fixed up and go to Sussex to go into business with my wife's father. Well, as I said, my wife was packing up, she took the valise to put some things in and put this package of papers on the table, when one of the children got hold of it and put it in the stove. Now, it would have been very little use for me to have went to you or Mr. Williams with this story, as you would think that I did not make anything out of my trip, and what would have been the consequence, I would have been arrested for trying to defraud the railway, so, without saying anything to my wife, I left for here. If it had not been for my wife and children I would have stayed and let them do what they liked with me, but for the sake of my little children I will make a hard fight for my liberty.

I am going to Newburyport to-day, but there is no chance for work in Massachusetts. On Monday I will leave for the Rock Island Railway as I have a letter of recommendation for a job, which I got from an influential friend in Boston. I have written my wife to go to Boston to her brother and remain with him until she hears from me, and God knows when that will be, as I only have money enough to take me part of the way where I want to go and will have to go like a tramp so it will take me some time to get there. I had \$10 when I left Sussex, and I got \$20 from a friend in Boston, so I will have to make the best of it until I get work. Now, I will be put down as a thief, it will be said that I stole the money from the railway, but I tell you before God that I did not, to my knowledge, take one cent that did not belong to me. If the Department go to the trouble to enquire they will find that. I had all my furniture and things before I went to Dalhousie and all paid for. I bought one suit of clothes after I went to Dalhousie and they are not paid for yet. I am greatly troubled the way everything has gone against me in the last year.

I was settled nicely at Dalhousie and had a good job, was not in debt until after the fire, when I had to go in debt about \$100, which I still owe, but will pay if I live and get work. Now Mr. Bruce try not to think too hard of me, I am very sorry to have my friends think me so dishonest as I must appear. Now, I do not know if ever I shall see you again or not, but I shall never forget your kindness to me, and I believe the time will come when my name will be clear before the world. I had no thought of leaving as long as I could see any chance to clear myself, but when I lost everything that took so much trouble to get up, I did not see anything else ahead but a prison.

Good bye, yours truly,

J. I. McLEOD.

J. R. BRUCE, Esq., Traffic Auditor, Intercolonial Railway, Moncton.

EXHIBIT V.

OTTAWA, 8th March, 1886.

MY DEAR SIR,—Attached hereto is a copy of a letter from Mr. P. A. Landry, M.P., addressed to the Honorable Minister *re* "Inch Arran" matters, and I am to request you to send up here a statement of the case, with the necessary documents, disclosing all the facts in connection with the transactions referred to in the charges mentioned by Mr. Landry.

I would like these papers sent up without any unnecessary delay.

Yours truly,

COLLINGWOOD SCHREIBER,

Chief Engineer and General Manager.

D. POTTINGER, Esq., Moncton, N.B.

OTTAWA, 15th February, 1886.

MY DEAR SIR,—I observe by the public press that it is charged that guests and servants sent to the Inch Arran House last summer by the Intercolonial Railway Agent in Montreal have been carried over that railway free of charge, and they publish copies of tickets in support of their view of the case and as *prima facie* evidence of the correctness of their charge. Although I must admit circumstantial evidence looks strong, I can but think there must be some explanation out of the matter, as I am sure, knowing my views on the question, you would have treated the guests and servants of the Inch Arran House, travelling over the Intercolonial Railway, precisely the same as if going to Cacouna, or any other great summer hotel resort. I shall be very glad to be furnished with the facts at once.

Yours truly,

COLLINGWOOD SCHREIBER,

Chief Engineer and General Manager.

D. POTTINGER, Esq., Moncton, N.B.

INTERCOLONIAL RAILWAY OF CANADA,

OFFICE OF THE CHIEF SUPERINTENDENT,

MONCTON, N.B., 20th March, 1886.

DEAR SIR,—In answer to your letter of the 8th inst., I submit for the information of the Hon. Minister the following statement with reference to the "Inch Arran House," Dalhousie, N.B.

A large part of the country along the Intercolonial Railway possesses attractions for summer tourists, and following the example of other railways, the Intercolonial has, in recent years, devoted a good deal of attention to this class of travel and endeavored to increase it.

For the purpose of making known the advantages of the country in this respect a new guide book was prepared during the winter of 1882-83, and extensively distributed.

It is almost unnecessary to say that general business is benefited by such travel and therefore the advantage accruing to the railway is both direct and indirect.

Our country is well adapted by nature for a pleasure resort, but there is one great deficiency, that is summer hotels situated at attractive places where sea bathing and fishing can be had close at hand.

There is probably a sufficient supply of hotels for ordinary business purposes, but they are of course situated in the cities and towns, and as almost all summer tourists come from cities and towns in order to obtain rest and change of scene, they naturally do not wish to spend their whole holiday in a town hotel. They prefer a house where, by going a few steps, they can bathe in the sea, and from which they can make short excursions to places of interest.

Although there are many places along the Intercolonial suitable for a large summer hotel, there was, until 1884, only one such hotel, the St. Lawrence Hall, Cacouna, which was built before the Intercolonial was opened.

So great an inducement to travel are summer hotels considered to be that railways extend to them every possible assistance, and in many cases even build and own them.

In 1882 I urged the Department to authorize the Intercolonial to build a summer hotel at a spot to be selected, but the suggestion was not adopted. It has been found difficult to get private individuals to undertake such a work, as it requires considerable money, and capitalists are slow to invest in a concern which must lie idle nine months in each year.

In the spring of 1883 the erection of a summer hotel was undertaken by private enterprise. The spot selected was about one mile from the town of Dalhousie, on the south shore of the Baie des Chaleurs. It was a well designed building of about eighty rooms. The name chosen by the owners was the "Inch Arran House."

The railway authorities were glad that at last there was to be a summer hotel at one of the many beautiful places along the north shore of New Brunswick, and being assured by the owner that it would be completed and ready for the public during the summer of 1883, they inserted an advertisement of the hotel in the new guide book which was issued in the spring of that year.

The owner commenced work on the building and continued it all summer, but owing to unexpected difficulties, was unable to complete it. This unfortunate position of affairs caused some embarrassment to the railway as the house had been advertised as in existence on the faith of assurances given that it would be completed in time for the summer travel of 1883. There were during that summer numerous inquiries about it, and it was feared that its non-completion would have an injurious effect.

During the following winter the owner of the house endeavored to get assistance to complete it, but without success.

In the spring of 1884 Mr. Schreiber was urged by the owner to grant assistance, and knowing how important it was to the railway that the house should be completed he lent a sum of money for the purpose, taking a mortgage on the property. By the time matters had reached this stage the spring was well advanced and it was found difficult to get a builder who would undertake to complete the house in the limited time remaining before the summer season began. This, however, was at last accomplished, and the house was so far completed by the 1st of July, 1884, that it was fit for occupation. As guests had by that time begun to arrive work had to be stopped, and the final completion of the house was put off till the following year. As soon as the arrangements for completing the house were made the owner made engagements for the season with a large number of guests, and the house was filled soon after its opening to its full capacity.

It was thought that all difficulties had been overcome, but a new one soon arose. The owner had by great energy and perseverance got the hotel erected and furnished, but this had exhausted almost all available resources, leaving very little capital to operate the house. The result was that at the height of the season, and at a time when there were about 200 guests of all ages in the house, a crisis arose, and the hotel was on the point of closing. The closing of it then would cause all the guests great disappointment, inconvenience and loss, especially those who had made engagements for the season, as their holiday would be broken up, and they would have to seek other lodgings at a time when satisfactory ones were not easily procurable; besides they would be subjected to very considerable additional expense.

The matter was carefully considered, and, although the Intercolonial was not responsible for the inconvenience which these people would suffer, yet it was felt that it would reflect injuriously on the railway, and it was therefore decided to make an effort to keep the hotel open. Mr. Schreiber was appealed to, and he agreed, in view of all the circumstances, to buy out the owner. He did this with reluctance, and only in the interest of the Intercolonial, to prevent any injurious effects from the

closing of the hotel. Had he considered only his own interests he would have allowed the hotel to close.

An experienced manager was then engaged, who ran the hotel for the remainder of the season.

The work of finishing the hotel, which had been left undone in 1884, was completed in the spring of 1885, and the house was run for Mr. Schreiber during the summer of 1885 by the same manager as in the previous year.

The Intercolonial Railway has always been willing to grant, and does grant, the following concessions to the promoters of any large summer hotel along the line of railway, namely: A reduced rate of freight (one-half the tariff rate) for all the materials used in building the house and equipping it, free transport over the railway for such workmen as have to be brought from other places to work at the building, and after it is in operation a reduced fare (one-half) for the servants of the hotel.

When the "Inch Arran House" was commenced the above concessions were granted to it with the concurrence of the Hon. Minister. They were given before Mr. Schreiber owned it and no further concessions have been given since.

They were given in the interest of the railway and are small compared with what other railways do for summer hotels.

Neither materials nor labor belonging to the railway, or paid for by the railway, ever went into the building.

The railway did no advertising for the hotel, except, as already stated, to insert an advertisement in its guide book.

It has been the custom of the railway for the last few years to publish a calendar each year and a picture of scenery along the line, or of some object of interest, is placed at the head of it.

In 1884 a picture of Bic was used, in 1885 a picture of Dalhousie, in 1886 a view of the new Cantilever bridge over the St. John river.

In like manner on the summer time table there was at one time a view near Rivière du Loup, at another a view near Dalhousie.

In this way something novel and interesting is used each year.

Tickets were not given free to guests of the hotel in any case, nor were guests of the hotel carried free.

Some railway people and some newspaper people were no doubt carried free to Dalhousie, and may have visited the hotel, but they would have been carried free according to the custom of the railway in the same way to any other station on the line.

The tickets issued in Montreal were issued to servants of the hotel, and were all regularly charged and paid for. It is well known that trained servants have to be brought from cities to the summer hotels, and it is usual for railways to give reduced rates for them. This was done by the Grand Trunk and Intercolonial for other summer hotels before the "Inch Arran House" was built, and the rate given to the "Inch Arran House" by these railways was no lower than that given to others.

Everything in connection with this matter has been done in an open and straightforward manner, there has been no attempt at concealment, as there is nothing to conceal.

When Mr. Schreiber became owner of the hotel he gave instructions that no favours should be extended to it above any other summer hotel, and these instructions have been carried out.

I may say here that Mr. Schreiber was not acquainted with the details of the several transactions. When money was required he was informed, and he supplied it, and receipts were sent him at intervals showing how it had been used.

This hotel has proved to be an advantage to the railway and to Dalhousie and neighborhood.

It was full of guests last season, and if it was doubled in size there would be no difficulty in filling it.

It has not injured the business of any other Canadian hotel. Cacouna was quite full last season.

I am still of the opinion that the railway should build summer hotels at suitable places along the line, and rent them to competent persons. Such hotels, besides being a benefit to the traffic of the railway, would greatly benefit the localities in which they were placed, and instead of competing with the existing hotels, they would bring them new business, as has been the case at Dalhousie.

Your obedient servant,

D. POTTINGER.

C. SCHREIBER, Esq.,

Chief Engineer and General Manager, Government Railways, Ottawa.

EXHIBIT W.

INTERCOLONIAL RAILWAY, OFFICE OF THE CHIEF SUPERINTENDENT,
MONCTON, N.B., 21st January, 1882.

DEAR SIR,—You will remember that when in Moncton last November, Mr. Busby and I spoke to the Hon. Minister and yourself with reference to the advisability of improved hotel accommodation being provided at different points along the line, and a scheme for the erection of a hotel at Campbellton at the expense of the railway was favorably spoken of, and Mr. Busby was instructed to make a report upon the subject. I now send you his report and also an estimate prepared by the engineer.

Plans will also be sent you in a day or two as they are on the way from Moncton.

The deficiency of hotel accommodation along the whole line of the Intercolonial Railway and at the termini at Halifax and St. John, is a matter of continual complaint by tourists in the summer season, and anything that would remove this obstacle to our procuring a good passenger traffic in summer would be a boon to the Intercolonial.

As you are aware, many railway companies have erected hotels for the purpose of encouraging travel over their lines, and as the Government has undertaken to work a railway, it seems to me only fair that they should work it in the same way as the railways owned by companies are worked and give every facility possible to the travel.

The reason that Campbellton has been selected in this case is, that it is a central point from which tourists who wish fishing and shooting can make their excursions. We have had for some years steamers running upon the Bay Chaleur, and Campbellton is the point at which they connect with the railway. The closing of Fraser's hotel at Metapedia has considerably reduced the number of tourists who formerly visited that locality, and although he is erecting another hotel a few miles south of Metapedia station, it is not likely that it will serve the purposes of the railway, as it is small and situated at an inconvenient place where there is no regular station. For this and other reasons, I would strongly recommend that this scheme of erecting a hotel at Campbellton be taken into favorable consideration, and a sum placed in the estimates for the purpose, as I am convinced that it can be rented on terms that will at least pay the interest on the cost of its construction.

Your obedient servant,

D. POTTINGER.

C. SCHREIBER, Esq., Chief Engineer, Government Railways, Ottawa.

EXHIBIT X.

THE INTERCOLONIAL RAILWAY OF CANADA,
GENERAL PASSENGER AND TICKET AGENT'S OFFICE,
MONCTON, N. B., 10th January, 1882.

PLEASURE AND TOURIST TRAVEL.

In commencing to make arrangements for this business for next summer, and in talking the matter over with the passenger agents of other railways, I am continually

reminded of the poor hotel accommodation in cities and towns along our route. The lack of good hotels in Halifax and at our northern watering places being particularly dwelt on, and there can be no doubt that the want of proper hotels is operating seriously against our getting pleasure and tourist travel over our line.

Other railways by erecting hotels, by bonuses and privileges granted hotel companies, are actively competing for this business and it is high time that our own road took some action in the matter. The advantage we possess in a new route, in a delightful summer climate, in scenery, sea-bathing and in cheapness of living, if supplemented by modern hotel accommodation, would, without doubt, give us a large share of this travel.

The closing of Fraser's Metapedia Hotel to the public, consequent on its sale to a New York club, has deprived us of a very considerable share of sporting travel. Dominion and United States sportsmen were annually making Metapedia their headquarters during the fishing season, and every year the number of people going there was increasing. They are now shut out from both the hotel and the fishing.

Since the closing of Metapedia to the public, Campbellton has, to a limited extent, taken its place, but the want of anything like modern hotels operates seriously against an increase of the sporting business. An hotel at Campbellton, to accommodate forty or fifty guests, is an immediate necessity if we expect to retain our hold on or increase this sporting travel. An inexpensive building, erected and operated with some regard to modern requirements, is all that is necessary, and such a building, I have no doubt, can be erected for eight or ten thousand dollars. I know of no way in which such an amount of money could be expended with like beneficial results to the passenger business of the railway, and I would strongly urge the erection, during the coming spring, of such an hotel in Campbellton.

Yours truly,

A. BUSBY, *General Passenger and Ticket Agent.*

D. POTTINGER, Esq., Chief Superintendent.

CAMPBELLTON HOTEL—ESTIMATE.

140 yards masonry, at \$4.50 per yard.....	\$630 00
5,890 yards plastering, at 13 cts. per yard.....	765 70
330 lineal feet stucco cornice, at 14c. per foot.....	46 20
8 ceiling centre pieces, at \$1 each	8 00
81 M., B.M. frame stuff, at \$14 per M.....	1,134 00
90 M. laths, at \$2.25 per M	202 50
40 M. rough boards, at \$13 per M.....	520 00
18 M. flooring, at \$18 per M.....	324 00
6 M. pieces clapboards, at \$45 per M.....	270 00
80 M. shingles, at \$3.25 per M.....	260 00
8 M. lineal feet strapping (1 x 3), at \$4 per M	32 00
4 M., B.M., pine sheathing, at \$25 per M.....	100 00
68 windows, complete, at \$8 each	544 00
12½ M. brick, at \$15 per M.....	187 50
5 outside doors, at \$17.50 each.....	87 50
65 inside doors, at \$7 each.....	455 00
900 lineal feet moulded base, at 10c. per foot.....	90 00
900 do plain base, at 3c. per foot.....	27 00
300 do cornice, at 22c. per foot... ..	66 00
575 do cornice, at 10c. per foot.....	57 50
408 do ballustrade, at \$1.25 per foot.....	510 00
900 do outside finish, at 10c. per foot.....	90 00
6 cast iron columns, 1,600 lbs., at 6c	96 00
Finishing stairs complete.....	356 10

Painting and glazing.....	816 00
Lead, zinc and canvass.....	75 00
	<u>\$7,750 00</u>
Contingencies.....	250 00
	<u>\$8,000 00</u>

30th December, 1881.

P. S. ARCHIBALD.

INTERCOLONIAL RAILWAY, OFFICE OF THE CHIEF SUPERINTENDENT,
MONCTON, N.B., 3rd February, 1882.

DEAR SIR,—With reference to the report I made in favor of the building of a hotel at Campbellton, I wrote that it was urged as an objection to the building of it that Fraser was already building a hotel near Metapedia. I mentioned in my letter that that hotel was small and inconveniently situated. I write now to say that it has been burned down, so that it does not exist at all.

Your obedient servant,

D. POTTINGER.

C. SCHREIBER, Esq., Chief Engineer Government Railways, Ottawa.

EXHIBIT Y.

DALHOUSIE, N.B. _____ 18 .

C. T. HILSON,

To GEORGE HADDOW, DR.

DEALER IN

GENERAL DRY GOODS, MILLINERY,

Groceries, Hardware, Boots and Shoes, &c., &c.

[A LITTLE OF EVERYTHING.]

		\$	cts.	\$	cts.
1884.	Per Mrs. Grant—				
July 11...	To 1 tub, \$1.10; 2 galvanized buckets, at 40c.; 2 cake pans, at 15c.	2	20		
	1 saucepan, 35c.; ½ doz. spoons, at \$1.20; 1 tin basin, 60c	1	55		
	1 gravy strainer, 25c.; 1 preserving dish, \$1.70.....	1	95		
	1 mattress each, \$3.50, \$5 and \$4.25; 2 rockers, \$2; (10 per cent. off)	16	75		
do 12...	To 16 yards sheeting, at 45c.; 34 yards sheeting, at 40c; 70 yards sheeting, at 42c.....	50	20		
do 14...	To 14 towels, at 10c.; 1 towel each, 20c., 15c. and 18c.; ½ doz. napkins, at \$1.....	2	26		
	3 doz. napkins, at \$1.35; 2½ yards cotton, at 12c.; 30 yards cotton, at 10c.	9	63		
do 17...	To 3 doz. towels, at \$2.40; 2 doz. towels, at \$1.80; 3 doz. napkins, at \$1.10	14	10		
	3 doz. napkins, at \$1.60; 1 mattress each, \$3 and \$3.50..	11	30		
do 31...	Per Self—				
	To 1 mattress each, \$3, \$3.50 and \$5; 20 yards cotton, at 15c.; 5½ yards ticking, at 20c.	15	80		
	3 yards ticking, at 25c.; Aug. 2nd—6 latches, at 12c.; 2 lbs pressed nails, at 8c.; 6 prs. hinges, at 12c.....	2	35		
	zinc, \$1.18; nails, 20c.....	1	38		
	By 10 per cent. discount, \$12.94; cash, \$116.53			129	47
				129	47
1885.	Per Nadeau—				
June 5...	To 1 keg 10 nails, \$3.75; 13½ lbs. zinc, at 10c.; 14 lbs. spikes, at 4c.	5	66		
	CR.				
do 29...	By cash.....	5	66		

EXHIBIT Z.

11th December, 1883.

DEAR MRS. GRANT,—In reply to your letter of the 9th ultimo, addressed to the Hon. Sir Charles Tupper, I am to repeat what the Honorable Minister has stated to you on several occasions, that he regrets that it is not in his power to grant you any pecuniary aid in the construction of the hotel at Dalhousie.

Yours respectfully,

COLLINGWOOD SCHREIBER.

Mrs. PETER GRANT, Dalhousie, N.B.

The cost *in re* the Inch Arran Hotel, Dalhousie Branch, Intercolonial Railway, to date, is as follows :—

Witnesses.....	\$ 390 25
Reporting evidence.....	117 80
	<hr/>
	\$ 508 05

Attest. E. P. HARTNEY, *Clerk Public Accounts Committee.*

21st May, 1886.

REPORT.

COMMITTEE ROOM,

THURSDAY, 27th May, 1886.

The Select Standing Committee on Public Accounts beg leave to present the following as their Fourth Report :—

Your Committee have, in accordance with the order of the House of 20th inst., enquired into the matter of the indebtedness of Mr. Herman H. Cook, as dues for timber cut on Indian reserves on certain islands in the Georgian Bay, in the years 1872 and 1873, and the remission of \$1,486.24, together with the interest thereon; and in connection therewith have examined certain persons, and for the information of the House append hereto copies of the evidence given and of the exhibits filed by them.

All which is respectfully submitted.

J. C. RYKERT, *Chairman.*

MINUTES OF EVIDENCE.

OTTAWA, 21st May, 1886.

The Public Accounts Committee met; Mr. RYKERT in the Chair.

Mr. WM. PLUMMER called and examined :—

By Mr. White (Renfrew) :

1. Are you an officer in the Department of Indian Affairs? Yes.
2. In what capacity? Commissioner of Indian Affairs.
3. How long have you been in the Department of Indian Affairs? Nearly 19 years.
4. Were you in the employ of that Department in 1872? Yes.
5. In what capacity? In 1872 I was Indian Commissioner on Manitoulin Islands. In 1873 I took charge of the office in the City of Toronto, called the Central Superintendency.
6. Do you know Mr. H. H. Cook? Yes.
7. Did you, in your capacity as an employé or officer of the Department of Indian Affairs, have any knowledge of Mr. Cook taking a license to cut timber on the islands in the Georgian Bay, in 1872-73? Yes.
8. Was there any timber cut by him or the firm of which he was a member during those years? Yes.
9. Was there a return made to the Department of the timber cut? Yes.

10. Have you got that return ? No.

11. Do you know by whom that return was made ? The return was handed in by Mr. Cook himself.

12. Was it a sworn return, sworn to by any person ? Yes, it was a sworn return.

13. Do you know by whom the affidavit connected with that return was made ? I do not.

14. Was it an officer of the Department ? No.

15. Do you know whether it was an employé of Mr. Cook's ? It was one of Mr. Cook's workmen or foreman.

16. Can you get that return ? I do not think so. I did not get an order to come here until last night at six o'clock, and I made every endeavor to find that return and could not.

17. Have you any means of knowing what that return contained as regards the number of logs and feet ? Yes, from our books.

Mr. Mulock objected to any evidence from the books, and contended that the return itself must be produced.

The Chairman ruled that if the return could not be found, after due search had been made for it, it was open for the witness to show that the books of the Department had transcripts from the documents upon which they had acted.

Mr. Plummer.—This is taken from the books. I may state that I have on file here Mr. Cook's own statement showing that he did make that return.

By Mr. Mulock :

18. You have that paper with you ? Yes.

19. A statement of Mr. Cook's stating that he did make a return in 1873 ? Yes, and it corresponds with the amount of money in our books.

By the Chairman :

20. Where is that ? There is a letter, and there is a statement.

By Mr. White (Renfrew) :

21. Have you any entry in the books of the Department, charging Mr. Cook with timber dues—timber got on these islands in 1872-73 ?

Mr. Mulock objected to the witness answering this question, unless the books were produced.

The Chairman ruled that it was in order to produce a certified copy from the books.

Mr. Plummer.—The following is Mr. Cook's letter to the Department, dated February, 1877. (See Exhibit A.)

By Mr. White (Renfrew) :

22. That letter does not give the information we want. What we want to ascertain, Mr. Plummer, is the number of saw logs and the number of feet that they contained, according to the return made to the Department. Do you know anything about the original returns, Mr. Plummer ? Nothing more than I have stated.

23. Did you ever see it ? Dozens of times.

24. Do you recollect what these returns were ? I recollect as far as the details are concerned.

25. Have you made a search for that return ? Yes. That return was made in Toronto. The office was in Toronto at that time, and remained there for several years afterwards. About three years ago that office was closed, and the officers then in charge were brought to the head office, and in the removal of the papers they got mixed up in some way.

By Mr. Holton :

26. When did you last see that return, Mr. Plummer ? I have a distinct recollection of seeing the return when the remission was made to Mr. Cook.

27. How long ago was that ? That was in October, 1878.

By Mr. White (Renfrew) :

28. You say that you have searched for that return ? Yes.

29. And you cannot find it ? No.

30. Do you know whether it has been given out of the Department to any person ? I do not think so.

31. Do you know what that return contained ? I know as regards quantities.

32. Do you think that the books of the Department contain an accurate transcript of the quantity of logs and the number of feet in that return ? Quite so.

33. You know that ? Yes.

34. Can you state to the Committee the quantity of logs, and the number of feet that was cut by Mr. Cook's firm in 1872 ?

Mr. Mulock objected to the witness answering the question.

By Mr. Mulock :

35. You say you saw the return about October, 1878 ? Yes.

36. Where did you see it ? In my office in Toronto.

37. You were in charge of the paper in Toronto ? Yes.

38. And when the change was made it was brought to Ottawa ? Yes.

39. How do you know it was brought to Ottawa ? Well, we packed up the papers.

40. Who packed them up ? I did.

41. And you packed that paper up with the others ? I think so.

42. Have you any reason to doubt it ? No, I have no reason to doubt it.

43. You have been in charge of those papers ever since ? I am not in the same room.

44. When did you make a search for this paper ? This morning.

45. About what time did you begin ? I began to search about eight o'clock this morning. I had a man searching also.

46. Is the other man here ? He is in the Department. He searched with me.

47. You searched in one place, and he in the other ? We were together most of the time.

48. Were you together mostly all the time ? Perhaps not.

49. Did you each handle the same papers, or did you to some extent divide the work ? We did not handle the same papers.

50. Then he searched in some papers, and you in others ? Yes.

51. You have been only a couple of hours searching for that paper ? No.

52. Do you swear that the paper is not in your office ? I cannot swear that.

53. Then you have not had enough time yet ? We have not had enough time to find it, at any rate.

54. Do you mean to say that this is the way you keep papers and documents, that you can allow them to be mislaid and lost, in the regular way of business ? Not in the regular way of business.

55. Do you admit that you have lost this paper ? No, I do not admit that at all.

56. Then how do you account for not having it here ? Because I could not put my hand on it.

By the Chairman :

57. Did you search the places where papers of that kind are usually kept ? Yes, in every pigeon hole or cupboard we brought from Toronto filled with such papers.

By Mr. Mulock :

58. Are there any other places in your office where you have not searched and where there are papers ? No doubt.

59. Now, you have not searched in all the possible places in your office where it might be? I do not think we have.

60. Then I would ask you whether you think it was simply lost or destroyed or mislaid? I do not think it is destroyed. It may have been lost.

61. You are quite sure it was packed up and shipped to your office? Quite sure that any paper in the Department of any importance was packed up.

62. They were shipped from Toronto to Ottawa and no doubt arrived here, the box and package arrived in the office? Yes.

63. And the papers with it? And the papers with it.

64. The box arrived in the same condition as it was sealed up by you? I think so.

65. So that the only fair conclusion is, that you have not lost it, but it is mislaid at present; is that your opinion? I do not know that I have an opinion on it. All I can say is that I have made a diligent search and I cannot find it.

66. You cannot find it in two hours. Do you think you could find it if you had a longer time to search for it? I could not say.

67. You surely have an opinion as to whether there would be some chance of your finding it? I do not know that I have.

68. However, you say you have not made all the search that you think you ought to have made? I did not say that.

69. You said you had not made as complete a search as was necessary? No, I did not say that.

70. What did you say? You asked me if I had searched every place, and I said I had not, but I searched every place where I had reason to suppose that it would be found.

By Mr. White (Cardwell):

71. You saw this paper when the transaction first took place in 1872 or 1873? Yes.

72. When did you see it after that? I saw it repeatedly between that and 1878.

73. Then you saw it for reference in connection with this transaction? Yes, I had occasion to look at it very often because we were pressing Mr. Cook to pay the bond.

74. Then I understand there was a communication going on between 1872, 1873 and 1878, when you were asking Mr. Cook to pay up the amount of this bond of \$1,800 odd? Yes.

75. When was the last time that you saw this? The last time that I can remember seeing it was the time when I gave up the bond to Mr. Cook, after making the settlement at Ottawa.

76. Was that in Toronto or Ottawa? That was in Toronto, but the settlement was made in Ottawa.

77. And you gave up the bond? Yes, I gave up the bond, and the returns had been up to that time filed away.

78. What time was that? That was some time in October, 1878.

79. And you have never seen that document since? I do not remember seeing it since. I may possibly have seen it.

80. Have you ever had occasion to look for it? I fully expected to put my hand on it yesterday, but I did not get it.

81. And the last time you have any knowledge of having seen it is when you gave up the bonds? Yes.

By Mr. Mulock:

82. I think you told me that you put it in the box to ship to Ottawa? No, I said we put all the papers in the box.

83. You said you had no doubt about it being in the box? I have no doubt of it.

By Mr. White (Renfrew):

84. Why have you no doubt, simply because you thought it ought to be there? Yes.

Mr. White (Renfrew).—Do you rule, Mr. Chairman, that evidence cannot be taken in regard to the contents of these papers?

The Chairman.—I have decided upon that point. I think if the witness has searched in all the places where the papers are usually kept and cannot find them, then it is open to him to show that the books of the Department have transcripts from the documents upon which they have acted.

By Mr. White (Cardwell):

85. You have never seen it since 1878 to your knowledge? No.

Sir Richard Cartwright submitted that two hours was not sufficient time to search for papers reaching back to 1872-73 or 1878.

Mr. Plummer.—I stated I had spent two hours. I was also going to say that an officer of the Department had spent four hours, that would make six hours for one, I think.

By Mr. Mulock:

86. When was that? Last night and this morning.

By the Chairman:

87. You say that all the papers were sent from Toronto to Ottawa in connection with this business? Yes.

88. And you have searched all the places where they are usually kept? Yes.

By Mr. White (Renfrew):

89. You say that you have seen this return that was made by some person not an officer of the Department, and made upon oath, a declaration upon oath? Yes.

90. Can you tell what number of logs were cut by Mr. Cook in 1872-73, that is, from the entry in your books, and according to that return? Yes.

By the Chairman:

91. Is any entry made in the books, and, if so, have you an extract? Yes. (See Exhibit B.)

By Mr. Davies:

92. Is that a certified copy? Yes.

93. Who is it certified by? By one of the accountants in the Indian Department.

94. How many were got? There were 15,594 pieces of white pine, containing 2,424,973 feet, board measure.

By Mr. White (Renfrew):

95. And the dues upon that timber? The dues upon that timber, at the rate charged at that time, amounted to \$3,879.95.

96. Were those dues paid by Mr. Cook? Mr. Cook paid in cash \$2,079.95.

97. When was that payment made? On the first of October, 1873.

98. And respecting the balance? He gave a bond, payable in six months, for \$1,800.

99. A bond, payable in six months, for \$1,800? Yes, with interest at six per cent.

100. Was that bond paid at maturity? No.

101. Was it renewed? No, it was left in abeyance.

102. Then payment was not exacted by the then Minister? No.

103. How long did it remain in abeyance? Until October, 1878.

104. Was it ever renewed during that interval? Not formally.

105. Was there an application made by Mr. Cook for an extension of time or for the renewal of the bond? Yes.

By the Chairman :

106. Have you the application here? Yes, it is dated 5th July, 1875, and addressed to the Hon. Mr. Laird. (See Exhibit C.)

By Mr. White (Renfrew) :

107. Do you know whether any action was taken by the Department at that time? Yes, I was notified on the 12th July that the bond might be renewed.

By Mr Davies :

108. Will you please read the document? The letter is addressed to me, and is dated 12th July, 1875. (See Exhibit D.)

By Mr. Mulock :

109. Who was that from? From the Superintendent-General.

110. To whom? Addressed to me.

By Mr. Davies :

111. You have a memorandum there from the Minister. Will you please read that? This is a memorandum from the Minister on Mr. Cook's letter of 5th July, 1875. (See Exhibit E.)

By Mr. White (Renfrew) :

112. You say you were entrusted by the Minister to renew the bond for six months from the date on its margin? Yes.

113. It was formally renewed? Yes, it was formally renewed.

114. It was allowed to remain in your hands? Yes.

115. Did you make any demand upon Cook to pay it? I had spoken to him several times to pay the bond.

116. But after you got these instructions from the Minister? I don't recollect. There was no correspondence with the Minister, because Mr. Cook used to do his business personally with the office, either himself or his man.

117. As a matter of fact, was it paid at the date fixed by these instructions, at the end of six months? No, it was not.

118. When was it paid, or was it ever paid? Part of it was paid on the 2nd October, 1878.

119. How much of it was paid? \$313.76. They are Mr. Mills' own figures and handwriting.

120. \$313.76, you say? \$359, together with the ground rent at the time, making in all \$488.

By Mr. Mulock :

121. How much was the ground rent? \$124.

By Mr. White (Renfrew) :

122. What became of the balance of that indebtedness? The amount was remitted.

123. By whose order? By Mr. Mills.

124. Who was then Minister of the Interior? Yes.

125. Did he communicate any order to you to remit? Were you instructed to give up the bond to Mr. Cook on receipt of this amount? The first intimation I had was from Mr. Cook himself bringing me this document signed by himself. (See Exhibit F.)

2nd October, 1878.

Mr. Herman H. Cook having paid the amount due by him on account of timber cut under this license, amounting to \$359.76, together with the

ground rent and renewal fees to the 30th April, 1879, amounting to \$124, in all \$483.76, this license, which is to cover cordwood as well as other descriptions of wood mentioned therein, is renewed for the year which terminates on the 30th April, 1879. The authority to cut cordwood does not, however, confer on the licensee any right to cut wood or timber of less diameter at the stump than one foot.

DAVID MILLS,

Minister of Interior and Superintendent General of Indian Affairs.

DEPARTMENT OF INDIAN AFFAIRS,
INDIAN BRANCH, 2nd October, 1878.

126. You told us you had a bond from Mr. Cook for \$1,800. Did you give up that bond to him upon the payment of the four hundred and odd dollars? Yes.

127. Upon what authority; on the authority of that letter or upon any other authority? There was another letter.

128. A letter from the Department to you authorizing you to deliver up this bond to Cook? Yes.

By Mr. Davies :

129. That was not sent to you. It is the Indian Department? Yes, it was sent to me.

130. The witness said he had a letter or communication from the Minister authorizing him to deliver up the bond. I want him to produce that letter? I do not think I have the letter here.

By the Chairman :

131. Did you have such a letter? From the tenor of my letter of 11th October, 1878, (See Exhibit G) I think I did.

By Mr. Mulock :

132. Who was the Minister of the Interior then? Mr. Mills.

The Chairman.—Here are two receipts from the Department for sums paid by Mr. Cook—\$359.76 and \$125. (See Exhibits H and I.)

By Mr. Somerville (Brant) :

133. The witness said he had a letter from Mr. Mills, instructing him to settle on the basis on which he did settle. Have you that letter? I had a letter, and I thought I had it on this file, but I cannot find it.

By Mr Davies :

134. From Mr. Mills? From the Department. Mr. Mills knows very well that in matters of this kind his deputy, Mr. Meredith, used to sign official letters, by his authority, of course.

By Mr. Somerville (Brant) :

135. When did you see that letter last? If I am not mistaken, I saw it to-day.

136. Where did you see it to-day? I think it is on my table now.

By Mr. Mulock :

137. Why did not you bring it? I thought it was on this file, but the file has been broken, and it is off.

By Mr. Davies :

138. Who broke the file? It has been broken by over usage.

139. Who has been using that file, that it came to be broken? It is simply the handling.

140. Who has been handling it besides yourself? I don't know. Likely it is by my own handling.

By Mr. White (Renfrew):

141. The witness says he has not the letter here. Is the letter in your possession here, or is it not? It is not.

By Mr. Mulock:

142. You say it was on the file this morning? I thought it was.

143. Who has had the handling to-day of that bundle of papers besides yourself? Nobody, I think.

144. Are you quite sure about that? If it was on the file and nobody but yourself had it, how does it come to be off the file; did you take it off yourself? The only way I can account for it is that it may have slipped off here at the end, where the file is broken.

