

APPENDIX

TO THE

FORTY-THIRD VOLUME

OF THE

JOURNALS OF THE HOUSE OF COMMONS

DOMINION OF CANADA

SESSION 1907-8

PART II



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST
EXCELLENT MAJESTY

1911

LIST OF APPENDICES, 1907-08

PART I.

No. 1.—Report of the Select Standing Committee on Public Accounts, as follows:—
Payments to E. A. Wallberg; Kenneth Falconer; Relating to payments in connection with Timber Agencies at Edmonton and Calgary; Respecting a payment of \$1,175 by C. F. Caldwell in connection with the purchase of, or applications to purchase Mining or Surface rights; Relating to a payment of \$74,362 to L. S. Macoun; Respecting payments aggregating \$235,272.61, Transcontinental Railway, District 'F,' Terminal and Right of Way; Respecting payments amounting to \$10,956.10 to H. E. Vautelet for services on St. Andrews Rapids Dam, Red River; Relating to a payment of \$4,000 to H. N. Cockburn *re* purchase price of Tug *Catherine C.*; Respecting a payment of \$6,960.92 to the St. John *Sun* for Printing and Lithography; Relating to purchase of 200 Sub-Target guns from the Ontario Sub-Target Gun Company; Relating to a payment of \$10 by the British American Fish Corporation and \$10 by Archibald McNee for Fishing Leases; Relating to a payment of \$3,250 to Messrs. John Birnie and J. J. Noble *re* Georgian Bay Fishery Commission; Relating to a payment of \$210,253.66 to A. F. Bowman; Relating to Souris Fish Drier; Relating to a payment of \$10,021.90 to the Office Specialty Company; Relating to a payment of \$1,077.23 to assistant's in Mr. Riopelle's office; Relating to payments in connection with Str. *Speedy*; *Re* Receipt of \$12,120 from E. Dussault & Co., in connection with services of Dredge *Progress*; Relating to a payment to Lymburner Limited; Relating to payment to Rothwell, Johnson & Stubbs.

(Printed.)

PART II.

No. 2.—Report of the Select Standing Committee on Agriculture and Colonization, as follows:—

Relating to Canadian Tobacco Products.—Evidence of Felix Charlan and others.

Relating to the Improvement of Rural Conditions.—Evidence of Jas. W. Robertson, C.M.G.

Relating to the Development of the Dairy Industry in Canada.—Evidence of Mr. J. A. Ruddick.

Sowing and Reaping.—Evidence of Mr. G. H. Clark, Seed Commissioner.

Explorations in the vicinity of the Saskatchewan River.—Evidence of Mr. William McInnis, Geologist.

Canada's Fertile Northland.—Evidence of Mr. R. E. Young.

Progress with Agricultural Experiments.—Evidence of Dr. Wm. Saunders, C.M.G.

Chemical Research in Canadian Agriculture.—Evidence of Mr. F. T. Shutt, Chemist.

Stock Feeding Experiments.—Evidence of Mr. J. H. Grisdale, Agriculturist.

Housing, Breeding and Feeding of Poultry.—Evidence of Mr. A. G. Gilbert.

Growing of Forest Trees in Plantations—Fruit Culture.—Evidence of Mr. W. T. Macoun, Horticulturist.

Canadian Immigration.—Evidence of Mr. W. D. Scott, Superintendent.

Medical Examination and Health of Immigrants.—Evidence of Dr. P. H. Bryce.
(Printed.)

No. 3.—Report of Select Standing Committee on Privileges and Elections, as follows:
Inquiry into loss from office of the Clerk of the Crown in Chancery of certain papers relating to the recent election in Stanstead. *See Journals for Reports of Committee thereon; also Votes and Proceedings, pp. 1063 and 1111.*
(Not printed.)

No. 4.—Report of Select Committee on Bill No. 12, An Act to amend the Canada Shipping Act, recommending certain amendments. *See Journals for Reports of Committee thereon; also Votes and Proceedings, pp. 479, 508, 1155.*
(Not printed.)

No. 5.—Report of Special Committee to investigate Major Hodgins' Charges, regarding over-classification of materials in the construction of the National Transcontinental Railway. *See Journals of the House; also Votes and Proceedings, pp. 999, 1216-1218, 1307, 1310, 1311.*
(Printed in Part II.)

No. 6.—Report of Select Committee to investigate the conditions and guarantees under which the Government paid moneys to the Quebec Bridge Company. *See Journals of the House; also Votes and Proceedings, pp. 1443, 1446-1450.*
(Printed in Part II.)

REPORT
OF THE
SELECT STANDING COMMITTEE
ON
AGRICULTURE AND COLONIZATION

FOURTH SESSION, TENTH PARLIAMENT

1907-8

PRINTED BY ORDER OF PARLIAMENT



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST
EXCELLENT MAJESTY

1909

TABLE OF CONTENTS

	PAGE.
THE COMMITTEE	ix
THE COMMITTEE'S FINAL REPORT	xi

EVIDENCE

PART I.

AGRICULTURE

CONTENTS.

CANADIAN TOBACCO PRODUCTS, pp. 1-80.

Evidence of the following:—

Mr. Felix Charlan	1-12
“ Darius Wigle	12-25
“ Lewis Wigle	25-46
“ Jerry O'Brien	46-51
“ Whitson Baldwin	51-57
“ Peter Lamarsh	58-62
“ Louis V. Labelle	63-76
“ J. B. Dugas	76-80

JAS. W. ROBERTSON, LL.D., C.M.G., Principal, Macdonald College	81
--	----

THE IMPROVEMENT OF RURAL CONDITIONS, pp. 81-97.

The Macdonald College Laboratories	82
Cereal Husbandry	83
The Poultry Department	84
Eggs from Damaged Wheat	85
Macdonald College Tripods	89
Tendency towards Rural Life	89
Are we Going Up or Down?	90
Is Waste Necessary?	90
A Great Heritage	91
Progress in Yields per Acre	92
Instances from School Gardens	92
The Organization of Illustrations	94
Instance from Denmark	95
Outline of Scheme for Illustrations	96

	PAGE.
Mr. J. A. RUDDICK, Dairy and Cold Storage Commissioner.	99

DEVELOPMENT OF THE DAIRY INDUSTRY IN CANADA, pp. 99-111

Growth of Co-operative Dairying in Canada.	99
Cheese Factories and Creameries in Canada, 1907.	100
The Factory System does not Indicate Growth of the Industry.	100
Exports, years ending June 30, 1903, and March 31, 1908.	101
Condensed Milk.	103
Imports and Exports of Condensed Milk	103
Estimated Total Value of the Annual Production of Milk and Milk Products in Canada.	104
Value of the Creamery Butter and Cheese Produced in Certain Counties in 1907	105
Cow Testing Association.	106
Experiments in Caring for Milk.	106
Markets for Dairy Produce.	106
Shipment of Green Cheese.	107
The Third International Dairy Congress.	109

Mr. G. H. CLARK, Seed Commissioner.	113
---	-----

SOWING AND REAPING, pp. 113-122.

The Wheat Crop of 1907 in Western Canada.	113
Narrow-minded Conceptions.	114
The Grain Crop of Great Britain in 1907.	114
Seeding the Soil.	115
Supplementing Seed Supply for 1908.	118

Mr. WILLIAM McINNES, Geologist.	123
---	-----

*EXPLORATIONS IN THE VICINITY OF THE SASKATCHEWAN RIVER,
pp. 123-142.*

Region Drained by Carrot and Pasquia Rivers	124
Sipanock Channel	125
Saskatchewan River.	126
Character of Country between Norway House and Cross Lake.	133
Table of Temperatures in Region Northwest of Lake Winnipeg, Summer 1906. .	139
Abstract of Meteorological Observations, 1906.	141

Mr. R. E. YOUNG, Superintendent of Railway Lands	143
--	-----

CANADA'S FERTILE NORTHLAND, pp. 143-190.

Railway facilities.	143, 154
Population.	144
Area of wheat under cultivation.	144
Area of land available for settlement.	146
Climatic conditions.	147

APPENDIX No. 2

	PAGE.
Statistics with regard to Siberia	148
Sources of wealth in the north country	151
Enormous quantities of fish	152
Acreage of good agricultural land	155

Timber:

The timber belt of the North	157
Barren lands	157
Northwest Territories—North of Manitoba	158
Province of Saskatchewan	167
Province of Alberta	171
Peace River Country	174
Lake Athabaska	178
Slave Lake	179
Great Slave Lake	180
Mackenzie River	182
Mackenzie Basin	183
General remarks	184
Great Bear Lake	186
Rivers of Arctic Basin	188

Dr. WM. SAUNDERS, C.M.G., Director Dominion Experimental Farms	191
--	-----

PROGRESS WITH AGRICULTURAL EXPERIMENTS, pp. 191-204.

Ontario	191
Quebec	191
Nova Scotia	191
Manitoba	192
Saskatchewan	192
Alberta	192
British Columbia	192
Manitoba	196
Returns from Experimental Farms	192, 193, 194, 195
Feeding of pigs on frozen wheat	196
Progress at the Lethbridge Experimental Farm	199
The distribution of samples of seed grain	202
Experiments in the Peace River Country	204

Mr. FRANK T. SHUTT, Chemist	207
---------------------------------------	-----

CHEMICAL RESEARCH IN CANADIAN AGRICULTURE, pp. 207-224

Probable Value of Pease as a crop for the maintenance of soil fertility in the Northwest	208
Pease from Central Experimental Farm Orchard	209
Improvement of Muck Soils	213
Alkali soils	215
Influence of Soil Moisture on the Quality of Wheat	216
Composition of Wheats—Season 1905	216
Water in breaking and summer fallow soils at Valley River, Man., 1906	217
Composition of Wheats—Season 1906	217

	PAGE.
The Potato Scab	218
The feeding value of frozen wheat	219
Feeding value of screenings	220
Analyses of screenings	220
Examination of Feeding Stuffs	221
Roots and Sugar Beets	221
Mangels	221
Carrots	221
Turnips	222
Sugar Beets	222
Insecticides and Fungicides	223
New forms of kerosene emulsions	223
Bordeaux-Kerosene Emulsion with flour	223
Well waters from farms	224
Mr. J. H. GRISDALE, Agriculturist	225

STOCK FEEDING EXPERIMENTS, pp. 225-239

General Remarks	225
The Right Age	226
The Season for feeding	227
Housing	227
Preparation for Feeding	228
Mealng the Steers	228
Short versus Long Feed Steers	230
Finishing on Grass	231
Outside Feeding	234
Influence of Good Breeding	234
Frozen Wheat for Beef Production	236
Summer Feeding in Stable	239

Mr. A. G. GILBERT, Poultry Manager, Central Experimental Farm	251
---	-----

HOUSING, BREEDING AND FEEDING OF POULTRY, pp. 251-278.