145. Was it the latest in point of date; was it in the middle of the file? No.

146. Where was it? I could not tell you.

147. Was it outside the wrapper? I could not swear to that. I know it is not here.

148. I want to know how it got off the file? I cannot tell you.

149. It would not get off itself. Who had the handling of the file besides yourself? Nobody that I saw.

150. At what hour did you see it on that file? I think it was to-day.

151. At what time to day? This morning.

152. At what hour this morning? Nine o'clock, likely. I am not quite sure.

153. Was it in your custody at 9 o'clock this morning? It was on my table.

154. In your custody? Yes.

155. Who has been in your office this morning before you came up—between 9 and 10? The woman cleaning; that is all.

156. Nobody else? There might have been.

157. Do you swear that there was nobody else? No, I will not.

158. Did you see any other people there? I saw a lot of people there.

159. Name them. Mr. White for one? Yes.

160. Who else was handling those papers? I do not know. I did not see anybody else.

161. Who else was in the room? You asked me that before. I thought I told you these people were there.

162. You have only told me the woman and Mr. White? Mr. White and Mr. Taylor.

163. Was Mr. Taylor there? Yes, he was.

164. You only remembered when I asked you? No.

165. You remembered it before? Yes.

166. Are there any other names you would like to keep back? No, there are no other names. There was one other gentleman whom I did not know.

167. Perhaps you could identify him by looking around? I do not see him.

By Mr. White (Renfrew):

168. There is no officer of the Department can settle any matter of this kind without authority? No.

By Mr. Mulock:

169. Was Mr. White, the Minister of the Interior, there? No, Sir.

By Mr. Bowell:

170. Was Mr. Mulock there? No.

171. Were Mr. Mills and Mr. Cook at your office? No.

By Mr. White (Renfrew):

172. Since this much has been ascertained as to who visited your office to-day, will you tell us who visited your office yesterday with the view of having access to these papers? Nobody came to my room.

173. Do you know of any gentleman visiting the Department yesterday? I only heard.

174. Do you know that Mr. Mills was there? I did not hear that Mr. Mills was there.

175. Did you hear that Mr. Mulock was there? I do not think so.

176. Was Mr. Edgar there? I do not think so.

177. Do you know if Mr. Cook was there? I heard so.

Mr. Cook.—Yes, I was there.

By Mr. White (Renfrew):

178. I should be very sorry to accuse these gentlemen, either by implication or in any other way, of having stolen documents from the Department, and inasmuch as I would have liked to have seen this document, the imputation of the honorable gentleman is not a fair one. However, as Mr. Plummer says he has not the evidence in his possession, I will endeavor to get it in another way. Do you know of any negotiations having been in progress between the time at which you got instructions to renew the bond of \$1,800, in 1875, and the time when the payment was made in 1878, having reference to a remission of part of the dues or the whole of them? Yes.

179. What were those negotiations? Mr. Cook made a statement and wrote a letter.

180. Have you the letter there? I have a copy of the letter and a copy of the statement, and you have the original there.

181. That is the one of 1875? No, that was in 1877.

182. There was one in 1877 was there? There was nothing between 1875 and 1877.

183. There was nothing after the letter read by the chairman until 1877. What was done then? Mr. Cook wrote to the Minister of the Interior, Hon. Mr. Mills, that letter which has been read by the chairman.

184. Dated 3rd February, 1877? Yes.

185. Is this the letter? Yes. (See Exhibit A.)

186. Accompanying this letter of 1877, there was a statement purporting to show the loss incurred by Mr. Cook on the cutting and sale of that timber? Yes.

187. Will you look at that and see if it is the statement which accompanied Mr. Cook's letter? That is the statement.

188. What does that statement show; will you read it, please? It is enclosed in his letter:

By Mr. Davies:

189. Is it signed by anybody? No.

190. How do you know it was an enclosure; is there anything to show that? Yes, the figures. The statement is contained in the letter as well as on the sheet. The \$1,800 and the \$1,486.

191. What makes you able to identify it as an enclosure, that is all I want to know? They sent me a copy of it.

By Mr. White (Renfrew):

192. Will you just look at the document and read it for me, please? The letter from Mr. Cook, accompanying this return reads thus. (See Exhibit A.)

193. Will you state to the Committee whether it is customary in your Department to take into consideration in collecting dues upon timber cut upon Indian lands, the profit or loss sustained by the person manufacturing them? I think it is not.

194. As a matter of fact, it is not? No.
 195. You have a fixed charge to make on these returns? Yes.
 196. Have you any personal knowledge as to how these logs were disposed of after they were cut? No.
 197. Do you know what mills they were taken to? Not of my own knowledge.
 198. Have you had any information as to what mills they went to? No.
 199. Was it your duty to ascertain what became of them after they were cut? No.
 200. You don't know what became of them? No.
 201. The charge of dues upon this license was made on the return submitted to the Department by Mr. Cook himself or by some one in his employ? Yes.
 202. Was there any evidence submitted along with this to show that there had been any over-return of the logs made originally? I think you will find the statement made there by Mr. Cook's bookkeeper.
 203. Was it a declaration? Yes.
 204. Is this the declaration? (See Exhibit J.) Yes.
 205. Did you know Mr. Telfer? I knew him very well—intimately. He used to come to my office very often.
 206. What was his occupation? He was a book-keeper.
 207. He was bookkeeper for Mr. Cook. Was he bookkeeper in Toronto, or at the mills in Midland, where the logs were cut? He lived in Toronto.
 208. Did he live in Toronto constantly? I know he lived in Toronto and attended to Cook's business in his office.
 209. Did not he go to the mills in summer? I do not know that.
 210. Where is he now? He is dead.

By Mr. Davies;

211. The witness received a letter from Ottawa on the 8th February, 1877, in reply to that communication in which he is instructed to make a careful investigation into the facts. I want to know if, when he received that letter, he complied with the order, and where his report is? I will answer that. (See Exhibit K.)
 212. Did you make a report? Not at that time.
 213. Did you make a report pursuant to that order? I made a report a year and eight months afterwards.

By Mr. White (Renfrew):

214. You were asked to make a report? Yes.
 215. Did you make such a report? I did not at that time.
 216. How long afterwards did you make that report? I made the report about a year and seven or eight months afterwards.
 217. Were you requested afterwards by the Minister to make a report? No.
 218. Or by anyone else? Yes; by Mr. Cook.
 219. Did he urge you to make a report? Yes.
 220. Was it before or after the election of 1878? Was it before or after the 17th September, 1878? I believe it was before and after.
 221. Was he more urgent after than before? All that I know is, that he requested me to report.
 222. As a matter of fact, you did make a report on the 30th of September, 1878? Yes.
 223. Will you listen while I read it to you? (See Exhibit "L.")
 224. That was your report? Yes.
 225. Will you state to the Committee where you got the information upon which you stated that you had made enquiry? From whom did you make the enquiry in the case? As far as the loss on the transaction was concerned, I had no means of making enquiry except from Cook himself. As far as the quality of the timber was concerned, I saw that myself.

226. What I want to get at is this : You stated you are satisfied that Cook lost by the transaction. I take it that the Department had nothing to do with that? (No answer.)

By Mr. White (Cardwell) :

227. Cook made no report to you as to the over-return? I could not get evidence as to the over-return. There was never any evidence before me.

By Mr. White (Renfrew) :

228. I see in one of Cook's letters he says he was unable to get the timber on account of its inferior quality, and yet, in his letter sent to the Department asking for a rebate of dues, he gives credit for sales of this lumber in December, 1873. Did you make any enquiry from Cook as to how this discrepancy occurred between his letter and the statement? I don't think I did in that form.

229. Will you look at your report to the Department, and tell me what is the writing on the margin, and who wrote it? It is "Allow Mr. Cook the remission to which Telfer's declaration shows he is entitled. Signed, D. M."

230. Who is D. M.? It is the Hon. Mr. Mills' handwriting.

231. Do you know, as a matter of fact, whether the Department took any means to ascertain, between the time he made application for a rebate of the dues and the time the timber was cut—some four years—whether the timber was over-returned, or whether it was not? I think not.

232. They did not take any means to ascertain it; were you instructed to? No further than you see there.

233. Do you know the practice, in the Province of Ontario, relating to returns of lumber for duty? I am not familiar with it.

234. How were these returns made to you; were they made by giving the length and diameter of each log? Yes.

235. And computed by the Department? I think by Scribner's rule.

236. By the same rule as adopted in the Crown Lands Department in Ontario to estimate the number of logs returned? Yes.

237. Was that done by the Department? The return was checked by the Department.

238. You have no knowledge of the practice that prevails in the Province of Ontario? No.

239. Do you know anything about lumber transactions? I am familiar with the lumber transactions connected with the Indian Department, because it is specially under my charge.

240. Did you not think it a singular circumstance that a return should be made of 2,400,000 feet? A sworn statement by Cook's agent or employé to the Department of 2,400,000?

By Mr. Mulock :

241. Is that a sworn statement? Oh, yes, or we would not have taken it.

By Mr. White (Renfrew) :

242. Would not you think it a singular circumstance that a return should be made by Mr. Cook's employé of 2,424,976 feet, when there was actually only 1,500,000; I want to know from you if any other transactions ever came to your knowledge between the Department and persons holding licenses from the Department to cut timber; has there ever been an application investigated showing a difference of some 40 per cent. more returned than was actually cut? I don't remember as to the percentage of difference, but I have known of timber being over-returned, and it has been remeasured.

243. By order of the Department? Yes, remeasured and returned under solemn oath.

241. Do you know of any cases where a remission has been made except under the circumstances you have just related, with the exception of this particular case? I do not remember any similar case.

By the Chairman :

245. Do you know whether Mr. Cook's timber was remeasured or not? I should judge from the statement it was impossible to remeasure it five years after it was cut.

By Mr. Davies :

246. There is no other possible way of proving the over-return than by making an affidavit? Oh, yes; in the case I refer to it was remeasured at once.

By Mr. White (Renfrew) :

247. Have you ever known of cases where an application was made for a rebate of dues four years after the lumber was represented to be cut and sold? No.

248. This appears on the face of it then that the lumber was sold on the 31st December, 1873, and the application for a rebate was made in 1877. Has any case ever come to your knowledge, in your management of the timber on the Indian lands, where an application had been made for a remission of duty four years after the lumber had been represented to have been sold, no application having been made in the interval? I do not remember any case.

By Mr. Mulock:

249. Do you know Mr. Telfer, who made that declaration? I knew him.

250. How long did you know him? I suppose I knew him for perhaps five or six years. I do not remember exactly.

251. Did you know him pretty well? Not intimately.

252. You had business dealings with him? He used to come to my office and transact Mr. Cook's business.

253. You had an opportunity of judging of his business attainments? As far as that went.

254. What were they in your opinion? I think he was an efficient officer.

255. Did you consider him an accurate man in his business? I never had any reason to think otherwise.

256. Did he appear to be a competent bookkeeper? I should think so.

257. Do you know anything about his reputation? I never heard anything against him.

258. Would the sworn declaration to that effect satisfy you that there had been a mistake if you had had it? That would satisfy me as far as the books were concerned.

259. He makes a sworn declaration that there was an over-return of saw-logs and lumber cut from saw-logs; suppose Mr. Telfer on giving you this declaration had said to you that he had gone to the mills and had made thorough enquiry into the matter in regard to which he had made the declaration? I should have told him he was too late.

260. But from your knowledge of his character, if he had told you he had satisfied himself as to the accuracy of his affidavit before he had made it, would you have been satisfied with the affidavit? I could not doubt his affidavit.

261. Then if he had offered that affidavit to you you would not have doubted the correctness of it? I could not have doubted his word or statement.

262. And you have no reason to doubt his word or statement? No.

263. And you have no reason to doubt his word or declaration? No.

By Mr. Davies :

264. You stated that if any sub-application had been made and you had been asked to report upon it you would have told the applicants they were too late? So far as the over return was concerned.

265. And you would have thought it an improper thing to correct the mistake then? Yes.

266. If I produce your report in which you report the very opposite, what would you say? I did not say that.

267. You say, "as to the rebate, Mr. Cook would be fairly entitled to such amount as he might be able to show to the satisfaction of the Department had been over returned"? I said, "to the satisfaction of the Department," but he could not show it to the satisfaction of the Department.

By Mr. White (Cardwell):

268. I understand this bond was given in 1872? In 1873.

269. The paper read to you shows that the lumber was sold in 1873? In December, 1873.

270. In 1875, am I right, on the 5th July, 1875, he asked for a renewal of that bond? I think he did.

271. Is there anything in the Department, any statement in the Department at that time accompanying his application for a renewal, showing that there had been an over-return of lumber? No.

272. And the lumber at that time had been sold for two years? It had been sold for two years before.

273. As I understand it, it was only on 3rd of February, 1877, a year and seven months after the renewal of the bond, that the first statement was made to the Department that there had been an over return? Yes.

274. Five years after? About that.

By Mr. Davies:

275. And you report that he is fairly entitled to it? No; unless he can show it to the satisfaction of the Department.

By Sir Richard Cartwright:

276. How did you think that satisfactory information could be obtained about this business when you reported on 30th September, 1878; what class of information would have satisfied you then? When I received that letter in 1877, I felt it was utterly impossible for me to make an investigation as to an over-return of timber in 1873.

277. Did you so report? I did not so report. I daresay you can understand there are reasons why people do not so report. I did not even acknowledge the letter. I wanted to see what more would come.

By Mr. White (Hastings):

278. Would it be possible to measure the lumber, seeing that it had gone into buildings and houses? You will have to enquire of a practical builder or carpenter about that.

By Mr. Davies:

279. When you reported to the Department on 30th September that Mr. Cook would be fairly entitled to such amount as he might be able to show to the satisfaction of the Department had been over-returned, was there any other mode of showing how it had been done than by his books and the affidavits of his clerks? I think you will find that he has never done it by his books.

280. Was there any other mode in which he could show the over-returns to the satisfaction of the Department than by the affidavit of his book keeper? At that time I presume not, as Mr. White says it would be difficult then to measure the lumber.

281. So that he took the only mode to satisfy the Department that, to your knowledge, was open to him? You can see as to that as well as I can.

282. I want you to say whether that is so or not? I do not know. Do not you think if you had employed a man—

283. Never mind what I think? Why did he not get the man who made the return to make the affidavit?

284. What man? The man who made the return of the timber in the first place; the man who swore that there were so many feet.

285. How many affidavits did you want; now in 1878 you said that if the Department was satisfied Mr. Cook would be entitled to the rebate; do you know of any other evidence the Department could have had? I do not know.

By Mr. White (Renfrew):

286. Was there ever any return made by Mr. Cook to the Department, of a remeasurement, of a measurement subsequent to the original return? No.

287. There was never any return made of a remeasurement? No.

By Mr. White (Cardwell):

288. Might it not have been possible that Mr. Cook might have had evidence himself of a remeasurement at the time, which he could have furnished the Department? I should think so.

289. He could have produced the man who made the remeasurement? I should think so.

By Mr. Foster:

290. Upon what points were you asked to report? I was asked to report, as far as I can say, upon the amount over-returned, and to say what recommendation I would make in regard to the rebate.

291. You were asked to report upon that point and that one point only? Yes.

292. That is, as to the over-return? Yes.

293. And as to whether you would recommend that he should be paid for that over-return? Yes.

294. Did you report upon that simply? I did not report upon the over-return because I could not do it.

By Mr. White (Renfrew):

295. What distance was it from the point at which those logs were to be cut to the point to which they were to be sent? I cannot quite say; probably less than twenty miles.

296. Were they mixed with other logs? I cannot say.

By Mr. Davies:

297. Does it not appear from Mr. Telfer's affidavit that the fraud Mr. Cook alleges was only discovered after the cutting of the timber? I should like to read it before I answer that question.

298. Were it possible that they could have got a remeasurement; have you any reason to believe that there ever was a remeasurement? I had no idea about it.

299. You know then it did not take place; as a matter of fact, it was only from a return of the cutting of the timber that you could ascertain the facts? I think not.

300. How else could you do it? You must understand that I am not a sawmill man.

301. I do not care whether you are a sawmill man or not; you have stated that there is another mode of ascertaining after the cutting of the timber; I want to know how; do you withdraw that statement, or do you reaffirm it, and if you reaffirm it, what was the mode? I withdraw that statement; I do not know anything about it.

302. Then there was only one mode? I would like to see Mr. Telfer's statement before I make any other statement. Mr. Telfer says there was an over-return of sawlogs. I say they could find out an over or under-return of sawlogs before they cut them by counting them.

By Mr. Cook :

303. Can you measure logs in the water? You can measure them as you pull them up to the mill.

By Mr. White (Renfrew) :

304. From your knowledge of lumber transactions and from your knowledge of Mr. Cook as a practical lumberman, do not you think that if there had been so great a discrepancy between the two statements it would have forced itself upon him and those who had charge of his business before it was cut up; at all events you make this statement that the lumber might have been remeasured when it was brought into the mill? I think so.

By Mr. White (Cardwell) :

305. These were Indian lands? Yes.

306. This was Indian timber? Yes.

307. Is it the rule that the proceeds of these timber sales go to the Indian fund for the benefit of the Indians? Yes, of course.

308. The money belongs to the Indians? Yes.

By Mr. Bowell :

309. Did Mr. Cook cut cordwood? No; that permission was withdrawn.

310. After your protest or before? After my protest.

311. And no license was issued subsequent to that? No.

312. He never made any return of cordwood cut? I do not believe he ever cut any.

By Mr. Somerville (Brant) :

313. You have been up in that section of country? Yes.

314. When were you up there last? I think I was there in 1880 or 1882.

315. You extended your tour up into Algoma at that time, did not you? No.

316. Were you in Algoma in 1883? I was taking my holiday there in 1883.

317. About what time were you taking your holiday? Some time in the summer.

318. Your son was a candidate in the local election up there, was not he? Yes, I suppose he had a right to be.

319. You were up there electioneering for him? If I did I had a right to.

320. You were electioneering for your son, were you not?

The Chairman ruled that the question need not be answered.

321. Were you up in Algoma at the late general election for the Legislature of Ontario, when your son was a candidate, and were you electioneering for your son? If the Chairman says I must answer that I will.

322. Did you have leave from your Department to go up at that time? I had my usual leave of absence.

323. Did you apply for special leave of absence on that occasion? No.

324. That was your ordinary time? Yes, and I had a right to go where I liked.

325. And as a matter of fact you went up there to devote your attention to politics? I go up there every year. I lived in that district three years ago. I have land and property there, and a house there furnished. I have a right to go up as well as anybody else.

326. Does your son live up there? My son lives up there.

327. How long did you remain up there during the election? I was there during the time I had leave of absence.

328. You were there during the time the election was going on?

The Chairman.—You are not obliged to answer questions as to your private business.

329. I want to know who started you to hunt for evidence in this case? I did not hunt for evidence at all. I was instructed, officially, two or three weeks ago.

330. Who instructed you? My chiefs.

331. Who is your chief? You know, the head of the Department of Indian Affairs.

332. Who is the chief of your Department? The Chairman says I am not bound to answer that, and I abide by his ruling.

333. You have devoted the last two or three weeks to hunting up evidence in this case? No, I have not.

334. You have then devoted two or three weeks to hunting up these papers? I did not devote any time to searching for these papers until I was summoned here.

335. You said a moment ago you had been investigating this matter for the last three weeks? I did not say so.

336. Did you not say you had orders, three weeks ago, about this matter? That is another thing. A memorandum was before—

The Chairman.—You have no right to say what your superior officer told you to do; that was decided in another case yesterday.

337. I want to know what you did in following up those instructions? I did nothing.

338. What were the instructions you got from your chief in respect to this matter?

The Chairman ruled against the question.

339. Were they written instructions? I do not think it would be consistent with my duty to my chief to make any statement on that matter.

340. When Mr. Cook came to your office and asked you to show him the document? He never came to me and asked me to show him any document.

341. I understand he was refused access to the papers, and Mr. White and Mr. Taylor were allowed to see them? I did not say they were in looking at the papers. I said they were in my office.

342. Did they just come in and sit down; did they not say anything? I dare say they did.

343. What did they say? I do not remember.

344. Did they say "good morning"? Of course they did.

345. And did you say "good morning"? I suppose I did.

346. What was the conversation; what did it relate to? I asked them what documents would be required.

347. What for? For this investigation. I had a right to enquire. They said, the return, the bond, the correspondence relating to this matter. That is the amount of the conversation. I was in a hurry. I did not sit down. They said they must hurry off, and that was all.

348. And then you produced the documents? I produced all I could find.

349. And they had an examination of the documents? No; because I could not find all.

350. But the documents you produced they examined? Mr. White, I think, looked at that document in which Mr. Cook makes his statement.

351. They had access to all these papers here to-day? They had not time to look over them; they were in a bunch as they are now.

352. When they went away I suppose the documents were in the office? I followed them until they went away.

353. Who took the documents? I got one of the clerks to put them into this large envelope in which they came over.

354. How do you remember that this document that is missing was on your table? I answered that before.

The Committee then adjourned.

OTTAWA, 27th May, 1886.

The Committee on Public Accounts met, **MR. RYKERT** in the Chair.

Mr. PLUMMER's examination continued.

By Mr. White (Renfrew):

355. **Mr. Plummer**, you stated at the last meeting of the Committee that you had been unable to find a return that had been made of the lumber cut in 1873. Have you searched for it? Yes, and I have not been able to find it. Before entering into this question I would like to make a statement with reference to what occurred during the last meeting. At the last investigation the question was asked when this matter was referred to me. I replied, some two or three weeks ago. Since that time I have thought that matter over, and I would like to correct that statement. The first I ever heard of the matter was after the motion was made in the House of Commons and had been printed. The printed paper was handed to me, and I was asked to make a statement in reference to the questions therein contained. That would fix the date when this matter was referred to me. I would like to add, also, that I never heard a word on this question in the Department until that time, in any shape or form, from the time it was closed in 1878 until after the matter had been moved in the House.

356. You say you have not been able to find the return made by **Mr. Cook's** foreman? No; I might say that I searched most diligently, and another gentleman connected with the Department, who was my assistant in Toronto, also searched in every place both he and I could think of.

357. In this letter of **Mr. Cook's**, dated 3rd February, 1877, he makes this statement. (See Exhibit A.)

Did you understand the instructions you received from the Department to cover the duties that had accrued upon those logs cut in 1876? I could not put my hand on that letter when I was here last, but I told you I would have it in my papers, and I have brought it with me now.

By Mr. Mulock:

358. That is the letter of the 5th of February, 1877? No, that is the letter of 3rd October, giving instructions to have the bond returned. (See Exhibit M.)

By Mr. White (Renfrew):

359. You were asked the other day if you got instructions from the Department in relation to this letter of **Mr. Cook's**? In 1877?

360. Yes, in 1877? I did get a letter, and it was read here.

361. I thought you said you could not find that letter? No; here is a letter of the 8th of February, 1877, enclosing a copy of the letter of **H. H. Cook**, and of the enclosures therein; that letter has been read over and over again. (See Exhibit K.)

By the Chairman:

362. There is another letter that you were asked to produce which you said had been taken off the file? Yes, this is the letter. (See Exhibit M.) It was written to me instructing me as to what had occurred, and telling me to give up the bond.

By Mr. White (Renfrew):

363. Was it the practice of the Department to renew licenses to license holders, where the dues that had accrued had not been paid? It was not the practice of the Department to renew licenses until the previous dues had been satisfactorily accounted for.

364. This letter of 3rd October reads as follows: (See Exhibit "M").

You say it was the practice of the Department to renew licenses where there are dues owing by the licensee? Yes, I say that.

365. Mr. Cook, in his letter of the 3rd of February, 1877, makes the statement that he had cut some three or four hundred thousand feet of saw logs in the season previous—1876-77. Were the dues upon those logs paid when that license was renewed? No.

366. Had that return been made of the quantity of timber cut by Mr. Cook? No.

367. Had he ever been called upon to make any return? Yes.

368. Prior to this letter of 3rd October, 1877? Yes.

369. You say he had been called upon? Yes.

370. But had made no return? No.

371. Did he, subsequently, make a return of the quantity of timber cut? It was made subsequently.

372. How long afterwards? Mr. Cook and his clerk did most of the business in our office personally, and he made a subsequent return, which I have here. The return is made by Mr. Dollar. It is a very informal return, but it was the only one we could get, and we had to act upon it.

373. Was Mr. Dollar an employé of Mr. Cook's? (See Exhibit N.) That is the return you got for the timber that was alleged by Mr. Cook in his letter of the 3rd of February, 1877, to have been cut the season previous? Yes.

374. And that is the first return you ever got? That is the first return, and the only one.

375. When did you collect the dues on that return? I think that return was made in February—

376. Of what year? 1879, and if I recollect rightly, the dues were paid in the following April, two months afterwards.

377. They had never been paid up to that time, or any return made of them? No.

378. And at the time this order was given by Mr. Mills' direction, to the superintendent to renew the license, the dues had not been paid, and the license then was renewed in violation of the regulation of the Department?

Mr. Mulock objects.

379. It was contrary to the practice? Yes; the rule of the Department is this: That no license can be renewed until the dues on the timber previously cut have been satisfactorily accounted for.

380. Is this the letter that you said was missing from your file? (See Exhibit M.) Yes.

381. Will you tell me where you found it? I found it, as I told you, in my office. It had slipped off the file. I told Mr. Mulock at the last meeting that I had seen the letter that morning in my office, and that I was quite sure I could find it.

382. Where did you find it? In my office.

Cross-examined by Mr. Mulock:

383. Has there ever been a rebate made to any person where there has been an erroneous return? I mentioned a case the other day.

384. What case do you mean? A case where timber had been over-returned, and a claim was made on account of that over-return, and the agent was instructed to have the timber remeasured. They would not allow a rebate on it unless the timber was remeasured.

385. Did it turn out in this particular case that there had been a return of more lumber than the logs actually turned out? Yes.

386. That was the result? Yes.

387. And the lumberman got credit then, I suppose, for the amount of the over-return? Yes, after it was satisfactorily proved to the Department.

388. What was the name of the man? Mr. Power.

389. Do you remember what number of feet he over-returned? I cannot state from memory.

390. About how much? I cannot say.

391. There was a considerable mistake? It was a mistake large enough for Mr. Power to take a great interest in the matter and to report it to the Department for re-measurement.

392. I am told that in that case the return was something like two million feet, and the amount allowed to him in regard to his mistake was something approaching a million feet? I do not remember.

393. So that where mistakes or over-returns are made, the Government will allow them to be rectified if they can be satisfied of the mistake? In this particular case which you refer to there was a good deal of correspondence about it, and the Department refused to hear the thing at all until it was arranged that the timber should be re-measured by an unconcerned man appointed by our agent and the lumberman.

394. The timber had not yet been sold? It had not been sold and it had not been cut.

395. Was it possible to re-measure it? Yes, and the re-return was made under oath.

396. So that, I suppose, the practice in your Department is to correct mistakes when they are satisfactorily proved to the Department? It is the duty of the Department, I suppose, to do so.

397. I believe there is something in the Indian Act to allow the Department to accept satisfactory bonds from lumbermen in part payment of dues? There is something in the license. At any rate it is the rule.

398. To accept payment partly in cash and partly by bond? Yes.

399. So that in Mr. Cook's case you were not departing from the practice in taking his bond? By no means.

By Sir Richard Cartwright :

400. Did you find the original return? No, I did not, but I have the Toronto books there.

By Mr. Mulock :

401. Will you take the return contained in Mr. Cook's letter of February, 1877, and tell me how much each log averaged, according to that return? Well that is a matter of calculation, and Mr. Dalton, the gentleman who is connected with me in the Department, would make a calculation for you if you were to examine him. The number of logs is as follows. —

Cut at Beckwith Island.....	2,022
do Giant's Tomb Island.....	3,605
do Christian Islands.....	9,967
Making a total of.....	15,594

By Mr. Charlton :

401½. What is the number of feet? 2,424,937.

By Mr. White (Rentrew) :

402. That would be about 155 feet to the log? Yes.

By Mr. Mulock :

403. Have you got a return made by Mr. Cook for the timber he cut on these islands in 1876? You have got what Mr. Dollar stated? Yes.

404. Does that show the number of logs? I forget now whether it does or not. It does not give the number of logs.

405. According to this letter of 3rd October, 1878, from Mr. Meredith, of the Department, to you, Mr. Cook had paid everything that he owed, as Mr. Meredith appeared to understand? Yes, I would gather that from the fact of the renewal of the license.

406. This letter from Mr. Meredith to you, directing the renewal of the license states that Mr. Cook had paid up the balance owing by him to the Department? Yes.

407. If that were correct, there was nothing irregular, was there, in renewing that license? No, not if that was correct.

408. If that was correct—if Mr. Cook had paid all up—there was nothing irregular? I don't think there was.

409. In this letter from Mr. Meredith of the 3rd October, 1878, you are asked to forward a copy of the license in question in your office to the Department, for its renewal. Did you do so? I am not quite sure.

410. Can your papers there refresh your memory? I do not think they do.

411. Did you not obey the orders given you in this letter? I might have done so, but I am not quite sure.

412. Do you think you did, or did not? Are you in the habit of neglecting your duty? No, Sir; Mr. Cook will remember that I used to issue licenses myself to him.

413. Did you do what you were told here—send a copy of the license to him? I presume I did. I have no direct evidence of it.

414. Is there any evidence in your office showing when you did it? I have not come across any such papers; I have not looked over them.

415. Look at your file for October, 1878, and see if you find any communication with Ottawa? I find my letter in reply to that letter of 11th October, which was read and copied there. I don't find any reference to it in that letter. I went more particularly into the accounts. You have the letter of the 11th.

416. When was the license renewed to Mr. Cook, as a matter of fact? I will give you the date. It was renewed on the 2nd October, 1878.

417. What was the meaning of that clause in the letter from Mr. Meredith to you, saying to return your copy for renewal? You can put what interpretation you like upon it.

418. Was the license issued to Mr. Cook on the 2nd of October? Yes. (See Exhibit F.)

By Mr. White (Renfrew):

419. Is this a copy of the license? Yes.

By Mr. Mulock:

420. But you cannot find when you sent your copy down? No, I cannot. The next letter I addressed to the Department was on the 11th, and the next was on the 21st. On the 21st of November, 1878, I wrote the Department as follows:—(See Exhibit O).

The reason of that was, that when renewing the license at Ottawa, instead of charging the full amount of renewal fees they only charged three years, and Mr. Cook at that time was owing four year's renewal fees, and I called attention to it.

421. Did it never happen that you made a mistake in your Department before? That was not a mistake.

422. But is there never a mistake made in your Department? Oh, I daresay there is.

423. Was there never an accident made before in charging to a licensee? I never heard of any such case.

424. Under what jurisdiction are the Christian Islands—under Dominion or Local? Under Dominion jurisdiction.

425. Was there not some question of law on that point? I could not say as to that, but I have heard so. It is not with the Department.

426. Under what jurisdiction are the islands lying to the north of the Christian Islands? The islands lying north and west, and some east of the Christian Islands, as far north-west as Moose Deer Point.

By Mr. White (Renfrew) :

427. As a matter of fact, at the time the order was given by Mr. Meredith for a renewal of this license, the dues that had accrued in 1875 had not been paid? No; as I remarked before, they were paid in the following April.

428. Do you know of anything having been cut by Mr. Cook on these islands that were not included in the license? You say the Indians would not agree to the cutting of cordwood. Do you know whether cordwood was cut or not? Not personally by Mr. Cook, but I believe by his orders.

By Mr. Mulock :

429. Have you looked at the books that were in Ottawa at that time—in 1878? Yes.

430. I mean the books showing Mr. Cook's account with the Department. Have you looked to see whether or not his account appeared balanced off, by the payment of that \$483.76? It did not balance. I have the statement here from our books.

431. I am only asking you how it appeared in the books at Ottawa? I do not know anything about the accounts.

432. Have you looked at the books? I have not.

433. Are the books that were in Ottawa at that time, and under the control of the Department, in the room here now? I do not know.

434. Well, I know. They are behind you. Will you produce them and turn up Mr. Cook's account of 1878, and tell me whether or not he is a debtor? I have not the Ottawa books here. I am sorry that I cannot oblige you, but these are simply my returns. If you wish to have the Ottawa books here, and will summon the accountant, he will no doubt appear with pleasure, but that is not in my Department.

By Mr. White (Renfrew) :

435. You say that wood had been cut on these islands by the authority of Mr. Cook. Was there anything else that was not included in the license, that had been cut for his benefit, and by his authority? Yes.

436. What was it? There was cedar and tamarac, and a quantity of hemlock bark.

437. When was this stuff cut? I think it was in 1878.

438. Did Mr. Cook pay any dues upon those articles? Mr. Cook did not; we had to collect it from the parties who cut it.

439. Did they cut under Mr. Cook's authority? They alleged that they had cut under his authority.

440. I think Mr. Mulock asked you whether or not, by the books of the Department, there appeared to have been anything due by Mr. Cook over and above the amount that was stated in this statement that was sent to you in September, 1878? That is in the letter that I now produce.

441. This letter, as I understand it, written on 3rd February, 1877, appears to be addressed to Hon. David Mills, Minister of the Interior (see Exhibit "A"), and in that letter he claims not only a release of the bond given at that time, but also a remission of the dues on three or four hundred thousand feet of saw logs cut on those islands. I presume you would accept that as evidence that timber had been cut there on which dues had not been paid? That was written in 1877.

442. Yes, and what I want to get at is this: Had the Department any knowledge, in 1878, of the fact that Mr. Cook had cut timber in 1875-76, upon which dues had not been paid? They could not fail to have knowledge of the fact, having that letter in their possession.

By Mr. Mulock :

443. Was the letter of February, 1877, sent to you? A copy of it was.

By Mr. Cook :

444. On what island was the cordwood cut? I did not say cordwood, I said cedar, tamarac and hemlock bark.

445. On what island was it cut? On Beausoliel Island tamarac and cedar were cut by a man named Valley, a hotel keeper at Wyebridge. I went to him about it, and he told me he had your authority.

446. My license did not cover that? No.

447. And then I would have nothing to do with that part of the timber on the island? No.

448. Of course I could not give him any authority for cutting it. The only authority I had, was on timber covered by my license? Well, he states—

By Mr. White (Renfrew) :

449. In reference to this stuff that was cut on this island, did you take any steps to collect dues upon the tan bark? Yes, as well as I remember, I seized the bark.

450. When was that action taken by the Department? In 1878.

451. What time? I do not remember. I think there is a letter from one of the parties stating that he had got his authority from Mr. Cook.

452. The dues were collected? The dues were collected by us from the parties who cut the bark. We collected dues upon about 800 cords.

453. No return was ever made by Mr. Cook upon the stuff so alleged to have been cut? No.

454. Do you know who wrote that letter of September, 1877? This is a letter that I received, dated 7th September, 1877. It is as follows. (See Exhibit P.)

455. Who signed that letter? It is signed by Francis la Forge and Jean Baptiste Quesnelle, per somebody. They enclosed a copy of a letter written by Mr. Cook to them. This was their authority. (See Exhibit Q.)

By Mr. Somerville (Brant) :

456. As I understand the matter, this question as to Mr. Cook's claim for a rebate, and his indebtedness, was referred to you about a year and eight months before you saw fit to take any action upon it; is that so? I believe so.

457. Why did you delay? I answered that question when I was here before. The fact of the matter was, the thing was so unusual that I scarcely knew what to do with it, and I waited, as I told you, to see if it was again referred, and to find out what I could do in the meantime.

458. When you find any difficulty in the management of your part of the Department, you would enquire of your superior officer, would you not? I got all the information I could on the question. They sent me Mr. Cook's statement and copies of his letters.

459. The fact is you neglected to discharge your duty for a year and eight months? I do not know that I neglected it.

460. But you did not attend to it at the time? I did not.

461. If you had, would not this matter have been settled in the early part of 1877, instead of being left over until 1878? I will answer that by asking—

462. The question I asked is this: if you had attended to your duty as an officer of the public when this matter was referred to you in 1877, and if an enquiry had taken place when Mr. Cook's claim was put in, would not this matter have been settled a year and eight months before it was? I don't think so.

463. Why not? Because it was impossible for me to investigate it.

464. But you say it was investigated afterwards? I told you that the only way I could investigate a matter of this kind was through Mr. Cook's own office.