Winter poultry houses	251
Valuable experience at a northern point	252
Different methods of fattening chickens	256
Different conditions in different provinces	259
Important change in the system of breeding our birds	261
Trap nests and farmers	261
Quality of eggs	262
Changes in the methods of feeding	265
Care of breeding stock	266
The feeding of meat	266
What experience has shown to be the best varieties of fowls for farmers, from the standpoints of eggs and flesh	267
Knowledge of poultry-keeping necessary to success	267
How many fowls should a farmer keep	267
Keeping turkeys	268
Best fowls for the farmer	269

APPENDIX No. 2

	PAGE.
Hens should lay in winter	269
Varieties kept at the Farm	269
Strains important	269
Why not name other varieties	270
The proper feeding of poultry	270
A suitable winter ration	270
To whom to sell the eggs	271
Proper food and treatment for young chickens	272
A fattening ration	273
The moulting period	273
Increased interest in poultry-keeping	274
Some details of experimental work	274
Information as to turkeys, geese and ducks	275
Turkeys:	
Proper rations	275
To fatten	276
Plucking and dressing	276
Packing	276
Shipping birds in feather	277
Ducks:	
Rations	277
Fattening	277
Killing and picking	277
Geese:	
Rations	278
Killing, plucking and dressing	278
Notes	278
 Mr. W. T. MACOUN, Horticulturist.	 281
 <i>GROWING OF FOREST TREES IN PLANTATIONS—FRUIT CULTURE,</i> <i>pp. 281-319.</i>	
Experiments with forest trees at the Central Experimental Farm, Ottawa	281
Best distance apart to plant trees	282
Best size of tree to plant.	283
Rate of growth of forest trees	283
Table showing growth of trees in forest belts, at Central Experimental Farm.	284
Influence of forest trees on one another	284
Leaf blight of horse chestnut—Pear blight—Apple spot	287
Parts of the farm suitable for plantations	288
How to propagate pines and other evergreens from the seed	289
Time of planting forest trees—care required	290
The improvement of the home grounds	293
Making the lawn	293
Planting the home grounds	294
How to transplant a tree or shrub	297
The flower garden	298
Experiments in fruit culture at the Central Experimental Farm, Ottawa	300
Apples originated at the Central Experimental Farm.	301
Varieties of apples to plant in best apple districts of Ontario	302
Distance apart to plant apple trees; soil; cultivation	303

	PAGE.
Example of descriptive record kept of apples originated at the Central Experimental Farm	305
Propagation by grafting and budding	307
Stocks	307
Scions	309
Root grafting	309
Crown grafting	310
Top-grafting	310
Budding	312
Tools and appliances used in pruning and grafting	313
The nursery	314
How to cross varieties of fruits	316
Pollination of apples	317

PART II.

IMMIGRATION AND COLONIZATION.

Mr. W. D. SCOTT, Superintendent of Immigration	323
--	-----

CANADIAN IMMIGRATION.

Methods employed	323
Number of Immigrants on whom bonus paid	324
Immigration from the British Isles	325
Child bonuses	327
Icelandic bonuses	327
Continental bonuses	327
British bonuses	329
Payment of bonuses to booking agents	331
System of checking bonus claims	334
Bonus claims of agents disallowed	335
Circulars to booking agents	336, 337, 358
Form of certificates	342
Medical examination of Immigrants	345
Number of booking agents presenting claims	349
Majority of booking agents in Agricultural districts	350
System adopted in paying bonuses	353
Order in Council increasing amount of bonus	359
Number of Immigrants debarred	364
Number of Immigrants deported	365

Dr. P. H. BRYCE, Medical Superintendent	389
---	-----

MEDICAL EXAMINATION AND HEALTH OF IMMIGRANTS.

System of examination at ocean ports	389
Trachoma	394
Procedure in deportation of undesirable immigrants	404
Blank certificate form as used in Great Britain by all assisted emigration.	407

<i>RESOLUTIONS ADOPTED BY THE COMMITTEE</i>	409
---	-----

<i>INTERIM REPORTS</i>	411
----------------------------------	-----

THE COMMITTEE.

(P. H. McKENZIE, Esq., *Chairman.*)

Messieurs:

Adamson,	Greenway,	Morin,
Archambault,	Gunn,	Oliver,
Armstrong,	Henderson,	Owen,
Barr,	Herron,	Paquet,
Beauparlant,	Hughes (<i>King's P.E.I.</i>),	Parent,
Béland,	Hughes (<i>Victoria</i>),	Pickup,
Bergeron,	Hunt,	Proulx,
Black,	Jackson (<i>Elgin</i>),	Ratz,
Blain,	Jackson (<i>Selkirk</i>),	Reid (<i>Grenville</i>),
Bourassa,	Kennedy,	Roche (<i>Marquette</i>),
Bourbonnais,	Knowles,	Ross (<i>Rimouski</i>),
Boyer,	Lachance,	Ross (<i>Yale-Cariboo</i>),
Brabazon,	Lake,	Rousseau,
Broder,	Lalor,	Savoie,
Brown,	Lanctot	Schaffner,
Bureau,	(<i>Laprairie-Napierville</i>),	Schell (<i>Glengarry</i>),
Burrows,	Laurier (<i>L'Assomption</i>),	Schell (<i>Oxford</i>),
Caldwell,	Lavergne	Seagram,
Calvert,	(<i>Drummond & Arth.</i>),	Sinclair,
Carney,	LeBlanc,	Smith (<i>Nanaimo</i>),
Carrier,	Lennox,	Smith (<i>Oxford</i>),
Carvell,	Léonard,	Smith (<i>Wentworth</i>),
Cash,	Lewis,	Sproule,
Chisholm (<i>Antigonish</i>),	Lovell,	Stanfield,
Chisholm (<i>Huron</i>),	Macdonald,	Staples,
Christie,	MacLaren,	Talbot,
Clare,	Maclean (<i>Lunenburg</i>),	Taylor,
Clarke,	McCarthy (<i>Calgary</i>),	Telford,
Clements,	McCcoll,	Templeman,
Conmee,	McCool,	Thompson,
Copp,	McCraney,	Tobin,
Crawford,	McIntyre (<i>Perth</i>),	Tolmie,
Crocket,	McIntyre (<i>Strathcona</i>),	Turcotte,
Cyr,	McKenzie,	Turgeon,
Delisle,	McLean (<i>Queen's, P.E.I.</i>),	Turriff,
Desjardins,	McLean (<i>Entre York</i>),	Walsh (<i>Huntingdon</i>),
Devlin,	McLennan,	Ward,
Dugas,	Major,	Watson,
Elson,	Marcile (<i>Bagot</i>),	White,
Ethier,	Marshall,	Wilmot,
Finlay,	Martin (<i>Queen's, P.E.I.</i>),	Wilson
Finlayson,	Martin (<i>Wellington</i>),	(<i>Lennox & Addington</i>),
Fisher,	Mayrand,	Wilson (<i>Russell</i>),
Gauvreau,	Meigs,	Worthington,
Girard,	Miller,	Wright (<i>Muskoka</i>),
Gordon,	Monk,	Wright (<i>Renfrew</i>),

REPORT.

The Select Standing Committee on Agriculture and Colonization present their Third and Final Report, as follows:—

The Committee have had mainly under consideration in the current Session of Parliament, matters pertaining to the interest of practical agriculture in Eastern Canada, and the areas available for colonization by agriculturists in the Great West and Northwest Provinces and Territories of the Dominion.

EXPLORATIONS IN 1907.

Under the head of scientific explorations in the last year, the Committee have had evidence submitted by Mr. William McInnes, Geologist, of the Geological Survey Branch of the Dominion Government, Department of Interior, of his personal exploration of the large area lying to the south of the Saskatchewan River and the Canadian Northern Railway Company's Prince Albert branch line, and of the great expanse of country lying immediately to the south of the Saskatchewan, and drained by the Carrot and Pasquia Rivers, a region of which, the witness says, that it contains excellent lands for the purpose of general agriculture.

To Mr. McInnes' evidence is appended a valuable record kept by himself, of temperatures in the regions explored by him in 1906 and 1907; those tables are valuable indices to the capabilities of the regions indicated for wheat rising, in so far as climatic conditions are contributory to successful agriculture.

Mr. R. E. Young, Dominion Land Surveyor, and Superintendent of Railway Lands, who has spent twenty years in the West and Northwest of Canada, gave valuable evidence before the Committee on the agricultural resources and present condition of the country. He points out that wheat is successfully raised at Fort Simpson, which is 900 miles directly north of the International Boundary, and 500 miles north of Edmonton. To this Mr. Young naively adds the remark, 'We are in a position to show that the Dominion has broadened considerably from what it was twenty years ago.'

Mr. Thompson, M.P., for the Yukon Territory, presented for examination by the Committee, a sample of white oats of the crop of 1907, grown on a farm in 63 degrees north latitude, in the Valley of the Yukon River. This sample was submitted for analysis to Mr. Clark, Seed Commissioner of the Department of Agriculture, who reports as follows:—'I have, as requested, made a careful test to determine the natural weight per given volume of these oats and find it 46 pounds to the bushel. I consider this an exceptionally fine sample of white oats of superior milling qualities.'

EASTERN CANADA.

The Committee had an exhaustive investigation into the industry of tobacco leaf cultivation in Canada. This branch of agricultural production is mainly confined to the southwest peninsula of Ontario and to the central portions of the Province of Quebec.

The evidence submitted to the Committee was by experts in the growing and curing of various species of tobacco leaf, each distinguished by a specific name and distinguished for its adaptability to some of the various manufactured products such as smoking tobacco, chewing tobacco, &c., &c.

These are claimed by the several witnesses examined to be quite equal in quality to the corresponding names of imported tobacco leaf from any part of the United States and adapted to the various manufactured tobacco products.

The total amount of Canadian tobacco leaf manufactured in Canada is placed at 4,000,000 pounds and the total consumption of manufactured tobacco in Canada is variously estimated at from 15,000,000 to 20,000,000 pounds, that is, the total consumption, and it is claimed that the whole of this could be more than produced from Canadian soil, with a large surplus to spare for export. There is a peculiar feature in regard to the consumption of native grown tobacco in Canada, that is, a large quantity of it is consumed in the raw leaf, of which there is no accounting or estimate.

The evidence submitted at this investigation is of much interest to either actual or prospective growers, to manufacturers, and as a speculative study, as to what the tobacco production in Canada may show as an asset amongst the agricultural productions of the country, in the near future.

THE DAIRY INDUSTRY.

Mr. J. A. Ruddick, Dairy and Cold Storage Commissioner, gave evidence before the Committee on the progress and present status of the dairying industry in Canada. The dairying industry is well established in every province of the Dominion, but Ontario and Quebec continue to be the great centre of this important branch of farming. The settlers of Northern Alberta appear to be developing the dairy industry to a greater extent than those of any other western province, and this section promises to be a very important district in the future. The western provinces do not make enough dairy produce to supply their own needs, and draw largely from Ontario and Quebec to make up the shortage.

Good prices have ruled for butter and cheese during the past year, and except for the dry weather in certain districts and consequent shortage of feed, the season of 1907 was a very satisfactory one to the dairy farmers. The prospects continue good for the present season.

It was gratifying to the Committee to learn from Mr. Ruddick's evidence that, although the exports of dairy produce, mainly butter and cheese, have declined to the extent of over seven million dollars since 1903, in which year our exports and dairy produce reached the maximum, the increase in the consumption of milk, butter, cheese and condensed milk in Canada amounts to several million dollars more than the decline in the exports. Other figures, quoted from the recent census returns, show that the value of creamery butter and cheese only, produced in 1907, exceeded in value by over five million dollars that of 1900, and shows an increase of over two million dollars since 1905.