465. The only conclusion I can come to is, that you neglected your duty, and that is the reason why the settlement of the claim was put off for so long? I cannot help your conclusion.

466. You accomplished a settlement afterwards? You have my letter there.

467. If a settlement was made in 1878 on your report, a year and eight months after it was referred to you, could not the same settlement have been made one year and eight months previously, if you had reported? I do not think it is quite fair to ask such a question. If I answer you according to the dictates of my conscience, I should say it was utterly impossible.

468. How did you arrive at a settlement afterwards? It was not reached by me. It was not made on my report. Read my report and you will see.

469. You say it is the practice of the Department to consider claims for rebate, when mistakes are made by men engaged in the lumber business, and that a case recently occurred—the case of Mr. Power? Yes.

470. You say it is the practice of the Government to correct mistakes when they are made? If they are brought under the attention of the department in sufficient time.

471. You seem to have very good memory in regard to this matter of Mr. Cook's. You can remember what took place in Toronto six years ago? I would not like this committee to go away with the impression that I am prejudiced against Mr. Cook.

472. You seem to remember everything about Mr. Cook, and nothing about Mr. Power? That is not fair. I have nothing against Mr. Cook, but you seem to try to brow-beat me, in order to force me into a corner, and into a position of antagonism I do not want to take.

473. Have you a good memory? My memory is not so good as it used to be, but I can remember things that took place ten years ago better than things that occurred last week.

474. I want to know if you remember anything about this settlement that took place recently with Mr. Power? I stated it all just now.

475. You stated that you did not remember? I did not state that.

476. I want to know what you do remember about that? I would beg to refer that question to the Deputy, who is here, and who understands the question better than I do.

477. When did Mr. Power get his license? Some years ago.

478. When did he cut these logs he is asking for a rebate on? I think it was in 1884-85.

479. He is asking for a rebate now on logs cut in 1884-85? No, he asked for a rebate before they were touched.

480. Where were they re-measured? At his mill, one by one.

By Mr. Cook :

481. In the log or in the lumber? In the log. The return is checked, and there is an affidavit.

By Mr. Somerville (Brant) :

482. I want to ask you one more question in regard to matters that are transpiring, because it seems to me that your memory is of a convenient character? I am sorry to say that your remark, as were your remarks the other day, is not becoming at all.

483. Perhaps you may think so, but we don't all think in the same way. You stated here at the last meeting that you had been hunting through the office for evidence in this case, and that you had been instructed to do so three weeks before the enquiry took place? I did not say so.

484. You stated that this matter had been brought to your attention three weeks before, and you tried to correct that statement here to-day? I did not correct the statement that I had been looking for papers.

By Mr. White (Renfrew) :

485. You say that in the case of Mr. Power a rebate was made? Yes.

486. Was that made upon a remeasurement of the timber in the logs? A remeasurement of the timber in the logs.

487. And a sworn return being made to the Department? A sworn return being made.

488. Do you know, in your experience, in connection with the Department of Indian Affairs, of any case in which a rebate has been made, except upon such testimony as that you referred to in the case of Mr. Power? I do not know any case at all.

489. Was it possible, under the ordinary practice adopted by the Department, to obtain any information in 1878, in relation to the quantity of timber cut and sold in 1873? I think not. I know of no way of doing it.

By Mr. Davies :

490. Did you make any statement as to when the timber was sold? Mr. Cook makes the statement himself.

By Mr. White (Renfrew) :

491. What I want to ascertain is whether, under the practice followed by the Department in regard to applications for a rebate, it is possible for the Department to obtain information other than what Mr. Cook chose to give? I do not see any other way.

By Mr. Cook :

492. Whereabouts were Mr. Power's logs measured? At the mill.

493. In the water? I did not go up there, but they swore they measured the logs.

By Sir Richard Cartwright :

494. I want to know what check the Department has in its practice on the number of logs cut. Mr. Cook, you see, returned 1,500 odd logs. How did you, as agent for the Department, know whether that was right? The only check we had at that time was the sworn return of the party himself or his agent.

495. You have no check, in fact, on the number of logs? That was the practice of the Department in those days.

By Mr. Mulock :

496. Read that letter? (Letter read.) (See Exhibit R.)

496½. Did you receive that letter? I did, Sir.

Mr. L. VANHOUGHNET, called and examined:—

By Mr. Mulock :

497. You are Deputy Minister of Indian Affairs? Yes.

498. When did you show the papers in your office to anyone first, since this enquiry began? I did not show the papers to anyone at all. They were shown to me though.

499. By whom? By Mr. Plummer.

500. When was that? After the enquiry was made in the House.

501. Was that the first time you heard of the matter in your office, of late? Of late, yes.

502. I mean this Session? Yes, in fact, ever since the thing took place.

503. How did this matter come to be allowed to be left sleeping for eight years in the Department? Because it was settled; it was a settled matter.

504. How did it come to be brought to light? I cannot tell you that.

505. Did anybody have access to your books or papers without your knowledge? Not with my knowledge.

506. I say without? I cannot say without my knowledge, because that might be so. With my knowledge no one has.

507. You could not be sure of the fidelity of your staff? With my knowledge no one saw the papers.

By Mr. White (Renfrew):

508. Have you any knowledge of the authority upon which the remission of these dues was made to Mr. Cook? The whole thing had passed out of my mind so entirely that it was almost news to me when I came to look at the papers Mr. Plummer showed me. I had entirely forgotten about the thing, and if I had been asked I should probably have stated that no such transaction had taken place. But when, after looking over the papers Mr. Plummer handed me, I saw a memorandum by myself upon them which convinced me that I had had the matter brought under my notice. The way I account for the matter not having formally been brought under my notice, or probably the Minister not having asked me to report on it, was due to the fact that I was absent from Ottawa at the time the rebate was made.

509. Was an Order in Council ever passed in relation to this matter granting the remission to Mr. Cook? Not that I am aware of.

510. Is the sole authority for the remission that memorandum made by Mr. Mills, then Minister of the Interior? So far as I am aware, that is the sole authority.

511. How are these moneys applied that are obtained from the dues on timber cut on Indian lands? They go to the credit of the Indians.

512. Are they used for the benefit of the Indians? They are; that is the interest upon them.

Mr. H. H. Cook, called and examined:—

By Mr. Mulock:

513. When did you first get a license to cut timber on the Christian Islands? In 1870.

514. From the Dominion Government? From the Dominion Government.

515. When did you commence lumbering on these islands? In 1871-72.

516. What did you cut? Square timber.

517. Anything else? Not that year.

518. Did you take off all the square timber? I took all the large trees that would make square timber.

519. When did you cut the logs that are the subject of this enquiry? In the winter of 1872-73.

520. In the summer of 1873 where were these logs? They were towed into Midland Harbour, from the island to the mill.

521. When was your mill erected? In 1872-73.

522. It was begun in 1872? It was begun in 1872 and finished about the last of 1873.

523. And up to that time had you facilities for cutting timber? No, in fact that was my first sawmill operation. I had manufactured lumber for years before, but this was the first sawmill operation I had anything to do with.

524. These logs reached Midland in the summer of 1873? Yes.

525. Were they cut in the summer of 1873? No; they were not cut until the summer of 1875 and the summer of 1876.

526. Why were they not cut then? Because I had other logs of a very much better quality. These logs being of an inferior quality, I preferred to put my best lumber on the market because of the great depression that existed at that time. I may add that the logs I refer to being as cut were got in the Muskoka district.

527. They were cut then, you say, in the seasons of 1875 and 1876? In the summers of 1875 and 1876. You must not confuse the summer season with the winter season for getting out logs. What we term the season of 1875-76 is the winter operation from the fall of 1875 to the spring of 1876. What we cut in the

summer we cut in one season; so that the logs were actually cut partly in the summer of 1875 and the balance in the summer of 1876.

By Mr. Mills:

528. You mean sawn into lumber? Sawn into lumber.

By Mr. Mulock:

529. They were cut from the trees into logs in the winter of 1872-73 and they were not brought down until they were sawn? Yes, stored away.

530. That is, until the market was suitable you allowed them to remain in the log? Yes.

531. And you began to cut them in the summer of 1875? Yes.

532. You completed the cutting of them in the summer of 1876; is that correct? Yes.

533. When did you sell that lumber? The balance of it in the fall of 1876.

534. You may have been selling part of it before? Yes.

535. And it was all realized upon in the fall of 1876. Yes.

536. When did you first make an accurate measurement of the quantity of lumber, the outcome of those logs? That was done as the lumber was shipped from time to time.

537. Is it customary with you to measure your lumber more than once? We never measure it in the mill.

538. When only do you actually measure it? When it is shipped.

539. So that it is in measuring it for the buyer, that you are enabled to tell the quantity upon which you have to pay dues to the Crown? Yes.

540. That custom you adhered to in this case? Yes.

541. What did you discover on the final sale of this lumber? A shortage, as I expected.

542. What was the amount of the shortage? The statement shows.

543. By the original return made the logs represented 2,424,973 feet, by actual measurement of the lumber as it was sold, you found there were but 1,495,956 feet, making a shortage of 929,017; so far as you know are those figures correct? As far as I know.

544. Who made the return to the Government? Mr. Telfer.

545. I mean in 1873? Mr. Sneath.

546. Do you say his return to the Government was incorrect? I say it was incorrect.

547. Who was Mr. Sneath? He was acting as my agent in that part of the country, in my lumbering operations about the islands.

548. At that time? At that time.

549. When? I only employed him that year.

550. Where is he now? I do not know.

551. How long is it since you have seen him? I have not seen him for years.

552. How do you account for his making this mistake? I dismissed him at the end of one year. I engaged him for three years, but after one year I dismissed him because of incompetency, because of negligence in business, and because I supposed he was not very honest, which subsequent events proved to be true.

553. In reference to your not having sawn that lumber up until you commenced in 1875, I find a letter produced here, from you, dated 5th July, 1875. (See Exhibit C.) You wrote that letter, I presume? Yes.

554. Does that letter state the truth when it says that these logs were not then sawn into lumber? 5th July, 1872; yes.

555. It appears from the returns that the number of logs cut in 1872-73 amounted to 15,590? Yes.

556. And according to the return to the Government they were estimated to yield something like two and a-half million feet of lumber; how much does that average per log? 155 feet.

557. You cut other logs on the Christian Islands in 1875-76. On other islands; adjoining islands; islands under the Ontario Government, but adjacent to the Christian Islands.

558. What did they average per log? 85 feet.

559. And you have cut later on? In 1876-77.

560. What did they average? 67 feet. In 1877-78 the average was 70 feet.

561. How did all these logs compare in size and quality with the logs in question? They were about the same quality, but slightly smaller.

562. Those of 1875-76 were slightly smaller? Yes. The average of the logs of 1872-73 by Mr. Telfer's return was 95 feet, and I can prove by any amount of evidence that the logs could not possibly have measured more.

563. At all events, in the fall of 1876, you had realized upon the lumber, and had got an actual measurement; what steps did you then take to notify the Department? I then sent this statement.

564. That is your letter of 3rd February, 1877? Yes.

565. This statement speaks of the logs as being sold in 1873; is that correct? That is a clerical error.

566. I suppose it is impossible for the lumber to have been sold in 1873? It is impossible for that to be correct. The logs were not cut until the summer of 1875 and the summer of 1876, and consequently we could not have shipped the lumber in 1873.

By Mr. White (Renfrew):

567. You say that this timber was cut in the winter of 1872-73? Yes.

568. When was it taken to Midland Harbour, where your mills are situated? In the summer of 1873.

569. Was it placed in a boom by itself? Placed in a boom by itself.

570. Did you run your mills in 1873? About six weeks in 1873. I commenced about the 1st of August.

571. Did you bring any logs from any other part of the country? Yes.

572. From where? From Muskoka.

573. Were they kept in a separate boom from it? Yes.

574. Why? For several reasons.

575. Is it the custom? Not always.

576. Can you give any reason why they were kept in a separate boom? In the first place, in regard to these logs, when the return was made, I had a suspicion that they were over-measured, because the party I employed to take them out endeavored to make his work look as large as possible, so as to account for the money expended by him.

577. Did you take any steps to verify your suspicion in 1873? No, I did not.

578. Or in 1874? No.

579. Or in 1875? No, not until—

580. I suppose Sneath had returned to you specifications giving you the length and diameter of each log? I do not know that he did.

581. Is not that the practice? I do not know that it is. He did not give me that statement at that time.

582. Do not you require such a statement from your employés? I do not. I was beginning lumbering then, and I did not then.

583. Was not there a return made to the Government showing the number of logs, their length and diameter? Yes.

584. Had you no copy of that? No.

585. Is that the way you transact your business? We do not always keep copies of our returns.

586. Then, as a matter of fact, you had no evidence showing what quantity of lumber there was in these logs? Except the return he made to the Government.

587. Did you have a copy of that? I do not think so.

588. Then you have no record in your books as to the number of logs and feet? Do you say you have not? I do not know.
589. Did you run your mill in 1874? I did.
590. Did you cut any of these logs in 1874? No.
591. Why? Because they were inferior, and because I had a better grade of logs from Muskoka, and because, from the depression in the trade, I could not market lumber of this class. I marketed the lumber from the logs of the better quality.
592. How did it come that these logs were inferior to the Muskoka logs? You had better ask a kind Providence.
593. You cut square timber in 1872? Yes.
594. Do you mean square and waney? I mean both.
595. Did you cut square and waney in Muskoka? Yes.
596. So that, as a matter of fact, assuming that the timber was of an average quality in the two places, the cutting of the timber would have affected the quality of the lumber? You cannot assume anything of the kind, because we know that the timber was not of the same quality from both places.
597. You say it was inferior? I say it was inferior.
598. You did not cut any of this into lumber until 1875? None of it.
599. It was kept in a separate boom up to that time? Yes.
600. Before it was brought into the mill I suppose you had made up your mind that you would make a demand upon the Government if you found a shortage? Certainly; so I would upon any Government.
601. Did you cut all the logs out of this boom at one time? We cut those logs when we had no other logs to cut.
602. Did you cut them all by themselves, or did you cut these during the same period of time? No, we cut them all by themselves.
603. Could not you have measured those logs when they were brought into the mill? We never do that.
604. Could you have done it? We had no rule to do it. I believe there is a rule to measure logs under the water, but we did not follow the practice on the Georgian Bay.
605. Could you have measured them when they were brought into the mill? Yes.
606. You have had transactions with the Ontario Government, do you know what mode is adopted of ascertaining the quantity of lumber in logs? Yes.
607. How is it ascertained? In the section of country under license they have an agent. This agent's duty is to look after licenses in his district. He goes occasionally to the shanties to make sample measurements, so that when the returns are made there is scarcely ever a dispute. Then, you have to make an affidavit by two individuals, the culler and the manager. The manager does not know, as a matter of fact, that the logs are such a number or that they contain so many feet. He has to take his culler's report. He looks over his culler's report and from that he makes his return to the Government agent. Then if any dispute arises at once —
608. Have you ever known an instance where there has been a discrepancy or dispute between a lumberman and the Ontario Department of Crown Lands about the quantity of lumber returned? Yes, there have been several.
609. What mode is taken of finding whether there has been an over-return or not? They remeasure the logs.
610. Have you ever known them to measure the lumber; I want to see if there is any rule there that might be applicable here? The fact of it is they do not seem to have any regulations here. That has always been the case, and it is the same to-day.
611. I was not asking for an opinion as to the management of the Department here? I know of an instance and I will give it.
612. When this lumber was cut from the logs; you did not measure the logs as they came into the mill? No.

613. When the lumber was cut did you pile it by itself in a portion of your yard from which it could be all shipped by itself? Yes, and every pile was marked.

614. Did you measure it as it was cut? No, only as it was shipped.

615. Do you know, of your own knowledge, whether any portion of that lumber was shipped and was not included in this return? I do not know of my own knowledge. I am not there every moment of my life.

616. Do you know whether all the lumber sold is included in this return or not? That is not a fair question. You know, as a matter of fact, I could not be there all the time to see. But I left instructions that all should be calculated, and I suppose my instructions were carried out.

617. Then you do not know of your own knowledge? I do not sleep on the lumber piles. To the best of my knowledge and belief it was all shipped together.

618. Did you instruct your people to pile that lumber separately, and to keep an accurate record of the quantity in it that was shipped? I did.

619. You say you suspected Sneath, who was your agent in 1872-73, of having over-measured these logs for purposes of his own? Yes.

620. You say you engaged him for three years? Yes.

621. Had you discharged him before that time was up? Yes.

622. Did you make any statement, publicly, regarding his honesty or capacity? I had a law suit with him.

623. Did you make any statement regarding his capacity? I do not remember what statement I may have made in that law suit.

624. I am not speaking of that law suit, but previous to that? I do not remember.

625. He brought a suit against you? Yes.

626. For what? I say that my suspicions were that Mr. Sneath either did it because he was incapable of making a proper return or he did it with an object.

627. Did he bring a suit against you? He did.

628. What was the nature of that suit? Nonfulfilment of contract,—that I dismissed him before the time.

629. Anything else? I do not remember anything else.

630. You say a suit was brought against you by this man for non-fulfilment of your contract? By him and his father.

631. Did any other question arise in connection with that suit? I do not remember. I have not charged my mind with it.

632. What defence did you make in it; did you make the defence that he was incapable? You had better get the document.

633. I want to know whether you made that defence? I cannot recollect just now.

634. Do you not know the defence you made? I know I dismissed him because he was incompetent, and because I believed him to be negligent and incapable, and because I had a suspicion about him.

635. Did you bring up this defence? I do not remember.

636. Did he obtain judgment against you? He obtained judgment against me.

637. So that whatever your defence was it was regarded as insufficient by the court? I blame my lawyer for that, and if I had had this information I would not have lost the case. I am just now making enquiry to see if I cannot go back to that case. And I know of a certain lawyer who got the benefit of it and perhaps I might get recouped.

638. Can you tell us how it was that in this statement of Mr. Telfer you return the lumber as having been sold on the 31st December, 1873? That was a clerical error.

639. How did it occur? It was committed by my clerk. I cannot tell.

640. Did you send to the Department any statement of the shipments made of this lumber? I must explain for the satisfaction of the Committee in reference to this matter. Mr. Telfer was my bookkeeper in Toronto. He went to the mill once a month to pay the hands and look after the business. I charged him to look after the measurement of this lumber and to get statements from the men who measured

it from time to time, and keep a copy so that we could see the result and compare it with the return made by Mr. Sneath.

641. Were these returns entered in your book at Toronto? I expect so.

642. Were they brought to Toronto and entered on your books there? You understand how lumber is measured. You have either a tally book or a tally board. When your man goes out to measure the lumber, he tallies it either on a tally board or a tally book? Mostly we tally it in small books. I do not know where the tally books are, and the tally boards are always rubbed off.

643. But, I presume, you must have some record in your books? Certainly.

644. Where were they kept? In Toronto, I expect.

645. Mr. Telfer had access to them? Yes.

646. He was your bookkeeper; was he a correct man? Yes, he was a very correct man.

647. But he made a mistake about that date? He certainly made that mistake.

648. Have you the books here? I have not.

649. Did Mr. Telfer prepare the statement of 1877? Yes.

650. And he made the declaration? Yes; the declaration conflicts with that.

651. And you say he was a correct man? He was a correct man, a good bookkeeper, and a conscientious, honest man.

652. Those books are not here? No.

653. Can you produce them? I can produce my whole office if you want it. I can produce a ton and a-half or two tons of books and papers—my business transactions for the last twenty years.

654. Did you make a statement of the timber you had shipped? Lumber—use the word “lumber,” please.

655. Well, did you furnish the Department at Ottawa with a return of the shipments you actually made? I do not know anything about that. I imagine that was the only statement that was made.

656. Will you tell us to whom it was sold? It was sold to different parties.

657. Shipped by rail or water? By water.

658. And was a return of each cargo kept? And a return of each cargo kept.

659. Did you ship any other lumber at the same that you shipped this lumber? That is something I could not say.

660. Did you give positive instructions to your people to keep this lumber separate? Yes; and it was always kept in a separate pile.

By Sir Richard Cartwright:

661. And it was separately marked? It was separately marked.

By Mr. White (Renfrew):

662. How was it marked as distinguished from other lumber? The mark on the Christian Island logs was an ordinary plain “C,” for the timber from Muskoka there were two marks, one “J. H.” and the other “J. D.” The “J. D.” logs were got out by shippers named Johnson and Dollar. The others, “J. H.,” were got out by a man you know very well, John Hunter.

663. After you made application to the Department for the remission of the bond I suppose you were informed what was done in reference to your application, that it had been referred to Mr. Plummer? Yes.

664. Did you ever go to Mr. Plummer in connection with it? I used to go to Mr. Plummer's place.

665. When? All along when he was in Toronto.

666. I want to find out what you said to Mr. Plummer about it in the winter of 1877? Very likely I urged him to report upon it.

667. Did you give Mr. Plummer information regarding the shipments that had been made of that lumber? Not individually.

668. Did you give any instructions to Mr. Telfer to do it? I do not know about that. I think he did consult Mr. Telfer.

669. I want to know whether you furnished him with any statement of the quantities of this lumber shipped? You ought to have asked him that question.

670. Did you instruct anyone to do it? I suppose Mr. Telfer gave him the information he wanted and upon which he based his report.

By Mr. Bowell:

671. You were not in his office when Mr. Plummer made his report? I cannot tell you that. I might have been in church, because I go there sometimes on a week day.

By Mr. White (Renfrew):

672. When were your suspicions aroused about Sneath? In the summer of 1873.

673. I see that in 1875 you wrote a letter to the Department asking for an extension of your bond. You did not mention your suspicion then? No; I did not wish to make any statement to the Department until I was certain.

674. Do you not think that, having a suspicion that this lumber was over-returned, your proper course would have been to write the Department to remeasure the lumber? No, I do not.

675. You must have a peculiar idea of your duties to the Department? I have my ideas, and I think I can place them alongside of yours in business matters.

676. Your suspicions were aroused in 1873? Certainly, when I saw that timber returned as containing 155 feet—what is the use of talking?

677. You applied to the Department in 1875 for the renewal of your bond? Yes.

678. You were fully convinced at that time that the timber was over-returned? Certainly, I had a strong suspicion.

679. Why did not you apply to the Department to have the timber remeasured? Because I would not apply to the Department until I was prepared to make a statement; I do not do business in that way.

680. Do not you think it would have been only just to the Department of Indian Affairs to have given it an opportunity of testing the measurement of the logs? That might be your opinion, and I might differ.

681. I am asking you your opinion? I do not know that I am forced to give you my idea.

682. As a matter of fact, although your suspicions were aroused respecting the measurement of these logs, and although the logs were unsold at the time, you did not make your suspicion known to the Department or ask for a remeasurement? No, and I did not because we do not measure logs in the water.

683. But they can be measured in the water? It is not the rule in Georgian Bay.

Mr. L. VANKOUGHNET recalled and further examined:—

By Mr. Mills:

684. I would like to ask Mr. Vankoughnet a question; I would like to ask him whether the adjusting of this account departmentally, and not by Order in Council, was not the proper mode of proceeding? I think so.

By Mr. Bowell:

685. Is it the practice of the Indian Department to remit dues, or anything that is owing to the Department, by departmental order or by order of the Minister? Yes; if it is an adjustment of an account. If an account contains over-charges, and it is proven to the satisfaction of the Minister that there are over-charges, it is quite competent for a re-adjustment of the account to take place, and for nothing to be charged but what is right and proper.

By Mr. Mills :

686. The Indian Act provides that ? No, I do not think there is any provision ; but that is the rule.

By Mr. Bowell :

687. The Audit Act provides that the remission of any debts shall be by Order in Council, the Audit Act which was passed by the late Sir Francis Hincks ; yet if the Minister thinks there is too much charged he can strike it out of his own accord ; was the action of Mr. Mills in this matter the usual practice of the Department ? I do not know of any precedent at that time, but the general practice of the Department, I think, has been, where there have been wrong charges in accounts, and it is proved that the charges are wrong, for the Department to readjust the account.

688. That is, if you have evidence that you have charged more than should be charged you give the party charged credit for it ? Yes ; it being satisfactorily shown that such is the fact.

J. M. DOLLAR, called and examined :

By Mr. Mulock :

689. Are you in Mr. Cook's employment ? Not now.

690. Were you ever in his employment ? I was.

691. When did you enter it ? In 1874.

692. What time in 1874 ? In the month of September, I think.

693. What is your business ? Lumberman.

694. Where were you engaged with him in 1874 ? I was engaged with him in 1874 in Muskoka.

695. Were you at his mills in 1874 ? Yes ; I was at his mills in September, 1874, before going to Muskoka.

696. Those are the mills he has referred to in his evidence—the mills at Midland ? Yes.

697. Being his only mills, I believe ? Yes, the only mills he has.

698. When you were there in 1874 were there any saw logs there ? Yes, there was a large quantity.

699. Where were they ? They were at the end of the bay, just south and west of the mill.

700. Boomed ? They were boomed.

701. Were those logs of that year, or were they older logs ? They were older logs.

702. They had not been cut in the winter of 1873-74 ? No.

703. Do you know where they came from ? I do not, of my own knowledge. I was told that they came from Christian Islands. I was not in the country when they were cut, therefore I could not tell where they came from.

704. Was there a general understanding among the mill hands ? Yes, they were generally talked of as the logs from Christian Islands.

705. That is the logs in question here ? Yes.

706. Was there anything on these logs by which you could identify them as the logs cut on Christian Islands ? We could identify them by the mark.

707. How were they marked ? By a plain "C."

708. How were the logs that were cut on other limits of Mr. Cook marked ; or were they marked differently ? The other logs were marked differently.

709. Was there any question at that time as far as you know as to there being a mistake in the return suspected ? There was no general talk about it.

710. Between Mr. Cook and yourself ? Mr. Cook told me this ; I walked over with Mr. Cook to look at the logs, and he told me about the extravagant way they had been got out ; and that he had not the quantity.

711. Did he mention who got them out ? Yes.

712. Whom? Sneath.

713. When were these logs cut into lumber? I do not know, not being at the mill. They were cutting on these logs when I returned in the summer of 1875, and again in 1876. I saw them cutting a small quantity of them.

714. When was the last of them cut? The last I knew anything about them was in 1876. They were cutting them up in 1876, and I did not see any more of them about there after that, though I was a great deal about the mill after that.

715. Could you form any opinion as to the quantity of lumber in the logs you sawed in 1874? Speaking from memory, I should say there would be somewhere about a million or a million and a-half.

716. You could form an opinion as the quantity of the logs you saw in 1874—the logs that came from Christian Islands, and were boomed there? Yes, something like a million or a million and a-half.

717. About what would those logs average of lumber? Somewhere in the vicinity of 100 feet—they were small logs.

718. According to the original return, it appears that these logs would have to average 155½ feet in order to make up the quantity of lumber charged for. As a lumberman, do you think they would average that? I do not think so.

719. Have you any doubt upon that point? I have no doubt about that. I am familiar with the islands there, and I never knew logs got out there that would average that.

720. What have the logs that you have got out on Christian Islands averaged? I think the largest was somewhere about 80 feet. I think the general average would be between 60 and 70 feet.

721. Then the sawlogs from Christian Islands are rather small? Yes, they are rather small.

722. A great deal under the average on other limits? They are smaller than the logs which grow in the interior.

723. Those that grow on the islands, then, are more dwarfed? They are more dwarfed than on the shores of the Georgian Bay.

724. It appears that in April, 1879, a sum of money was credited to Mr. Cook by the Department here, for lumber said to have been cut off Christian Islands in 1876. Do you know how that money was paid to the Department? I did not know anything about the Department at that time.

725. Was that paid by Mr. Cook to the Department, do you know? I do not know that.

726. To whom did you make returns cut on Christian Islands? The logs I cut were got on the other islands, and not on Christian Islands. I returned them to the Ontario Government.

727. Here is a declaration, Mr. Dollar, made by you and dated 1st February, 1879 (See Exhibit N), in which you state that during the season of 1875-76—I suppose you mean during the winter? We cut on the islands in the summer.

728. You go on to say in your declaration: "During the season 1875-76, I cut and got out for H. H. Cook, of the city of Toronto, lumber merchant, on the islands in the Georgian Bay, south of Moose Point, 324,600 feet, to the best of my knowledge and belief." To whom was the return made in respect of those logs? The return in respect of these logs we made to the Ontario Government.

729. How did that happen? We held the license at that time from the Ontario Government.

730. Covering what? Covering all the islands from Beausoleil Island, extending up the shore to Parry Island and the Parry Sound Channel.

731. How did you come to make the return to the Ontario Government? We held the license from them, as the Ontario Government claimed the islands. That is only a portion of the return. There were some two or three million feet altogether returned to the Ontario Government. The Ontario Government afterwards asked us to make a separate return on the logs cut on the islands south of Moose Point, giving as a reason that there was some dispute between the Dominion Government and them

as to the ownership of these islands. They asked us to make a separate return so that they could settle with the Dominion Government. Mr. Cook has already paid the dues to the Ontario Government.

732. When? Previous to that, I think in 1873, I did not know at that time, but that was the explanation Mr. Cooper gave me about it. I think when I made that return in 1879, I was not in the employ of Mr. Cook.

733. So that what you say is that the returns for which the Department here claimed a balance in April, 1879, against Mr. Cook, had been returned to the Ontario Government? Yes, it had been returned to the Ontario Government.

734. Why did you make the return to the Ontario Government? Because we held the license from the Ontario Government. The dispute was not between Mr. Cook and the Dominion, but between the Ontario and Dominion Governments. I subsequently purchased those islands from Mr. Cook, and I know of what I speak. I had some difficulty with the Ontario Government afterwards about getting them, and in fact they refused, after the settlement was made, to issue a license on those islands. They struck out those islands in that portion of it.

735. Mr. Plummer, in a letter to the Department, dated 11th October, 1878 (See Exhibit G), makes this statement: "I have to call your attention to the fact that Mr. Cook cut timber on those islands in the season of 1875-76, a return of which has not been made, and no dues accounted for. This fact was mentioned to the Department by Mr. Cook in his letter of 3rd February, 1877." Is it with regard to the logs referred to in this statement that you say you had made the return to the Ontario Government? I presume so.

736. Did you cut any other logs in 1875-76? I did not cut any other logs there.

737. So that your statement now with regard to the return having been made on certain logs, to the Ontario Government, must necessarily apply to the logs Mr. Plummer speaks of? I presume so.

738. Can you tell me when Mr. Cook settled for those logs with the Ontario Government? I do not know that.

739. Do you know whether it was the Ontario Government or Mr. Cook that settled with the Dominion Government? I understand it was the Ontario Government.

740. They simply transferred the amount they owed from Mr. Cook to the Dominion credit? A portion. I had to make this affidavit of the portion due to the Dominion Government.

741. The Ontario Government asked you to make an affidavit showing what portion of the money paid them by Mr. Cook belonged to the Dominion? Yes.

742. The Ontario Government had been over-paid then? They had not been over-paid if the island belonged to them. It was a dispute between themselves that we had nothing to do with.

743. But if the island did not belong to the Ontario Government they had received from Mr. Cook fees they were not entitled to? Yes.

By Mr. White (Renfrew):

744. You say you went into Mr. Cook's employment in 1874. Yes.

745. Then you had no knowledge of the transaction which took place in 1873? No.

746. None whatever? None.

747. You do not know of your own knowledge whether the logs came from Christian Island, or where they came from? Only what I was told.

748. You do not know of your own knowledge? No.

749. Do you know whether any portion of them had been got previous to the time you say you seen them at the south end of the mill in 1874? I do not know that.

750. You say the logs were marked with a plain "C"? Yes.

751. And that the logs you got in 1874 in Muskoka were marked with a different mark? Yes.

752. Do you know of your own knowledge whether the logs cut in 1872-73 on the Muskoka waters were marked "C" or in any other way? I know they were marked differently.

753. How do you know that? I saw some of the old logs in Muskoka.

754. You know they were all marked differently? Yes.

755. How do you know that? I know they did not use the plain "C" in Muskoka.

756. Do you know why they did not use it? I was not there but as far as the people told me I know.

757. You say you examined those logs as to their size in the boom? I did not say I examined them closely.

758. How did you look at them—from the shore—or did you walk over them? I walked over them.

759. Did you ever measure any of them? No.

760. So that your estimate of the quantity of lumber they would contain is mere guess work? It is a mere estimate.

761. I think I heard you say that the logs in the Muskoka district only averaged some 60 or 80 feet of lumber to the log? I did not say that. I said the logs on the island I cut and on the north shore of the Georgian Bay.

762. Was that a cutting made through the woods where a previous cutting had been made? There had not been any previous cutting through.

763. What did you say the logs in the Muskoka district averaged? Somewhere about 150 feet; sometimes larger and sometimes smaller.

764. Did you hear Mr. Cook say the logs from the Muskoka district averaged only 100 feet? I did not hear that.

765. Did you make an examination of these lands in the summer of 1879, with a view of their being sold to a lumber company? No, I was not familiar with the lands.

766. What I want to know is whether you made an examination and report upon the quantity of lumber on those lands with the view of their being put into a company in 1879? No.

767. Do you know that an examination was made upon them? No; I bought those lands in 1879.

768. You say, Mr. Dollar, with reference to this declaration that you made respecting the timber cut in 1875-76, that there was a misapprehension as to the proper authority under which the license was granted? Yes.

769. That you made the return to the Ontario Government, and that Mr. Cook paid the Ontario Government for the lumber and subsequently discovered it belonged to the Dominion? Yes.

770. How long after was the discovery made? After the returns were made.

771. How long after? I think 1878 was the first I heard of it.

772. Can you tell us how it was that Mr. Cook, in February, 1877, admitted that he was indebted to the Dominion Government in respect of timber cut on these islands? I do not know that.

773. I suppose you can't tell us whether any of the logs cut in 1872-73 were sawn prior to 1874 or not? I do not know anything about that.

Mr. WM. PLUMMER, recalled, further examined:—

By Mr. White (Renfrew):

774. Mr. Dollar makes the statement that the timber that was cut in the islands in the Georgian Bay in 1875-76 was cut, as they supposed, under the license given by the Ontario Government, and that it was afterwards discovered that the Department of Indian Affairs had control over those islands, and that the payment made to the Department in 1879 was made by the Department of Crown Lands in Ontario and not by Mr. Cook. Can you tell us whether that is a fact or not? What I said before was a fact, and Mr. Dollar, no doubt, has unintentionally confounded two cir-

cumstances. Mr. Cook, according to his own statement and the payment of money, cut the logs that I before described in the Christian Islands, which was covered by this license. The logs referred to by Mr. Dollar were got on islands claimed by the Dominion, and they were returned, as he says, to the Ontario Government. Subsequently that money was refunded, so that we got payment for the logs cut by Mr. Cook, and consequently we got payment for the logs cut in these islands.

775. Then, as a matter of fact, Mr. Dollar's statement is incorrect? Incorrect in these particulars. The statements regarding those islands are all on record.

By Mr. Cook :

776. What did the Department charge me for the logs cut on the Christian Islands per thousand? You know, as a matter of fact, it was \$1.60? I believe so.

777. What do they charge now? I do not know. The tariff has been rearranged since that.

778. What did they charge Mr. Power? They charged you last year \$1.

779. What did they charge Mr. Power? The same.

780. And what do they charge on the Manitoulin islands? About \$1.

781. When they charged me \$1.60 did not they charge \$1 to parties on the Manitoulin Islands? I do not think so.

By Mr. White (Renfrew) :

782. Subsequently to the time that you were communicated with by the Department in 1877 in respect to this claim of Mr. Cook's, and prior to September, 1878, did Mr. Cook urge you to report upon this matter? I mentioned before that he spoke to me several times about it.

783. He asked you to report? Yes.

By Mr. Bowell :

784. Or to delay the report? No, he never asked me to delay the report.

By Mr. Mulock :

785. Everything is paid by Mr. Cook; he does not owe the Department anything, does he? I do not think so.

786. When you spoke of the settlement made with the Ontario Government for logs cut by Mr. Cook on the Christian Islands, what lot of logs was that? They were logs cut on the islands in the Georgian Bay, north and south of what we call the Christian Islands.

787. That was the lot of logs that Mr. Dollar had to make the declaration about? No; the logs that Mr. Dollar made the declaration concerning were charged by us to Mr. Cook, and Mr. Cook paid for them, and the fees were placed at the credit of the Indians. Those Mr. Dollar referred to were returned to the Ontario Government and they accounted to us for the money, and gave the statement.

788. Everything was settled with the Department? Yes.

789. Mr. Cook settled for a portion directly, and the Ontario Government handed him over the money got by mistake from him? Mr. Cook settled for what Mr. Dollar made a sworn return of, but this is a different thing.

Mr. R. G. DALTON, called and examined :—

By Mr. Mulock :

790. Do you know anything about the rebate allowed to Mr. Power. Question objected to.

791. You are engaged in the Department of Indian Affairs? I am.

792. What is your position? I am in the Accounts Branch.

793. How long have you been in that branch? About three years.

794. Supposing an over-return is made by lumbermen, what is the practice of the Department when the mistake is called to its notice? I do not know.

795. Have you ever made a revision of dues? I only know of one.

796. What case was that? Mr. Power.

797. What do you mean by one? That is the only case.

798. What happened in that case? I do not know.

799. What do you know? I do not know anything about the case, except that there was a remission of dues.

800. For what? For over-measurement.

801. Then, Mr. Power had over-charged himself with a quantity of lumber? Yes.

802. A mistake was discovered and brought to the knowledge of the Department, and they did justice to him by making a remission of dues? They made a remission of part of the dues, I believe.

803. They corrected the mistake? Yes.

804. Can you tell me what proportion the mistake bore to the total quantity? I could not say.

805. You do not know how much he had returned? No, I do not.

806. Was it something very considerable?

Question objected to, the papers not being produced.

By Mr. Bowell:

807. Who is Mr. Power? I do not know him at all.

By Mr. Cook:

808. Where does he live? I do not know where he lives.

809. Where is his mill? I do not know where his mill is. His limit is on Parry Island, on the Georgian Bay.

810. Adjoining these islands? It is a long way from these.

By Mr. White (Renfrew):

811. Do you know on what evidence that remission was made? I do not. It is a matter I really have not examined.

By Mr. Bowell:

812. I suppose all you have to do is to carry out the transaction in your books? Well, the transaction has not passed into the books yet. It is before the Accounts Branch now.

813. Do you know whether any steps were taken to ascertain whether there was an error? I could not say positively.

By Mr. Somerville (Brant):

814. Is this a recent transaction? It is a recent transaction.

By Mr. Bowell:

815. Has the remission been made? Yes, and the money has been paid.

816. Can you tell me why it was done? It was an over-measurement.

817. Do you know what steps were taken to ascertain that it was an over-measurement? No, I do not.

By Mr. Somerville (Brant):

818. To what amount does the over-measurement extend? I could not tell.

819. If you were passing the accounts through the books could you not ascertain? It is not passed into the books. The matter is before us for action now.

820. Do you know what the papers contain? No.

Mr. DOLLAR, recalled, further examined:—

By Mr. Mulock:

821. This information about Mr. Power is furnished by Mr. Power's agent; what is his name? Mr. Miscampbell.

By Mr. Bowell :

822. Is he here? No.

By Mr. Mulock :

823. Is it a fact that Mr. Miscampbell told Mr. Dalton that the Department has remitted, in respect of this mistake, a sum equal to half the whole amount? The Chairman ruled that the question was not a proper one.

Mr. VANKOUGHNET, recalled, further examined:--

By Mr. Bowell :

824. You have heard the statement made by Mr. Dalton? I heard it partially. He spoke so low that I did not hear it all.

825. You heard the statement made by Mr. Dalton that a remission of dues was made to Mr. Power, who has a license for cutting timber on the Parry Islands? Yes.

826. State to the Committee what the facts are in connection with that? The timber was remeasured, Mr. Power having made a statement to the Department that it had been over-measured.

By Mr. White (Renfrew) :

827. Under what authority was it remeasured? Under the authority of the Department.

828. By agreement with Mr. Power? Yes, we insisted upon it.

829. Was it measured by a disinterested party? It was measured by some one who made an affidavit as to the quantity.

By Mr. Mulock :

830. Do you know who the man was who made the remeasurement? He was in the employment of Mr. Power. We always depend upon such sworn returns.

By Mr. White (Renfrew) :

831. Who made the affidavit? The person who made the remeasurement. The Committee then adjourned.

EXHIBIT A.

TORONTO, 3rd February, 1877.

MY DEAR SIR,—Herewith I beg to hand you a statement in detail showing losses incurred by me in the year 1873, upon a quantity of saw logs over-returned to the Indian Department, by a person in my employment at that time for the purpose (as far as I have learned) of making his work appear very favorable in regard to cost of getting out the logs, regardless of the loss thereby sustained by me.

The statement gives the total quantity of logs as returned and the manner in which it was settled, also the quantity of lumber those logs yielded when manufactured, showing a difference of 929,017 feet against me, or loss in quantity amounting to, at the rate of dues charged, viz.: \$1.60, \$1,486.24.

I have also shown in this statement the result of manufacturing those logs into lumber and disposing of it to the best advantage, which as you will observe was a loss of \$3,919.04. Add this to the amount over-returned and a total loss of \$5,405.28 was sustained by me upon those saw logs. Taking into account the fact of so large a quantity being over-returned and the loss on manufacturing into lumber and disposing of it, I consider that I should be released from payment of the bond for \$1,800 given at that date and which remains unpaid, and also should not be called upon to pay dues upon some three or four hundred thousand feet of saw logs cut by me on those islands last season and not yet returned.

Hoping to hear from you favorably at as early a date as possible,

I am, Dear Sir, yours faithfully,

H. H. COOK.

Hon. DAVID MILLS, Minister of the Interior, Ottawa.

STATEMENT of amount lost by H. H. Cook by over-return of Saw Logs and loss on Lumber cut in 1873, from Logs taken off the Christian Islands.

1873.			\$ cts.	\$ cts.
June	24...	Returned to the Indian Department as cut for me on Christian, Beausoleil and Giant's Tomb Islands, 2,424,973 feet, dues, \$1.60 per M.....		3,879 95
do	24...	Paid the Department cash on account.....	2,079 95	
do	24...	Bond given for the payment of.....	1,800 00	
			3,879 95	3,879 95
Dec.	31...	Sales of lumber made from above logs— Total sales, 1,495,956 feet, the proceeds of which were.....	7,928 91	
		Cost of cutting and getting out 1,495,956 feet saw logs at \$4.32 (the cost).....		6,462 52
		Government dues on same at \$1.60.....		2,393 52
		Cost of manufacturing same into lumber, \$2 per M.....		2,991 91
Total cost.....				11,847 95
Deduct sales as above.....				7,928 91
Loss on lumber.....				3,919 04
		Quantity of logs returned as above..... 2,424,973 feet,		
		Quantity sold..... 1,495,956		
		Quantity over-returned and lost..... 929,017 at \$1.60.....		1,486 24
Total loss.....				5,405 28

EXHIBIT B.

Timber cut, season 1872-73, by H. H. Cook (Georgian Bay).

15,594 pieces White Pine, 2,424,973 feet, B.M., at \$1.60..	\$3,879 95
Oct. 1, 1873.—Paid cash.....	\$2,079 95
Bond, at six months.....	1,800 00
	<u>\$3,879 95</u>
Bond.....	1,800 00
Remitted.....	1,486 24
	\$313 76
Interest.....	94 12
	\$407 88
Paid October, 1878.....	359 76
	<u>\$48 12</u>

Timber cut season 1875-76.

324,600 feet, B.M., at \$1.60.....	\$529 36
Interest.....	102 05
	\$631 51
Paid April 28th, 1879.....	<u>\$631 51</u>

A correct statement.

R. G. DALTON.

EXHIBIT C.

TORONTO, 5th July, 1875.

DEAR SIR,—Mr. Wm. Plummer of the Indian office here, holds a bond of mine amounting to \$1,800 for saw log dues. This bond is now past due and I desire to have it renewed, as I am unable to pay it owing to the extreme dullness of the lumber trade, and the fact that the inferior quality of these same logs would not admit of their being cut into lumber with the state of the markets this and last season. At the same time I would request that my license covering Christian and other islands be issued this season. By granting me these requests and instructing Mr. Plummer to that effect, you would confer a favor upon

Yours faithfully,

H. H. COOK.

Per W.T.

HON. DAVID LAIRD, Minister of the Interior, Ottawa.
Mr. V. will report on this application.

D. L.

EXHIBIT D.

12th July, 1875.

SIR,—Referring to your letter of the 23rd May, 1874, and to previous correspondence on the subject of Mr. H. H. Cook's indebtedness to this office on account of timber license covering Christian and other islands in Georgian Bay, for which you hold Mr. Cook's bond, I am directed by the Superintendent General to inform you that the bond in question may be renewed for six months from date of maturity. Mr. Cook's license may also be renewed for the current year, but he should be called upon to pay the ground rent and license fees.

I am, &c.

WM. PLUMMER, Esq., V.S., Toronto.

EXHIBIT E.

Memo. on Mr. Cook's letter of 5th instant, asking to be allowed to renew his bond for \$1,800 for timber dues owed by him to the Department.

The date of the unredeemed bond in question is 24th November, 1873. It was payable 24th May, 1874.

Mr. Cook also owes ground rent to 30th April, 1875, and 30th April, 1876, and renewal fees for four years, which, together, amount to \$88. Making the sum total of Mr. Cook's indebtedness to the Department \$1,888.

L. VANKOUGHNET, D.S.G.I.A.

INDIAN BRANCH, 7th July, 1875.

Please inform Mr. Plummer that the Superintendent General directs Mr. Cook's bond may be renewed for six months from date of maturity. Advise also that his license be renewed for current year, but suggest that he be requested to pay the license fees.

D. L.

EXHIBIT F.

Mr. Herman H. Cook having paid the balance due by him on account of timber cut under this license amounting to \$359.76 together with the ground rent and renewal fees, to 30th April, 1879, amounting to \$124, in all \$483 76, this license (which is to cover cordwood as well as the other descriptions of wood mentioned therein) is renewed for the year which terminates on the 30th April, 1879. The

authority to cut cordwood does not, however, confer upon the licensee any right to cut wood or timber of less diameter at the stump than one foot.

DAVID MILLS,

Minister of the Interior and Supt.-Gen. of I. A.

DEPARTMENT OF THE INTERIOR, INDIAN BRANCH, 2nd October, 1878.

EXHIBIT G.

INDIAN OFFICE, TORONTO, 11th October, 1878.

SIR,—I have the honor to acknowledge the receipt of your letter of the 3rd inst. respecting the amount of rebate allowed Mr. H. H. Cook on account of timber cut on Christian Islands in the season of 1872-73, and showing a balance due from him on that transaction of \$483.76, which he has paid at Ottawa. I beg to state that there seems to be an error in the amount, as the statement herewith enclosed shows.

According to our books, after allowing the rebate mentioned, a balance is still due by Mr. Cook of \$50.12, which includes three renewal fees, the perquisites of the local superintendent.

Referring to the renewal of Mr. Cook's timber license for these islands, it is stated in your letter that authority will be inserted therein to allow him to cut cordwood in addition to the other descriptions of wood mentioned therein.

I have to call your attention to the surrender made by the Indians on 2nd June, 1870, and transmitted to Ottawa, 11th July, 1870. It will be found the only kinds of timber surrendered are oak and pine exclusively. I cannot see, therefore, how a license can be issued for any other kinds of timber unless another surrender be first obtained from the Indians embracing the kinds required to be cut.

I have further to call your attention to the fact that Mr. H. H. Cook cut timber on these islands in the season of 1875-76, a return of which has not been made, and no dues thereon accounted for. This fact was mentioned to the Department by Mr. Cook in his letter of the 3rd February, 1877.

I have the honor to be, Sir, your obedient servant,

WM. PLUMMER, *Sup. Com. I. A.*

The Hon. the Minister of the Interior, Ottawa.

STATEMENT *re* Mr. H. H. Cook's Timber License for Christian and other Islands.

1873.		\$	cts.
Oct. 6...	To Bond at 6 months with interest at 6 per cent.....	1,800	00
	CR.		
	By rebate for timber over-returned.....	1,486	24
	To balance.....	313	76
	To interest from 8th October, 1873.....	94	12
	Ground rent to 30th April, 1879 (3 years) at \$40.....	120	00
	Renewal fees.....	6	00
	CR.		
	By amount paid at Ottawa.....	483	76
	To balance.....	50	12

INDIAN OFFICE, TORONTO, 7th October, 1878.

EXHIBIT H.

No. 55.

TIMBER LEDGER, FOLIO 28.

DUPLICATE FOR DEPARTMENT.

\$359.76.

THE CANADIAN BANK OF COMMERCE,
OTTAWA, 2nd October, 1878.

Received from H. H. Cook, on account of timber dues, 1873, in full, for Christian Island logs, the sum of three hundred and fifty-nine dollars and seventy-six cents, which amount will appear at the Receiver General's credit with this bank.

Signed in triplicate.

WM. MAYNARD, JR.,
Pro Manager.

Entered, J. H. THOMPSON,
Per Accountant.

EXHIBIT I.

No. 56.

TIMBER LEDGER, FOLIO 28.

DUPLICATE FOR DEPARTMENT.

\$124.00.

THE CANADIAN BANK OF COMMERCE,
OTTAWA, 2nd October, 1878.

Received from H. H. Cook on account of renewal of Christian Island license, the sum of one hundred and twenty-four dollars, which amount will appear at the Receiver General's credit with this bank.

Signed in triplicate.

WM. MAYNARD, JR.,
Pro Manager.

Entered, J. H. THOMPSON,
Per Accountant.

EXHIBIT J.

I, William Telfer, of the city of Toronto, in the county of York, bookkeeper, do solemnly declare that I am bookkeeper for Henry Herman Cook, of the said city of Toronto, lumber merchant, that annexed hereto is a statement showing the amount lost said Cook by over-returns of saw logs, and loss on lumber cut from said logs as returned to the Indian Department as cut for the said Cook on Christian, Beausoleil and Giant's Tomb Islands, in the winters of 1872-73; that the said statement is made from the books and accounts kept of returns and cutting, and to the best of my knowledge, information and belief, correctly shows the amount of such loss.

And I make this solemn declaration, conscientiously believing the same to be true, and by virtue of the Act passed in the thirty-seventh year of Her Majesty's reign, intituled: "An Act for the Suppression of Voluntary and Extra Judicial Oaths."

WM. TELFER.

Declared before me at the city of Toronto, }
in the county of York, this 28th day }
of September, A.D. 1878.

CHARLES MOSS, a Commissioner, &c.

EXHIBIT K.

DEPARTMENT OF THE INTERIOR, INDIAN BRANCH,
OTTAWA, 8th February, 1877.

SIR,—I enclose copy of a letter from Mr. H. H. Cook, and of the enclosure therein, showing the amount lost by him in 1873 upon saw logs, alleged to have been

over-returned to the Department and on lumber cut that year from logs taken off the Christian Islands, and have to request that you will make a careful investigation into the facts as to the quantity of timber alleged to have been over-returned, and report the result, with a recommendation as to what rebate, if any, of the charges made should be returned to Mr. Cook.

I am, Sir, your obedient servant,

E. A. MEREDITH, *Deputy of the Minister of the Interior.*

WM. PLUMMER, Esq., Superintendent and Commissioner, Toronto.

EXHIBIT L.

INDIAN OFFICE, TORONTO, 30th September, 1878.

SIR,—Referring to your letter of 8th February, 1877, enclosing correspondence and statement from Mr. H. H. Cook, showing the amount lost by him in 1873 upon saw logs alleged to have been over-returned to the Department, and also the loss on the lumber manufactured that year from the logs taken off the Christian Islands, and requesting me to report thereon;

I have the honor to report that I have made as full enquiry into the case as was possible under the circumstances, and I am quite satisfied that Mr. Cook sustained a loss by the transaction.

I can further testify, from personal knowledge, that the pine lumber on these islands is of an inferior quality, and is, moreover, very much scattered over the islands, thereby rendering lumbering operations difficult and expensive.

As to rebate, Mr. Cook will be fairly entitled to such amount as he may be able to show to the satisfaction of the Department the agent he employed had over-returned.

I have the honor to be, Sir, your obedient servant,

WM. PLUMMER, *Superintendent, Commissioner Indian Affairs*

Honorable the Minister of the Interior, Ottawa.

Allow Mr. Cook the remission to which Telfer's declaration shows he is entitled.
—D. M.

EXHIBIT M.

DEPARTMENT OF THE INTERIOR, INDIAN BRANCH,

OTTAWA, 3rd October, 1878.

SIR,—I have to acknowledge the receipt of your letter of the 30th ultimo, reporting the result of your investigation into the matter of the losses alleged by Mr. H. H. Cook to have been sustained by him in 1873 upon saw logs over-returned to the Department, and to inform you that in view of your statements and the declarations filed by Mr. Cook, the Superintendent General has allowed Mr. Cook a rebate of \$1,486.24, the value of the logs over-returned.

Mr. Cook's account will now stand as follows:—

Balance on 6th May, 1874.....	\$1,846 00
Less remitted as above.....	1,486 24
	<hr/>
	\$ 359 76
Add ground rent and renewals to 30th April, 1879.....	124 00
	<hr/>
Balance	<u>\$ 483 76</u>

Mr. Cook having now paid into this office the above balance of \$483.76, his license covering the timber on Christian and other islands mentioned therein has been

renewed by the Superintendent General to the 30th April, 1879, and authority inserted therein to allow him to cut cordwood in addition to the other descriptions of wood mentioned in the license. The copy of the license in question in your office should be forwarded to the Department in order that the renewal may be endorsed thereon and signed by the Superintendent General.

You will please hand to Mr. Cook his bond which you hold for the sum of \$1,800.

I am, Sir, your obedient servant,

E. A. MEREDITH, *Deputy of the Minister of the Interior.*

WM. PLUMMER, V. S. and Commissioner, Toronto, Ont.

EXHIBIT N.

District of Muskoka, }
To wit: }

I, John M. Dollar, of the village of Bracebridge, in the district of Muskoka, make oath and say, that during the season of eighteen hundred and seventy-five and seventy-six I cut and got out for H. H. Cook, of the city of Toronto, lumber merchant, on the islands in the Georgian Bay, south of Moose Point, three hundred and twenty-four thousand six hundred feet of saw logs, to the best of my knowledge and belief.

J. M. DOLLAR.

Sworn before me at Rosseau, in the }
district of Muskoka, this first }
day of February, A.D. 1879. }

WILLIAM DINHBURN, *a Commissioner in B. R.*

EXHIBIT O.

INDIAN OFFICE, TORONTO, 21st November, 1878.

SIR,—In reply to your letter of the 13th inst., I have the honor to say that I have duly notified Mr. H. H. Cook that the Christian Island Indians had not agreed to the cutting of cordwood on their islands, and that the proviso inserted in his license as to the cutting of cordwood must be considered *null* and *void*.

I have examined your "account current" with Mr. Cook, accompanying your letter, and beg to return with this, one taken from our books, which I think will be found correct, and from which it appears that Mr. Cook still owes the Department, on this transaction, \$50.12, as shown in my former statement.

I have the honor to be, Sir, your obedient servant,

WM. PLUMMER, *Superintendent, Commissioner Indian Affairs.*

The Hon. the Minister of the Interior, Ottawa.

EXHIBIT P.

No. 864.

PENETANGUISHERNE, ONT., 7th September, 1877.

SIR,—We have duly received last night your letter of the 5th inst., advising us of the course we have to take, and of what we have to do to settle matter in reference to the tan bark cut by us on Beckwith Island.

In answer we beg to state that, as we showed by the documents in our possession, we have acted in perfect good faith, thinking the authorization we had received from Mr. H. H. Cook, the pretended licensee, was quite sufficient for us.

However, as we are actually in trespass, and as in any case the dues have to be paid, we are preparing to do what is necessary to arrange this matter, so as to avoid costs and trouble. We will see Mr. Van Block without delay, so as to prepare a

correct return of what is taken away and what remains on the island, and we hope before long to be able to pay all dues to satisfy your claims against us.

At the same time, on account of our position, we beg of you to be lenient with us, and to give us a sufficient time to make arrangements.

We are, Sir, your obedient servants,

FRANCIS LAFORGE,

JEAN BAPTISTE QUESNELLE, per Th. P. L.

WM. PLUMMER, Esq., Superintendent and Commissioner Indian Affairs, Toronto.

EXHIBIT Q.

I have given the bearers, J. Bte. Quesnelle and Francis Laforge, liberty to cut hemlock bark on Beckwith Island, the dues, 50s. per cord, to be paid before removing same.

H. H. COOK,
Per W. T.

MIDLAND, 23th May, 1877.

EXHIBIT R.

TORONTO, 10th September, 1877.

DEAR SIR,—In reference to the tan bark cut upon Beckwith Island during the summer by Messrs. Laforge and Quesnelle, I find, upon enquiry, that my clerk at Midland gave them permission to cut in my absence.

Yours faithfully,

H. H. COOK.

WM. PLUMMER, Esq., Superintendent Indian Affairs, Toronto, Ont.

REPORT

OF THE

SELECT STANDING COMMITTEE

ON

IMMIGRATION AND COLONIZATION,

OF THE

HOUSE OF COMMONS

1886.

Printed by Order of Parliament.



OTTAWA:
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REPORT.

The Select Standing Committee on Immigration and Colonization respectfully submit their first and final report:—

The investigations of the Committee have been confined to the examination of three witnesses, viz.: Mr. John Lowe, the Secretary of the Department of Agriculture; Mr. Jacob Y. Shantz, of Berlin, Ontario; and Mr. James Fletcher, the Honorary Entomologist of the Dominion.

The examination of Mr Lowe was in relation to the Department of Agriculture in respect to the subject of immigration; the points on which the examination took place having reference to the numbers of immigrants and their suitability to the country; the expense incurred in promoting immigration; the care of immigrants after their arrival; the publications issued, and their circulation.

With respect to the numbers of immigrants, it appears that the decline which was noticed last year, as compared with previous years, was continued. The actual numbers of all classes of immigrants arriving at our ports being less in 1885 than in any year since 1881, and the same remark applies to those who stated their intention to settle in Canada. The numbers given of all immigrants who came to our ports, including those who were simply passengers by our routes to the Western States, were, in 1885, 105,096, against 166,596 the previous year, the settlers in 1885 being 79,169, against 103,824 in 1884.

The immigrants were reported to be of an exceptionally good class, and it was stated that none of those who came to find work remained unemployed, but, on the contrary, the demand for the services of agricultural labourers and female domestic servants was never at any point fully satisfied during the year.

A close examination elicited the fact that no inducement nor assistance of any kind, neither by advertisements, pamphlets nor reduced passages, was held out to mechanics, and comparatively few of this class came, all who did so having come without reference to any representations from the Department of Agriculture.

And with respect to what is called the "assisted passage," it appeared from a close examination that comparatively few of those immigrants who came during the year availed themselves of it, those who did being agricultural labourers and their families and female domestic servants, the total number who availed themselves of the cheapened passage being 6,694 adults and 1,125 children, making in all 7,819, or something less than one-tenth of the whole immigration.

The Committee were informed that the arrangements which had been made for promoting immigration from the continent of Europe to the Canadian North-West gave promise of success, while infant colonies, each of which was expected to form a nucleus, have been successfully established in the North-West. These consisted of Germans, Scandinavians and Hungarians.

The total expenditure incurred by the Department for all immigration purposes, including all fixed establishments, both in Europe and Canada, for the calendar year 1885, was \$310,271.67, against \$431,497.76 in 1884, showing a reduction of over \$120,000. The cost of all Canadian agencies for receiving immigrants was \$61,909.35, and the amount of expenditure at and through the London office \$65,050.17. The amount spent for printing publications, including cost of paper, was \$75,022.80. The amount for inland transport was \$32,501.23, but of this amount only \$5,759.58 were for the service of the year, the remainder being for balances brought forward. The system of inland transport which was formerly afforded as an inducement to immigrants having been withdrawn during the year, and a large reduction of expenditure thereby made; and, with respect to assisted passages and commissions, the

amount spent during the year was \$36,748.33, of which amount \$24,398.89 was paid for effecting the reduced or assisted passages during the year, or less than one-thirteenth of the total vote. The remaining items of expenditure, making up the amount above stated, are of minor interest.

It appears that large sums of money, in the aggregate, are brought into the country by immigrants. The total, including values of effects, for the year, being returned at \$4,143,886.46, and this, apart from the stimulus to industries and productions, is a consideration which may be set against the expenditure.

The total numbers of publications of all kinds issued by the Department during the year to promote immigration was 3,047,244, of which 344,800 were printed in England and the remainder in Canada.

The evidence of Mr. J. Y. Shantz, respecting the Mennonite immigration and settlement in the North-West was very satisfactory. He stated that the loan of \$96,400 advanced by the Government in 1875, has been very nearly all repaid, and will soon be entirely wiped off, principal and interest, which is proof of successful settlement, despite the hardships suffered by those colonists on their first arrival in Manitoba. The Mennonites appear to have found in Manitoba the conditions of freedom denied them in their own country. Mr. Shantz stated that they are gradually relaxing their rigid system of village settlement, many of the younger people settling upon separate homesteads, among the surrounding population, and learning the English language.

The evidence of Mr. James Fletcher, the Honorary Entomologist of the Dominion, was listened to with very much interest by the Committee. He made many suggestions of great value as to the best modes of counteracting the ravages of insect pests which appear to be now, in all countries, one of the formidable enemies which the farmer has to fight.

A resolution was passed by the Committee, requesting the Minister of Agriculture to publish and cause to be distributed among members several thousand copies of Mr. Fletcher's report, and this resolution has been duly transmitted to the Minister. The whole of the evidence taken before the Committee is submitted herewith as a part of this report.

All of which is respectfully submitted.

P. WHITE, *Chairman.*

COMMITTEE ROOM No. 6,
HOUSE OF COMMONS, 28th May, 1886.

MR. LOWE'S EVIDENCE.

NUMBERS OF IMMIGRANTS.—YEARS COMPARED.—KINDS OF IMMIGRANTS.—ENTRIES WITH SETTLERS' EFFECTS.—COLONIZATION.—MECHANICS NOT INVITED.

HOUSE OF COMMONS, OTTAWA, 24th March, 1886.

Mr. JOHN LOWE, Secretary of the Department of Agriculture, called and examined:—

By the Chairman:

Q. Will you be good enough to state the numbers of immigrants who arrived in Canada last year, distinguishing settlers from passengers—your answer, I assume, will have reference to the current year? A. Yes, to the calendar year. All the reports and accounts of the Department are made up for the calendar year. The total immigrant arrivals in Canada during the last year, from all parts and by all ports, was 105,096. Of those 25,927 were passengers for the Western United States, and the net number of settlers, according to the reports of our agents, was 79,169.

Q. How do these figures compare with those of 1884 and previous years? A. As compared with 1884, which was a year of large immigration, there was a serious

decline. The numbers of settlers in 1884 were 103,824. And again, as compared with 1883, the year before, the numbers were 133,624. In 1882 the immigration was 112,458; in 1881, 47,991; in 1880, 38,000; in 1879 it was 40,492. The numbers of immigrants for last year, therefore, though not as large as the two previous years, is still relatively large.

Q. Can you give the ports at which these immigrants entered, and state generally how they were distributed? A. The total arrivals *via* Quebec were 17,035, of whom 2,035 were passengers for the Western States, leaving 15,000 settlers in Canada. That was against 31,529 of total arrivals for the previous year, showing a marked decline.

Q. You are speaking now only of the port of Quebec? A. Yes. At Halifax the arrivals were 5,378 who entered as immigrants, of whom 286 were passengers for the Western States, leaving us 5,092 settlers by that route. At St John, N.B., the arrivals were 1,085, and those were all settlers in Canada, as none of them went through. At Montreal—and that takes in the arrivals from Boston and Portland—the numbers were 3,230, of which 611 were passengers for the Western States, leaving 2,619 by that route. The total arrivals by the Suspension Bridge were 27,511, of which 23,111 were passengers for the Western States, leaving 4,400 as settlers in Canada. At Port Arthur the numbers arrived there *en route* for Manitoba were 1,415; at Emerson, 3,189; and at Gretna, 4,056. Those were immigrants from all points outside of Canada, and not including immigrants from the old provinces to the Province of Manitoba. From other agencies there were reported 1,314 as from the United States, and at Victoria, B.C., the agent there, Mr. Jessop, reports the total arrivals of settlers at the various ports as 8,023. It is probably better, however, to explain that the total number arrived in British Columbia—whites and Chinese combined—was 20,144. Of these, 16,047 were whites, and 4,097 were Chinese. Mr. Jessop had no accurate means of ascertaining how many of the white passengers were actual settlers in the province, and so he made a deduction of 50 per cent. from the whole, for those who were merely passengers, leaving the figures that I have given as the estimated number of white settlers, or, in other words, making a total immigration into the province of 8,023, as stated.

By Mr. Paterson:

Q. As settlers? A. Yes, as settlers.

Q. Do you apply the 50 per cent. rule to the Chinese as well? A. No, their numbers were comparatively small. There were 4,097 Chinese immigrants during the whole year.

By Mr. Homer:

Q. Did you make any comparison of the Chinese immigration between the first and the last six months of the year? A. The total arrivals at the port of Victoria for the first six months of the year were, by Puget Sound steamers, 7,635 whites, and 1,345 Chinese; by San Francisco steamers, 1,455 whites, and 1,053 Chinese, and by China, ships 730, making 9,090 whites for the first six months, and 3,128 Chinese. For the second half of the year the Puget Sound steamers brought 6,093 and 564 of whites and Chinese respectively, and the San Francisco steamers brought 864 whites and 402 Chinese, or a total of 7,926.

Q. That shows a great difference between the immigration of Chinese during the first and the last half of the year? A. Yes, a marked difference. There is still one further item included in the main question, and that refers to arrivals of immigrants with entries of settlers' goods. The numbers of those during the year were 32,301, as against 35,000 odd for the previous year, showing a tendency to decline. These entries, I should inform the Committee, are from actual registration, name by name, giving the nationalities. One feature of that item is that 22,266 of those are returned Canadians.

By the Chairman :

Q. Can you inform the Committee as to the causes of this decline in the numbers of the past year as compared with those of previous years? A. The general causes can be very plainly stated. In the first place, there has been a general decline of emigration from the emigration centres; there has been a decline of emigration from the United Kingdom, and also from the Continent of Europe. But I have no doubt that we have suffered in a very marked degree from the breaking out of the disturbance in the North-West Territory last spring, as that disturbance broke out just at the time that the emigration booking arrangements began, and the reports which were published, not only in the United Kingdom, but throughout the Continent of Europe, were highly exaggerated.

By Mr. Watson :

Q. What do you mean in your reference to those 22,266 Canadians? Do you mean that they are Canadians who had previously left the country? A. Yes; that is the number of persons who, on making entry of their effects when coming into the country, gave their nationality as Canadians. They were registered name by name.

By Mr. Jackson :

Q. Those 22,266 are part of the total of 79,169? A. Yes.

By Mr. Cameron (Middlesex) :

Q. Was the registration made in the Custom house books? A. No. It was a registration by Customs collectors on a form which is supplied by our Department for the purpose of obtaining those statistics, the Minister of Customs giving orders to all collectors of Customs to have that form filled in and returned to the Department on the occasion of every settler's entry.

Q. That is, as well as the form that is necessarily made out, to allow settlers' goods to come in free? A. Yes; this is a special form for the simple purpose of statistics. There is still one further point which has led to a decline in the immigration to Canada, I think, even as compared with the United States, and that has been the greater cheapness of the passenger rate to the United States than to Canada.

By Mr. Paterson :

Q. There has been a return of Canadians every year, has there not? A. Yes.

Q. Is this number more than usual? A. We have the figures of other years. Those of the last two years were larger. With that exception, these are larger than in any previous year.

Q. As I understand it, in taking the census we do more than take the actual net count of people in the country at the time, do we not? A. No; not any not actually domiciled in the country. There appears misapprehension with regard to that. Where any person, in any case, has left the country, that person is not taken.

Q. Was no one counted who was not actually in the country at the time the officers went around? A. I do not say no one was not counted who might be out of the country for a very short time, but no one was counted who was not a resident of the house in which he was counted.

Q. But did we not count them when they were away in the United States? I want to find out whether, owing to the way we took our census, we can now certainly count on those 22,000 returned Canadians as being an actual increase to our population, or whether a great number of those were counted as being here when they actually were not in the country at the time. If the census was taken upon that plan, it certainly was misleading? A. It could not have been possible that any of those 22,000 were included in the census, in the way in which it was taken. They could not have been living in the United States and at the same time domiciled in Canada.

By Mr. Watson :

Q. I think you stated that in taking the census, in some instances, the head of the house was asked how many residents were in the house. Now, there might be three or four sons, two or three of whom might be working in the United States for a few months, and these were counted as residents in the country? A. The question asked of householders was, how many people belong to this house? that is to say, how many are there of whom this house is the domicile, or the home? They might be temporarily absent in other provinces or in the States, but people of that kind returning to their homes would not have to make entry of their household effects or of settlers' goods.

By Mr. Kirk :

Q. Was it not the practice of the enumerators to take all those who were in the United States, but who were expected to return? A. No; only those who were living in and belonged to the house visited by the enumerator at the time.

Q. When the census enumerator came to my house he asked me if any of my family were in the United States and I answered that there was one. I then asked him if he took those members of the family who were in the States, in the census as well, and he answered that it depended upon whether or not they were expected to return. He asked me whether we expected this one to return or not and I told him we certainly did, but that I did not know when. He was away for two years, but that name was taken. A. That was a rather free, and I believe, exceptional interpretation of the *de jure* system of census. Our system is precisely the same in this respect as that of the United States, and for the same reason, it is specially adapted to federal institutions.

By Mr. McCraney :

Q. Suppose that these persons on coming back had their trunks and perhaps a sewing machine with them, would not these be entered as settlers' effects? A. I think such would be simply passed as passengers' effects. Settlers' effects rather refer to the household effects of the family coming back.

By Mr. Sproule :

Q. The law provides that these goods must have been used for a certain number of months? A. Yes, for six months.

By Mr. Trow :

Q. In the British Columbia figures, are the employés of the Canadian Pacific Railway Company included? A. If the employés on the railway in British Columbia had residences they would be taken at their residences. If their residences were elsewhere they would not be taken. The enumerator asked particularly for the domiciled population.

By Mr. Watson :

Q. Boarding houses would be residences, of course? A. There are special directions as to boarding houses, and only those are taken who are permanently domiciled in such.

By the Chairman :

Q. I think you did not quite comprehend Mr. Trow's question. He wished to know whether those figures included those employed upon the railway or not? A. I understood the reference to be to the census. Railway employés would be included amongst immigrants. There is still one further point to be noticed in order to satisfy fully the main question put to me by the Chairman. I stated that one of the difficulties in the way of immigration, with which we have to contend, was the fact of the rates being against us as compared with the United States. One of our agents, Mr.

Downs, of Bristol, writes thus ; " I regret to state that I fear a large number of useful settlers have been lost to Canada owing to the extraordinarily low rates to the United States and the dollar, U.S., rate to Chicago. The enticing bills of 4,000 miles for £3, 4s., 2d., which the New York lines distributed profusely through every hamlet, had a very great effect and the lowest rate to Quebec was not a set off against it."

By Mr. Hesson :

Q. Were they carried for \$1 inland, on the American side ? A. \$1 was the charge from the port of New York to Chicago, or £3, 4s., 2d., the whole distance. Price has always very largely affected the volume of immigration.

By Mr. Watson :

Q. On this question of rates do you know what are the most favourable rates from Liverpool to points in Canada ? A. At present a £3 rate may be obtained to Quebec from Liverpool. But there may be an increase.

By Mr. Trow :

Q. What was the ordinary rate in 1885, from Belfast, Glasgow or Liverpool, to Winnipeg ; have you any rate clear through ? A. I have not with me the precise figures. It was, however, about £4 18s. from Liverpool to Winnipeg.

By Mr. Watson :

Q. How could your Bristol agent claim that the rate to the United States was so much cheaper ? A. The rate to Chicago was only £3 4s., and Chicago is very near the points of western settlement, and this made competition for us very difficult indeed.