The total annual production of dairy produce in Canada is estimated to be nearly \$100,000,000, divided as follows:—

Creamery butter and cheese	\$36,000,000
Dairy butter	22,000,000
Condensed milk	1,000,000
Milk for direct consumption	35,000,000
Total	\$94,000,000

The Committee was informed that the condensed milk industry is making considerable growth in Canada.

A HOPEFUL PROSPECTIVE.

The Committee regards it as matter for general congratulations that schools and colleges are multiplying for the technical and practical education of young men following the pursuit of agriculture, and for the training of young women in the practice of domestic science, in other words, in the knowledge of good housekeeping, in its multiplicity of details. Such education imparts to both sexes the dignity of profes-

APPENDIX No. 2

sionals in the noble employment of promoting human happiness and in augmenting all that is desirable in the physical and moral life of humanity, and this is especially true in reference to the improvements of the conditions of rural life.

The Committee had the pleasure of ocular demonstration of the hold that these two branches of education has gained in popular estimation, when on the 13th June ult., by the invitation of Dr. Robertson, C.M.G., President of the Macdonald College, Ste. Anne de Bellevue. the Committee and as many Members of Parliament as chose to avail themselves of the opportunity, paid a visit to this great institution for the teaching of agriculture and domestic science. Here the guests of the day were cordially welcomed and bounteously entertained by President Robertson personally. The college grounds are spacious, consisting of about 650 acres. The college buildings, present an almost regal appearance in their magnificent spaciousness, solidity of structure, architectural design and adaptation to the divisions of the college work. The existence of the institution, grounds, buildings and equipment, is entirely due to the philanthropical munificence of Sir William C. Macdonald, who has spent two and a half million dollars upon the completion of the college and its appurtenances. Besides which Sir William has transferred to the college trustees, two millions of dollars as an endowment fund. So much of his wealth, time and energy has Sir William C. Macdonald spent solely and without hope of personal reward, for the perpetual advancement and improvement in the conditions of rural life.

Taking into consideration the facts of the case, and the existence of smaller institutions working along on similar lines, the Committee regard the outlook for the perpetual prosperity of the farmers in Canada, as assured.

COLONIZATION.

The Committee have had under review the immigration into Canada and the colonization thereof for the year, together with the agencies and methods pursued for the obtaining of immigration from the agricultural classes, and the evidence taken thereon is appended as part second hereto, which together with all evidence taken by the Committee in the current Session of Parliament is appended hereto as an essential portion of the Report.

P. H. MCKENZIE,
Chairman.

HOUSE OF COMMONS, July 18, 1908.

CANADIAN TOBACCO PRODUCTS.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

WEDNESDAY, March 25, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock a.m., Mr. McKenzie, chairman, presiding.

THE CHAIRMAN.—The business before the committee to-day is the consideration of the tobacco industry in this country. The growth and manufacture of tobacco is a comparatively new industry in Canada and it is one that from all appearances can be made a success. The Department of Agriculture has so considered and has been devoting considerable attention to the matter. In order to develop the industry Mr. Charlan was put in charge of that work for the Dominion. That gentleman is with us to-day. Gentlemen interested in the tobacco industry are also present from the western part of the province of Ontario and also from the province of Quebec. They will place before you statements as to what is being done, and what ought to be done, in the interest of the development of tobacco growing in Canada. I have very much pleasure in introducing to the committee Mr. Felix Charlan, Chief of the Tobacco division, Department of Agriculture, who will address the committee in French, after which a translation into English of his evidence will be furnished by the official translator of the department.

MR. CHAIRMAN AND GENTLEMEN,—Last year I had the honour to lay before you the situation of the tobacco industry in Canada, and I endeavoured to give you an idea of the probable future of this industry.

With the results obtained at our various experimental fields, during the year 1907, in spite of unfavourable weather conditions, I am now in a better position to say what course should be followed in order to insure a speedy development of our industry.

VARIETIES OF TOBACCO.

Our experiments dealt chiefly with varieties. In some parts of Canada, owing to prevailing climatic conditions, it is evident that we cannot grow varieties which, after being transplanted, require more than 90 days to complete their development. But these conditions are not peculiar to our country. The same conditions largely prevail in some tobacco districts of the United States (Wisconsin, for instance) which are considered, and rightly so, as the most prosperous districts of the neighbouring Republic.

EXPERIMENTS CONDUCTED IN QUEBEC, 1907.

Three varieties of tobacco were tried in the Province of Quebec in 1907. These varieties are: Comstock Spanish, Havana Seed Leaf and Connecticut Seed Leaf. The first of these—the Comstock Spanish—has been a great money maker in Wisconsin, and produces at the present time most of the binder tobacco imported into Canada. The results of the trial of this particular variety in Quebec were very satisfactory, and it is no longer doubtful that we may, in the east of Canada, put it to the same uses as in Wisconsin, that is the production binders.

In Canada the product of this variety shows good quality, the leaf has a good shape, it is firm, elastic, sometimes finer than the leaf of the same variety in Wisconsin. It is more like the Connecticut product. To make the growing of this variety as profitable as it should be we must endeavour to obtain a heavier yield per acre, and to have the products properly graded and cured in order to facilitate their sale and their uses. This we are now endeavouring to do, as will be shown later.

Good results were obtained from the variety Havana Seed Leaf. This is a variety from which the Comstock Spanish originated, and it is a difficult matter to distinguish it from the latter, as the shape of the leaf is very nearly similar. The yield is also about the same for these two varieties. In Wisconsin, the Comstock Spanish has the reputation of giving a finer quality of tissue than the Havana Seed leaf, and it is also claimed that the sweating process, with this variety, give more satisfactory results, but in the present state of our industry in Canada, we have not been able to verify these claims. Canadian growers make very little difference between these two varieties, and they are regarded by packers as very nearly equal.

As to the Connecticut Seed leaf, the plantations of this variety suffered considerably owing to the unfavourable weather conditions of the year 1907. While other varieties reach their full development, after transplanting, in 75 or 80 days, the Connecticut requires 90 or 95 days in an ordinary year. Therefore, in a cool year, the growing of Connecticut is very uncertain.

In the Province of Quebec Connecticut Seed leaf has made very slow growth, the yield being exceedingly light. The farmers of Quebec will do well to be very cautious about growing this variety until we have been able to develop an earlier strain.

The popularity of the Connecticut Seed leaf among growers comes from the heavy yields which may be obtained from this variety, in favourable years. Until recent years the weight of the leaf was considered a matter of greater importance than the quality; so, while the products of this variety in the United States are suitable for the manufacture of cigars, in Canada they can only be used for pipe purposes.

Under such circumstances, the growing of the Connecticut Seed leaf ceases to be profitable, as earlier varieties, quite as good yielders, if not superior, may be utilized for pipe smoking, such as the General Grant, Blue Pryor, some improved Ohios, or even the Big-Havana, which has a better aroma than the Connecticut.

Grown as it is at present in Canada, the Connecticut variety yields only a light proportion of 'binders', and a large proportion of thick and tasteless products, the utilization and marketing of which cannot be effected without the greatest difficulty. Such a crop leaves a very poor profit to the grower. Under similar treatment the Comstock and Havana Seed leaf are profitable, as the leaves which are too thick to be used as binders, may, when sweated be utilized as fillers, or at any rate as excellent pipe tobacco.

Small plantations of General Grant were also tried in Quebec in 1907. This variety gave good results, so far as the yield and the quality were concerned. We also had an experiment of Ohio Seed leaf, a well developed and comparatively early variety, likely to answer the needs of the growers who are after heavy yields. This variety will be experimented with on a larger scale in 1908, so that we may have definite information as to its value. If it remains as early as it is now, this variety may possibly take the place of the Connecticut.

Whatever criticisms may be made against some of the varieties at present grown in Quebec, we must not undertake to substitute better ones until our industry gets firmly established, and until we know definitely what the needs of this industry are. Meanwhile, however, we may try to do away with the most undesirable varieties or those that are not likely to meet these needs. We hope to do so with our illustration plots, and by distributing seeds of improved strains.

To conclude, the results of the experiments with Comstock Spanish, Havana Seed leaf and Connecticut show that the first two varieties are the most suitable for the

APPENDIX No. 2

climate of the province of Quebec. Furthermore, they are looked upon with favour by the men who are thinking of establishing some packing houses in this country. Therefore their prospects are bright.

ONTARIO.

The same varieties were tried in the province of Ontario. The results obtained were not conclusive owing to various causes. The weather was not favourable, and some errors were made by the growers in the handling of the crop, as regards topping and date of harvesting, the farmers of Essex county not being used to these varieties of tobacco. Although careful instructions were issued in due time, the plants were topped too late, and harvested also too late, when over ripe. Such mistakes can be easily avoided, and it is not likely that they will occur again.

However, the Ontario farmers who conducted these experiments have been able to ascertain that these varieties are easily grown, the recovery of the plants after transplanting was better than with the Burley, thus decreasing the expense connected with the work of setting out.

It is not possible to say from these results whether the seed leaf varieties will make as good a showing in regard to quality of tissue and aroma, in Ontario as in some parts of Quebec, but I think it is advisable to continue the experiments.

A very interesting variety is the Big Havana, imported from Cuba, which has been tried by a Leamington grower. Although a little coarse, the products are, nevertheless, very fine, and might be used as fillers if the original aroma were preserved. We will be able to get definite information if, as we hope, we succeed in having a part of this crop cured.

NOTES ON THE YIELD IN WEIGHT.

The most noteworthy fact observed in 1907 is the large variation in the yield of crop per acre with tobaccos of the same variety, in different parts of Canada. In some districts the experimental plots gave only 1,000 lbs. per acre; while in other districts the yield was as high as 1,400 to 1,500 lbs. per acre.

As the cost of growing an acre of tobacco rarely falls below \$40 or \$45 per acre, a crop of 1,000 lbs. of tobacco, sold at the average price of 8 cents per pound, does not leave much profit. It should also be noticed that this plant requires minute care during its period of growth, that the curing and the marketing of the product involve some risk.

Should these low yields be attributed to the impoverishment of the soil, or to the mode of farming, in spite of the contrary opinion of the farmers? This problem awaits solution, and offers a vast field for experiments. This work we expect to take up at once. We will experiment with the various fertilizers that can be had in Canada, and we will also try more intensive cultivation of the soil.

At the Experimental Farm, on a rather light soil, heavily manured, we have obtained with the Comstock Spanish, yields varying between 1,400 and 1,800 lbs. per acre, according to the distance between the plants. Such yields should be the average, so that the growing of the seed leaf varieties might be really profitable. Much remains to be done in this connection.

ADVANTAGE OF PRODUCING SEED IN CANADA.

We have another duty to perform: that of inducing Canadian farmers to use only pure seed. We have not the slightest means of control over the dealers in tobacco seed. Often after the plants are set out, a large proportion of them are found to be not true to type. This is a source of annoyance to the manufacturer, who often experiences considerable difficulty in getting a sufficient supply of tobacco of uniform type. It is also a great drawback for the farmer; for should he use for seeding the

8 EDWARD VII., A. 1908

seed which he has obtained from such a plantation, he will soon get nothing but products of indefinite type, unmarketable.

In order to form an opinion, by personal observation, of their reliability, I visited last year some of the seed growers' establishments from which the farmers had been getting their supplies. This is not the time nor the place to give an idea of the conditions under which these firms operate, but I came to the conclusion that it will be safer to do without these sources of supply in the future.