Q. So that this is railroad competition, and not so much from the steamships ? A. New York steamship lines during part of the year put down their rates to the lowest point of the St. Lawrence rates, and in addition to that there was a rate of \$1 from New York to Chicago.

By Mr. Kranz :

Q. It was down to \$10 last year, from Bremen and Hamburg ? A. Yes ; the North German Lloyds and also the Hamburg packet line joined in the breaking of rates with the Liverpool lines.

By the Chairman :

Q. Respecting the immigrants who entered with settlers' effects, at Customs houses, please give particulars of the numbers and nationalities, and your impression of the character of this immigration ? A. As to the numbers, I have already answered that question. Of the 32,301 who entered with settlers' effects during the year, the following were the nationalities given :—

English.....	2,700
Irish	859
Scotch	673
German	564
U. S. origin.....	3,204
Canadian.....	22,266
Scattering origins.....	1,991

They brought with them household effects to the value of \$1,085,274.

Q. What was the character of the immigration of 1885, and did those immigrants who came to seek employment readily find work ? A. The character of the immigration, as reported by all the agents, was exceptionally good. No immigrants who came seeking work remained without finding it. In other words, all immigrants, when they came, were employed. We had a meeting of the agents, in the

Department, two or three weeks ago. Each and all of them reported that there were no exceptions to the statement I have made, and further, that the demand for agricultural labourers and female domestic servants was not satisfied.

By Mr. Baker (Victoria) :

Q. Was the immigration agent from British Columbia there? A. No; it was rather far to bring him, but he has given us a very full report, the numbers from which I have given to the Committee.

By the Chairman :

Q. Have you any information with respect to the movement of emigrants from the country, under the head we have heard so much about—the so-called exodus? A. I do not think it can be said that there has recently been a movement or “exodus” of emigrants from the country, and further, as regards that claim which was made by the United States authorities, of large numbers having gone from Canada to that country, at the point of Port Huron, it has been entirely abandoned. I have here a copy of a circular published as sent from the Treasury Department at Washington, to their Customs collectors, on this subject. It is as follows:—

“WASHINGTON, D.C., 20th February, 1886.

“Since it appears to be impracticable to procure, under the existing laws, accurate statistics of the immigrants arriving in the United States from the British North American possessions, you are hereby directed to discontinue the collection of such immigration until otherwise directed.

“DANIEL MANNING, *Secretary of the Treasury.*”

I received, only the other day, a quarterly return of the imports and exports, and the immigration of the United States, and I find that under the head of Canadians to the United States, they have left the return entirely blank, apparently for the reasons stated in the circular. As regards the question put to me, I should further state that we have obtained again from the Grand Trunk Railway Company an official return of their total passengers, the result of which is this: The total number of tickets purchased in Canada for all parts in the States—constituting the outs at every point at which their system touches—was 164,088, less 4,695 tickets procured by exchanging at the port of arrival, orders obtained by immigrants in Europe for tickets, leaving a net total of 159,393. The total ins—that is parties who had purchased tickets from all parts of the United States for points in Canada—was 157,018, making a net loss of 2,375 on the interchange of passenger traffic by the Grand Trunk system to all parts of the United States. I have also, this year, the same information from the Canada Southern Railway Company, including the Michigan Central system, and that gives result of a small net loss of the same kind.

By Mr. Jackson :

Q. How do they ascertain the number of tickets sold in the United States to Canada? A. From the collection of tickets, and from the compilation in the company's audit office at Montreal. The Traffic Auditor, Mr. Hawson, furnishes detailed statements and tables of the entries and exits at every single point. That balance of figures is undoubtedly the net immigration or emigration, whichever way it may turn on that railway system, and that is the only possible mode of ascertaining the actual fact. I am quite sure that the United States people have satisfied themselves on that head, and that they must have been thoroughly satisfied before they published the circular of the Secretary of the Treasury, which I have read.

By Mr. Auger :

Q. Have you any return from the South-Eastern Railway Company? A. No, the return was only obtained as regards the two railways I have mentioned, and that was obtained to test the movement at Port Huron.

By Mr. Watson :

Q. Have you any return of any description from the Canadian Pacific Railway Company? A. No; we have only the accounts of our agents for Manitoba and the North-West.

By Mr. Jackson :

Q. Have you any way of knowing how many Canadians there are in the North-Western States? I see that a Chicago paper recently estimated that there were 750,000 Canadians there. A. There is no mode of ascertaining that fact with even approximate accuracy unless from the actual returns of the United States census. The figures stated in the question are absurd. By the last United States census the total number of Canadians in the whole number of States was 710,500, of which, in round numbers, about half were in the Eastern and half in the Western States. Even these figures are large.

By Mr. Tross :

Q. Have you any means of knowing what number left the country from Prince Edward Island, New Brunswick, Nova Scotia or Quebec by boat during the summer? A. We have not that information.

By Mr. Sproule :

Q. Have you any knowledge to what classes those immigrants belonged that were brought into the country this year? A. Do you mean those who enter at the Customs?

Q. No, but do you make any entry as to what class they belong to, whether labourers or otherwise? A. At the ports of Quebec and Halifax we have a registration, but those are the only points, and that fact can only be ascertained by registration.

By Mr. Watson :

Q. How do the reports of the agents at the different points entering Manitoba correspond as to the volume of immigration with those of previous years? A. They do not show so large an immigration; on the contrary, it is the worst showing for Manitoba and the North-West that we have had for many years. The total gain to Manitoba and the North-West, from a comparison of the ins and outs as stated by the agents, is 7,240.

By Mr. Paterson :

Q. You say the United States authorities have abandoned their system of collecting at Port Huron figures of the immigration from Canada? A. Yes, as appears from the published circular I have read.

Q. It seems pretty evident that there was looseness in the way those figures were compiled. But, if I remember rightly, they assumed to enter settlers through Customs there? A. Yes.

Q. Well, if they did that, and their figures were so grossly wrong, is our system of entry at Customs any more reliable? A. Their entries with settlers' goods were never called in question. We always asked for these, but never obtained them.

Q. But that was a large amount, was it not? A. That I cannot say. They have steadily refused to give us that information, although it has been often asked for. If you had the entries with settlers' effects you would undoubtedly have the immigrant settlers; but at Port Huron they also take entries of settlers' effects in very considerable numbers who come into Canada from Europe by the St. Lawrence route and go out at Huron. But if we had the classified entries we could glean most useful information from them.

By Mr. Watson :

Q. The 7,240 who went into Manitoba are those who are found to the credit of Manitoba after deducting those who went out from those who went in? A. Yes.

Q. Were the railway employes included in the outs? A. I have no doubt they were. We have entries inward of 21,946, and outward of 14,706, and I have no doubt that in these outward entries there were many railway employes during the year.

Q. The number seems to be small, but we have had no perceptible increase in settlement in Manitoba during the year. We know very well that from all the reports we have had in the past, the census taken in the North-West Territories has fallen far short of what we expected? A. Well, so far as I am concerned, I can scarcely say that. It may have fallen short of some popular expectations, but if you consider that it is only a very short time since the railway went through Assiniboia and Alberta, from which you may take the last year as a blank almost—and then when you consider that you have a gain in those territories, which had been almost inaccessible, of 22,282, I do not think that leaves any ground for surprise that the figures were not larger.

Q. But there is a great discrepancy between the figures that have been furnished us from time to time, as to the immigration to Manitoba, and the results of the census? A. You have not yet the figures which would enable you to arrive at that. The bulk of the settlement, or the thickest settlement, in what was formerly the North-West, is now on the western boundary of Manitoba of which the census has not yet been taken. We have had no reports of large settlement in the districts of Assiniboia, Saskatchewan and Alberta, other than that to be inferred from the rather sudden springing up of some towns along the line of railway, and after the railway was completed, which comprises a very short time indeed, if you take out the year 1885, the year of the rebellion, which as I have stated was a blank as respects settlement of all those parts. You have had a very short time for settlement; and even that in the influences which followed the collapse of the "boom." We had in those districts, according to the census of 1881, a number of 26,080, and by the census of 1885 we had 49,362, making 85 per cent., or a total increase in those districts of 22,282. Some of the navvies who went in to make the railway and who were counted as immigrants have gone to British Columbia, and some have returned. I think the immigration figures will be very much affected by the movement of the navvies; and the bulk of the population will be found within the present boundaries of the Province of Manitoba. In the Province of Manitoba in 1860 the population was 6,691; in 1870 it was 12,000, and during the next ten years it rose to 65,000, making an increase in that time of 439 per cent.

By Mr. Paterson :

Q. What is your estimate of the population of Manitoba in 1885? A. I do not like to make an estimate in the particular circumstances of that province, I am merely stating the actual facts of the census.

Q. We have the census of the North-West Territories now. What we want to get at is Manitoba, as near as we can. You will find some alarming discrepancies in those figures when they are examined into, I fancy. That is, between the actual numbers who have entered to this time, and the actual ascertained census figures? A. The calculations of ratios which would be approximate for old-settled communities, would not be applicable to the circumstances of Manitoba.

Q. But I suppose we have to enter on them. We base our calculations in Customs and criminal matters, on the statistics of population officially given us, and I do not think you should find it such a delicate question as not to form some estimate of the population of Manitoba in 1885? A. I have not made any calculation of that nature as respects the present population of Manitoba. The figures of the census show an increase between 1861 and 1871 from 6,691 to 12,223, or 82 per cent., and from 1871 to 1881 of from 12,228 to 65,954.

By the Chairman :

Q. I suppose you could arrive at an estimate by taking the census of 1881 and adding thereto the estimated increase in population since that time; but there would also be the natural increase to be taken into account? A. The ratio of increase, during the last decenniad, if now applied, would show present large figures; but that may not have been maintained.

By Mr. Paterson :

Q. Who gives the figures of population that form the basis of the criminal statistics; does not that come from your Department? A. Yes, they are based on a logarithmic calculation, having relation to corresponding areas.

Q. But who will give the estimate of population? A. We give the population by the censuses, and where the ratios have been steady, an estimate may be based upon the ratio. But where the ratio jumps, as in this case, and many of the elements are uncertain, it is almost impossible to make a confident estimate.

Q. Yes, but it is done; you do it? A. It is done in the way I have stated for the criminal statistics, in the Department of Agriculture, but my position is the special circumstances must be taken into consideration—circumstances there are no means of controlling in connection with such calculations.

By the Chairman :

Q. What do the immigration figures amount to, in the aggregate, since the census of 1881? They amount to 136,184.

By Mr. Paterson :

Q. That is increase? A. Yes, to the end of 1885, by taking the difference between the ins and the outs, as reported by our agents. The census was taken in April, 1881, and I have allowed for half of the immigration season in that year.

By the Chairman :

Q. The aggregate, you say, was 136,000, from 1881 to 1884? A. Yes; after allowing half of 1881, as the census was taken in April of that year.

Q. Do we understand that that is an increase to the 65,000 of the total population by the census? A. That would be the aggregate immigration, but there may not have been sufficient allowance for the emigration, as I stated, in the special circumstances of that province.

Q. And that is to be added to the 65,000? A. Yes; but then that is also again affected both by births and by deaths.

Q. That would give a further increase of 2 per cent. per annum, I suppose? A. I think certainly not in the Province of Manitoba, as many of the settlers are single men.

By Mr. Baker (Victoria) :

Q. Do the marriages also affect the figures—two being made one? A. Oh, yes; that appears to give a result in a series of figures.

By Mr. Watson :

Q. I would be glad if Mr. Lowe could give at the next meeting, his estimate of the present population in Manitoba. I have stated before that I do not think the mode of getting the information at these different points is the correct one, and I do not think it will bear investigation? A. I should feel very great difficulty, for the reasons I have stated, in undertaking that estimate. And as to the mode of getting the figures of immigration, I have never given them as anything more than approximate.

Mr. Trow.—I think that from the character of the movement of population in Manitoba—the constant changes that are taking place there from day to day—it is

utterly out of the question, without a census, to make a proper estimate. (A discussion here arose on the value of figures of immigration and the mode of taking them in Manitoba.)

Mr. Lowe, in answer to a reference to him, said that the numbers of those who had left Manitoba and the Territories for British Columbia should be considered. Mr. Jessop, the immigration agent of the Government in that province, says in his report: "Another important factor in this connection is the travel by the Canadian Pacific Railway during the year, down to the coast, and the absorption here and there *en route* of farmers, farm labourers, stockmen, mechanics, and railroad men. There are no means of ascertaining how many came to the province by this route, and from the United States, by way of Kootenay, but the number must have reached between two and three thousand, especially by including that large number of men who distributed themselves over the mainland and the island, after the completion of the road in November last." That movement undoubtedly went on, and there was developed a large mining and prospecting interest, which has added to the population of British Columbia from the east.

The Chairman.—I think the remarks which have been made in reference to the correctness of these returns would be quite applicable if we had any means of testing their correctness, but until we have that means I do not think it would be proper or competent for us to call those returns in question.

Mr. Lowe, in answer to a remark of Mr. Watson, respecting the cost of procuring these returns, said: The figures given did not make any special cost to the Government. Their collection was simply an incidental duty of the officers, whose duty primarily is to see to the care of the immigrants arriving, and he had no doubt they were made in the best of faith and in the most careful manner.

By Mr. Farrow:

Q. Would it not be possible to have a plan whereby every man going into that country to settle might be required to register his name on entering the country, if there were conveniences provided for so doing? A. I do not think that would be possible in connection with railway train service at any given point; and perhaps I may be permitted to say, in further answer to this question, that I have told the Committee steadily, for several years past, there is only one mode, in my opinion, of taking the returns of immigration or emigration as respects passengers in railway trains, that is, by ascertaining the total number of ins and comparing them with the outs, as in the mode adopted in the Port Huron exodus matter.

By the Chairman:

Q. Can you inform the Committee as to the nature of the emigration movement from the centres of population in Europe from which it generally proceeds, and the manner in which this has affected us as compared with others? A. As regards the United States, there has been, as with us, a very considerable decline in the numbers of immigrants. We have received a very full proportion. We have commenced a series of colonizations of Scandinavians and Germans, and also Hungarians, which affect that movement and promise to be fairly successful. We have also, for the past three or four years, succeeded in placing our publications on the continent of Europe, which hitherto we were quite unable to do, and this will further affect the movement from Europe in our favour. The colonizations I have referred to are effected by a species of nominal reserves; that is, a few townships are laid aside and have names given them, and though any person may make settlement in them, they serve as the nucleus of settlement for immigrants from the continent of Europe. For instance, the new Swedish colony has now thirty-three entries, representing thirty-three families. The plan promises to be very successful. I have the names of the settlers and the particulars. Most of them, I believe, have built houses, and settlement is fairly prosperous.

By Mr. Trow :

Q. Where are they located? A. Near Minnedosa, on the line of the North-Western Railway. There is also a Hungarian settlement, which contains entries of seventeen families. These people have built themselves houses, and are very highly satisfied with their position.

By Mr. Hesson :

Q. When did they come in? A. Last summer. I think this emigration is likely to be followed by considerable accessions.

By the Chairman :

Q. Has the Department taken any steps, and what, to secure immigration from France, Germany and the northern parts of Europe, including the Scandinavian kingdoms? I think that question is pretty well answered by what you have already stated, unless you have taken some other steps? A. We have succeeded in diffusing information, likely to be effective.

Q. What is the nature of the foreign immigration to Canada, in connection with colonization in the North-West? A. Although not large, yet it is of the precise kind which we have desired to promote, namely, people who have gone to take up lands, and to form colonies. It has been a colonizing system, largely.

Q. Were any measures taken to influence or regulate the kinds of immigration as respects classes, mechanics, agricultural, or general labourers? A. No encouragement was given by the Department, except to the class of agricultural labourers, with their families, and to female domestic servants. The demand for all these classes at our several agencies has never been satisfied.

By Mr. Paterson :

Q. Was there no encouragement given? You exclude from that the advertisement in the old country papers, saying that there was work in Canada for all, including mechanics? A. There was no encouragement given either by advertisement or otherwise of that nature. On the contrary, both mechanics and general labourers have actually been dissuaded, and the facts have been fairly laid before them.

Q. Is there no advertisement in any paper in the old country saying that there is room for all who choose to come here? A. No, none for which the Department is responsible, and I believe none by the steamship agents, because they are working in accord with us. There has been none whatever known to the Department.

Q. Whom do you suppose this advertisement is from? A. I do not know of any such advertisement. My position is that I deny its existence.

Q. Would Sir Charles Tupper have anything to do with it? A. Not with anything of that character. I think you cannot show any advertisement asking those classes to come to Canada.

Q. I did not say asking? A. Or any advertisement encouraging them in any way.

By Mr. Cameron (Middlesex) :

Q. You say the Department discourages the publication of advertisements of that kind? A. Yes, the Department has repeatedly sent over specific instructions, which we have reason to believe have been thoroughly carried into effect by the High Commissioner.

Q. Do you know whether they have gone the length of suggesting the removal, by the steamship companies, of advertisements of the character we are discussing? A. I state that I do not know of any such advertisements; and I know that the High Commissioner has long ago taken the necessary steps to have all references to mechanics and artisans removed from the advertisements. We have letters stating that it has been done.

Q. We know that the Department is not responsible for the announcements that are made by the steamship companies, but what I infer from your statement was that you had taken such action as will induce the steamship companies to remove from their advertisements any references that might be misleading? A. Yes, and I do not believe that any such are published.

Q. What would your construction be of any of these advertisements still appearing? A. I should like to see such advertisement before I can put any construction on it.

Q. Well, they are still appearing? A. I think not—and at least one should be shown.

By the Chairman :

Q. I do not suppose you assume to control the steamship companies in this matter? A. No, we do not control them, but we have influence with them, and they are very anxious to work in accord with the Department, and in the common interest of the cause of immigration.

By Mr. Wilson :

Q. I would like to know what means are taken to protect the Government, so that no one but domestic servants and farm labourers are brought out? A. In so far as any of those people obtaining cheapened passages is concerned, if it is a question of farm labourers, he would require to make a declaration stating where he had worked, and at what occupation, and of his intention to come and settle in Canada as a farm labourer. That is also certified by a magistrate or clergyman, before the cheapened passage can be obtained, and for which the man himself must pay.

Q. Then you have adopted a method whereby to discountenance any artisans from coming into the country. Have you recalled all of your books which you formerly issued and distributed through the various parts of Europe, wherein inducements were held out to such individuals? A. Of course it is impossible to recall the books distributed, but there have been no inducements of that kind offered for a number of years past. On the contrary, the definitions are most clear in all the books issued by the Department.

Q. I see by the papers it is announced that there are a number of Guide-Books distributed through the old countries. Are they still being distributed of a kind wherein artisans are offered inducements to come to this country? A. If you refer to the Guide-Book published by the Department, that states distinctly that artisans are not invited.

Q. Of what date is that book? A. It was published during 1885.

Q. But those published prior to that? A. In some of the first Guide-Books which were published some years ago, there was a statement to this effect: that the immigration of agriculturists would open the way for persons who would be required to build houses or to make furnishings. I think that even in the first Guide-Books you will find very qualified and very guarded directions for mechanics.

Q. I think the Guide-Books contained the statement, that Canada being a good field for immigration, all could get work and obtain good wages, and be able to establish homes for themselves? A. I think not in those terms, but we have always told everybody they could obtain homes on land, and many mechanics have done so.

Q. In the remarks made by the High Commissioner I think he conveyed that impression? A. I do not know of any remarks of the High Commissioner which invited mechanics as such.

Q. You did not see it, that you remember? A. I do not think the High Commissioner has gone beyond the definitions of the Guide-Books, or of those sent by the Minister.

By the Chairman :

Q. Have you any information from the correspondents of the Department, of the prospects of immigration to Canada for the current year? A. The later corres-

pondence of the Department has been very hopeful with respect to the immigration prospects for the current year. It had been, during the last year, more depressed, but the prospects are much brighter now than we had reason to think they would be some time ago.

By Mr. Jackson :

Q. I see in the reports that a commission of \$2 per head is given to the immigration of children. Where do these children come to, and who takes care of them after they come out here? A. That is only given to children who are brought out in connection with the homes, such as Mr. Middlemore's home. He has a home in Ontario and he brings out children at his own expense, and provides them with places. The bonus is only given for children cared for in that way. It is confined entirely to that, and it stands also in lieu of other commissions of every kind.

By Mr. Trow :

Q. Did you give any encouragement to Miss Rye, and to Miss MacPherson? A. Miss Rye and Miss MacPherson are in the same position.

The Committee adjourned.

MR. LOWE'S EVIDENCE—(Continued.)

NUMBER AND COST OF IMMIGRATION PUBLICATIONS—THE ASSISTED PASSAGE—PER
CAPITA COST OF IMMIGRANTS.

THURSDAY, 15th April, 1886.

Mr. LOWE re-examined :—

By the Chairman :

Q. Can you inform the Committee of the number and cost of immigration publications issued during the year, giving, at the same time, a comparison with the previous year? A. The total number of publications issued by the Department during the calendar year was 2,702,444. There were also printed and issued in England 344,800, making a total during the calendar year of 3,047,244. The total cost of these publications expended in Canada was \$75,022, and in England \$6,857, making a total of \$81,880. The average cost of each publication in Canada was a fraction over 2½ cents, and in England the average was 2 cents. As compared with the previous year, the numbers are very nearly the same. The total numbers issued in Canada during 1884, was 2,597,597, at a cost of about 2½ cents each.

Q. Have you any information of the numbers of pamphlets or publications distributed by railway or other transportation companies in the interest of Canada? A. I have a report from the Canadian Pacific Railway Company, indicating that they issued 1,800,000 pamphlets. I have also some reports from other transportation companies, but they decline to allow me to make them public. I may state, however, that the numbers are rather greater than those I have given.

Q. Have you any information of the efforts made by the railway and land companies of the Western United States, by the distribution of publications, either in Europe or our own Canadian provinces? A. We find the agents of the western transportation companies at every point of our operations, and they are carrying on a distribution on a more extended scale than we are, not only in the United Kingdom and Europe, but also on this continent, including Canada.

Q. Can you inform the Committee how the expenditure of those transportation companies for this purpose compares with that of the Department? A. I have partly answered that already. That of the Canadian Pacific Railway Company was very nearly equal to that of the Department, or about equal to it. That of some other transportation companies or steamship lines, is larger than that of the Depart-

ment. I have no doubt also, from the facts which we see, and also from some accounts which I have seen, that the figures of some of the land and transportation companies, in the United States, very greatly exceed ours.

By Mr. Trow :

Q. Their pamphlets are much more highly embellished. Don't you attribute the extra expenditure to the fact that they are more costly to produce? A. Some of them are so, but not all. I think our Guide-Book is quite as elaborate a publication as any published by those companies, and quite as well got up in every way, but they are perfectly lavish with their expenditure. I had information given to me only the other day by Mr. Armstrong, who is the Canadian Colonization Agent of the Canadian Pacific Railway Company, who had just then returned from the west, that it was within his knowledge four railway companies, that is, the Gould system, the Chicago, Milwaukee and St. Paul, the Chicago and North-Western, and the St. Paul, Minneapolis and Manitoba, are at present working in the Province of Ontario with no less than twenty-two agents. We are perfectly aware that they are distributing their publications very lavishly over the whole country. Some of those officers, I am told, are young Canadians who are paid really very high salaries for their services.

By the Chairman :

Q. Can you say if the publications issued by the Department were useful and in the public interest? A. I think they have been in the very highest degree useful and in the public interest. We have been unable, with the publications which we have issued, fully to satisfy all the demands for them, and of all the publications which we have issued there has been an immediate distribution on demand. The steamship companies have circulated, for the Department, these publications free of expense, and they have absorbed large numbers. The publications themselves have, for the most part, been compiled in the Department, and they contain matter which many years of experience have proved to us to be useful. Apart from this we have published large numbers of special reports which we have obtained from specialists from the United Kingdom; for instance, Prof. Tanner has written a valuable report, also Prof. Sheldon and Mr. Fream as well. More confidence attaches to the utterances of these men than to any publications simply issued on the authority of the Department.

By Mr. Trow :

Q. What would be the expense of Prof. Tanner's pamphlet; I mean, what remuneration would he receive? A. Prof. Tanner received no remuneration for his services, but he was allowed for his travelling expenses while visiting the country. The allowance was based on his net expense.

Q. And the same with Prof. Sheldon? A. Yes, and the same with Mr. Fream.

By Mr. Farrow :

Q. I suppose these expenses were very liberal? A. No; they were not more than would cover the cost of travelling.

Q. What would they be by the day? Was it by the day or by the journey? A. It was by the whole journey upon a calculation of so much time. For instance, one of those trips would last about three months, and the very highest remuneration allowed for that was \$480. The allowances were based on the actual cost of travel. There was nothing allowed for services and nothing asked. In fact, I do not think anything would have been accepted by these men.

Q. They gave the Department their copyright? A. Yes, with full liberty to publish to any extent we chose.

By Mr. Sproule :

Q. And the Department published it. A. Yes, we published those publications; I have a list of them if the Committee desire to have it read.

By Mr. Trow :

Q. How many were there published of the British Columbia pamphlet? A. The British Columbia pamphlet had a very wide circulation, and there is still an extensive demand for it. It does not refer simply to the Province of British Columbia, but to British Columbia in its relations to the North-West. We published during the past year 257,000 copies of that pamphlet.

By Mr. Jackson :

Q. Have all of those 3,000,000 pamphlets issued by the Department been put in circulation? A. Yes.

Q. And mostly in foreign countries? A. Yes; a few have been distributed in Canada, but comparatively few, and those few which have been distributed in Canada have been designed as in some manner a set-off to the very liberal diffusion of pamphlets in the interest of Dakota and the Western States.

By Mr. Farrow :

Q. There is an idea abroad that these pamphlets are not distributed probably as well as they ought to be. Can you tell this Committee as to how they are distributed, and if you are aware that they find their way to the hands of parties living in England and Scotland, and in the rural parts of the country? A. Very considerable numbers are sent by our agents in the United Kingdom through the post. They are made very light, so as to be carried with the minimum of postage. The chief distribution, however, is through the agents of the steamship companies. The mode of operation is that each agent is asked how many pamphlets he will undertake to distribute, and he makes a requisition for a specific number. That specific number is sent to him. It is found that these requisitions are often repeated, which is a proof that the supply sent has become exhausted.

By Mr. Trow :

Q. It may be exhausted in the cities and towns, but, as Mr. Farrow has intimated, the pamphlets would be more valuable if circulated in the rural districts? A. Well, take for instance one single steamship company, which has no less than 1,200 agents in the United Kingdom, scattered through every part and through the rural districts. It is an object to obtain immigrants from the rural districts. In fact the distribution in towns is nothing in comparison with the distribution in the rural parts.

Q. I think it would be better if your agents were instructed to visit the country fairs and gatherings? A. That is constantly done. On the occasion of agricultural gatherings and fairs we generally have a stand—a Canadian stand—at which we show specimens of Canadian grains in stalk, as well as threshed, and Canadian grasses, as attractively arranged as possible, and on these occasions we distribute very large numbers of publications. The people who visit these fairs are for the most part country and farming people, and our exhibits have always attracted very considerable notice.

By Mr. Jackson :

Q. From the fact that these steamship companies have so many different agents scattered all through the various countries, would it not, in your opinion, be wise for this Government to dispense with publishing those pamphlets and leave it to the steamship companies and the Canadian Pacific Railway? The Canadian Pacific Railway Company now have so many lines in the North-West that it should be to their interest to take this matter in hand, as the American lines do across the border. The American Government does not issue any pamphlets? A. I do not think it would be wise to relax our efforts. The American Government does not, it is true, directly supply pamphlets, but it gives up a very large portion of the public domain to railway and land companies, and the proceeds of the sale of that public domain

go very largely into the cost of agency and advertising and the distribution of pamphlets, so that the American Government indirectly spends more largely than we do in this way.

By Mr. Watson :

Q. The Canadian Government do the same? A. Yes; and the same results are being produced by the same process, but not to the same extent. I believe also that the Canadian Government can make statements and say words which a mere transportation company, whose interest is simply the carrying of emigrants cannot say, and I think therefore it is important that the Canadian Government should directly make its statements for the information of emigrants, as, for instance, in the form of the Guide Book, or indirectly through such publications as those of Profs. Fream, Tanner and Sheldon.

By Mr. Trow :

Q. How do you account for the fact that the cost of pamphlets in 1885 was greater than in 1884? A. There is really very little difference in the cost. It is only about one quarter of a cent difference, and the distribution of a larger number of a more expensive pamphlet would account for that. As a matter of fact, however, it happens that the scale of prices paid during the last year was less than that of the previous year.

Q. What was the edition of Prof. Tanner's pamphlet? A. We published about 200,000 of that pamphlet during the year.

Q. Do you know who it was published by? A. It was published in Montreal, or rather it was printed in Montreal, and published by the Department. A portion of it was printed by the *Herald* Printing Company, and a portion also, I believe, by an office in Quebec.

By Mr. Auger :

Q. By what office in Quebec? A. By Demers Bros.

By Mr. Farrow :

Q. Have you seen the recent pamphlets issued by the Canadian Pacific Railway Company? A. Yes.

Q. Do you think these pamphlets will be better adapted for circulation in the Old Country than what you have been in the habit of circulating? A. The Canadian Pacific Railway pamphlets are very good. They are largely based on the reports of settlers. We adopted that plan two or three years ago, and we published an enormous number of the pamphlet, "What Farmers Say;" in fact, we published so many of that, that we thought it advisable to let it have a little rest. I see that the Canadian Pacific Railway Company are walking in our footsteps.

By Mr. Sproule :

Q. Has the Immigration Department any control over exhibitions in railway stations and agencies for the sale of tickets in connection with the Canadian Pacific Railway. I mean the exhibition of grains and other products from the Western States? A. No, but so far as that is concerned the Canadian Pacific Railway Company have an exceedingly efficient arrangement for exhibits from the west. They have fitted up a car which they place on exhibition in different parts of the country.

Q. You refer to the North-West, but I mean exhibits from the United States. I notice that their office in Toronto is literally filled with samples of grain from the Western States, Minnesota, Dakota and Illinois. There are very few samples from our own North-West? A. I think the Canadian Pacific Railway Company are meeting that point now with this car containing specimens of our grains which has attracted some attention. It seems to be a mutual arrangement for railway companies to afford each other facilities for advertising. We get our pamphlets in the United States in that way.

By the Chairman :

Q. Does not that car go into the Province of Quebec also? A. Yes; and I have reason to believe that company is making efforts to divert to the North-West of Canada the emigration which formerly went to the United States. But, on the other hand, the efforts made by American transportation companies are most lavish, and I think they far exceed our own, both in expenditure and extent, and these efforts are made in Canada.

By Mr. Sproule :

Q. What I wish to draw your attention to is the fact that American railways are allowed to make those exhibits so plentiful in our country, while I am told that they will not allow us to do the same in the States. A. That is an error. On that point I may state that all American railways, having connections with British Columbia have circulated very large numbers of the British Columbia pamphlet for the purpose of attracting attention to that country, of course, having for object to secure passenger traffic. We have, to a considerable extent, been enabled to meet the Americans on their own ground in that particular.

By Mr. Trow :

Q. Are the plates in those Guide Books more expensive than the solid matter? A. Some of these plates are quite expensive; that is to say that the first cost where it is fine engraving is expensive, but we subsequently get an electrotype for about a dollar and when the cost is spread over a large issue of a pamphlet it enhances the price very little indeed.

Q. For instance, the view of the Bell Farm? A. That is an engraving.

Q. We have also cuts of homesteads, and a comparison between Winnipeg in 1871 and the same in 1873, and they are not very well printed either? (Holding in his hands a small pamphlet.) A. You will find them better printed in the Guide Book. It requires a very fine impression to get a good effect from a fine engraving.

By Mr. Watson :

Q. Do you think it would be advisable to have a more exhaustive work on immigration than those small pamphlets? A. I think the Guide Book published by the Department is a very elaborate book, and is the most elaborate immigration pamphlet which has ever been issued in Canada, or probably in any country.

Q. What is the cost of that? I have not the precise figures with me, but I think it costs ten or twelve cents. It is in that neighborhood.

Q. I think you said you had looked over some manuscript of Mr. Anderson's? A. I have.

Q. Do you think it a good work? A. I have stated to the Committee that it is a singularly able compilation. It is written, certainly, with very great ability and sharpness, and it covers a very wide ground. It might require some little corrections.

By Mr. Sproule :

Q. Have you any idea as to the cost of that work? A. I have not made a calculation of the cost of printing that pamphlet, but it might be about the cost of our Guide Book.

By Mr. Trow :

Q. Can you tell the Committee whether special efforts have been taken by the Department to circulate literature in the Scandinavian countries in their own language? A. There has been a series of leaflets and several pamphlets sent by the Department from London to the several Scandinavian countries, and they have been circulated to a considerable extent. In fact, the greater number of publications that I have enumerated as having been printed in England are of that kind.

By Mr. Sproule :

Q. Are they issued in the different languages, or in one language? A. Yes; they are circulated in the different languages.

By Mr. Watson :

Q. What difference do you find in the cost of printing in the different languages? A. It costs a little more to set the type in the Scandinavian language—at least it would in Canada, as fonts of that type are not so common, and the work would be more particular. But the cost of setting a pamphlet is a very small item indeed, compared with the cost of printing in large numbers; and the cost of printing—that is, the press work—would be the same in a Scandinavian as in any other language. In order to print pamphlets in the Scandinavian languages, it would be necessary to have special fonts of type adapted to those languages.

By Mr. Sproule :

Q. Is the translation very expensive? A. The cost of translation would, of course, be more or less expensive. At least, it is an item of cost; but all those fixed charges really do not amount to very much on the whole pamphlet, if you print large numbers.

By Mr. Watson :

Q. You say that the larger pamphlet distributed in those countries would have a better effect than the smaller one? A. I have not made that comparison, but I have no doubt that the large pamphlet would have a beneficial effect if it could be circulated; but it is a question of expense and administration. The distribution of a large pamphlet that does not sell would be very expensive. Our Guide-Book is quite large enough. It contains a large number of pages, and to overcome the difficulty of weight the type used is very compact and the paper on which it is printed is a very thin sheet, and very finely made so as to give a clear impression.

By Mr. Jackson :

Q. What is your opinion in regard to this manuscript of Mr. Anderson's, don't you think it would be too voluminous? A. Its size is a question of seriousness in relation to it. It is, of course, for the Minister of Agriculture to decide, and it is a question of expense.

By Mr. Sproule :

Q. You issued Prof. Tanner's pamphlet, and the British Columbia pamphlet at a cost of about two cents each? A. Yes, at a little less; each of those pamphlets was printed on one sheet of paper, containing two forms of sixteen pages; that is to say, from one single sheet of double demy, which is a standard size of printers' paper. The pamphlets are compressed to that size and made to fit it for their more economical printing in large numbers.

Q. Considering the size of those pamphlets and their cost, would you not think that this proposed pamphlet would be a cheap one according to the estimate given? A. That pamphlet, if undertaken by the Department, would be printed on precisely the same tariff of charges, and for its size the cost would be precisely the same. There would be no difference whatever.

Q. Have you any estimate of the cost of this pamphlet provided it was printed? A. I have no very precise estimate, but some estimates have been furnished to the Department by the author. I have not verified those estimates. Of course, much depends on the number of pages the pamphlet would make, the amount of paper that would be required for its publication and the number of tokens of press work. The scale of cost is precisely the same as with the British Columbia or other pamphlets.

Q. Then you have no idea of the probable cost of that pamphlet? A. I could not say. Mr. Anderson, however, has given us a figure which may or may not be correct.

I cannot personally say whether or not it would cover it. I think he has taken some pains to ascertain the prices.

By Mr. Watson :

Q. Could you recommend the publication of Mr. Anderson's work to the Department? A. I think the publication of Mr. Anderson's work would, in itself, be valuable, but that is a question which is limited by those administrative questions which I have spoken about in relation to expense and cost and circulation, which would require very careful consideration.

Q. Do you think it would be any advantage to your Department to have a committee struck out of this committee to look over Mr. Anderson's manuscript and try to bring pressure to bear to secure its publication, that is, if it is a good work. Mr. Anderson is naturally anxious to have something done with it? A. The Department of Agriculture would be glad to have any possible information which might assist in the more perfect elucidation of any question, but to give anything like a critical opinion of Mr. Anderson's work would require a long study.

By Mr. Hesson :

Q. You ought to be in a position to give us some idea of the probable cost of that work. Have you not submitted it to the printers? A. No; I have not done that. That is a matter which it would be easy to do in as regards its publication in English, and calculation could be made as to the extra cost in Scandinavian. Mr. Anderson's work is intended chiefly for the northern and Scandinavian countries. As a matter of fact, I do think it of the highest importance to have the resources of this country made known in all those northern countries. There is one further point affecting this, and that is, that a proposed association of Scandinavians for the issuing of publications in relation to the North-West, which has relation to this pamphlet, would be a factor of very considerable interest in promoting immigration.

By Mr. Farrow :

Q. Have you any agents travelling in those northern countries at all? A. We have no regular agents. Mr. Baldwinson, of Winnipeg, who is president of the Icelandic Society, went to Iceland with a view of endeavouring to promote the emigration of his countrymen to Manitoba; also Mr. Ohlen, an employé of the Department at Winnipeg, the Department making him an allowance for his expenses. Mr. Schmidt, also a Scandinavian, has gone too, and Mr. Riedell has also gone on a similar mission.

Q. They are all well posted on the country? A. Oh, yes, of course, they have lived there.

By Mr. Auger :

Q. Can you give us the proportion of pamphlets published that are distributed in Canada? A. I cannot give you the exact proportion in figures, but I may state to you generally that only a very small proportion of those publications are distributed in Canada. The bulk of them are distributed in the United States and on the continent

By Mr. Trow :

Q. How many pamphlets were issued entitled "The Dominion of Canada?" A. 50,000 of them were published.

Q. Do you know the cost of them? A. The 50,000 cost about \$800.

Q. Do you know where they were printed? A. Yes, at Pembroke.

Q. They are not printed by tender? A. No, but on a tariff which affords a very narrow margin.

Q. I see that Mr. Ross' speech is in that pamphlet. I do not know that that would be very interesting for circulation through the country? A. It is a speech descriptive of the Canadian Pacific Railway in relation to the opening up of the North-West.

By Mr. Wilson :

Q. Was it published by the authority of the Government? A. Yes, by the authority of the late Minister of Agriculture.

By Mr. Farrow :

Q. Was it published by a newspaper in Pembroke? A. Yes.

Q. What is the name of the proprietor? A. Mr. Gallagher.

By Mr. Trow :

Q. How did you make that selection of Mr. Ross' speech; we have had other speeches on the Government side of the House equally valuable as promoting immigration? A. Yes, but it was thought that that speech should be used because it gave particular information relating to the North-West.

Q. And because it advertised Mr. Ross? A. Oh, well, I cannot say that.

By Mr. Farrow :

Q. I suppose, because he had lived in the country so long they thought it would do some good, and would be received as truthful? A. The selection was actually made on account of the matter of the speech itself in relation to the North-West.

Q. Was any more paid for that than for the others? A. No; it was paid for on a tariff, which afforded but a slight profit.

By Mr. Hesson :

Q. You say about \$1.30 per hundred? A. Yes, something like that.

By Mr. Watson :

Q. Does Mr. Ross get a royalty on the publication? A. No.

By Mr. Wilson :

Q. I think Mr. Ross is not a very good living example of the resources of the North-West, since he himself has gone to British Columbia? A. I cannot speak on that point.

By the Chairman :

Q. Can you tell us what was the total expenditure incurred in immigration during the year 1885 as compared with the previous year? A. The total expenditure for immigration during the calendar year 1885, for all services and all establishments, both on this continent and in the United Kingdom, was \$310,271.67, against, for the same service for the year 1884, \$431,497.76, being a reduction of over \$120,000 in a comparison of the two years.

Q. Can you give the Committee the headings of the principal items of expenditure? A. The total expenditure for Canadian agencies—that is, for Canadian establishments all over the Dominion—was \$61,909.38. The total expenditure for the London office, including the staff and the expense of the agencies and the general expense, was \$65,050. There was an item of \$1,000 granted to the Women's Protection Society. The general expenditure of the Department was under the following heads: for printing, \$55,641; for paper for pamphlets and publications, \$19,381; for inland transportation there is an item of \$36,748, but the greater part of that expenditure was incurred in the previous year. The net amount expended for that service in 1885 was only \$5,759. There was an item for assisted passages and commissions of \$36,748 in the calendar year.

By Mr. Auger :

Q. Have you just the amount for assisted passages? A. The item for commissions is included in the figures.

By Mr. Trow :

Q. But those two items—transportation and assisted passages—are the same? A. They are for the aid of immigrants, but quite different. The net amount paid for inland transportation for the calendar year was \$5,759. Commencing with the beginning of the last immigration season, an order was issued by the late Minister to stop paying the inland transport which had prevailed for many years previously. Then, with regard to assisted passages and commissions, the amount paid during the year was \$36,748. The amount included in that item for commissions is a little over one-third, which would make the actual net amount paid towards assisted passages in 1885, \$24,000.

By Mr. Jackson :

Q. Are you speaking of the fiscal year or calendar year? A. Of the calendar year. The fiscal year may make a little difference in overlapping the half year, but the figures are the same over a series of years.

By Mr. Hesson :

Q. What number of passengers were assisted out? A. 7,819. There were 6,094 adults and 1,100 children. There were paid for bonuses to children, during the calendar year, \$3,063, for the British Columbia bonus \$500 and for repatriation \$2,617.

By Mr. Trow :

Q. Are those French Canadians who are coming back from Massachusetts? A. They are returning Canadians whom our agents report as coming back to the country.

By Mr. Fisher :

Q. Do you know how many French Canadians have been brought back? A. I cannot tell you how many came back directly under our agency, but the numbers are very considerable. The total numbers of repatriated Canadians I gave in my evidence before. The total number of returned Canadians as registered at the Customs by entries of settlers' goods was, during the year, 22,266.

Q. That is, of all races and countries? A. No. That is simply of returned Canadians.

Q. Do you say that there were 22,266 returned of French origin? A. I do not say all of French origin; but the 22,266 were all returned Canadians.

Q. Of all origins? A. Yes, Canadians, those who had been living in the United States and have come back to the country.

By Mr. Jackson :

Q. Do I understand you to say that there were only 7,819 immigrants who received assistance? A. Yes, who received the benefit of the cheapened passage which they paid; they are a very small proportion of the whole.

By Mr. Farrow :

Q. What amount of assistance did you give them? A. The total amount expended for assisted passages, that is making a reduction to the immigrant in the rate of passage, during the year, was \$24,000.

Q. About \$3 per head? A. Something like that on the average.

Q. They were assisted after landing, it appears, that is, after they had arrived at their destinations. How is that done? A. It is not done now, except in the case of such persons as may be left over from each steamer, who are unable to proceed into the country to obtain work. The total expenditure in that service during the year was \$5,759.

Q. I suppose they are sent out to where they are wanted? A. Yes, to the nearest point where work can be found for them.

By Mr. Watson :

Q. What is the fare for immigrants from Liverpool to Winnipeg? A. During the last year it was a low figure—£4 13s. sterling. There may be a change during the present year. To complete my answer to the question of the Chairman I may state there was expended in furnishing meals to immigrants during the year \$10,400. There is an item of \$800 to Ocean Mail Clerks for distributing pamphlets and otherwise acting as agents of immigration on the steamships.

By Mr. Trow :

Q. I thought the steamship company distributed those gratuitously? A. They do distribute them gratuitously, but we have also given a small sum annually to the Mail Clerks to engage them as our officers in the service. To continue my answer to the Chairman's question: There is an item of \$3,759 for delegates' expenses; that is, persons connected with the press who have come to Canada, and whose expenses have been paid by the Department.

Q. Who were they? A. There were Prof. Tanner, persons who went to report on the North-West, and correspondents of the press. I have a list and I can furnish it in detail. Continuing the answer to the main question: For travelling agents employed by the Department during the year in Europe and elsewhere, the expenditure was \$3,600. There is also an amount of \$1,900 for special agents, and an item of \$5,800 for special services of clerks in copying and various other services in the Department in the interest of immigration. There was an expenditure of \$5,300 for colonization. Those are the items.

By Mr. Jackson :

Q. I see according to the report of the Auditor-General that the agents in Europe are limited to a certain amount for travelling expenses—\$4 per day. Now in the accounts of the year before, we have some tremendous charges, in my opinion, put to that item, for instance, in the case of Mr. Dyke, of Liverpool? A. Those were not personal expenses simply.

Q. For instance, we have travelling expenses put down at \$27.50 per day? A. That was erroneously so entered.

By the Chairman :

Q. What was the *per capita* cost of immigration in 1885 as compared with the previous year, taking the years respecting which this information was given to this Committee? A. The *per capita* cost, including all establishments of last year, was \$3.92.

Q. That was for last year? A. Yes.

Q. How does that compare with previous years? A. The *per capita* cost, that is for all establishments and all immigrants, for previous years, was as follows:—

1875.....	\$10 83
1876.....	11 12
1877.....	6 75
1878.....	6 23
1879.....	4 35
1880.....	4 71
1881.....	4 31
1882.....	3 08
1883.....	3 15
1884.....	4 13

By Mr. Trow :

Q. Does this \$3.92 include every item of expenditure chargeable to immigration? A. It includes every expenditure made by the Department for immigration, for fixed establishments and for special services of all kinds.

By Mr. Hesson :

Q. Does it include quarantine? A. No, quarantine is a special service, not connected with immigration.

By the Chairman :

Q. What was the effect or operation of the assisted or cheapened passages in the competition for immigrants during the last year? A. One effect, and one exceedingly good effect, in relation to Canada, was that it afforded, for this special class, a slightly differential rate as compared with New York. That is one general effect. We did not, however, gain so much advantage last year as in other years, owing to a complete break in the New York rates. The next effect was that it enabled families of agricultural labourers to come who probably without that cheapened passage would be unable. The earnings of the agricultural labourers in England are so small that they will not allow him to lay by any surplus, after keeping his family, and it often happens that he will barely have sufficient to enable him to live. It was in that view that that cheapened rate was, in the first place, made and continued.

By Mr. Jackson :

Q. Does your Department give encouragement to the bringing out of small children. There have been some very great objections found to that in some parts of the country? A. The Department does not bring out this class, nor does it influence it. It has, however, afforded this much encouragement, that in the case of those persons who have brought out children at their own expense or by collections in the United Kingdom, and who keep those children in charge in this country until distributed, a bonus of \$2 per capita has been allowed for them.

By Mr. Sproule :

Q. Is that item of \$3,000 paid to several societies given to assist in bringing out children? A. Yes.

By Mr. Jackson :

Q. I see that item has been more than doubled during the last year. The year before it was only \$1,500, now it is over \$3,000? A. Yes; the commission to children amounted \$3,063. That is the total amount paid out during the year.

By Mr. Sproule :

Q. That was paid to those societies. Was it divided up between those societies and to private individuals? A. It was paid to the persons in charge of the children.

By Mr. Trow :

Q. Does that include Miss Rye and Miss Macpherson? A. Yes, and Mr. Middlemore and the Catholic children of Cardinal Manning's society.

By Mr. Sproule :

Q. In addition to that there was an amount given to parents who brought over their children? A. Oh, no Sir, the Government gave nothing to parents, but only to those who had charge of the children sent out.

Q. I thought you said you paid something to the families who brought out children to this country? A. There was never anything of that kind ever paid by the Dominion Government.

By the Chairman :

Q. Can you inform the Committee what is the amount of money and values brought into the country by immigrants during the year? A. The total amount of money and values brought into the country during the year is reported by our

agents at over \$3,000,000, and as reported by Customs at \$1,080,000, or in all \$4,143,000. It is found that on an average the same facts seems to prevail here as well as in the United States, that immigrants bring to the country with them a *per capita* value in the neighborhood of \$60, it may be sometimes a little more or sometimes a little less.

Q. In money? A. In money and effects. The actual average values are about \$60 *per capita*.

By Mr. Jackson :

Q. In regard to the values brought into the country by those immigrants, you do not pretend to say or believe that on account of the assisted immigration this value is increased to any extent above what it would have been if there had been no assisted immigration, because I think these values would come in anyway? A. The holders of the assisted or cheapened passages undoubtedly brought values, and the *per capita* estimate I gave had relation to all immigrants, including the poor. The Department does not in any way pay commissions except in connection with those special passages; and commissions are really a salary to persons working for the steamships, and an inducement to them to assist in spreading Canadian publications and otherwise diffusing information with the effect of bringing the classes who have the money. In fact, we must largely depend on these agents for making the wants of the country known among the classes that we most desire to get for peopling the North-West, so that, even if the whole amount paid both for commissions and cheapened passages were expended in that kind of salary, the item of payment would not be a large one for the value of the service, nor, in fact, relatively so large a payment as is made by our neighbours in the United States who are so often referred to in the means taken by them to promote immigration. The amount of expenditure by the United States for their foreign ministry and consular service, which is largely practically speaking an immigration service, according to the last estimates furnished to the United States Congress is \$1,233,225, of which \$444,000 are paid to consuls as salaries, a class of officers who perform duties similar to the agents employed by the Department of Agriculture in the United Kingdom.

Q. What I want to get at is this: would not those persons who you say brought in money and values to the extent of four millions have come to the country any way, even if they had not received any aid? A. I do not think the results would have been obtained had they not been moved in the manner I have endeavoured to explain; or that the advantages offered by Canada as a field of immigration, could have been adequately made known except for the agency paid in the way I have stated; while the immediate beneficiaries of the assisted passages were servant girls, agricultural labourers and their families.

By Mr. Hickey :

Q. They brought some with them, of course? A. Yes; considerable amounts.

Q. Would they have come on their own account any way? A. They would not, I think, have come in anything like the same numbers if they had not had this cheapened passage.

By the Chairman :

Q. Can you tell us whether or not there was a society in existence in this section of the country, called the Ottawa Valley Immigration Society, for promoting immigration in that way? Is that society in existence now, that you are aware of? A. That society may not have been dissolved, but it is practically inoperative now. There was an association of that kind a few years ago, which brought out and assisted many immigrants.

By Mr. Orton :

Q. I would like to know whether or not the Department are taking steps to get information from the people in the country in regard to the number in each locality

who are desirous of employing farm labourers and servant girls, so that the Department can be correctly informed as to the kind and quantity of employment to be obtained in each district, and the parties from whom it can be obtained? A. That is now done, and very largely and systematically done, by the agencies of the Department. We have found that practically the best mode to give effect to that view is for the different agents to find out the localities in which labour is required and send the persons required to such localities.

By Mr. Sproule :

Q. They never go there. In my locality, I know that I have written several times to the agent at Toronto for farm hands, and out of applications for thirty-five hands, we were only supplied with five, running over one season? A. The supply has never satisfied the demand.

By Mr. Fisher :

Q. My experience has been, on going through the immigration agencies at Montreal, that a large number of men have been assisted by this Government as agricultural labourers who absolutely refuse to go out to the farm to work. I have taken out five men who pretended to have been assisted, and after a few weeks they all went back to the city saying that they were not used to that kind of work? A. In all immigration there will always be a certain proportion of unsuitable immigrants. I think the proportion which we have had of that class has been singularly small, and that, on the whole, we have been singularly fortunate. The city of Montreal, being a large city, would probably be the point most likely to furnish deceptions of the kind referred to. But it would be necessary to have each case sifted before reliance could be placed on the facts alleged. We have had experience of this.

By Mr. Hesson :

Q. How long is it since the Department adopted the system of requiring certificates that immigrants are agricultural labourers before granting them assisted passages? A. That system has always been in use since assisted passages were first adopted, as regards the class for which the cheapened ticket was required.

By Hon. Mr. Carling :

Q. The system of giving assisted passages has been carried on for how many years? A. Since 1872.

Q. And that policy has been continued from that time until within a year or two ago, I think? A. Yes.

Q. Continuously since 1872? A. Yes, continuously except that I think there was a suspension in 1880. Latterly we have found that there was not a demand for mechanics, but that there was for agricultural labourers and servant girls, and hence instructions were given to the agents that they only, and not mechanics, were to receive the assisted or cheapened passage.

The Committee adjourned.

MR. SHANTZ' EVIDENCE.

THE MENNONITE IMMIGRATION—MODE OF SETTLEMENT—SUCCESS OF SETTLERS—REPAYMENT OF LOAN.

OTTAWA, 8th April, 1886.

Mr. J. Y. SHANTZ, of Berlin, called and examined:—

By the Chairman :

Q. What is your name? A. Jacob Y. Shantz.

Q. Where do you live? A. Berlin, Ontario.

Q. What is your occupation? A. I am a manufacturer and a lumberman.

Q. I understand you have had something to do with the arrangement of the first loan from the Government to enable Mennonites to come from Russia to this country and subsequently with their settlement in the North-West? A. Yes, Sir.

Q. Can you give the committee any information respecting the progress of the settlement of these Mennonites, what progress they have made in agriculture, for instance, since they have been settled in this country? A. Yes Sir, I can, somewhat.

Q. There were about 8,000 settled in Manitoba originally? A. Yes.

Q. Were they settled in groups, together? A. Yes, they settled in so called villages, in groups, from, I might say, sixteen to thirty-five families, the average being about twenty-four families.

Q. So that their system of settlement is different from that ordinarily pursued by the farmers of this country? A. Yes, it was quite different at the start. I might, perhaps mention, that I was among them last summer, and found the impression prevailing that they had made a mistake in settling in villages. Some of these villages are breaking up.

Q. They are coming to the conclusion that they can work their land better by living upon it than by living together in villages? A. Yes.

By Mr. Kranz :

Q. They live together in a solid colony? A. Yes.

Q. A certain tract of land was set apart for them, was it not? A. Yes.

Q. Are they learning the English language now? A. Some of them are.

Q. I suppose the young people? A. Yes.

Q. Do they teach English in their schools? A. Where they have such schools, but they are yet divided on that point. Some of them want to keep up the German language, others want the English language. In some schools they have the English along with the German.

Q. But it is most likely they will learn English in a very short time? A. I have no doubt that the rising generation will have the English language in all their schools.

By the Chairman :

Q. Are the habits of the people changing to any extent, I mean the young people who are growing up. Do they mix or move with the other nationalities in the North-West more than the original settlers did? A. I think so, especially where they live alongside settlers of other nationalities.

By Mr. Royal :

Q. Would you mention in what parts they commence to mix with the other settlers? Is it on the Rat River settlement near Gretna, or at the settlement in the rear of Morris? A. There are two settlements. One at Niverville.

Q. That is what is called the Rat River reserve? A. Yes, there they are mixing up with the other settlers.

Q. Do you mean to say they have broken up their villages? A. There is one township of perhaps twenty-five families that was not started in villages. They started on their land in the first place. One reason was because there was a good deal of low land and they picked out the best. The other settlement at Pembina as we call it, on the west boundary, contains Canadians and English, and there the Mennonites are mixing up more with them.

Q. In what way are they mixing up, by intermarrying? A. No, I do not know as far as that.

Q. By hiring out their young men and women? A. I do not even know in regard to that. I think it is more in their habits in the families.

Q. In selling and buying to a certain extent? A. Yes.

By the Chairman :

Q. Have you visited those settlements since they were first formed? A. Yes, last summer.

Q. Is last summer the first time? A. Oh, no, Sir. I have been among them no less than ten times.

Q. Then you have had ample opportunity for noticing their progress since they first settled in the country? A. Yes, Sir.

Q. Are you able to speak with reference to the progress they have made in agriculture since they settled in Manitoba? A. In a certain measure, yes.

Q. Do you find they progress rapidly? I mean to say in the way of acquiring wealth? A. Yes, Sir, I find most of them are progressing rapidly.

By Mr. Hesson :

Q. Are they content with their lot? Are they satisfied with the country? A. Yes, Sir, they are.

Q. Are they getting any new additions from the old country? A. Not since the year 1880.

Q. Do you know how that is or why it is? A. I am told the reason is that they are, so to speak, almost locked up in Russia. The young men who are fit to be soldiers cannot leave on account of the military law. The family can go, but the old people and the young ones must have the young men with them, and as the latter cannot leave, emigration is prevented. Besides that, I am told they have to sacrifice one-third of their wealth.

Q. In leaving? A. Yes, in leaving, and the Russian money is so low in getting it changed, it takes quite a little fortune to get here.

By Mr. Kranz :

Q. Are the Mennonites successful in their farming operations? A. Yes, Sir, with a few exceptions.

Q. I suppose there are slow men and industrious men among them like there are among other communities? A. Yes.

Q. I suppose the industrious men succeed? A. They do. If the Committee desire I will indicate their condition briefly.

Q. Well, give us your views. A. When the Mennonites emigrated they brought all their poor along with them. Some of them were only laborers in Russia and never owned land. As we all know there is in every community some people having the faculty of getting along for themselves, and so there are among the Mennonites. When they got out to Manitoba, homesteads were obtained for all, even for some poor widows and some of the old folks, and yet they had not anything, they even brought them along on their expenses. And so I found last summer in the trip I took that there are between twenty-five and thirty families not able to get along on their farms, and these are the ones who are owing the biggest debts, but we have so arranged that the most of these are willing to give up, and others are able to buy their farms and pay off the debts in this way.

Q. The Government advanced money to the Mennonites in Waterloo County. Are there any prospects of the money being paid back, and how soon? A. There are. Of course, it is intended that the Government loan should first be paid.

By Mr. Trow :

Q. Have they made any payments? A. Yes, Sir.

Q. Do trustees take charge of their business, or does each man sell his own produce? A. We have a committee in Ontario, of which I am secretary, and they have a committee among themselves which corresponds with me on matters affecting the community.

Q. The Government have security from parties in Waterloo for the loan, have they not? A. Yes.

Q. What was the loan, \$84,000 or \$85,000? A. It was \$96,400 from the Government.

Q. Is any part of it paid? A. Yes, Sir.

By Mr. Kranz :

Q. How much? A. I could not tell exactly, somewhere about \$65,000 or \$70,000. I understand that between \$25,000 and \$30,000 will be paid within the next few months.

By Mr. Trow :

Q. How were their crops last year? A. They were very good last year; only at their harvest time there was a frost which hurt the grain. I could not say it diminished the quantity, but it damaged the quality.

Q. In all their settlements? A. All through their settlements. That which was sown early was not damaged at all, but the late sown was considerably damaged.

Q. That about Nelson and Morden; was it pretty good? A. Mostly so.

Q. Which was most damaged; that about Gretna? A. Well, the settlement runs right through, from Gretna to Morden.

Q. The land is flatter about Gretna, is it not? A. Yes, but it seems to be much richer. The best farms were situated there.

By Mr. Kranz :

Q. The success of farming depends a great deal on the enterprise of the farmer? A. Yes.

A. If he sows early his grain won't freeze? A. That is so. I have noticed that on three different occasions. One season I was visiting the settlement the early sown wheat was a good crop, but the late sown was struck with the rust. That is twice I have known the late crop to be struck with the rust, and the early sown to be a good crop.

Q. Are the Mennonites satisfied with the climate of Manitoba? A. As it generally is they talk about the season being too short. I think if the climate were a little milder they would prefer it.

By Mr. Royal :

Q. Is there any prospect of getting more of this immigration? A. Scarcely so, under the condition of things I have already described as existing in Russia. They cannot get away with their young men, and the principal object in leaving is to get the young men away from the Russian army.

By the Chairman :

Q. Is the climate of Manitoba as favorable for agriculture as the country they left? A. They say the Manitoba season is shorter, and yet the crops are so much superior than those they used to get in Russia that it is a source of great satisfaction to them.

By Mr. Royal :

Q. What is the system of farming they follow? Is it mixed chiefly? A. Yes; wheat, flax, oats and barley. Wheat is the principal, but they sow a good deal of flax.

Q. Do they do well in stock raising? A. Oh, yes, they are doing quite a bit in stock raising.

By Mr. Auger :

Q. Can you inform the Committee what was the average yield of wheat per acre last year? A. I do not know that I heard. When I was through there it was

generally supposed the average crop would be at the most twenty bushels to the acre. Of course, we could not tell until it was got in. The early sown was a very good crop, but some of the late sown, badly put out, was poor.

By Mr. Kranz :

Q. What kind of wheat are they cultivating? A. I think it is mostly the Scotch Fyfe, hard ; spring wheat, of course.

By Mr. Trow :

Q. Don't you think it would be possible to get some similar wheat to ripen a week or two earlier? A. I could not say about that. They have different kinds. The earliest wheat is the best, and a soft wheat would not do.

By Mr. Jenkins :

Q. You spoke of some early wheat being raised. On what sort of land was that? A. It was land a little low, and the seed late put out.

Q. How was the land cultivated? Had it been in cultivation, or was it the first year it was under cultivation? A. Of course, when the land is once broken, the general rule is to sow it with wheat.

Q. I did not mean that. What I want to know is the number of times the land had been cultivated? A. That I could not tell.

Q. More than once? A. Some of it, perhaps, and some perhaps not. It was a particular kind of wheat they used—what they call the Russian wheat, which they brought from Russia.

By Mr. Watson :

Q. Is the Russian wheat later than the Red Fyfe? A. Yes.

By Mr. Hickey :

Q. Is there not a Russian wheat earlier than the Fyfe? A. I could not say: They have different kinds of wheat among them. I think the Scotch Fyfe is the best.

By Mr. McCraney :

Q. At what date did the heavy frost take place last year? A. 23rd August.

By the Chairman :

Q. That frost was exceptionally early, was it not? A. Yes.

By Mr. Kranz :

Q. There was a frost in Ontario at the same time, was there not? A. I believe there was. I forget exactly.

By Mr. Watson :

Q. After that first frost, what time was it the next occurred, do you know? A. I do not. I left soon after the first one, but by correspondence, which I received, I heard there was fine weather for the gathering in of the crops and to thresh them.

By Mr. McCraney :

Q. The second frost was about the 2nd September? A. Probably so.

By Mr. Hesson :

Q. Do the Mennonites succeed better than the Germans? A. They are Germans.

Q. Not in the sense of Germans, such as we find in Ontario? A. Well, they are not farming as well as we would.

Q. Have they had as much success as your Germans in Waterloo. If they had gone out there under the same circumstances as to wealth, ability or numbers, would

they have succeeded better? A. I think the Ontario Germans would have been a little better. They would have been better acquainted with the country, and consequently would have started better than the Mennonites. Of course, it depends a good deal on the means people have.

Q. I say supposing they went out with equal means? A. Yes. I do not believe we would have got along as well with the equal means.

By Mr. Trow :

Q. Are their lands very dirty; are they troubled with weeds, wild mustard or anything of that kind? A. Yes, that is a great loss.

Q. How is it brought to them? By bad seed? A. Yes. When they started farming they got seed where they could, and consequently there was a good deal of refuse in the wheat. Some of them, however, have got rid of it, and are getting rid of it. Some of them have fallowed their land to clean out all the weeds, and some of them, I know, have even picked their seed wheat to keep it clean.

Q. Do they complain of the scarcity of fuel, of wood? A. Not at all.

Q. Are you aware that they have only wood in one township out of sixteen? A. Yes, some of them bought wood in Dakota. They do not burn much wood. It is chiefly straw and manure.

By Mr. Kranz :

Q. Are many of the Mennonites removing to the United States? A. No, Sir.

Q. Are there any? I know of a few families who went away to Kansas where they probably had friends or relatives.

By Mr. Jackson :

Q. How do they utilize straw for fuel? A. They prepare the manure.

Q. In what shape? A. They spread it out and trample it down with the cattle, making a level bed about eight or ten inches thick. Then they cut it in squares and pile it up in stacks. During the summer it dries so that when it burns there is no smell. They keep it clean. It is almost like peat.

By Mr. Watson :

Are the young men in the settlements, the young Mennonites, taking up land?

A. From among them? Oh, yes.

By Mr. Hickey :

Q. How many are there now in the settlement? A. How many there are now, I could not say. They multiply pretty fast and marry at an early age, generally.

Q. Have they large families? A. Yes, many of them. There are about 8,000 in 1,336 families. I do not think half a dozen have left and some four or five have come in from the States.

By Mr. Trow :

Q. Do they mix much with other nationalities; do they intermarry? A. Not yet.

Q. Would it not be better if they did? A. I believe so. It may not be yet, but the time will come eventually. One bar is, that their habits of living are so different to ours.

By Mr. Hickey :

Q. Do the girls go out to service in the families of the other nationalities? A. Some do, but mostly they are kept at home, as the girls prefer being at home. A man who has a couple of daughters gets along with them just as well as if they were boys. The girls do exactly the same kind of work as the boys.

Q. Do they understand making butter? A. Oh, yes. I might mention some of them are pretty dirty, and yet some are clean.

By Mr. Trow :

Q. They have no cheese factories or anything of that kind? A. No, Sir.

Q. Would it not be a good source of profit to them if they were started? A. It would be, if they got into the way.

By the Chairman :

Q. From your observation, having visited their farms, do you think they are increasing in their consuming capacity? Do they consume more goods than they did originally, or do they still confine themselves to manufacturing in their own way? A. They do not manufacture. In two things they do not consume as much as they did when they first came from Russia. I mean tobacco and whiskey.

Q. But in other articles? A. In other articles, as tea and coffee they are great consumers.

Q. Do they make their own clothes? A. No.

By Mr. Watson :

Q. To what reason do you attribute the fact that they do not consume as much whiskey and tobacco as they formerly did? A. I could not say exactly. I know a good many who used to take it, but who do not use it now. It is difficult to get, yet there are some who use it.

By the Chairman :

Q. The moral atmosphere is clearer? A. Yes, there is religious influence and agitation from the outside.

Q. Are they well supplied with churches and schools? A. Yes, where they have not churches built they worship in their villages and in private houses. The same way with their schools.

By Mr. Trow :

Q. They have no paid ministers among them? A. No, Sir.

By Mr. Hickey :

Q. What is their religion? A. It is the Mennonite religion—the non-resistance doctrine.

By Mr. Hesson :

Q. Are they making any improvement in the quality of their stock? A. I think they are. Of course, at first they had to take what they could get.

By Mr. McCraney :

Q. Can you tell us how long a time it is from the commencement of sowing their wheat in the spring until they get through? A. Their time of sowing is about as long as ours.

Q. How long do they continue to sow? A. I guess about the same time as we in Ontario.

Q. Is it less than a month? A. Yes; perhaps more.

Q. So you are satisfied, if the wheat is sown early, there is no danger of frost? A. As a rule. I am well satisfied that, if the wheat is sown at the proper time, it is as safe for a good crop there as in any other country.

By Mr. Jackson :

Q. In what year did these people go there in the first place? A. The first lot went there in 1874, and the last in 1880, but mostly in 1875 and 1876.

By Mr. Trow :

Q. Were they accustomed to farming in Russia? A. Yes, Sir.

Q. Did they sell their property to any advantage, and were they compelled to sacrifice some of it to the Russian Government? A. They almost sacrificed it.

By Mr. Hickey :

Q. Are they glad about changing their country? What do they say about emigrating to Manitoba? A. I often hear the expression from them, "Thank God! I am out of Russia."

By Mr. Jenkins :

Q. And not subject to the Merv and Tartar? A. Yes.

By Mr. Jackson :

Q. Did any of them have any means when they first came to Canada? A. Yes; these 1,300 families brought about \$320,000, which I changed for them in Toronto, besides their pocket money; but about one-half had no means at all.

By Mr. Auger :

Q. What was the price of wheat among them last year? A. I think it was 62 cents when I left in the fore part of September, and I have lately had letters in which it was stated that wheat was from 30 to 60 cents per bushel, according to the weather.

By Mr. Trow :

Q. Where was that? A. In Manitoba.

Q. At what particular point? On their reserve? A. Yes.

Q. How much did you say? A. From 30 to 60 cents.

Q. What! good wheat? A. Well, the good wheat was about 60 cents, and the frozen about 30.

Q. That would be at Morden? A. Yes. Oats, I think, were quoted at 32 cents. That was quite lately.

By Mr. Jackson :

Q. Do oats each year bring as high a price as that, or was it on account of some scarcity? A. I cannot exactly account for the figure I have named. I know three years ago I was up there in the winter and oats were only 15 cents. They did not sell, I believe, in the spring, and, consequently, oats went up to 30 cents.

By Mr. Taylor :

Q. Are the Mennonites going more into mixed farming now? A. Yes, a little, but not specially that I know of.

By Mr. Hesson :

Q. You say that 60 cents is a high price for wheat with them. Where was that, at Emerson? A. No, at Gretna.

By Mr. Hesson :

Q. That is on the line of railway. I have received a letter from my son, who said he sold at 72 cents a bushel. My son sold ninety bushels, for which he got \$64.80, that is 72 cents a bushel? A. I saw an article in a paper from there too, and I also had a letter from that part, mentioning the price I have stated. The man who sold the wheat may not have known that he could get more than 60 cents.

By Mr. Trow :

Q. Do you think they are laboring under disadvantage in having their farms remote from their dwellings? A. I do, Sir.

Q. You think the village system is wrong? A. Yes, and I believe the people themselves see their mistake now. Quite a number of villages are breaking up, and

the people are going upon their land to live. When they first came out I tried to persuade them to abolish the village system, but having got so accustomed to it, it was too great a sacrifice for them at that time.

By Mr. Hickey :

Q. They did settle in villages originally ? A. Yes.

By Mr. Kranz :

Q. Is there good water in their settlements ? A. Yes, it is generally good water.

Q. And a full supply ? A. Yes.

Q. Do you know anything about the immigration of other Germans into the North-West ? Have you met any other Germans from the Old Country in your travels up there ? A. I have frequently met a few, but I believe those whom I have met originally went from here.

Q. From Ontario, you mean ? A. Yes.

By Mr. Trow :

Q. Does each individual hold the title to his property from the Government ? A. Yes, as soon as they get the title, each one has it individually.

Q. It is not kept by trustees ? A. No, Sir.

Q. Are many of them encumbered, do you know ? A. Quite a number, I believe.

By Mr. Kranz :

Q. In what way do their lands become encumbered ? A. Well, some of them who did not get any money from the loan obtained their patents and gave mortgages for horses and sheep, and some of those who had money from the Government loan are now giving mortgages on their lands and paying off the others.

By Mr. Farrow :

Q. What rate of interest are they paying ? A. Formerly they had to pay 10 per cent. Those who lately gave mortgages paid 8 per cent.

Q. What rate of interest are they paying the Government ? A. 6 per cent.

Q. And they think it better to pay off the Government loan and pay 4 per cent. more ? A. 2 per cent.

Q. 10 per cent. would be 4 more ? A. Yes. There were some reasons for the change, doubtless. Some, perhaps, owed a small amount to the Government, and they were in need of more money. Those that got it at 8 per cent. I suppose I was the cause. If I have done wrong I cannot help it. I looked at it in this way. I knew a good many when they started out there had no money. Perhaps they had families of small children, and had to live a year or two before they could raise anything, and their debts mounted up to quite a few hundreds. Now, they are well fixed, their children are growing up, and I think they might take their burdens on their own shoulders. They obtained a loan, therefore, but their mortgages are not much, only \$300, \$400 or \$500. I think they might look after this themselves. The time of the loan is up, and we shall want to have it paid as fast as we can.

Q. They have a good prospect of getting rid of their mortgages in a very few years ? A. I believe so.

By Mr. Jackson :

Q. Supposing one man was in more destitute circumstances than another, how was the thing managed ? A. Well, when they got their loan they formed a committee, and the best men among them took the thing in hand, apportioned the money to help them along and give them a start. I know some had quite a few thousand dollars to spare. They also loaned that to those in need. They made a rule among themselves that no one was to buy land at that time. They joined together to help

them through, but of course each one lent as we do—kept his account against them—and three years ago last winter or four, I forget which, we began to see that some were wonderfully taken in by the agents and horse jockeys, &c., and I went out and they agreed to give me a lien on their lands for what they owed to the Government on the loan, and in that way we secured ourselves. It was a good thing for them, otherwise they might have lost their land altogether.

By Mr. Trow :

Q. Are they shrewd business men? A. Some of them are.

Q. Or are they imposed upon when they go to Winnipeg to buy implements?

A. There are some shrewd business men among them, but some can be taken in, especially the poorer class, who were not business men in the old country and not farmers. The agent will come along and say, "You must have a machine," and the farmer will reply, "I am too poor." He will then say, "You must have a horse and machine, and then you will be able to pay for them out of the land."