The farmer who produces his own seed will have to exercise care so as to protect the seed bearing plants against cross-fertilization. With such care, and with careful selection, he will then be able to improve his varieties and strains of tobacco. The effects of selection are well known and we propose to encourage the farmers to take up this practice along with the production of seeds.

We have already given information along those lines in some districts, and this year we will be able to judge whether the farmers have acted upon this information and with what results.

Seed leaf varieties easily ripen their seeds in Canada, and knowing, by actual observation that the seed obtained in some districts of Quebec yields products which cannot be distinguished—at least during the first few generations—from the products of American seed, I think it would be greatly to the advantage of the Canadian farmer to produce his own tobacco seed. He will thus avoid the disagreeable surprises which so often attend the use of seeds prepared and sold by careless dealers, or due to the lack of care in seed production in foreign countries, in seed farms beyond our control. This may also result in the establishment of real Canadian varieties, well adapted to our soils and climates.

Information along the above lines was given to the tobacco growers in a special series of meetings recently organized for this purpose.

What I have just said about the seed leaf varieties grown in Quebec applies with equal force to the tobacco grown in the province of Ontario, particularly the Burley. We should be able to develop, from improved strains, Canadian types, well adapted to the climatic and soil conditions of Essex and Kent.

These new types will probably differ very little from similar American tobacco, and should be in great demand by our industry; they may also find a market in foreign countries. I may say also, that, with the high reputation of the Ontario Burleys, this undertaking will be rather easy and the success seems certain.

BRITISH COLUMBIA TOBACCO.

Last year the attention of the committee was called to the growing of tobacco in British Columbia. I had the opportunity in the fall of visiting the valley of Kelowna, and of looking over the districts in which tobacco is being grown.

The tobacco I saw in Kelowna is grown from seed imported from Cuba, and renewed every third year. The quality of the products is such that they may, up to a certain extent, be compared to second class Havana. They would do splendidly as fillers for domestic cigars, which might command a relatively high price; and if—as is claimed by some opponents of Canadian tobacco—the Quebec seed leaf could never be utilized except as binders in the manufacture of cigars, the British Columbia tobacco will supply the fillers. We have now, therefore, leaving out the wrappers, which generally consists of a Sumatra or Java leaf, all the elements necessary in the cigar manufacturing industry, viz.: fillers in British Columbia, binders in Quebec (Comstock and Havana seed leaf).

It is not yet known whether this industry can be carried on profitably in British Columbia owing to the price and the scarcity of help. However, a company with rather powerful means has just organized in Kelowna for the purpose of developing the growing of tobacco on a truly rational and commercial basis, and we will soon be in a position to know what future is in store for the tobacco growing industry in the Okanagan valley proper, or on the hills of various heights which surround it, and in

APPENDIX No. 2

which many good soils are to be found. The irrigation will have to be studied closely, and may give very good results. The company proposes to experiment with the growing of tobacco under canvas covers, and there is hope that the latter may prove advantageous.

HOME TOBACCO AND CANADIAN INDUSTRY.

The proposed change in the legislation regulating the entry of tobacco into Canada, and in the manufactures of the country, has been the object of much discussion during the course of last year.

The question, involving as it does, chiefly the manufacturing interests, does not concern our work. However, it seems to me that it may be examined from a purely Canadian, and purely agricultural point of view, which has not been done so far. Looking at it from this point of view, we may say that the most important side of the question has been overlooked.

The annual production of tobacco in Canada has been estimated, in an approximate manner, to be about 10,000,000 of pounds. This figure seems rather high if it applies only to tobacco which is the object of a real trade and not to the tobacco sold in uncontrollable quantities on the markets of the province of Quebec by the farmers who retail their own crop to the consumers.

Until recently the production of tobacco in Canada has not been the object of careful statistics. The correctness of some estimates may be judged from the fact that in 1907 the light crop of Ontario was estimated to be 1,000,000 lbs. more than the crop of 1906, whereas as a matter of fact, it turned out to be one quarter less than the crop of 1906, owing to the limited plantations and unfavourable weather conditions. We hope to be in a position in the near future to avoid such mistakes, the Minister of Agriculture having admitted the necessity of collecting special tobacco statistics, which will give us a more correct idea as to the total production of the country.

The chief objection brought forward against the proposed change in the legislation, (increase of the duties or modification in the mode of collection of excise duty) is that any measure tending to encourage the growing of home tobacco, might prove disastrous, on account of the large proportion of products unsuitable for the manufacturing industry, and on account of the changes that would have to be effected in the management of factories.

Now, supposing that the estimate of 10,000,000 lbs. above referred to is correct, what is, out of this total, the proportion of really inferior tobacco said to be unsuitable for manufacturing purposes? Surely this qualification does not apply to the Burleys of Ontario, which form half of the total production of Canada and have made a good reputation for themselves; nor to the class of heavy Quebec products manufactured into plugs or for pipe smoking, and which were never intended to be used in the manufacture of cigars; nor to the small varieties called Canadian Canelle, Petit Rouge, intended for a special class of customers, and which are not produced in sufficient quantity to meet the demand. The only products about the quality of which there might be some doubt are the so-called cigar tobaccos, produced only in Rouville, Montcalm and Joliette counties, in quantities not exceeding 1,000,000 lbs.

If the latter products are of a very low grade of quality, they will never be utilized in the manufacture of cigars, or, in any case, only for very common cigars which could never find favour with the Canadian public, generally very critical. The growing of this tobacco will therefore have to be abandoned, in spite of any encouragement to the contrary, and the farmers will be compelled to return to the production of smoking and chewing tobaccos.

It may perhaps be claimed that these Quebec cigar tobaccos do not show as well as the products of similar varieties grown in foreign countries. But it must not be forgotten that the lack of experienced packers and of thoroughly equipped packing houses may, to a large extent, be responsible for the poor showing of these products.

Give them suitable treatment, and they may still compare favourably with some imported tobacco. There is no reason then to refuse to protect our growers. If the packing industry can alone put these tobaccos into proper shape why not encourage its establishment in Canada?

But we are also aware that a large proportion of seed leaf products, grown in Canada, may be used as binders. A conclusive proof of this is to be found in the fact that some Connecticut packers, impressed with the quality of our products, have expressed a desire to start business in Canada.

Some Canadian manufacturers have gone even further: they assert that some of the Comstock Spanish and Havana seed leaf grown in Quebec could make excellent fillers; for ordinary cigars, of course.

Leaving the question of taste aside, I am of the opinion that a large proportion of such fillers would be of as good quality as imported fillers used in the manufacture of five cent cigars. The American smoker often pays ten cents apiece for cigars manufactured with tobacco grown in Pennsylvania and Connecticut without the slightest trace of Havana. It would be quite as easy to educate the taste of the Canadian public as that of the American public. Provided that a good quality of product is used, and this product is well prepared, our domestic cigars, although different in taste from the Havana cigars, are nevertheless very agreeable and may suit a certain class of consumers.

If, however, I am taxed with exaggeration in endorsing the views of such manufacturers, let us abandon for a moment—waiting for the proof to be made later—the idea that Quebec tobacco may ever be utilized as fillers. The fact remains that this tobacco—or at least a large proportion of it—may make excellent binders, quite equal, in this respect, to the Wisconsin and Pennsylvania products.

As to the fillers, the establishment of the tobacco growing industry in British Columbia will enable us to solve this problem. I think I can say, without fear of being mistaken, that there will be two grades of this kind of tobacco; the first grade will be supplied by British Columbia, the second, of a different taste, by Quebec, and later perhaps by some parts of Ontario. On the other hand, if the object of the amendments now before the House of Commons, is to enable this tobacco of doubtful quality to compete, with some chance of success, with foreign products, we must also admit that the other $\frac{2}{3}$ of the total of the production in Canada, not considered in the discussion, will also benefit by the new measure.

That these other kinds of tobacco, representing by far the largest part of the production, are a source of great profit to the country, no one will deny. That some measure is necessary in order to protect them, and facilitate their sale by opening new markets, larger, more regular, and safer, seems equally certain. Can their interests be sacrificed because the manufacturers do not agree as to the suitability of the Canadian leaf for the manufacture of cigars, and while the growers of the latter form such an insignificant proportion?

Doubtless our home tobacco is still open to many criticisms. Its most enthusiastic partisans admit that there is still room for a great deal of improvement. But, since the function creates the organ, or rather develops it, the opening or the widening of our home markets would be the best possible stimulant to this industry, which, after so many mishaps, has, during the last few years, shown what it was able to accomplish.

Encourage the development of the tobacco manufacturing industry in Canada, and of all its different phases—packing houses and manufactures—and the growing industry, being sure of marketing its products, and having a definite object in view; that of supplying the products required by the manufacturer, will spring into new life and vigour, and will prosper on a rational basis. Prohibit, or limit the use of home tobacco in the manufactures of the country and the same state of uneasiness that has prevailed during the last few years, owing to the uncertainty of the market and the low prices

APPENDIX No. 2

offered, to the point of causing a congestion which I hope will only be momentary, will continue to paralyze the growing industry.

We are now working, as I said at the beginning of this report, to improve the quality of our tobaccos. This work is progressing favourably. Our products have suffered so far from the lack of grading and curing, two operations performed in the packing house. Sorting and curing experiments on a large scale were conducted in 1907. I am in a position to say that excellent results have been obtained so far, fully realizing the expectations in regard to some of our home products.

Following the results of these experiments we may hope to see a new and important industry—the packing industry—spring into life in Canada. By preparing our home grown tobacco so that it may be more readily utilized, this industry will have an important effect upon the conditions of the market, and will improve the situation of the farmers.

The duties of the Department of Agriculture will then be to encourage the production of suitable tobacco for the requirements of this industry. Recognizing the importance and the necessity of this work, the Minister of Agriculture has decided to increase the staff of the Tobacco Division in order that the latter may be in a position to devote all the attention necessary to the various and widely scattered tobacco growing districts of this immense Dominion.

I think the most fitting conclusion I can make to this evidence is to submit some samples of our home tobacco. You will thus be able to judge of the quality of the products obtained in Canada at the present time, and to say whether our hopes are justified, whether it is wise to neglect such a source of wealth, and whether this young branch of our agricultural industry does not deserve the best encouragement.

By Mr. Armstrong:

Q. I understood the gentleman to say that tobacco of the same quality that is produced in Wisconsin can be grown in Western Ontario?

A. In Eastern Canada, in Quebec.

Q. It would be well to find out the nature of that tobacco and the extent to which it is grown in Canada, if grown at all?

A. The variety of tobacco I am speaking of is the Comstock Spanish. It has given the best results in Wisconsin, and has been very successful in Canada.

Q. A gentleman present informs me that half a million pounds of this tobacco are grown in Essex. What success has been experienced in growing it in other provinces?

A. That is a mistake. There has been no Comstock Spanish tobacco grown in Essex County except in small plots.

Q. Mr. Wigle has grown it in Essex?

A. The tobacco referred to was the Havana Seed Leaf variety. The cultivation of Comstock Spanish has only been tried this year.

By Mr. Ross (Yale Cariboo):

Q. What is the proper yield per acre?

A. Of Havana Seed Leaf? About from 1,200 to 1,400 lbs.

Q. You say the yields are not sufficient to be profitable. What would you consider a sufficient quantity?

A. About 1,400 lbs. At the Experimental Farm last year on a light soil, well manured, we obtained yields of from fourteen to eighteen hundred pounds per acre, varying with the distances at which the plants were set.