Q. I have heard that fifty waggons were supplied them on one occasion, that were purchased in Winnipeg for \$70, and sold to these men for \$100 each. They were Minnesota waggons. Do you know anything of the circumstance? A. I never heard of such a thing. I supplied them, I think, with 134 waggons.

Q. That was at the start? A. Yes, I laid them down to them at \$62. That, of course, was cost price. I made nothing by it.

Q. Without the box or with it? A. Without the box.

By Mr. Cochrane :

Q. Where did they get the money they paid 10 per cent. for; was it in Ontario?

A. Yes, in Ontario.

Q. What company? A. The London and Ontario Investment Company was the first, and the loan at 8 per cent. was from the London and Canadian Agency Company.

By Mr. Trow :

Q. Was it obtained for any length of time? A. Yes, each according to his wants. Some from three to five years, others for ten years, commencing to pay in five years, and paying off in ten.

By Mr. Jackson :

Q. They will be compelled to pay that same rate of interest for eight or ten years? A. Yes.

Q. They cannot refuse it? A. No.

By Mr. Taylor :

Q. Have they any farm instructors or is each man learning the business on his own hook? A. They are learning among themselves. Most of them were farmers in Russia.

By Mr. Hickey :

Q. What do they do about schools? A. Formerly, they had schools among themselves, but within the last few years they have adopted the municipal council. They had a struggle among themselves about it, some being opposed to it, others in favor.

Q. They have the municipal system now? A. Yes.

By Mr. Auger :

Q. Have they any newspapers among them? A. No, Sir. When I say "no" I mean they do not print them. Of course, they get newspapers from elsewhere and read them.

By Mr. Taylor :

Q. Have they any agricultural societies among them—fairs held annually for the exhibition of their products? A. I scarcely think they have them.

Q. Would it not be well to organize an agricultural society to get them to compete and stimulate them in that way? A. I think it would.

By Mr. Trow :

Q. Do not they compete at other shows? A. Their county belongs to the adjoining Canadians especially on one side.

By Mr. Taylor :

Q. Do they compete with any agricultural society? A. I don't think they take much part; it is something new to them.

Q. Nothing would educate them quicker in habits of cleanliness and pride in producing the best wheat. I think it would be better to encourage the formation of a society of the kind? A. I agree with you.

By Mr. Trow :

Q. Do they adopt the herd system? A. Yes, Sir.

Q. Do they employ the herd for many farmers? A. When they were living in villages that system was very good, one herdsman taking care of all the cattle. How they do where they are spread out I do not know.

Q. What do they pay per month or season for the herd? A. Oh, they will get them very cheap. In fact many are only boys.

Q. Are their crops frequently destroyed by careless herds? A. I don't remember having heard any complaints.

By Mr. Cochran :

Q. What is the reason the young women don't go out to work outside the settlements? There must be more than are required there? A. There are, perhaps, two reasons for that. I suppose some parents do not like their girls to go out among strange people with different modes and ways. But that is the least. The girls are wanted at home. I heard many a Mennonite settler say, last summer, "I have teams now and I could farm more if I could get help." Each one has to do his own, and where there are boys or girls in the family they are kept at home to work. The girls work out just as much as the boys do. They have not much house work to do. They live simply and have not so much cleaning up as we have.

By Mr. Hickey :

Q. Is there any system by which emigration from Russia to Manitoba may be encouraged? A. I do not see much chance of it from Russia. There might be a little done in it. I frequently hear of a family or two coming out, however, and going to Kansas. But as I stated before they cannot get away with the entire family. The young men who are fit for soldiers cannot leave.

Q. The Russian Government won't let them? A. Yes, won't let them leave; and then in selling their property it is very cheap, and Russian money is very low when it is changed round, it takes quite a fortune to come out.

By Mr. Kranz :

Q. You have seen these people often for the last ten years. Have you heard of many of those Mennonites or any of those settlers who went from Ontario leaving Manitoba and going to the States to Dakota? Do you know of many who have left the country? A. No, Sir, I do not know that there are any. Possibly there is a family here and there. I know a few families who went out and some who came in from Dakota and Kansas.

By Mr. Orton :

Q. Do you think on the whole the loan from the Government was a good thing? Had it a good effect? A. Why, certainly. It had the effect of bringing out 8,000 people.

Q. Do you think it might not be repeated with benefit in the case of other nationalities who would make as good settlers? A. I suppose it would if you could find anybody to secure them.

By Mr. Jackson :

Q. Did you try your utmost to get the other loans you referred to as cheap as you could for these people, 8 or 10 per cent. is a very high price to pay? A. You mean by paying off the Government, and making them pay a few cents more?

Q. Could you not get it any cheaper? A. No, Sir. The loans were only for small sums, and there was a great deal of trouble attached. It is not risky, but it is far out. The company said: "If you will give us farms in Ontario and let it be a large loan we will let you have the money at 6 per cent."

By Mr. Sproule :

Q. Are they doing anything in butter making? A. They are not well prepared for it.

By Mr. Farrow :

Q. What would you suggest in order to get them started in the dairy and cheese business for instance? Can you not suggest some plan? A. I suppose if some of the Germans from Ontario went among them and started them that would be something in the direction you ask.

Q. It would help them wonderfully, would it not? A. I think it would.

By Mr. Sproule :

Q. Do many of them understand English? A. A great many of them do, the young folks especially.

By Mr. Watson :

Q. They find it easier to dispose of their eggs than their butter? A. Yes.

By Mr. Trow :

Q. Do they utilize the flax they grow in making clothing? A. No, Sir; it is only for the seed they grow it. They thresh it with the machine and burn the straw either in their stores or in the field.

Q. Are they not accustomed to utilize it in making tow? A. No, Sir; they did formerly, but it did not pay them; labor is too scarce. They want all the time they have for the harvest, and when the harvest is over they require to commence plowing. I saw a good deal done in this way. Where the early wheat was ripe it was cut and shucked out in large rows, and in the wet weather they would plough between the shucks so as to advance the plowing before the frost came.

By Mr. Auger :

Q. What do the women folks do in the winter time? A. They take care of the cattle and the house. That is all they can do. It is a good country in which to live easy.

Q. The women do not do much in winter? A. They take care of the house and do their sewing.

By Mr. Hickey :

Q. They make all their own clothes? A. Yes, and the men are very handy generally in making their own implements. They work a great deal in that way.

By Mr Trow :

Q. Their barns and houses are all attached. A. Yes, Sir.

Q. So that you do not go out into the open air to feed the cattle? A. That is so. Their cattle do not freeze. They have warm stables.

By Mr. Watson :

Q. The houses and stables generally join each other? A. Yes.

By Mr. Hickey :

Q. I suppose there is the possibility of improvement among them? A. Yes, Sir; I find some of them who have been erecting new houses and stables have put them up in the Canadian style.

By Mr. Watson :

Q. Did not the people up there attempt to manufacture the flax; a few years ago had not they a contract with some man in Berlin? A. There was some talk about it with Livingston, of Baden. I talked with Livingston's man some time ago, and he told me he bought all their seed, but he could not make it pay as yet, the labor is too scarce and too high.

Q. Would they have any difficulty in bleaching the flax; could they not bleach it as successfully as in Ontario? A. I suppose they could. The fact of it is the snow comes before they get it in.

By Mr. Farrow :

Q. What is the seed worth a bushel at their place—at the place of delivery?
A. I think it was 95 cents when I was up there. Two years ago it was 90 cents.

Q. How many bushels can they raise per acre? A. I have heard it stated as high as twenty-five bushels.

Q. Do they pull it or cut it? A. No; they cut it with the machine.

Q. That is quite a full crop? A. Yes. They have lately worked with a self-raker. When the flax is cut, it lies until it dries; then it is pitched into the waggons.

Q. They get nearly \$1 a bushel? A. Yes.

By Mr. Auger :

Q. Is there much sown? A. A great deal.

Q. What proportion to wheat sowing? A. I cannot exactly say—perhaps one-fourth. I heard Livingston's man say three years ago they paid out \$24,000 for flax to the Mennonites; and he told me, last summer, if there was a good crop, he supposed it would yield 100,000 bushels.

By Mr. Sproule :

Q. Is that a good crop? A. Pretty good.

By Mr. Watson :

Q. What effect has flax-growing on the soil? A. They think it has a pretty severe effect. Most of it is sown on the first ploughing.

By Mr. Trow :

Q. It cannot have as much effect there as here? No, Sir.

Q. For the simple reason, you do not leave anything behind you here. They do not utilize the straw? A. No; they burn it. They tell me their land won't bear manure—it will spoil the crop.

By Mr. Watson :

Q. It will soon need manure with flax? A. I think so.

By Mr. Trow :

Q. Are you aware there are Mennonite settlements east of the Red River?
A. There are a good many left there.

Q. Did any leave? A. Yes, about 300 families.

Q. Where did they go to live? A. Over to the west side. I might mention, if these 300 families had been on the western reserve in the first place, the debt would be nearly paid off; but these people had to start twice. They lived four years on the left side and lost four crops entirely.

Q. What proportion of them went out to Dakota? A. Twenty-one families were taken away from us by emigration agents as we were going up.

By Mr. Hesson :

Q. In passing through the American territory? A. Yes. I was among them to collect part of their fare. After receiving part of their fare from the Canadian Government, I did not think it right they should go to settle in the States. Some of them promised, if they did not go to Manitoba in the future, they would pay it later. They thought of going to Manitoba in the future, and I know of six families since who have come to Manitoba.

By Mr. Cameron (Middlesex) :

Q. Out of the twenty-one. A. Yes.

By Mr. Hesson :

Q. Mr. Trow is asking how many of those who settled on the east side of the river went to Dakota? A. I do not know of one family.

Q. Are you interested in the establishment of oil works in Winnipeg or anywhere in the North-West to manufacture the flax seed into oil? A. No, Sir.

Q. You have heard of a company being organized for that purpose? A. Yes.

By Mr. Trow :

Q. But up to the present they have not purchased any flax seed from the settlers?
A. Not that I am aware of. I might mention that those east of the Red River have lands a little too flat for wheat, but they depend mostly on cattle raising there.

By Mr. Kranz :

Q. Are they successful in raising fruit trees, apples and pears? A. No, Sir.

By Mr. Hesson :

Q. Have they tried? A. Yes, largely.

Q. Have they imported the Russian varieties? A. Not from Russia, but they imported the strongest varieties from Ontario.

By Mr. Sproule :

Q. Have they tried raising the trees from the seed? A. Yes, they have tried that too.

Q. With good results? A. I believe they did not succeed. When they got up a little they froze in the winter.

By Mr. Trow :

Q. Your opinion is that fruit won't grow there to any extent? A. Well, I think it is pretty hard to raise fruit there. They raise plums and all kinds of wild fruit, strawberries, raspberries, etc. I have the opinion that some fruit can be raised.

By Mr. Cameron (Middlesex) :

Q. Have they not imported any Russian varieties of apples? A. Not that I know of.

By Mr. Orton :

Q. Is there not a dwarf apple of the Western States that can be grown? A. I cannot say. The Siberian crab does well, I understand.

By Mr. Trow :

Q. Have you travelled much in Minnesota? A. Yes, to some extent.

Q. Have you noticed that fruit grows very well there, and the climate is no better than ours, it is similar land? You have noticed the fruit there? A. Yes, I have noticed the fruit at St. Paul and at the State fair. I judged from that it was poor fruit, because it was only equal to that we ground up for cider.

By Mr. Auger :

Q. Is it on account of the climate or the soil that fruit will not grow? A. I think the frost is too severe in winter. Trees grow very rapidly in the summer, but in winter they freeze.

By Mr. Farrow :

Q. Can you tell us about the nutrient properties of the grasses? Do the cattle get thoroughly fat in the summer? A. Yes, Sir.

Q. Is the hay good and nutrient through the winter? A. Yes, it is nutrient, but you must understand there is always some rough stuff in it. I have seen oxen in good working condition on it.

By Mr. Trow :

Q. Have they introduced any improved breeds of stock of any description, sheep or cattle? A. I have noticed several places where they had the opportunity to improve their stock a little, but they are not doing much among themselves. At Nieverville there are two stock farms, and those who are not too far off get their stock improved from the thoroughbred cattle there.

By Mr. Watson :

Q. A dairy has been started at Nieverville by a man named Skerry, I believe. Does he intend to get his milk from the Mennonites? A. There are not many Mennonites round there. They are only scattered among other settlers, but those that are there are doing exceedingly well.

Q. Do you know if the Mennonites have brought in any new varieties of wheat from Russia? A. They have brought in the Russian wheat. The first few years it did well and the millers liked it very much. They kept to it pretty much, and then the one season I was speaking of, the late wheat was struck with the rust which knocked it out because it was two weeks later than the other varieties and the rust took it. Since then there is scarcely any sown.

By Mr. Watson :

Q. Have they tried to bring in any other varieties since then? A. Not that I know of.

By Mr. Sproule :

Q. What is the name of the variety they brought in? Was it the White Russian? A. I think they call it the Red Russian.

By Mr. Trow :

Q. Have you ever heard any complaints respecting the railway rates of freight on the part of the Mennonites? A. Not particularly. They do not know so much about rates. When I was up there in the winter three years ago I took in some frozen wheat for our mills. There was quite a little complaint then about the eleva-

tor, but we had to ship the wheat then through the States because the other roads were not done, and we got a switch across the line and brought in the cars there, and that saved us about 5 or 6 cents a bushel.

By Mr. Watson :

Q. You got a switch on the American side? A. Yes.

Q. What elevators were on the north side, at Gretna; who ran it? A. The milling company. Ogilvies.

By Mr. Sproule :

Q. Have they changed that since? A. They have two elevators there now.

By Mr. Watson :

Q. Would not the Canadian Pacific Railway give you a siding on the Canadian side? A. They would not submit to it, and the reason we could not secure it through the elevators was because the wheat was so difficult to grade and the millers did not want it mixed; some of it was frozen and some not, some dirty and some clean.

By Mr. Watson :

Q. Could not you get cars on the Canadian side as well as hauling it across the lines? A. They do not like to do it.

Q. Did you apply for it? A. The Canadian Pacific Railway had no road then.

Q. Did you try to get rates from the Canadian Pacific Railway? A. I did not make any application to headquarters.

By Mr. Taylor :

Q. Was the Canadian Pacific Railway completed then so that they could make cars? No, it was not.

By Mr. Kranz :

Q. It was right on the boundary. You could have used only three miles of the Canadian Pacific Railway? It was the Manitoba and St. Paul road? A. Only about half a mile.

By Mr. Watson :

Q. You stated you saved five or six cents a bushel. The elevators charges were not that. How then could you save it? A. By not using the elevator, and then in taking it across on their cars, it was no small saving.

Q. The elevator charges were not five or six cents. They were three cents a bushel, I think? A. More than that, I believe.

By Mr. Orton :

Q. How long is that ago? A. I believe it was three years ago.

By Mr. Trow :

Q. You seem to have had the special superintendence of this class of the community. Don't you think you could do a great deal of good by introducing some thoroughbred stock among them? They would better realize their price then. Advise them also to get their girls out in winter, for five or six months in the year, among the other communities. If the Mennonites mingled with the other communities and intermarried, they would become better subjects and adapt themselves more to the country? A. I think all that will come about gradually.

Q. Well, they have been there a long time now. It is about time to start out? A. Their mode of living is so different that in many cases it would not be so agreeable.

Q. How do you mean their mode of living? I am sure their houses are comfortable? A. They are, in their way.

Q. I have had as good meals in the houses of Mennonites as anywhere? A. So have I, but you did not see any bedsteads in the houses.

Q. But in winter you will get two or three beds on the top of you? A. They will soon have a bed for you.

By Mr. Hesson :

Q. Earthen floors? A. Yes.

Mr. FREEMAN B. ANDERSON, of Winnipeg, said :—I am thankful for this opportunity to speak on a subject which has interested me much during the past few years. I have not been able to take up the matter fully and give it the attention I would desire. I am not going to speak of German immigration, of Mennonite immigration, but on the Norse immigration from the countries of Scandinavia, Norway, Sweden, Denmark and Iceland; they are the nations which form the four Scandinavian nationalities. In looking at the United States we find during the past thirty years there has been a large inflowing immigration to that country. In Canada there were only some 80 Scandinavians in 1851, and only a few in the United States, while in Canada in 1881 there were a little over 4,000 Scandinavians all told, about 1,000 Icelanders according to the census, and in the United States there were over 450,000 Scandinavians. During the ten years from 1870 to 1880 there was an influx to the States of about 200,000 Scandinavians, making an average of 20,000 of that nationality to the United States annually. Now the United States, if they are America to its inhabitants, they are only the people of the United States to us. I have been in Canada now ten years, and I have worked myself from the railroad to the highest position any university can bestow, and I am positive if the young men of those countries get an opportunity of coming out here they can do better than I did, or at any rate as well. It was only last spring I had my hands free from my college labors. This year I have been employed in writing a work on the Dominion, descriptive of her resources, social institutions and special advantages as a field for emigrants, particularly for the northern nationalities. As I am a foreigner myself, an Icelander, I may be allowed to express the opinion that it is not well to circulate hurriedly prepared pamphlets which are often incorrect in their statements. I have one with me here, written in the Norwegian language, but happily not issued by this Government, but in England, which begins by introducing a description of Manitoba with a buffalo hunt. Then it goes on to say that the area of the province is 14,000 square miles, and then to state that the wheat products of that country, or rather the cultivation during the last five years has been increased by some 4,000,000 acres, which increases the production of wheat by 1,000,000 bushels annually, equal it states to the export of the former year, 1880, from all North America. Referring to Winnipeg, it states there are 30,000 inhabitants and these 30,000 are poor people who have to pay taxes to the extent of \$30,000,000.

By Mr. Trow :

Q. How did that originate? From some company? A. I do not know, Sir.

By Mr. Cameron :

Q. Who issued that? A. I do not know who did, but I have it on good authority it was not issued by this Government. It was issued most likely by some agency in England. I think you will find these people are not likely to be influenced by any such statements as those I have read, but will carefully weigh the statements made and criticize them. Therefore, I think it is necessary that you should give them information which will not do harm, but send men fully informed about this great

country we are speaking about, men above the average class who can give true and exhaustive information and answer critical questions which men in the old countries will put to them. I therefore believe that nothing less than a truthful, exhaustive description of this great country and its special advantages as a field for immigration, embracing as much as possible a description of places, is in my opinion the means best calculated to bring emigrants from those countries. I believe if this were done, if this country were known as it is, as we know it, if they could say that Canada is better than their country as we say it is, every one of us, and possessing ten times greater facilities for an immigrant's progress, they would come here of their own accord and you would not have to spend a single cent to help them to come. "Where there's a will there's a way." You would not get in the inferior classes, but the industrious hard-working laborer, the mechanic and the farmer. They would come and those are the classes that Canada wants. For this reason I have set to work and prepared a book, not for monetary considerations, but with the conviction that if this were done it would be to the advantage of the country and also might do good to myself. The work embraces in seven parts a description of this country, its physical features, social advantages, and its special advantage as a field for immigration.

By Mr. Trow :

Q. Have you brought this matter before the Department? Yes, Sir.

Q. Would it not be within their sphere and jurisdiction to take charge of the work if they thought it available? A. I believe so, Sir.

By Mr. Hesson:

Q. Are there not some difficulties existing in the old country against the distribution of that kind of literature or getting those classes of emigrants to come out? A. You must remember that the Norse people are not living under the same form of Government as the Russian people, that they have a free Government—Government by the people—they have not an autocrat form of Government and they can do pretty much as they please. The distribution of a work of this kind, if the people once get a hold of it will be thorough. No Government will hinder the distribution.

By Mr. Sproule :

Q. Are there any restrictions by the Governments of those countries on emigration? A. There are no legal restrictions at all, except it be for debts.

By Mr. Tyrwhitt :

Q. There are a number of Scandinavians on the north shore of Lake Superior in the employ of the Canadian Pacific Railway. Will they become settlers? A. As a rule those who are working on the railway are of a rough nature. They do not care where they go. They are all for making money, but those who have families take to agriculture. They have done so in the States. You have only a very few in this country. There are only about 1,000 Scandinavians from Denmark, Sweden and Norway in the North-West and about 3,000 Icelanders.

Q. Where is the colony of Icelanders situated? A. There are two colonies. There is one on the west shore of Lake Winnipeg and the other in south-western Manitoba. There is one in Lorne or Argyle townships, and another is just being started in the Assiniboine valley, on the border.

By Mr Trow :

Q. Our experience of the settlement of Icelanders has been a failure? A. I agree with you that the first settlement of Icelanders has been to some extent a failure.

Q. They were not put in the right place. The Government had not sufficient experience? A. I do not blame the Government. I blame more the men themselves. The men should have been left to themselves. They don't want to be bolstered up. They were all spoon-fed, and the money did not bring the same profit that might well

have been expected. The people remained there until about 1880. There had been a succession of wet seasons and the grasshoppers and one thing and another, so they left. A great many went to the United States, but others went to form a colony in Western Manitoba, and there are now as many in Manitoba as there ever were.

Q. But they are scattered? A. Yes, they are scattered. They are no longer in colonies or on reserves. They want to assimilate themselves to the manners of this country, and are learning farming as well as any other class of immigrants.

By Mr. Sproule :

Q. What kind of farmers do they make generally? A. They were accustomed to stock raising, but they take to agricultural farming as fast as any other people.

By Mr. Tyrwhitt :

Q. They are considered first-class laborers, and easily handled; they are not mutinous? A. I think they are not mutinous as long as they receive a fair remuneration for their work.

By Mr. Trow :

Q. What number of them is there on the Winnipeg reserve? A. There is now about 1,000 people.

By Mr. Orton :

Q. Are they in a prosperous condition now? A. They are all prosperous, and I think they are all contented. In each of the other colonies I do not think you have a more contented class of people that I know of.

Q. Have any come out lately—within the last year or two—any Icelanders? A. There has been but a small immigration lately, something about 100 or so.

Q. They were of the poorer classes, were they not? A. They have not been of the best class—generally of the laboring class.

Q. Did your people take them in hand and assist them? A. Yes, Sir, as far as we could. We did not assist them any further than trying to get them implements, and if they were in need, we helped them as we had means until they were able to do for themselves.

Q. Even those classes have succeeded tolerably well? A. I think so, sir. I have a statement of Capt. Grahame, immigration agent at Winnipeg, to the effect that he has had less trouble with the Icelandic people, that they were of less burden than other immigrants, and that he has hardly a case of one Icelandic immigrant without work in Winnipeg. Of course, I have been in Ontario the most of the time. This is my second year in Manitoba.

By Mr. Sproule :

Q. Where were you born? A. In Iceland.

Q. How long have you been in Canada? A. This is my eleventh year.

By Mr. Scott :

Q. I think you have picked up the English language easily? A. I did not find much difficulty.

By Mr. Farrow :

Q. By what were you induced to come here? A. Oh, just the same as ambitious young men generally are, who are anxious to better their condition. There are many who do not know sufficient about this country, or perhaps have not sufficient push to come of their own accord.

Q. Have you been back to Iceland since you first came out? A. No, Sir.

Q. Do you think you could do any good out there if you had a pamphlet printed? A. I believe I might do some good. It is merely a conjecture on my part

as to how much I could do. I know what labor I have gone through and what I have done, and that is all I can speak of.

By Mr. Trow :

Q. I wonder if Mr. Lowe can give us an account as to who is responsible for the pamphlet Mr. Anderson referred to at the commencement.

Mr. John Lowe.—I think this is one of the steamship pamphlets. So far as I understand it the errors are really confined to those figures. I have heard something of that before. I think the body of the information contained in the book is not erroneous, but there are those very gross and ludicrous errors pointed out by Mr. Anderson. We have had correspondence on that very subject in the Department.

By Mr. Trow :

The country is good enough without having lies told about it?

Mr. Lowe.—Yes, but those are statements against the country.

By Mr. Orton :

Q. Mr. Lowe has perhaps already looked at Mr. Anderson's work and he might express his opinion as to its merits.

Mr. Lowe.—As far as the book is concerned, I have read it carefully through, and I have no hesitation in saying it is a book of singular ability. There are, probably, one or two points of little details which might require some adjustment, but it is a book on a much larger scale than any that has been attempted in the Department. It is a very much more elaborate book than the Guide Book which we have published, and is a book of more detail.

By Mr. Hesson :

Q. Is it not really too much so?

Mr. Lowe.—That is a question. There are several questions of practicability in connection with the immigration services involved in that. There is also the point pressed on my attention by Mr. Anderson that the people of the northern countries of Europe before contemplating a step so important as emigrating would take very great pains in reading a work of considerable magnitude.

THURSDAY, 20th May, 1886.

Mr. JAMES FLETCHER, examined :—

By the Chairman :

Q. Will you state what your official position is in relation to the Entomological studies of the Department of Agriculture? A. I am the Entomologist of the Department; but, as you have stated, it is an honorary position. The appointment was made as an experiment to find out whether these studies would be of value, and whether or not it is advisable to have such studies carried on. It was thought that if the farming community throughout the country considered this work of sufficient importance, they would give evidence thereof by their applications for information, and if that were the case, a report would then be published. In the first year a preliminary report was printed by the Agricultural Department, and last year I was asked to prepare a more extended one for the Minister's report, which was presented this year. You will find at the end of this report about fifty pages upon injurious and beneficial insects. This report was built up as the result of correspondence with men engaged in agriculture and horticulture in all parts of the country, and it was thought necessary to draw attention to this important subject. That this work is considered useful by the public is shown by the fact that these gentlemen have come forward with information on all occasions, not only when I have asked for it, but of

their own accord. I was very much encouraged to carry on the work from the interest that was taken in it by those very men to whom it was of the utmost importance. Scientific men, of course, can take an interest in any scientific matter, simply for the study's sake, but to those men it was their means of getting a living, and if it were useful they would ask for information, and if it were not I think we are safe in saying that they would not take the trouble to ask for it, especially at a season of the year when every moment of their time is taken up. I do not think it is necessary to say more about the value of these studies. The fact that the Committee has honored me by asking me to come before them from year to year shows that they, at any rate, appreciate the value of them.

Q. Can you indicate any particular point on which information may be adduced of practical benefit to farmers and horticulturists? I understand you to mean what is the most injurious insect pest that requires attention and concerning which information should be distributed? A. Yes. In a large area of country like Canada, we find that the different Provinces have very distinct faunas. For instance, in British Columbia we have different insects from those which are found in Ontario, and so on; again in Quebec, and farther east in New Brunswick, in Nova Scotia and in Prince Edward Island. Each of these Provinces has certain insects which are found there alone; but then, on the other hand, there are a few which are found in all the Provinces, and these few being so wide spread and also very numerous, are for that very reason especially injurious to some plants that we require and cultivate over large areas. Any kind of insect which is very numerous must necessarily have a large food supply, and in cultivating extensive areas under any one crop, a large food supply is naturally produced. Thus, any insect which feeds upon that crop finds a large food supply, and this, we find, is the index which regulates the numbers of any injurious insect. In illustration of this, we find now over the greater part of Canada, as I mentioned to you once before, enormous numbers of the Colorado Potato Beetle, which, from being a very rare insect, has gradually attained its present wide distribution as increasing areas were put under potato cultivation, thereby increasing the food supply. Again, in the hay crop, we find that many of the insects which attack the hay and grain crops, in fact all crops which belong to the grass tribe, are very widespread, for the reason that there are very large areas being continually put under those crops, and therefore there is an increasingly large food supply. Perhaps the insect which has done the most damage during late years, is the small fly which has attacked the clover plant. I drew special attention to this in my report, and I would like also to refer to it again, as there is a mistake in the figures which were printed in the report of this committee last year. This insect is very small and for that reason its presence is often overlooked, and the damage is not attributed to the right cause. The seed of the clover, as you know, grows in the head, which contains a great many seeds, each of which is encased in a very small pod. The clover plant belongs to the same family as the pea, but with red clover there is only one seed in each pod. This insect lays an egg in the flower or its calyx, and it is so small that it can hardly be seen. The parent fly which lays it, it must be remembered, is not nearly the size of a pin's head. The tiny grub which hatches from each egg has the power to destroy one seed. They are in countless numbers, and the destruction of this insect is so great as to have almost entirely destroyed the Canadian clover seed crop. We find by the census of 1881 that Canada produced in that year 324,316 bushels of hay and clover seed. Of this quantity we will take, say, one-half as being the yield of clover seed, or say 162,000 bushels. The price ranges from \$3 to \$9 per bushel—of course many of the gentlemen present are able to give information on this head better than I am, but I am told that at seeding time \$9 is not an outside figure, while at some periods it may be down to \$3. If we take the moderate price of \$4 per bushel, we find that the loss to the annual revenue through the destruction of this crop would be about \$650,000. This loss has only taken place during the last five or six years, and so complete has been the destruction that we have actually had to import our seed, whereas formerly our Canadian clover seed, grown in a more

northern latitude, always had a ready sale in the United States. So that, in fact, there is a direct loss every year from the work of this one minute insect. Now, through correspondence with farmers and others, I find that the farmers themselves are becoming interested in these entomological studies, and they, being on the spot at the time of attack, are able to make exact observations, and are discovering for themselves how to get a crop of clover seed. In order to do this they have found that they must not attempt to harvest the first crop of clover seed, but should feed it off, and only try to get a crop from the fall cutting. We find that this is done in actual practice. Some of them, moreover, have taken the trouble to find out the reason for this, and this could only be done by breeding or rearing, and studying the insect through all its different stages, learning its habits and studying its life history, and finding out where it is most vulnerable and how it should be attacked. You can quite understand that such a small insect—not as large as a pin's head—is a very difficult enemy to fight when it comes, as this has, in myriads. It has been found, and I believe the discovery was made, or, at any rate, was first brought to my notice, by Mr. Jabel Robinson, ex-Master of the Dominion Grange, that if the clover were cut about a fortnight earlier, or, better still, if it were fed off instead of being cut at all, these insects would then be in a soft state—the second or intermediate, the larval condition; for you all know that insects pass through four stages before they are complete, and the second stage is that which follows the egg—and in this stage they are easily managed. The cattle destroy them by eating the clover, and thus destroy the germs while in the larval condition from which the flies are produced. They are then so small that they cannot cause any appreciable taste in the fodder when eaten by the cattle, for it would take about ten of them to cover the head of a pin. The practical effect of this plan is the destruction of the first brood, the eggs of which produce the second brood, the one which destroys the autumn crop of seed, and we find that where this practice of feeding off the first crop is carried on good crops have resulted. Moreover, where this plan has not been followed the clover crop has been lost. This insect, in its perfect state, being a fly with wings, it would naturally be supposed that it would fly from where it matured to clover fields at a considerable distance, and that thus, unless this remedy were universally practised, it would be useless. Of course, it would be far better if it were; but when insects are newly emerged from the chrysalis, their object, and in fact their chief business in life, is to lay eggs and propagate their species. Therefore, until that is done very few fly away far from the place where they originated. There may be a few species which fly long distances, as of course their habits vary somewhat, but what I have described is the general rule.

Now this I consider one of the most injurious insects in Canada, but I think we have the means, if this method is generally adopted, of keeping it very much in check. This is in Ontario; in the Lower Provinces, Nova Scotia and New Brunswick, we find that the fruit insects are of the greatest importance.

By Mr. Trow :

Q. Where did this fly come from, did it come to us from the United States? A. It was first noticed in the United States, but it does not necessarily follow that because it appears suddenly in great numbers it is going to remain. Occasionally our own native insects develop in enormous numbers, in accordance with rules which are not as yet fully understood. They sometimes develop in very large numbers, and although they may have been known in certain localities for a long time, it is only occasionally that they increase in sufficient numbers to be injurious. When they do so, however, we generally find that there are natural causes which keep them in check. For instance, there is the Army-worm, which destroys so much hay, grass and other crops, including cereals, in the Lower Provinces. This insect is very well known, but it is only in exceptional years that it becomes injurious. In the Sackville marshes last year, this injurious insect destroyed an enormous quantity of hay, and the year before that it was abundant in another part of New Brunswick, but it was quite local. And although we always have it in Canada, it is only occa-

sionally that it occurs in large numbers, and then we find that its natural enemies attack it. In the Ottawa district, two years ago, we had an insect, a kind of Cut-worm, which was very abundant, and destroyed everything in the shape of early garden plants. It was particularly injurious to the young buds of raspberries and to clover and to pease; acres and acres of pease were destroyed. Now, this insect was actually so rare before this that when I wrote to Mr. J. B. Smith, of New York, now of the Washington National Museum, who makes a special study of these moths, he said this was such a rare insect that he did not know of a single collection in the United States which possessed a perfect specimen. In that year, however, it occurred all through this part of Ontario, and in parts of Quebec, and as far west as Michigan, where it was so numerous that it was called the Black Army-worm. Last year there were none at all. At the time it was here I collected large numbers for study, and found that it was attacked not only by many beneficial insects which feed upon it, but also by a fungous disease which attacks insects in a manner analogous to cholera among animals, and which took off enormous numbers upon a farm belonging to Hon. R. W. Scott, at Hull, P.Q., where the fatal effect of this disease was most remarkable. On looking through the hay field, it presented an appearance almost like a crop of timothy with black heads. It was found upon examination that these insects had climbed up to the tops of the stems of grass, and having clasped the stems tightly they had died there and remained fixed to the stem. Now, this is one of the natural causes which is developed when insects occur in great numbers; but we cannot rely upon these always, because it may be a long time before they are developed, and in the meantime the crops may be ruined. I have brought with me this morning, to show you, an insect (*Nematus Erichsonii*, the Tamarac Saw-fly) of a rather interesting character, for this reason, that it is another pest which has suddenly developed in very large numbers. Opinions differ whether it was imported from Europe or not, the only reason for supposing that being that it has been found to have occurred, and was described many years ago in Germany. It destroys the tamarac trees, and Mr. Fisher, M. P., who has studied it considerably in his neighborhood at Brome, has given me some valuable information with regard to its habits. A few years ago it appeared at Washington in the gardens around the Department of Agriculture, and fed on the European larch. This is evidence in favor of its being an imported insect. But whether it be a native or an imported insect is a matter of small importance, except to the scientific student. The practical aspect of the case is: that now in Lower Canada, and down as far as New Brunswick, the tamarac trees are nearly defoliated and much injured from year to year in different sections. On the other hand, we find that it does not seem to be staying in the same place, and those districts which were defoliated three years ago entirely, were only partially so last year, and I hope that this year they will be left alone. This was the case in the Hon. J. J. C. Abbott's garden where these insects attacked his ornamental larch trees and ate off every leaf. The next year they occurred in smaller numbers, and last year there were none at all. Of course with ornamental trees there is no difficulty in fighting these insects, because we have certain general remedies which apply to all such cases. In forests, however, of larger area you can quite understand that an application of any poison would be out of the question, and we must to a certain extent rely upon natural causes for protection.

By Mr. McNeill:

Q. Is that the same insect which attacks the balsam fir in Ontario? A. No, that is probably the larva of a little moth, if it destroys the foliage. In reference to this insect that feeds upon the tamarac, it inflicts very serious injury, and destroys whole tracts of timber. But the tamarac is rather more hardy than some trees, and from the fact that this defoliation occurs early in the season—the caterpillars are not as a rule, found later than July—the tree has then some time to put out new foliage, and it pushes out the same needles, which were eaten right down by the larvæ, to the extent of about a quarter of an inch. These absorb sufficient food from the air to keep the tree from dying. If this attack however were kept up for some years it would kill

the tree altogether. On Mr. Fisher's property where I examined the trees two years ago, we found that sometimes one-half only of a tree would be attacked, or the top would be blighted. These trees showed a decided want of vigor on those portions the next year when the foliage came out, and it was evident that the tree had suffered from the injury. Now if the foliage had been entirely destroyed, no doubt the injury would have been much greater.

By Mr. Trow :

Q. Does this insect attack the trunk of the tree, or is it confined to the foliage ?

A. Only the foliage.

By Mr. Jackson :

Q. In regard to the clover question, I would like to have some further information. You say that there is a certain time of the year when if the clover is pastured off it will check the midge. Now when do they cut the first crop, about the latter end of June, or the 1st of July? A. Yes, Sir; the usual custom has been to cut the first crop at the end of June, it should not be left standing longer than the middle of June.