By Mr. Parmelee:

Q. Where does the seed come from?

A. We do not know that. It is bought from dealers in large cities such as Montreal or Toronto.

Q. Does not the Seed Act enable you to check the sale of impure seed?

A. The Seed Act cannot control the production of seed in a foreign country, and especially the tobacco seed, which is very small and very hard to recognize. I have visited some of the farms where seed is produced in the United States, and I have come to the conclusion that the farmer should produce his own tobacco seed. Then, with selection of the proper plants, we would soon improve our varieties of tobacco.

I have brought with me samples of tobacco grown in different parts of Canada, which I shall be very glad to have inspected by the committee.

By Mr. Clarke:

Q. You spoke of there being 10,000,000 pounds of tobacco grown in Canada?

A. That is as far as we can ascertain.

Q. What proportion of that would come from the province of Quebec?

A. About one-half from Quebec and one-half from Ontario. We cannot exactly control the production in Quebec because the farmers sell most of their tobacco in the raw leaf on the market.

Q. How much of that 10,000,000 pounds would go into manufactured tobacco?

A. The greater part of the tobacco grown in Ontario is manufactured especially for chewing and plug purposes. One half of the Quebec products are also manufactured. I suppose that about three-quarters of the total production is manufactured.

Q. And the other is sold in the raw condition?

A. Yes, sold in the raw condition.

By Mr. Armstrong:

Q. Where is that grown?

A. In Quebec and sometimes in Ontario.

Q. There is none of the raw leaf exported from the country; it is all manufactured here?

A. The quantity of leaf exported now is very small. There has been some exportation, but the quantity is very small.

By Mr. Clarke:

Q. You say in your address that the Comstock Spanish grown in Quebec is a better variety than that grown in Wisconsin?

A. Yes, I was in Wisconsin last year and I never found there such tobacco as this (exhibiting a sample of Comstock Spanish grown in Quebec). This is finer than the Wisconsin tobacco.

Q. Is this a sample of tobacco grown in Joliette?

A. This was grown in Rouville county in Quebec. We can also grow it in Montcalm and Joliette counties.

Q. Are you able to say how the product in western Ontario compares with this?

A. We have not succeeded in growing the same quality of tobacco in western Ontario. The tobacco produced there of that variety is generally coarser.

Q. Of the same variety?

A. The same variety. Last year we tried some Comstock Spanish tobacco in Essex county, but it was poorer than this.

Q. How do you account for that?

A. I attribute it to the soil.

By Mr. Armstrong:

Q. Do you say that the tobacco grown in Quebec is much superior to that grown in Western Ontario?

APPENDIX No. 2

A. The Havana Seed Leaf, not the Burley. The Burley variety grown in Ontario cannot be produced in Québec. What I say is that the Havana Seed Leaf of Québec is better and finer than the same variety grown in Western Ontario.

Q. I would like to know what efforts have been made to try and induce the people of Western Ontario to grow tobacco of better quality?

A. Last year tobacco was grown on ten experimental plots of one acre each in the counties of Essex and Kent. When the tobacco was cured we found nobody to buy it.

Q. Then you established experimental plots in Western Ontario?

A. Yes.

Q. And tried to induce the people to grow a better quality of tobacco there?

A. That is to say, we have tried other varieties in order to find out what they could yield in that part of Canada.

Q. That experiment has been a failure?

A. The results were not conclusive. The experiments will be continued.

Q. Why were the results not conclusive?

A. Last year was not a good one for tobacco culture, the atmospheric conditions were very poor. We cannot succeed in experiments in tobacco culture when the weather conditions are poor.

Q. I understood from your address that the quality of tobacco grown in Canada deserves severe criticism?

A. Some varieties.

Q. I understood you to say that the quality deserves severe criticism?

A. What I said was that whatever criticism may be made of some varieties actually grown in the country it would be useless to try to replace those varieties before the needs of the manufacturing industry are exactly known.

Q. I would like to know whether there are many of these different varieties that are not satisfactory?

A. There are a large number of intercrossed varieties that should not be grown in Canada because they do not yield a satisfactory product.

By Mr. Clarke:

Q. Where were these bad varieties grown and to what extent?

A. It is especially in Québec that those poor tobaccos are grown, but I must also say that it is in that province that the best cigar tobacco is grown.

By Mr. Clements:

Q. Can you conscientiously say, taking into consideration the climatic conditions, that better tobacco is grown in Québec than in Ontario or British Columbia? We think we can grow better tobacco in Ontario than anywhere else. Of the 15,000,000 pounds of tobacco that we import from the United States how much could be grown in this country successfully by our Canadian farmers?

A. I suppose that is really a question for a manufacturer to answer, rather than myself. But we can grow in Québec the same quality of binders that is grown in Wisconsin, we can use in Canada the Burley tobacco which is grown in Ontario. Then we can use the British Columbia tobacco as fillers. We have here some Canadian cigars with British Columbia fillers.

By Mr. Ross (Yale Cariboo):

Q. As I understand it there is a cigar made out of Kelowna, B.C. tobacco. The tobacco was especially selected by Mr. Charlan, who also looked after the curing and saw that the cigars were properly made. Now, as a cigar smoker of many years' experience and wonderful variety, I am bound to say that the Kelowna cigar is as well made and of as good flavour and quality as the very best Havana cigar. Perhaps I should

not say the very best; but anybody who will take that cigar will say it is as well made and of as good quality as a Havana cigar. Now that cigar, as I understand it (exhibiting cigar), is made of Canadian tobacco.

Mr. CLARKE.—Altogether?

Mr. ROSS (Yale Cariboo).—It is altogether made of Canadian tobacco.

A. The wrapper is of Sumatra Leaf, but you have a Canadian filler and a Canadian binder.

Q. If that can be done once it can be done all the time. How did you get such good results from Canadian tobacco? The cigar manufacturers tell us, or some of them do, that they cannot use Canadian tobacco. Here is a good cigar made from Canadian tobacco and I will leave it to any man to say whether it is not as good a cigar as he wants to smoke. The question is how do you get such good results?

A. By curing the tobacco properly and by sweating it in the right way. The only thing we lack in Canada is a good packing house.

Q. Will you please tell us where you got the tobacco, the kind of tobacco it is, under what conditions it was grown, what you did to see that it was cured properly, and then what was used in the making of the cigar?

A. The tobacco was grown in Kelowna, British Columbia.

Q. That is the filler?

A. Yes, the filler. The binder must be a Comstock Spanish tobacco grown in Quebec, and the wrapper is Sumatra Leaf. The filler was grown in British Columbia about four or five years ago by Mr. Holman. It was sweated by Mr. Holman in the best condition possible and was sent to a good cigar manufacturer in Montreal and the product is what we now show you. The tobacco is grown from Cuban seed. The Cuban seed is imported by the Canadian grower and grown for one year only for the production of seed. The first crop gives such a very small leaf that it would not pay; it is better to grow seed only from it. For tobacco growing the grower uses seed of the second or third year, which produces a larger leaf. After the first year he has a crop of Canadian seed, but he must change his seed about every three or four years, because as the leaf increases in size the flavour diminishes.

Q. Do you say that the filler of this cigar which we have here is grown from Cuban seed?

A. From second years' growth developed from Cuban seed.

Q. The seed originally came from Cuba?

A. Yes, from Cuba.

Q. It was planted in Kelowna?

A. Yes.

Q. And the filler was grown in Kelowna?

A. Yes.

Q. You took that tobacco for the filler down to Montreal?

A. Yes.

Q. As I understand it the principal part of the cigar is the filler. Now who made the cigar?

A. Mr. Cusson, Montreal.

Q. He used a Canadian filler, a Canadian binder and a Sumatra wrapper?

A. Yes.

Q. The result is that you got as good a cigar as anybody wants to smoke?

A. Yes, I consider this cigar is equal to any 10 cent cigar.

By Mr. Clarke:

Q. Mr. Cusson's factory is a foreign factory?

A. A foreign factory.

APPENDIX No. 2

Q. The reason I ask the question is that I see a black stamp on the box?

A. Mr. Cusson's factory is a foreign factory and he was selected to manufacture the cigar because he has undertaken most of the work in the Canadian tobacco industry. He made these cigars especially at our request and the stamp has no significance. We could just as well have used a red or a green stamp. In this other kind of cigars (producing cigars) the fillers are made of Comstock Spanish tobacco grown in Montcalm county. The fillers and binders were grown in Montcalm county and the only foreign leaf is the Sumatra wrapper.

By Mr. Ross (Yale Cariboo):

Q. There is no significance, you say, in the box?

A. No, the box is only to put the cigars in.

Q. It is not intended to advertise a brand of cigars?

A. No.

By Mr. Clarke:

Q. What kind of tobacco did you put in these cigars as a filler?

A. Comstock Spanish. As I said a few minutes ago we can use Comstock Spanish tobacco grown in Canada as a filler and binder.

By Mr. Parmelee:

Q. Has it a good flavour as a filler?

A. Yes.

By Mr. Clarke:

Q. Some binders have no flavour?

A. Yes, but the Comstock Spanish tobacco has got a flavour sufficient to make it a good filler or binder.

Q. You have smoked it yourself?

A. Yes.

Q. Is there not a little bitterness in taste?

A. Yes, sometimes, but you have the same bitterness in Havana cigars.

Q. You have brought here some Comstock Spanish tobacco grown in Quebec. I wish you would compare some tobacco of the same variety which has been brought down from the counties of Essex and Kent and see where the difference is?

A. Very well.

Sample of Comstock Spanish tobacco grown in the County of Essex produced by Mr. Darius Wigle and laid before the witness.

Q. Mr. Darius Wigle has produced some Comstock Spanish tobacco grown in the county of Essex. Will you please look at it and see how it compares with the sample which you have got?

A. (After examining sample.) The only thing I can tell you about it is that it has a larger leaf. The texture is not better than the Quebec tobacco.

Q. Is it as good, what difference is there?

A. I suppose it is less gummy. The trouble is that this tobacco is not sweated and we cannot judge of the quality in its present condition. The sample from Quebec is cured and ready to be used for cigar purposes. The other sample is in a raw state and we can only judge of its texture at present.

Q. The first sample which you have produced this morning has not been sweated?

A. No. It is in a green condition.

Q. What would you say about that variety of Comstock Spanish from Essex county?

A. I would say that it would make good tobacco.

By Mr. Clements:

Q. I understand from an answer which you gave this morning that so far as your experience goes, since you have been in the department, that we can produce a quality of tobacco in Canada, or a sufficient quantity of tobacco in Canada—whether it is grown in Ontario, Quebec or British Columbia—to make a good quality of cigars sufficient for the ordinary Canadian trade?

A. Yes.

Mr. CLARKE.—Or for the public of any country. There is no doubt about that?

A. No doubt whatever.

Q. I understand from the statement that you have made that one of the greatest troubles in connection with the Canadian tobacco industry is that we have not proper packing houses in Canada?

A. Yes, that is the point.

Q. Then you would strongly recommend the establishment of packing houses in Canada for the proper curing of tobacco? Of course, in order to get that we must have some encouragement in the shape of government aid or otherwise?

A. I think so.

Q. You consider that is the important need of our growers at the present time?

A. I do.

Having examined the foregoing transcript of my evidence, I testify the same to be correct.