Q. And do you think that if it were pastured off and allowed to start up about the 10th or 12th of June, it would be beneficial? A. Yes; decidedly; but upon this point I think Mr. Farrow can give better information than I can as he has made a careful investigation of this treatment.

Mr. Farrow, M.P.—I may say that our farmers in the County of Huron have been experimenting for some time, and they have adopted the plan we have been speaking about. They cut the hay in the latter part of June or the early part of July, and their custom has been in the past to let it grow to clover seed and cut it sometime about the middle of September. By this plan they always used to get a good crop of seed—three or four bushels to the acre and sometimes more. But about three years ago the crop became a failure. The clover came up fine, with plenty of flowers, and there was promise of an abundance of seed as usual. Just at this time this midge, or whatever you call it, appeared, and it destroyed the whole crop. It was not worth cutting; there was scarcely a pound to the acre, and the crop was an entire loss. The farmers then got together and considered what they were to do to guard against this great drawback to so important an industry. I may say that previous to this some of them had tried pasturing their clover to about the 8th or 10th, or about the end of the first week of June, and then cutting down with a mowing machine the odd heads, so to give it an even start. In this way they always succeeded in raising a bushel or more to the acre than by the old plan. Well, those farmers who decided to continue raising their clover seed in this way, still succeed in raising the ordinary quantity of seed. They cannot give the rationale of it, but they succeeded, and all who adopted their plan did the same. This year they have made an agreement that all who want to raise clover seed will pasture their clover until about the first week in June, or at least not any later than the 10th. You must not pasture it too late. The first week in June is about right; at least that is the experience of the practical farmers of Huron County.

Mr. Fletcher.—As bearing out what Mr. Farrow has told us I will direct your attention, if you will allow me, to page 369 of the report of the Minister of Agriculture. I quote from my report: "The midge has again proved itself a most serious tax on the farmers throughout Central and South-Western Ontario, where clover was once grown for seed. The only instances where any seed has been reaped are where, instead of allowing the clover to stand in the field till the end of June, it has been fed off by cattle and sheep till the beginning or middle of June, and then left to go to seed for the autumn crop. There are, apparently, two broods of the midge in Western Canada; part of the second brood goes over the winter in the pupa state and hatches in the beginning of May. The eggs of this brood are laid in the forming heads of the clover plant, and complete their larval growth about the end of June.

These then leave the heads of clover and go into the ground to complete their transformations, the perfect flies emerging about the middle of July. These again produce the second brood, which destroys the fall crop of clover seed, and part of which emerges in September and part not until the next spring. The verdict of all the growers who have tried the experiment now seems to be that two crops cannot be secured, and to get any seed at all the first crop must be pastured until the beginning, and not later than the middle of June. In this way the minute larvæ of the flies which are to lay the eggs for the second brood are eaten by the cattle at the same time as the clover, and destroyed. It is quite apparent that if all growers will adopt this plan that much good will be done, and if some fall dressing for the land can be devised to destroy the hibernating brood, we may hope, before long, to get rid of this injurious insect. Fresh gas lime, if obtainable in sufficient quantities, would undoubtedly destroy the midge; but the supply of this is limited. Experiments will have to be tried until something is discovered. Late fall ploughing would probably have a good effect. In the Ontario Agricultural returns we find: 'There is a remarkable concurrence of testimony from experienced farmers, that a yield of clover seed can no longer be depended upon with any degree of certainty where two crops are cut in the season.' It was Mr. Farrow who brought to my notice these experiments I have mentioned where some farmers tried this plan so successfully, but others who did not, lost their clover seed.

By Mr. Cochrane:

Q. According to your theory of the way these midges are propagated, how do you account for the fact that in some sections the first clover heads were all destroyed, never blossoming out at all? A. If you notice, I said that some of the fall brood go over the winter. That is an operation of nature which we find in many insects, that although the proper time for hatching might be the autumn, there is a proportion, generally small, which does not appear until the next year.

Q. I understood you to say that they got to a certain stage in the first crop. Last year, in our own county, they attacked the first crop to such an extent that the clover did not blossom out at all, but when we came to examine the second crop we found that the heads were full of perfect seed and had escaped the midge? A. In regard to the first question, how it was that this first crop was so badly attacked, I think that would probably be owing to the fact that from some local cause, instead of only a small quantity going over (not developing in the fall), a large proportion did not emerge as perfect flies until the spring and attacked the first crop. About the second crop not being attacked, that is difficult to understand, unless it was that some natural enemy or parasite was developed there, as we found in those cases I have referred to, or it may have been caused by some climatic influence.

Q. Of course, all through our own section of country (East Northumberland), we find the fact that I have stated, to be prevalent, and a friend of mine, a farmer, said to me that if he had saved his last crop he would have had one of the largest crops he had ever harvested, but he thought, from the fact that they had attacked the first crop, that it would be useless to leave it for the second crop, so he turned his cattle into large areas of clover seed that he did not want to feed, but he thought it was no use, and he found in the places where the cattle did not destroy it, that the heads were large and were full of clover seed? A. I think this peculiarity might be caused by a wet season.

Mr. Cochrane:—Yes, it was very wet; but the fact remains that the first crop was so badly attacked that it never was out in full bloom, and when we came to examine the heads we found that some parts of the head had a little blossom, but as a general thing it was a kind of bald-head.

By Mr. Jenkins:

Q. I think that as the climate of Canada varies so greatly, it would be well if we had some information as to the particular stage in the growth of the flower of the clover at which the insect deposits its eggs. In Prince Edward Island the season is

a fortnight or three weeks later than in the west, and this might make some difference in the number of broods in the season? A. The statement has always been made that the egg is laid in the flower. My own opinion is that it is not laid in the flower, but in the calyx, or green cup of the flower, and for this reason, the clover, when attacked, does not flower out at all. This attack may be at any time when the heads are forming, and you will notice that I am careful to say in my report, that "the eggs are laid in the forming heads of the clover plant."

By Mr. Trow:

Q. What is the most successful method of eradicating the potato bug? A. I think there is no method that can be resorted to that is more efficacious and less expensive than sprinkling with Paris green. Of course it takes a good deal of labor, but when it becomes universal to apply poison to the potato tops, and this work becomes recognized as part of the cultivation of the potato, I have no doubt that this pest will soon disappear.

Q. Has the application of Paris green on the foliage any effect upon the tubers? A. Not in the slightest. It is utterly impossible for the vegetation to absorb the poison or for it to get into the tubers of the plant.

Q. In what proportion do you apply it? A. The proportion given is one teaspoonful to a bucket of water, but the strength of the poison varies, and it is so much adulterated now that it is not unsafe to put as much as a tablespoonful to the bucket of water. There were great complaints two years ago about the Paris green not being genuine, and I bought samples from the leading vendors in this district, and had them analyzed. The amount of adulteration was not as large as I expected from the extent to which it had been said to fail in application—in no case being more than 10 per cent. Well, 10 per cent. of an admixture of extraneous matter is not a very large amount, but it is sufficient to show that care must be taken to have the pure article, because from the results I should have expected to find it was very much more. But it is a serious matter, of course, to the gardener or farmer, if he be disappointed through using an adulterated article, at a time of the year when every hand that can be secured is wanted for the ordinary work of the farm. After having taken off two or three men or boys to attend to this work on the potatoes, and then to find that their work has been of no use is a most serious loss. Of course, the cost of the Paris green itself is very small. I have no doubt that this is the very best remedy.

By Mr. Cochrane:

Q. Have you experimented with Paris green to show at what stage in the development of the bug it is best to apply it? When the insect is very young? A. The potato bug is this year very much earlier than I have ever seen it before. I returned here from England on the 15th of this month, and almost the first object of interest I met on reaching Ottawa was a potato bug, which I saw on the sidewalk. Generally you do not find them until about the end of this month, or the first week in June, certainly not often before the 24th of May. As a general thing, they come just as the potatoes are appearing above the ground. They are most vulnerable from the time the grubs are first hatched till they are about a week or ten days old, and when they are in this stage a very weak mixture of Paris green will destroy them. But when they are full grown, it requires very much more poison and more time and labor to completely eradicate them. So that the best time is, undoubtedly, directly they are hatched out of the egg, which, in this district, is about the first week of June. Of course, it varies in different localities; in some parts, as in Nova Scotia and New Brunswick, I have seen potatoes only just appearing above the ground early in July.

By Mr. Jenkins:

Q. Can you explain how it is that in Prince Edward Island, although the potato bug has appeared there, it does not inflict any serious injury? A. I think the reason for that is that the climate of the island does not allow it to breed in large numbers.

Q. My own impression—and I would like to have your opinion on this point—is that owing to our climate the spring is late, the presence of ice along the coast retards growth and heat, and although potatoes can grow through it, the heat is not sufficient to develop the larval stage of the bug, and they do not come until the potatoes are so large that they can withstand the injury? A. Yes; the plants are sufficiently grown to reproduce the injury to the foliage more rapidly than the insects in the limited numbers in which they occur with you, are able to destroy it.

Q. Now, I would like to know whether that is the explanation, or whether, in the course of time, they are likely to increase? A. Well, if they are in such numbers as you have mentioned, I should think you will have to be careful, at any rate, but I believe, as a rule, the climate will protect you as it will in Nova Scotia, from the potato bug ever doing great injury. Two years ago, they first appeared in numbers in Nova Scotia, and Prof. McKay, of Pictou Academy, issued a poster on the subject advising the early application of poison to check the progress of the bugs. I attended the meeting of the Nova Scotia Fruit Growers' Association last autumn, and they told me that the bugs had occurred in considerable numbers, but that it had always been possible to check them with Paris green. With reference to the lateness of the season you have the advantage in that respect over Western Ontario, for while they sometimes have three broods of bugs in the year, you will not have more than two, and most likely not more than one.

By Mr. Springer :

Q. In reference to the use of Paris green, I find that slicing potatoes and soaking them in a strong solution of Paris green will destroy large numbers of the full-grown bugs when they come in the spring, if placed where they can get at them. They will readily attack the newly cut potato? A. I know they will do that, and it is a good plan, for the reason that every bug you kill at this season would, if allowed to live, lay a great many eggs. There is, however, another consideration. I have no doubt, that for every insect enemy there is some remedy, but some of these remedies would be too expensive for practical application, and the great effort we have to make is to see that the remedies we suggest shall be something practical and something for which farmers can afford the time and the outlay. I think you would find that your method, although very efficacious, no doubt, might, when applied over large areas, be found to entail too much labor, and to be too costly for general adoption.

By Mr. Jenkins :

Q. Have you any idea how they are carried long distances; for instance, from the mainland to Prince Edward Island? How long do you think they would live without food? A. Experiments have been tried of shutting up potato bugs to see how long they would live without food, and I remember one instance recorded of bugs that were shut up for three weeks, and subsisted all that time without food. You can understand, that with quick means of transport between the mainland and the island, these insects could be carried over very easily. In the same way, I have no doubt at all, that now that the Canadian Pacific Railway is completed through to the Pacific coast, they will be carried over to British Columbia. Besides this, these insects can fly well.

Q. You don't suppose they could fly across the water to the island? A. How many miles is it across?

Q. The narrowest place is about eight miles across? A. Undoubtedly they could fly that distance, especially with the wind.

By Mr. Kirk :

Q. Are they not liable to be carried in seed grain? A. No, Sir; I think not.

By Mr. Auger :

Q. They will swim? A. Yes, there is something even in that. They will swim a long distance, or rather, will float on chips or other objects, and can survive immersion in water for a long time.

By Mr. Robertson (Hastings) :

Q. Does an abundant application of Paris green to the potato tops injure the crop? A. No, Sir; the only thing about it injurious to the plant is the caustic property of the arsenic, which might destroy the foliage, and it will do that if you have a greater proportion than a tablespoonful to a bucketful of water. It is utterly impossible for the actual poison itself to get into the substance of the potato. The most exhaustive experiments have been tried to ascertain if the poison could possibly injure the tuber itself. These were at some experimental stations in the United States, and the result was, that in no instance could any trace of the arsenic be found in the potato. The poisonous properties of the arsenic are neutralized and altered by the humus acids in the earth after it has been lying for a short time in the ground.

By Mr. Trow :

Q. My experience with the potato bug, I think, has been that the potatoes to which Paris green was applied, were more watery than usual? A. I think that would result from injury to the foliage. It is through the foliage of the potato that those chemicals are laid up which form starch, and give to the tubers their mealy qualities; the natural consequence of injury to the foliage would be a want of mealiness in the potato.

By Mr. Sproule :

Q. It seems to me that the quantity of Paris green you use is very small. We use a much larger quantity. Don't you think the quantity required is very much dependent upon whether it is applied early or late in the growth of the bug? A. Undoubtedly it is.

Q. Is it not better to put on the poison early, and to use a weak solution, rather than to wait till later, when a much stronger solution is required? A. Yes, for two reasons. Not only is the insect very much more susceptible of injury from poison when it is young, but the leaves of the potato are also very much more easily injured when they are young. If applied when the bugs are young, one teaspoonful to a bucket of water has always been successful, even although it may not have affected them immediately. Sometimes farmers, after having applied it in this proportion, have come to me, complaining that their Paris green was wasted and their labor gone. In such cases, I have advised them to wait till to-morrow, and, sure enough, by to-morrow the bugs were all dead. It may take a little longer, but it kills them surely.

By Mr. Fairbank :

Q. What other subsistence has this clover pest than the clover plant, that you know of, or does it feed exclusively upon the clover itself? A. I do not think any other food-plant has been found upon which this insect feeds. You probably ask this question with reference to the idea of stopping the cultivation of clover, and thus starving out the insect. From Prince Edward Island to British Columbia, clover has become one of the weeds of the country. Wherever there has been railway construction, and horses have been fed, a growth of clover has sprung up, so that it would be impossible to work on that line, because there is sufficient clover wild in the country for it to subsist upon.

By Mr. Cochran :

Q. How do you account for the fact that although this insect destroys the red clover seed it does not touch the Alsike variety? A. I think that can only be accounted for by the fact that it is a different plant. It is different just as two kinds of cows or horses or chicken are, and we know that some kinds of chicken are attacked by certain diseases, and others are not.

By Mr. Jenkins

Q. Perhaps it is accounted for by the different form of the calyx? A. Possibly, of course; but I think it is the different kind of seed. In studying the habits of

insect enemies, you will find that although some insects will attack every species of a certain genus, there are other insects that will only be found on a special species and not on others although they may be very closely allied.

By Mr. McNeill :

Q. Would it be injurious to cattle if they were allowed to eat the tops of potatoes after a small quantity of Paris green had been applied? A. It might not kill them, but it would be decidedly injurious.

Q. Last year I used a smaller quantity than a teaspoonful to a bucket of water, even when the bugs were full-grown, and it was most successful? A. Doubtless, it can be used much weaker, but the only trouble is, that in recommending a remedy, it is necessary, to a certain extent, to have one that acts quickly. There are very effectual remedies that do not act until too late. What the farmer wants is a remedy that will act quickly, before his crop is destroyed, and though I have no doubt that if half the quantity of Paris green were applied it would in time be effectual in killing the bugs, yet it would not act as promptly as if applied in greater quantity.

By Mr. Jenkins :

Q. What about the Turnip-fly? A. With reference to the Turnip-fly or Turnip-beetle I am afraid I cannot give you as yet any satisfactory remedy. It is now some fifty years since the study of this insect was taken up, with a view of experimenting to discover some paracea that will answer all circumstances, and sometimes one and sometimes another remedy is advocated and tried with varying results. It has been strongly recommended to sow dust, or some other finely powdered substance upon the turnips when the dew is on them, thus covering the leaf with a fine coating of dust which prevents the beetles for a time from attacking it. Another plan, which has been tried with success, is to drive a flock of sheep over the turnip field, and these active, little insects are thus disturbed in their operations. The reason why the injury is so great to the turnip from this fly is that the plant is attacked directly it comes up out of the ground, and the injury is not to the true leaves of the turnip, but to the two seed-leaves which perform the peculiar function to the plant of supplying it with food before it can draw its regular supply from the air and the soil. When its own leaves appear the plant can then take care of itself, for it then has the means of manufacturing from the air the food required for its subsistence. But, until the plant gets those leaves, it feeds entirely upon its seed-leaves. You can try an experiment to prove this very easily by rubbing off the two stalk leaves of the bean plant just sprouting from the ground when the plant will immediately die. It is unable to draw sufficient nourishment through the roots to keep the plant alive.

By Mr. Tyrwhitt :

Q. Have you had any experience in soaking the seed with a weak solution of spirits of turpentine? A. I have heard that very good results have followed from adopting this plan, but as the results vary so much I have not accepted it yet. Experiments have been made with this remedy and in some cases they have been successful, while in other cases no effect was produced at all.

By Mr. Sproule :

Q. Did you ever hear of the practice of sowing the ground over with powdered chalk? A. Yes, that has been tried, but it has only the same effect as dust. It is its finely pulverized condition which makes it adhere to the moist leaf. One very extraordinary case of attack was observed in Vancouver Island last spring. The farmers there were battling with this pest. They have the most exquisite climate there I think in the world, but it is also a very nice climate for all animal life, and especially so for insects, and they certainly appear there in very great numbers. A farmer of my acquaintance there had made three successive sowings of turnip seed last season, and each time the crop was destroyed by the fly. When he attempted to sow his field

again it was with some seed that he had imported and he remarked to me that as this was the last of his stock of seed it would be a serious loss to him if he should not succeed in getting a crop. I advised him under these circumstances that special measures should be taken and he tried sprinkling the turnips with Paris green with success. Of course, Paris green will kill all insects but it is not applicable to large fields of turnips on account of the labor involved, and its poisonous nature when used as a dry power. As I said before a remedy can be found for every insect pest, but to make it applicable to general use it must be cheap and quick in its operation, and one that does not require too much labor in its application.

By Mr. Cochrane :

Q. I have found in the cultivation of the turnips that if you manure liberally the plant will shoot up so rapidly that it generally escapes the ravages of the fly? A. Yes, and put in plenty of seed.

By Mr. Farrow :

Q. Late sowing has been found successful in many places? A. Yes, that may do in some places.

By the Chairman :

Q. My brother, who is a pretty extensive farmer, says he succeeds with late sowing? A. I believe one of the most effectual remedies is to be found putting in plenty of seed and in the use of some quick-acting manure. You will find that I mention this in my report. By putting on something to keep the fly from injuring the plant until the leaves are formed, and using good manure the plant is pushed forward past the period of danger.

By Mr. Robertson (Hastings) :

Q. What about black knot? A. Black knot is a fungus disease, not due to the action of any insect at all, but to some constitutional defect in the tree itself. When once developed however in a locality, strong measures should be taken to eradicate it, because it may spread and attack strong healthy trees. With regard to this question, I should say that there prevails a very pernicious custom amongst farmers of merely cutting out the black knot and leaving it on the ground. They should destroy it as well. Black knot is a fungus growth from which very minute spores are developed, and if these are not destroyed they spread very rapidly and infect other trees. So that it is not sufficient merely to cut out the affected wood; it must be burned. A very interesting point I would like to draw attention to in this connection is this: Mr. Blanchard, Vice-President of the Fruit Growers' Association of Nova Scotia, at the meeting to which I have referred, said that all around the seaboard where the trees were subject to the salt air black knot was not nearly so injurious as it was further inland. Then again other experiments were mentioned where salt pickle from herrings had been syringed over the trees with very good effect. It is well to mention with regard to this, however, that some of these experiments were decidedly injurious to the trees, but this was probably due to the oil in the pickle and the fact remained that under the influence of salt air the injury was less than elsewhere.

By Mr. Jackson :

Q. The cherry trees are attacked in the same way as the plums in Western Ontario? A. Yes; the plum and the cherry are botanically closely allied. It is a most remarkable thing that in this locality the trees on the other side of the river Ottawa are all affected with black knot, while you cannot find one on this side.

By Mr. McNeill :

Q. Last year I made some examination with the view of tracing the cause of the codling moth in the apple, and also examined the black knot on the plum trees. On

cutting into the wood at first I thought there was nothing at all, but on going into the heart of the wood I found a channel exactly similar to that which I find in the apple tree. On examining further into this channel I found one of those black knots with a worm in it, in the very heart of the wood, apparently having come in at the joint, where the leaf had sprung out. It seemed to me that the plum being of a soft, sappy nature, this black knot had been thrown out owing to the irritation caused by the work of the worm? A. No, Sir, the black knot is a purely fungous disease, but when it is once developed, it, like many other fungous warts or galls, is eaten by insects. This is a very common thing to find where a black knot has been bored into by insects. You will find that a great many fungous attacks on plants are eaten by insects; in fact there are insects which are only known to exist in those galls or warts, and are purely fungus insects.

By Mr. Springer :

Q. I think the best remedy for the plum curculio is spraying the foliage at certain seasons with a weak solution of Paris green; about half a teaspoonful to a bucket of water? A. I was going to refer to some most remarkable experiments that have been tried in the United States with this plan of spraying with Paris green to destroy the codling moth and also the curculio. The effect was most marked in some instances where every alternate tree was sprayed, and all that were sprayed were protected while those that were not were attacked. In the same way, where the canker worm has been plentiful and destructive in Nova Scotia, it has been found that by spraying the trees with Paris green the tree is saved.

Q. I think the use of sulphur will destroy the fungous disease? A. Yes. It has been frequently used with marked success. I have no doubt at all that the fungous disease is more developed when the tree is in an unhealthy state. If the disease is engendered by want of proper soil, or want of proper chemical food, it will bring about a condition in the plant which will result in this fungous disease. Prof. Penhallow two years ago made some very interesting remarks before this Committee, I think, in which he detailed some experiments which were being tried in the United States for keeping in check the disease among peach trees which is known as the yellows. We know very well that in Europe there are actually living now peach trees of which a record has been kept for 100 years. I know that at home in my father's garden are peach trees which he can remember all his lifetime, and they are bearing as fine peaches to-day as any in the country. And yet we are told by Prof. Penhallow that in the United States the bearing life of a peach tree is under 20 years on account of this disease, "The Yellows." Well, then, there is some condition which is lacking yet, which is necessary to enable our peach trees to withstand this disease. It only appears after the tree is aged and reduced to a weak condition. There must be some food which the tree requires to be fed up with, so as to enable it to throw off this disease, which is the result of weakness. Now, it is within the bounds of possibility that plum trees may be so reduced in vigor or receive such injuries from the attacks of the curculio that some weakness is engendered, and black knot attacks them. There is no doubt that the curculio and black knot do exist together, as Mr. Hesson has stated —

Mr. Hesson.—The black knot on cherries is very recent with us.

By Mr. Platt :

Q. Does not that fact establish the theory that black knot and the curculio are separate and distinct diseases? We do not have the curculio on the cherry, and yet we have the black knot? A. They are undoubtedly distinct diseases, but we do have both curculio and black knot on the cherry as well as on the plum. Mr. Hesson has drawn attention to the curious coincidence that the two always come together. Now, we know that there are many insects which in the larval state feed on one kind of plant, while the perfect insect feeds on another kind altogether. A very injurious insect of one kind bores into the twigs of the apple. This is only the perfect beetle. When in the larval condition it lives on the grape vine. Now, I

have never seen the curculio actually eating the plum trees, but I should not be surprised if they were found to attack the bark so as to make a starting place for the disease. Black knot is an exact disease from a well recognized fungus. Cherries are occasionally attacked by the curculio in the same way as plums, but not to the same extent. Of course, the cherry and the plum are very closely allied.

By Mr. McCraney :

Q. I have noticed within the past year or two articles written by scientific men, to the effect that the practice of continually propagating from grafts is causing the failure of the apple crop. They say it weakens the propagating principle in the tree, and that we will never have again such crops as we have had. It is well known that in the western country the apple crop was a great failure last year? A. It seems to me that this practice is very analogous to that of breeding in and in with animals, and breeding from the same stock over and over again tends to weakness.

By the Chairman :

Q. Is it your opinion that this practice increases the liability to ravages of insects? A. I think it would, though I am not sufficient of a pomologist or fruit-grower to give any exact information on that point. We know that the practice of animals breeding in and in produces weakness, and I suppose the same might hold good with plants. Then, on the other hand, if you get a very fine variety of fruit it can only be preserved by grafting, for seeds will not come true. But it is a question of experiment how grafts upon two distinct stocks will be affected by being crossed again. The effect of the stock on the graft and *vice versa* is a very interesting study.

Q. What steps have you taken to make your work known amongst the farmers of the Dominion? A. The chief means of getting at the farmers, which I have yet resorted to, are: first, through the courtesy I have received from this Committee, who have allowed me to appear before them from year to year, and from the kindness of the members of Parliament, who come from all parts of the Dominion, and from whom I have received information concerning special attacks in their different constituencies. Of course the time that this work has been going on has not allowed me to become well acquainted with all the members. Then my report is published in the annual report of the Department of Agriculture, and in that way many persons apply to me for information. Then again, in reading the daily newspapers you will frequently find questions asked about injurious insects, and I generally secure additional correspondents from that source. If a man cares enough to write to a newspaper about insect attacks, he will be a useful correspondent, and will help me in my work. From all these sources I have gradually got a list of over 400 correspondents in all parts of the Dominion, who send me information with regard to insect attacks, and to whom I send copies of my reports as they are issued. The Minister has very kindly allowed me to issue a rather extensive report this year in his Annual Report, and further than that, Mr. Lowe, the Secretary of the Department, has promised me that I shall have a thousand extra copies struck off in separate form, which will enable me to send a copy to each of my correspondents, and have a considerable number left over at the end of the year for those who wish for them. I consider that I have received every courtesy from the Department in having allowed me to have these extra copies to send to my correspondents. It was an experiment by the Minister to ascertain if the work was considered of sufficient value by the public as to warrant the expenditure required to print the report. If the members of this Committee consider, on looking through the report, that it is useful, they can, of course, take what steps they deem best to suggest to the Minister any particular action with regard thereto.

By Mr. Wigle :

Q. Can you give us any information respecting the cause of the blight in pear trees? A. This disease has been studied for many years by Prof. Burrill, of Cham-

paing, Illinois, U.S., and the last experiments he has made seem to establish the theory that it is caused by bacteria. This, if there are any doctors present, may astonish them, because it has always been believed that bacteria are not the primary causes of disease. These experiments, which have been very complete in the apple and pear trees, seem to point to the fact, or rather seem to prove, that the disease is actually caused by these minute organisms, and which, it is claimed, are borne to the trees by climatic influences, and produce this disease. Prof. Burrill's experiments were brought to the notice of the American Association for the Advancement of Science, at its last meeting, and the conclusions were, I believe, endorsed by the meeting. I am now in correspondence with him with reference to a disease which is now attacking the Gravenstein apple in Nova Scotia, which seems very closely allied to this fire blight. He had not previously seen it, but he thought the indications were that it was of the same nature as fire blight. It is very infectious. If grafts are taken from trees affected in any part by this disease, they produce the same disease later on.

Q. What is the remedy for it? A. The cause has only just been discovered, but no remedy has yet been successfully applied. The subject will be examined into very carefully, and no doubt a remedy will be eventually discovered. I would like to say that Prof. Burrill advocates mulching for pear blight, but with a different object from that which is often kept in view in adopting this practice. He does it to keep the roots cool.

By Mr. Fairbank :

Q. There is a tent worm which attacks the walnut. I would like to know whether or not it attacks other trees? A. This worm comes late in the year. It is probably the fall web worm, and it does attack other trees, particularly ash trees.

Q. Does it attack fruit trees? A. Yes, occasionally.

By the Chairman :

Q. Can you give the Committee any information as to the amount of damage annually sustained by crops through the ravages of insects? A. Some years ago, in giving an estimate of the amount of injury, I put it at 10 per cent. of the whole crop. I still think that this is the very lowest estimate at which the injury can be placed.

Q. Is there any reason to believe that this damage may, to any appreciable extent, be obviated by the study of entomology? A. Yes, I believe a remedy can be found for every insect that attacks our crops. The only difficulty with entomologists is to find remedies that are both economical and practicable, and that do not take too much labor and too much expense for material. The greater number of farmers cannot afford to try expensive experiments nor to run the risk of failure, and what is wanted is a remedy that the ordinary farmer, or his hired man, can safely apply and which does not entail too great an expenditure of money and labor. Remedies are applied on general principles, which anyone can learn with ease. It is well known that insects are divided into two large groups by the form of their mouths; those which consume their food by means of mandibles, and those which suck it up in the shape of liquid juices by means of a hollow tube. Those with mandibles can be destroyed by the application of poisons to the substance of their food, while those which do not consume the substance of the plants they attack can only be treated by the use of insecticides which act by contact or owe their virulence to some volatile principle, so that there are two general principles upon which we can attack this question. With reference to the last named class of insects, the most useful remedy is Pyrethrum, but it is, at the same time, too expensive for general use. For special cases, however, as in gardens, it is quite practicable.

By Mr. Cochrane :

Q. Have you a practicable remedy for the cabbage worm? A. Yes, I think so. I believe the remedy I have just been speaking of can be used, and cabbages may be

raised profitably and successfully. It retails at a price varying from 50 to 80 cents per pound, but it happens this year to be a little higher than usual.

By Mr. McCraney:

Q. Have you any practical remedy for the currant worm? A. Hellebore is a good remedy, and it is very cheap and very easily applied.

Q. What is the cause of the grub or worm, on the pine tree, which eats into and destroys the wood after the tree dies; does it develop from the inside or from the outside? A. It is undoubtedly from the outside, but that brings up a question which you will find mentioned in my report, in my address to the Nova Scotia Fruit Growers' Association. The question suggested is, what is an injurious insect and what is a beneficial insect? We call an insect injurious simply when it destroys what we want for our own use, but the mission of all insects is to remove from the face of the earth all dead or dying matter, for which there is no further use. But it happens that in the case of the dead tree we want it for our use, and so we call any insect which destroys the wood of the tree injurious. As a matter of fact it is a beneficial insect, for if these dead trees were not removed they would choke the vegetation and prevent further growth. Now, the moment a tree dies, certain kinds of insects bore into it and open up the wood to the elements, and after awhile the tree falls down, and in a few years becomes mould again. One of the first incidents which brought entomology into public notice as an economic science and has done much to gain for it the honored position which it now holds in the world is that of which is related of the great naturalist, Linnæus. While he was in the pay of the King of Sweden, he was requested by the King to suggest a remedy for these wood-boring insects which were inflicting such serious injury on the lumber industry of that country. His answer was very simple, but answered the purpose. It was simply to put the timber out into the harbor and keep it floating there, and in that way the ravages of the insect were prevented. The wood-borers come from eggs which are laid by beetles, and hatch into soft, white grubs. These grubs eat into the tree, and remain there for a varying length of time until they mature. They then change into the quiet or chrysalis state, in which they remain for a short period, after which they come forth as perfect insects, escape from confinement, and go out to lay eggs and propagate their species.

By the Chairman:

Q. Can you suggest any means whereby the methods of destroying these insect pests, or of checking their influence may be brought before the farming community in a manner that will produce some practical results? A. I think the only means is to keep on writing letters to the newspapers and the agricultural press. I have spoken to the editor of the *Farmers' Advocate*, of London, which has a large circulation, and he has agreed to publish any letters I may write to him on the subject. Our own local papers have always been very kind in inserting any communications I send them. At the present time I have a letter for our local papers, and also for the Nova Scotia papers, on the subject of using Paris green for the Codling-moth. Then later on we shall have attacks from the Curculio, the Cabbage-worm, and other insects, and short communications will be inserted in the papers from time to time, which it is hoped the farmers will see.

By Mr. Cochran:

Q. Do you say that that powder you were speaking of will kill the cabbage worm after it has commenced its depredation in the head? A. Yes, if you syringe the plant with a solution; a tablespoonful to a bucket of water will be sufficiently strong; but it will not injure the plant, however strong it is made.

By Mr. Sproule:

Q. Is that hellebore you are speaking of? A. No, I mean Pyrethrum or Persian insect powder. It is practically harmless to the higher animals and quite safe to use, but hellebore is not.

Q. Do you mean white or black hellebore? A. White.

By Mr. Fairbank :

Q. What means would you recommend to destroy the tent worm? A. I think the most successful plan as yet is to cut out the eggs. They are laid in the summer, and remain on the trees all the winter, during which time the egg clusters are very conspicuous objects, and the eye soon becomes accustomed to seeing them on the trees. In the Lower Provinces, where the apple crop is an important industry, they tell me that their most successful plan is to go through the orchards in the winter time and cut out the eggs. I have been observing a nest of these worms in my garden and watching their habits, and I found that they went out to feed at six o'clock in the morning, and returned again at nine. They did not move again until the afternoon, when they came out and went over the tree, eating the leaves for two or three hours before going back. Just at that time I cut their career short.

Q. Can they be poisoned at that stage? A. Certainly they can be poisoned, but it is easier to cut out the branch when they are in the nest; or, if on the trunk of the tree, to crush them with some hard object.

Q. But that is frequently impracticable, owing to the size of the branch? A. Then the best plan is to spray the whole tree over. The nest is made up of a large number of layers or sheets and it is difficult and impracticable to get at the centre of the nest owing to these layers of web.

By Mr. Cochrane :

Q. Do you not think that a chief source of injury to fruit trees arises from the fact that they are killed by a process of what I would call starving out? People plant orchards, and they expect nature to go on and support the tree for all time, without any proper nourishment? A. Undoubtedly a great many people plant too many trees on the ground they set apart for an orchard. In Nova Scotia, where they are trying a great many experiments, they are in some cases going through the old orchard and cutting out every other tree, because they find the land will not support more than a certain number. There is not food enough for them. Plants are like animals—they want light and air, which are food to them, as well as good soil for their roots.

The Committee adjourned.

HOUSE OF COMMONS, 23th May, 1886.

Mr. James Fletcher, Entomologist, presented the following letter in corroboration of his statements before the Committee, on the large amount of loss inflicted upon farmers by insect pests in the destruction of clover. The Committee adopted the letter as an addendum to Mr. Fletcher's evidence.

“ OTTAWA, 27th May, 1886.

“ JAMES FLETCHER, Esq., Entomologist,
“ Department of Agriculture, Ottawa.

“ DEAR SIR,—Your remarks on the subject of weevil in clover seed before the Committee on Agriculture attracted my attention, and perhaps the following facts may be of interest to you.

“ In 1880 or 1881 we sold one hundred clover-threshing and cleaning machines at from \$300 to \$350 each. The parties who bought them found them profitable, averaging seventy-five days' work for each machine, threshing and cleaning from twenty to fifty bushels per day. In 1885 we sold only six of these machines.

“ Prior to the appearance of the weevil, there was a rapid increase in the acreage of land devoted to raising clover, chiefly for the seed. When we first introduced our machines, in 1864 we sold only six, and we were then the only manu-

facturers in Canada of a machine for threshing and cleaning clover seed at one operation. Since that time, two other manufacturers have made similar machines, so that in 1880 or 1881, I am sure there were not less than 175 of these machines sold.

"Clover seed was a very profitable crop for the farmer, the yield being from three to eight bushels per acre, and the average price about \$6 per bushel. In one year there was shipped from Bowmanville about twelve thousand bushels of seed, nearly all raised in the Township of Darlington. I have known farmers to have sixty acres and to obtain an average yield of six bushels per acre.

"Prior to the destruction of the crop by weevil, it was grown as far north as Wingham and Berrie, and east as far as Gananoque. I am confident that had the weevil not made its appearance the red-clover seed crop of Ontario by this time would have been worth one million dollars a year. I doubt if in the past year it was worth one-fifth of that amount.

"If you can succeed in preventing the weevil from destroying the crop, you will add very largely to the income of the farmers of Ontario. I have known farmers to get two tons of clover hay and obtain six bushels of seed per acre from the second crop. Valuing the hay at \$6 per ton, the two crops yielded \$48 per acre.

"I do not remember that the price of clover seed during the past twenty years has ever been less than \$4 per bushel, and I have known it worth more than \$10. Upon the average, clover seed is worth about six times the price of wheat. The cost of marketing is, therefore, very much less than that of grain.

"It has always commanded a remunerative price.

"I am, dear Sir, yours very truly,

"F. W. GLEN."