F. CHARLAN,

*Chief of Tobacco Division,
Department of Agriculture.*

Mr. DARIUS WIGLE, Kingsville, Ontario, called.—I did not come prepared to deliver any address—I did not know that it was necessary—but I thought that I would be expected to answer questions.

The CHAIRMAN.—We do not expect an address. Make your remarks as brief as possible. No doubt the committee are anxious to question you.

Mr. CLEMENTS.—Perhaps I had better put some questions to Mr. Wigle.

Q. I understand that you are a large producer of tobacco and have a large tobacco farm in the county of Essex?

A. Yes.

Q. How many acres do you grow?

A. I have been growing up till last year from 60 to 80 acres annually, on my farm.

Q. For how many years have you been growing tobacco in Essex county, Mr. Wigle?

A. I think eleven or twelve years.

Q. And about how much do you grow annually?

A. In the county?

Q. No, yourself?

A. I grow an average of about 70 acres and my tobacco has turned out about 1,400 to 1,700 pounds per acre. I have raised over one ton to the acre, but the average crop, I should say, would be from 1,400 to 1,700 pounds per acre. That depends upon the variety of tobacco.

Q. What varieties do you grow?

APPENDIX No. 2

A. I have grown a number of varieties, including Burley and Connecticut Seed. Those are the large types of tobacco. I have grown those so that they turned out about a ton to the acre. I have grown the Comstock Spanish that was just mentioned by Mr. Charlan, and here is a sample of that variety which was grown in my neighbourhood (producing sample). That tobacco was supposed to turn out about 1,000 pounds to the acre, about half a ton.

Q. Is that a sample of the tobacco which Mr. Charlan says is not grown in any quantity?

A. Yes.

Mr. Ross (Yale-Cariboo):

Q. Not grown in sufficient quantity?

A. Not sufficiently grown.

Q. You do not get enough to the acre to make it profitable to grow it?

A. Yes, we do. It depends upon the price.

By Mr. Clements:

Q. Just give me your opinion as to how much of that variety of tobacco is grown in Essex county or Kent?

A. Well, I am not able to say, but probably 25,000 pounds.

Q. 25,000 pounds?

A. That quantity was probably grown in Essex last year, in 1907.

Q. Taking into consideration the general business of the farmers and the manufacturers, what variety do you consider the most profitable so far as your experience is concerned?

A. Well, whilst the Burley is a good price at 8 cents, it is more profitable to grow the small tobacco.

By Mr. Ross (Yale Cariboo):

Q. That is chewing tobacco?

A. That is chewing tobacco. With regard to cigar tobaccos, I paid, I am a packer too, 9 cents for that crop. That is not the purest of it; that is for cigar binders. We use the inferior grades of that tobacco for fillers.

By Mr. Clements:

Q. From your experience as a tobacco grower do you consider that any of the soils in the district in which you live in western Ontario are suitable for growing tobacco?

A. I think they are, in fact I know it.

Q. About how much tobacco can you grow to the acre in that district?

A. Of the chewing tobacco we would grow an average crop of about 1,500 pounds.

Q. And of smoking tobacco?

A. The smoking tobacco would be about 1,000

Q. What is the average cost of growing tobacco?

A. The cost of growing the cheaper tobaccos at the present rate of wages would be 5 cents, and that of cigar tobaccos, I should judge, would be 6 cents a pound.

Q. In your opinion have you always had a market, or at least a reasonable market at reasonable prices, for the tobacco which was grown, sufficient to guarantee you a profit?

A. No, we have not until the past year. We have received a fair price for the chewing tobacco, with the exception of one or two years when there was an over production.

Q. Will you give the committee an idea of why you have not had the encouragement and what would be a remedy for that condition of affairs?

A. I might refer back to 1902.

Q. Give us the details shortly?

A. There was a large quantity—a million pounds, I would say, although some thought more—a million pounds more or less of cigar leaf produced for one man—Ward. In addition there was a considerable amount produced outside of that. There was also probably, of smoking tobacco and cigar tobacco a million and a half pounds. I built a warehouse and processed upwards of a million pounds of that tobacco for the cigar trade of our country, but I found whilst there was not a Canadian license in the province of Ontario that I had a great difficulty in introducing these cured tobaccos. I sold a great number of cases of that tobacco which were returned to me because the excise officers would not allow them to go into the factories.

By Mr. Ross (Yale Cariboo):

Q. Why?

A. They had not a Canadian license and for that reason I was hampered with this stamp business.

Q. Excuse me for interrupting you. You say that our excise officers would not allow this tobacco to go into the factory?

A. Yes, a foreign leaf factory.

Mr. PARMELEE.—There are three licenses.

By Mr. Clarke:

Q. They would not allow it to go in without paying the extra excise?

A. No, I went and looked into that. If the company was willing to pay the extra excise, or the excise that was on the American leaf, they were still prohibited from putting these Canadian tobaccos in.

Q. They did not obey the law?

A. They did not in that respect. Evidently they were ignorant of the law.

Q. Who was the officer?

A. I will cite one, for instance, the officer at London. I made a great many of these shipments which were returned in the same way but I will cite you one shipment of from 5 to 7 cases to a gentleman in London, Mr. Kelly. After testing my tobaccos he purchased seven cases. The tobacco was shipped to him and the excise officers refused to allow him to take it into his factory.

By Mr. Clements:

Q. Pardon me one moment. This was tobacco which went through your packing house?

A. Yes, processed tobacco. This (producing sample) would be a sample of the same kind of tobacco. I happen to have only two samples left out of the million pounds or thereabouts. I sweated about a million pounds of that tobacco.

Q. Is that the Comstock Spanish?

A. That is the Havana Seed Leaf.

By Mr. Ross (Yale Cariboo):

Q. What excuse did the officer give for refusing to allow that tobacco into the factory?

A. Well, evidently he did not understand the law sufficiently to know that a cigar manufacturer was allowed to take that tobacco and pay the same excise duty on it that he was paying on the American tobacco and manufacture it. After those cases

APPENDIX No. 2

had been lying in London waiting for the excise officer to allow them to go into the manufacturer's factory they were returned to me three months later. I paid the freight both ways and also the storage while those cases were lying in London. The matter was recited to the district excise officer at Windsor and he evidently refused to interfere; but later on, after those cases were returned to my warehouse, the district excise officer went to Montreal and there learned that he was in error. He then wrote me a letter of apology for the manner in which he had treated me.

Q. Was the matter of rebates not involved in that question at all?

A. I think not. The officer was not aware that this tobacco could be allowed to be manufactured.

By Mr. Clarke:

Q. I suppose it was a new thing?

A. Yes.

Mr. PARMELEE:—They could have made him take out a license or pay the foreign leaf excise. If he was willing to pay the foreign leaf excise that settled the rebate question.

By Mr. Clarke:

Q. I suppose the officer did not know, it was the first time the question had arisen?

A. I travelled with these samples all through the province of Ontario and the province of Quebec. Although I had probably sold out of that stock in the neighbourhood of 200,000 pounds I became discouraged with my experience and disposed of the remainder of this cigar tobacco to the Empire Tobacco Company.

By Mr. Ross (Yale Cariboo):

Q. We had a delegation of cigar manufacturers down here a short time ago and one of them, the expert at Tuckett's factory, Hamilton, made this statement: That tobacco of a special character can only be grown in certain districts; that is, you get your best wrappers from Samatra, your cigarette tobacco from somewhere else, your fillers from Wisconsin, and that while they can grow tobacco in Essex they cannot grow tobacco suitable for fillers and cigar wrappers. In other words instead of making a speciality of growing a certain variety they were trying to grow every variety. What have you to say in reference to that objection made by the cigar manufacturers?

A. I have not found a variety of tobacco that was a failure in our county.

Q. They say that is the trouble with you people down there?

A. I was the person who grew this sample of Comstock Spanish tobacco which has been submitted to this committee. I am thoroughly familiar with the same variety grown in Wisconsin, which is used largely by the manufacturers of this country and I defy the United States or Wisconsin to produce an article equal to this domestic sample.

By Mr. Clarke:

Q. Have you been through Wisconsin?

A. No, but I have had a number of their samples expressed to me.

Q. Is that correct what these people say, that in Wisconsin they make a speciality of this tobacco for binders?

A. They make a specialty of it.

Q. They don't grow Burley?

A. No.

By Mr. Ross (Yale Cariboo):

Q. Let me develop that argument. We will admit that you can grow just as good binders in Essex as in Wisconsin?

A. Yes.

Q. Will you, therefore, say that you can grow as good smoking tobacco in Essex as they can grow somewhere else? Don't you think the soil is adapted for some particular class of tobacco?

Mr. CLARKE.—We have all kinds of soil in Essex county.

A. I find this from my experience: whilst we have all kinds of soil in Essex county, it depends more upon the process of curing that tobacco than it does upon the soil and the climate.

Q. Is it not true that there is great variety of soil, in some parts the soil is much better than in others, Pelee Island, for instance?

A. Yes.

By Mr. Clements:

Q. You substantiate what Mr. Charlan says, that there is no question about your growing the quality of tobacco for all purposes, excepting the finer cigar tobaccos in this country, do you not?

A. There is no reason why we should not be growing every leaf with the exception of some of the finest wrappers.

Q. We are producing 10,000,000 pounds of tobacco now; how many millions of pounds could we produce if we had the market for it, in your opinion?

Mr. CLARKE.—There is no limit.

Q. If necessary in our district we can grow 25 or 30 or 40 million pounds?

A. Yes, and would do it if the farmers were protected or encouraged, and I am satisfied that they would get a reasonable price for their tobacco.

Q. You endorse Mr. Charlan's idea that there should be encouragement given for the establishment of proper packing houses?

A. Yes. The lack of them is the reason of the grades of tobaccos being condemned greatly by the manufacturers of Canada.

Q. What effect has the growing of tobacco upon the soil?

A. I have grown, I think, as much as ten crops in succession upon the same soil. Here is a sample of Gibhardt (producing sample) being the eleventh crop, the label says, in succession. I grew that myself.

By Mr. Ross (Yale Cariboo):

Q. What is that good for?

A. Chiefly for pipe smoking, if it were properly cured, but it is not.

By Mr. Clements:

Q. Will you tell the committee as briefly as possible what, in your opinion, would be the best method of handling and curing the crop of tobacco in our district?

A. In the west? In the first place for the plug, chewing and smoking this has been cured especially for those purposes (producing sample). This is Burley and it is of the 1906 crop. I dampened this considerably and it will keep 100 years and still be sweet and good. The proper method of curing that is putting it through a kiln at a certain degree of heat. That expels all the moisture from the tobacco and fits it for manufacturing into plug.

APPENDIX No. 2

Q. Will you state to the committee if the farmers have suffered any detriment in growing and curing their tobacco, for instance has there been any neglect from want of information?

A. As far as the farmer or tobacco grower is concerned I do not see that he is supposed to cure the tobacco for the manufacturer. He is supposed simply to cut that tobacco, with the exception of one variety of tobacco and that would be pipe smoking tobacco. That must be cured shortly after it is cut, either by the grower or by some other person, to get it into the condition which it should be in for pipe smoking. The farmer can only cut his tobacco and hang it up and let the air cure it. That is all that is necessary for him to do with any of these cigar or plug chewing varieties. Then the manufacturer or packer must cure that tobacco to suit whatever it is intended to be manufactured into.

Q. Explain the curing process from your own experience as a packer, Mr. Wigle?

A. This leaf (exhibiting sample of Havana Seed) was cured for cigar binders only.

By Mr. Ross (Yale Cariboo):

Q. You are giving evidence as an expert, and I am not reflecting upon it, but you will understand that the manufacturers are always trying to make out that they cannot get the tobacco they want in Canada; that it is not properly cured, or the seed is poor and all that sort of thing. Are you absolutely sure that no improvements can be made in your methods of curing tobacco?

A. I would not say, but what there can be improvements made on my method of curing.

Q. Of course, I do not know anything about the business?

A. I was very anxious to secure something from Mr. Charlan because he probably knows far more than I do in reference to this matter.

By Mr. Clements:

Q. What is the reason that the quality of the Canadian tobacco has not been brought up to the standard that it should have been, is it simply through not having proper packing-houses to cure it?

A. Yes.

By Mr. Clarke:

Q. Is that not a matter which rests with the manufacturers? You often find that one manufacturer turns out a better cigar than the others do from the same sample?

A. Sometimes they do.

Q. Is that on account of a better process of curing?

A. Yes, better methods of curing and preparing the tobacco. Each cigar maker has a different method of preparing his tobacco before it goes into the cigar, although the tobacco is the same.

By Mr. Parmelee:

Q. It is foreign leaf?

A. It is foreign leaf but he will treat it probably in some way.

By Mr. Clarke:

Q. That is a matter for the manufacturer to work out?

A. Yes.

By Mr. Carrier:

Q. In the States of Virginia and Kentucky they have a class of men in their tobacco industry that are known as re-handlers. Those men go to the farmers?

A. That is right.

Q. In the case of our tobacco it has been given a bad name and according to the old saying 'Give a dog a bad name and they will hang him.' Our tobacco in this country for years has had a bad name and the farmers have dealt with the consumers direct. We want to try and stop that and get the farmers to place their tobacco in the hands of re-handlers when it will undergo a curing process in expert hands?

A. Yes.

Q. The proper handling of tobacco requires extensive, and in our climate, well heated buildings. Very few men in our province have been willing to go to such an expense. When the industry has been put on a better footing by and by, you will find men who will be willing to spend thousands of dollars to get the trade into proper shape by means of this system of re-handling. We want our manufacturers to go direct to the re-handler and not to the farmer?

A. Yes.

Mr. CARRIER.—Canadian tobacco has been given a bad name which we are trying to remove. That is because the tobacco has never been properly cured. We are having in Quebec on the 17th June next a meeting of the Dominion Wholesale Grocers' Guild. I am president of the Guild of the Province of Quebec and I have been in correspondence with Mr. Beckett, of Hamilton, the President of the Dominion organization. I intend at the next meeting of the Guild to read a paper on the subject of Canadian leaf tobacco and I want every man in the country to learn that with respect to this tobacco he has been labouring so far under a prejudice.

Mr. ARMSTRONG.—Have the manufacturers been asked to establish these curing rooms?

Mr. CARRIER.—They have been doing their own curing. The American Tobacco Company have started a large factory at Granby of their own and they have been trying to do away with the re-handlers and curing men and buy the tobacco themselves from the farmers and perform this process.

Mr. PARMELEE.—They do it better.

Mr. CARRIER.—They can do it better.

Mr. PARMELEE.—They do it better.

By Mr. Clements:

Q. What would you suggest as a remedy for the existing conditions in the case of our tobacco growers?

A. I wish to say that I call myself a re-handler of tobacco. We take this tobacco into our warehouse and it is hand sorted and sized and then packed into cases and sweated. Then it is ready for the manufacturers. We draw four hands from each case and that is generally put into a sample of our goods guaranteeing that every leaf in the case is equal to the sample.

By Mr. Ross (Yale Cariboo):

Q. To whom do you sell them?

A. To the cigar manufacturers.

Q. What objection do they make to the tobacco as to its quality?

A. Some have made no objection, but consider it a good quality of tobacco. Others object to it and say it was an inferior tobacco.

Q. I still want this point absolutely cleared up if it possibly can be. I can very well understand why the cigar manufacturers, with the object of leaving things as they are, attempt to create the impression that they cannot get the tobacco which they want in Canada, they might have a selfish reason in speaking that way. I think it would be in the interest of the tobacco growers that an expert like Mr. Wigle should

APPENDIX No. 2

put such evidence on record as will convince the public, at least, that there is nothing in this statement, that we can grow the tobacco that is necessary in Canada. I know some Montreal and Hamilton manufacturers claim they cannot get the tobacco they want in Canada, and I would like the fact that the tobacco can be got in Canada emphasized?

A. Just here I would say that on my first trip to introduce my processed tobaccos in 1902, I came to the city of London and when passing Mr. Tuckett's branch I called there, knowing that they were manufacturing foreign leaf. I asked their foreman to wrap up a cigar, and test it, from my processed tobacco. He did so and expressed his views in this way—that it was equal to the very best Havana that they were putting in their best cigars, Margree. He admitted it to me before a witness but he said 'we are not allowed to use it.'

Q. Was that tobacco which you showed that particular firm a special sample or did it represent the average tobacco grown?

A. The average processed tobacco. I would have been glad to have sold him 200,000 pounds equal to the sample he prepared that cigar from and would have been glad to have done it at that time.

By Mr. Carrier:

Q. Do you think that if the duty on foreign leaf were increased it would have the effect of establishing more re-handlers of tobacco?

A. If the duty were sufficiently increased the packers, or rather the re-handlers as you call them, would be here by to-morrow morning from the United States.

Q. Lots of them?

A. To build warehouses in which to cure our tobaccos the same as they do on the other side of the line.

Q. You are probably aware that foreign countries like France, Belgium and Italy, that import their tobaccos from Virginia and Kentucky, are represented by re-handlers in the United States. Those men prepare the tobaccos so as to give them a flavour which suits the taste of the consumers in the countries which they represent?

A. They do in some cases.

Q. These re-handlers give the tobacco a special flavour which suits the taste of the consumers of each country. As a matter of fact the tobacco used in France is prepared in a special manner so that it is adapted to the taste of those people?

A. If the time allowed me was not quite so limited I would read you correspondence with a man in Wisconsin with respect to the manufacturing of this tobacco providing there was sufficient duty.

By Mr. Ross (Yale Cariboo):

Q. About the matter of duty, you say it ought to be increased?

A. Yes.

Q. As I understand, it is not a question of increasing the duty?

A. Not altogether.

Q. It is more a matter of the re-arrangement of the duty. If the customs duty be increased and the excise duty correspondingly reduced would that not meet the case?

A. Yes, that will help if it is sufficiently increased in the one case and sufficiently reduced in the other.

Q. Let me put it in this way: Do you not think, as a tobacco grower and tobacco dealer, that taking the customs duties and the excise duties together you have a reasonable protection in this country for tobacco?

A. There has not been sufficient, especially on the cigar tobacco.

Q. Is the difficulty not more a question of the arrangement of the duty than the extent of it?

A. You will understand that the 10 cents per pound on cigar tobacco makes only \$2 difference on 1,000 cigars. The rebate on that would nearly equal one-half, so you might consider that there was a duty of only \$1 a 1,000 upon them.

Q. That is 10 cents a pound duty on the imported leaf?

A. Yes.

Q. There is an excise duty of how much?

A. \$6 a thousand.

Q. Supposing we increase the import duty say to 28 cents a pound?

A. I would not consider it sufficient.

Q. You would not?

A. I think that 35 cents should be placed on it.

Q. That is 35 cents on the raw leaf unstemmed?

A. Yes.

Q. You think that is enough?

A. Yes.

Q. I am bound to say you are the most reasonable protectionist I have come across in some time?

A. In advocating 35 cents a pound.

Q. Yes?

A. Customs duty on unstemmed leaf.

By Mr. Clements:

Q. Take this year's crop, under your process of packing or re-handling, could you get this crop prepared say in twelve months for the manufacturer?

A. Yes, in six months.

Q. Would there be any advantage in taking a longer time?

A. Not very much under the sweating process.

Q. There is no doubt, taking this year's crop, and re-handling it, you could put it into the manufacturer's hands within a very few months?

A. Yes, we could put it in their hands by the month of August next.

Q. How long have you felt the need of a change, for instance, with regard to the stamp and the excise duties?

A. Since I have become a packer, since 1902.

By Mr. Ross (Yale Cariboo):

Q. Since the rebates were granted?

A. I don't know when that rebate came into force.

By Mr. Clements:

Q. You had a large demand for eight or ten years for what tobacco you grew in Essex county?

A. Yes.

Q. Give us the reason why there has not been such a demand for the last three or four years?

Q. There is now an over production of tobacco, that is, chewing tobacco?

A. Yes.

By Mr. Clarke:

Q. Does that apply only to chewing tobacco?

A. Yes.

Q. There is a sufficient demand for smoking tobacco?

A. Yes, I think so.

APPENDIX No. 2

By Mr. Clements:

Q. You think that if the customs duties were better arranged there would be a market in Canada for all that you could produce of it?

A. Yes.

Q. What effect would it have on the cigar manufacturers, of course they must be taken into consideration?

A. It would make little or no difference to the cigar manufacturer, increasing the custom duty and lowering the excise duty.

By Mr. Clarke:

Q. Why are they making such an uproar against this proposed legislation?

A. It would make this difference, that it would probably drive them to change the brands they already have established and use Canadian leaf.

By Mr. Ross (Yale-Cariboo):

Q. I suppose they have worked out convenient connections for getting their tobacco, and they would have to change them?

A. Yes.

By Mr. Clements:

Q. What effect would it have upon the consumer?

A. No effect upon the consumer.

Q. You think it would have no effect upon the consumer?

A. I don't see that the effect would be noticeable.

By Mr. Ross (Yale-Cariboo):

Q. What would be the effect of smoking cigars made out of Canadian tobacco?

A. Well, I have introduced some of them. The people who have smoked them have found them quite satisfactory.

Q. Did you try one of the cigars produced to-day?

A. I did not have a chance to test it thoroughly. I have smoked a good many cigars made from Canadian tobacco.

Witness retired.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 30,

THURSDAY, March 26, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 10 o'clock, a.m., Mr. McKenzie, chairman, presiding.

The CHAIRMAN.—As the members of the Committee are aware we intend to continue the investigation into the cultivation and preparation of tobacco. When we adjourned yesterday Mr. Darius Wigle from the county of Essex, Ontario, was under examination. That examination will be now continued.

By Mr. Clements:

Q. You have looked over the schedules and know the legislation which the government propose to enact. In your opinion what effect will the one license and stamp, with the higher rate of duty, have upon the tobacco industry in your section as well as in other parts of the country?

A. One thing it will bring about better methods of curing and preparing our tobacco for the Canadian manufacturers.

Q. It will bring about better methods of curing?

A. It will bring about better methods of curing. It will be an inducement to manufacturers to manufacture Canadian grown tobacco leaf.

Q. Do you think the farmers require any education as to growing tobacco; should there be some other assistance given them in the way of instruction by experts, or is Mr. Charlan, in your opinion, able to take care of the whole of the tobacco-growing districts? Would you consider his territory too large?

A. Well, as far as Mr. Charlan is concerned, I am unable to answer the question as to his ability, as I have never conversed with him to any extent, and I was unable yesterday to understand his address, which was given in French. So far as the farmers and tobacco growers in Western Ontario are concerned, I feel that they thoroughly understand growing the crop and taking care of it. Our farmers, however, might be urged to plant earlier, so that the crop would be harvested in the early fall, whilst the weather is warmer and drier.

Q. Personally, I have felt the need of some such change as the government intends to bring about. When do you think that change should take place? I know the farmers in my district will refuse to put in any tobacco, if the change is not made known soon? What is your opinion about that?

The CHAIRMAN.—What changes do you refer to?

Mr. CLEMENTS.—The changes contemplated in the government's proposed legislation?

A. I would say this in answer to that: The farmers, under the present regulations have a disposition to not plant very much tobacco during the coming year, because they have the most of last year's crop on hand, and without they have some guarantee from the government that there will be a change in the tariff, they will not plant very much tobacco this year.

Q. How much of last year's crop is in the hands of the farmer at present?

A. I presume that four-fifths of the crop grown last year is still in the hands of the farmer.

APPENDIX No. 2

By Mr. Owen:

Q. What does the American tobacco cost laid down here?

A. Cigar tobacco?

Q. Yes?

A. Duty paid?

Q. Yes?

A. About 17 cents a pound for fillers.

Q. And what do you offer yours for in Canada?

A. I would sell it at from 12 to 17 cents a pound, that is fillers.

Q. That is the same quality of tobacco as the American tobacco?

A. It would be a better quality. I would say that my experience in the cured tobaccos is this: I find that the American people ship their culls to this country usually. I have seen almost hundreds of invoices showing that they are introducing that tobacco at 7 cents a pound into the hands of our cigar manufacturers. When that tobacco passes the international boundary line it has to pay 10 cents a pound, which would make the price 17 cents a pound. The Canadian farmer growing cigar tobacco should have from 8 to 10 cents per pound.

Q. Duty?

A. No, he should be paid from 8 to 10 cents per pound, that is the Canadian grower. The handling and the processing of that tobacco costs 3 cents per pound. That would be 13 cents. There is a shrinkage of about one cent and a half to two cents, which would nearly reach an amount of 15 cents. Over and above that we consider profit for the packer, who, however, has to incur other incidental expenses. We are unable, as packers, in this country, to put a fair quality of cigar leaf in the hands of the manufacturer as a filler at less than about 17 cents per pound, and 20 to 25 cents for tobacco as a wrapper or a binder.

By Mr. Clements:

Q. Just one question in connection with that point. You, as a packer, and also as a grower and purchaser of tobacco, living in the district where the tobacco is produced, feel that some change, from a legislative standpoint, is necessary in order to keep the industry alive; that is in the interest of the grower?

A. Yes, there has got to be a change.

Q. And that at once?

A. Yes.

By Mr. McColl:

Q. Would the proposed changes that have been announced by the Minister of Finance be satisfactory to the farmer or grower?

A. Not altogether, for the reason that the proposed change with respect to chewing tobacco makes a reduction of 2 cents a pound.

By Mr. Clements:

Q. That is, that the grower is 2 cents worse off than he was before?

A. Yes. The manufacturer will benefit to the extent of 2 cents by the proposed change. The duty was 35 cents, and it has now been decreased to 33. In reference to cigar tobaccos, there is a benefit to the grower, as against the cigar manufacturer, of 3 cents. The change in regard to stamp and license will certainly be a benefit to the grower.

Q. What is the percentage of chewing and smoking tobacco grown in your district, approximately?

A. I presume that there has been only about one-fourth of cigar tobaccos to three-fourths of chewing tobaccos. Less than that, probably. To substantiate my remarks as regards the 7 cent tobacco, I have visited the various packing houses of Ohio and

the other States, and I would just merely read a letter that I got the other day from a gentleman writing me from Wisconsin, a gentleman who wishes to take an interest in my packing house, provided there is sufficient change in the duty and license to warrant him of a good business in this country. He writes me:

'DEAR SIR,—Yours received dated February 25th. I was in the country for two weeks superintending a farmer's crop, to be assorted; that is why I have delayed answering yours before. I am a sober and industrious man.

'As to your inquiry of my experience with the tobacco crop. We in this country first assort it, by separating the good from all damaged tobacco, such as pole rot, or shed burn, sunburn, frosted and wet tobacco, and rust and ragged leaves; then put the good over a sizing table graded into one, two, three, four, five, and so on, and then packed in cases, and sweated, ready for cigar manufacture. After the sweating is through we draw four hands from each case, as sample, putting the number of the case on each sample.

The damaged tobacco is put up for export, and much of it is sent to your country.

The 1906 crop here molded because it was so cold and damp during the sweating process. Farmers often sprinkle their tobacco to make it heavier, gives us much trouble and loss in handling it, as it is sure to show on the tobacco after it is sweat.'

Q. May I ask what is about the duty that they have to pay on tobacco now?

A. We have now ten cents on cigar tobacco, and the manufacturer gets the rebate on his cuttings, he ships his cuttings to Germany and sells them at 12 cents a pound, and he gets a rebate from the government of 10 cents a pound, so that he realizes 22 cents a pound; the rebate is equal to one-half the duty he pays in the first place, or about 5 cents per pound at the present time.

Q. As far as the rebate is concerned that is a matter of trade, he gets a rebate of 5 cents a pound or one half what he imports—it means up to one half, he imports at 10 cents a pound and then he is allowed a rebate of 5 cents a pound when he exports it, is that it?

A. No, he pays a duty of 10 cents a pound on what he imports, and on the cuttings from his factory he has the privilege of exporting them, and the government pays him ten cents a pound for all that he exports, and that 10 cents on what he exports is almost equal to a half of what he pays in duty.

Q. He is allowed a rebate on the home grown tobacco, is he?

A. No, I am speaking of foreign leaf.

Q. The excise is, of course, the same in both cases?

A. The same in both cases, so that I have always claimed there was not more than about \$1 on a thousand cigars difference in duty between the Canadian or the domestic cigar and the foreign leaf manufactured by a foreign leaf manufactory.

By Mr. Owen:

Q. I would like to ask a question. As you travel around quite a bit, do our farmers cultivate the land so as to get as many pounds per acre as possible out of the land?

A. Yes.

Q. As I understand it the land has to be specially prepared and while the plants are growing the weeds must be kept out, because the plant requires all the nourishment there is in the land, without allowing anything to go into weed. Unless tobacco is kept very clean it will not do as well as it would if it were kept free from weeds, is that so?

A. No, it will not.

Q. Do our farmers take every care while the plant is growing to get as many pounds per acre as possible?

APPENDIX No. 2

A. They do in Western Ontario. I am not posted as regards the cultivation of tobacco in Quebec, but I will venture to say that you can go through the tobacco fields of Western Ontario and you will not find more on the average than one weed to the acre, and even you will find ten acres in which there is not a weed to be found.

Mr. BARR.—That is pretty nearly perfection.

Having read the preceding transcript of my evidence, I find it correct.

DARIUS WIGLE,
Tobacco Handler.

The CHAIRMAN.—We will now hear Mr. Lewis Wigle, who is likewise from the County of Essex, in Western Ontario.

Mr. LEWIS WIGLE, called:—

By Mr. Clements:

Q. I understand you have had a good many years experience in buying and growing tobacco?

A. Yes, I purchased nearly all the tobacco that was grown in the county of Essex and a good portion of Kent from the year 1864 to 1895.

Q. You are practically one of the pioneers in the tobacco growing industry?

A. Yes, I grow the first Burley tobacco in 1894 or '95, I am not sure which. I grew the Burley tobacco from which the first plug of chewing tobacco was ever manufactured in the Dominion. I can tell you how I know it was the first. The Empire Tobacco Company had made up their minds to try to cultivate the growing of Burley tobacco in this country; they had always been purchasing it to the south, in the United States, and they felt it might be grown successfully in the province of Ontario. Mr. Archibald, who was then one of the partners of the Empire Tobacco Company, came to Essex county and enquired who had been purchasing the tobacco in that part of the country. He was told that I had been buying it, so he came to me with the seed he had purchased in the United States and asked me to plant all I could myself and to give the balance of the seed to the farmers around that country who I thought would grow it and prepare it for him. He paid me nine cents a pound for it, I grew 18 acres, and he was so anxious to test it, to ascertain whether he could make a success of Canadian Burley with his formula that he induced me to put a stove in my barn, and attach it to the natural gas pipe, we had natural gas in the town, in order that I might dry it before nature would do it so that he might get it to his factory more quickly in order to test it. That is the reason I know that my tobacco was the first tobacco that was ever manufactured into chewing tobacco in this country.

Q. You bought for the Empire Tobacco Company for a number of years, for how long a period?

A. I have bought for them since 1895.

Q. What kind of chewing tobacco do you recommend as the most profitable for us to grow?

A. Burley is the only tobacco for chewing tobacco.

Q. Why is that?

A. Burley is the only tobacco for chewing tobacco on account of its absorbing qualities. It absorbs the sweets, the liquids and molasses and so forth, that they put into the tobacco. No other tobacco would do that.

Q. Does Mr. Charlan agree with you, you say that Burley is the only tobacco for chewing tobacco?

A. Burley is the only tobacco that they make a success of in manufacturing into chewing tobacco.

Q. I understood from Mr. Charlan's evidence yesterday that there is an over production of Burley tobacco, why is that?

A. There is an over-production because we in Canada do not have our own country for our own tobacco of that kind; there is too much imported from the United States. I understand by the returns brought down by the government in 1906 that there were nearly 10,000,000 pounds of Burley tobacco bought in the United States. We have a demand here for between four and five million pounds at the present time.

Q. That is all that the Canadian growers produce?

A. The Canadian manufacturers manufacture Canadian Burley to the extent of about four or five million pounds a year.

By Mr. Broder:

Q. Do you know the amount of tobacco which is manufactured, imported and all?

A. Do you mean the manufacture of chewing tobacco or how much leaf was imported from the United States?

Q. I want to know the quantity of leaf of these different kinds of tobacco which they use?

A. Fifteen millions and some odd pounds were imported in 1906, about twelve millions of the same kind that we raise, and to my mind no better.

By Mr. Clements:

Q. Would that be practically the same kind?

A. Yes, the same kind.

Q. That all goes into chewing tobacco?

A. Well, they use the bottom leaves, the lighter leaves of Burley, for a certain kind of smoking tobacco.

Q. Under the present conditions has the Canadian grower a sufficient duty upon his tobacco, or what protection should there be? Explain to this committee how it is, for example, that Mr. Macdonald can pay an excise duty of 20 cents, I think it is, upon the tobacco which he imports?

A. The excise duty is 25 cents on American and 5 cents on Canadian. He pays 20 cents more excise duty than the manufacturer of Canadian tobacco does.

Q. He pays 20 cents a pound more?

A. 20 cents a pound more excise and 10 cents duty.

Q. If the tobacco which he imports is the same kind of tobacco that we grow here and he pays 20 cents a pound more excise and 10 cents duty on it, can you give any explanation of that?

A. I think so. I think the reason that Mr. Macdonald makes tobacco to suit the tastes of the people of this country is because they have got accustomed to it and to his formula. It is a formula that they like and it acts like a patent right on the kind of tobacco that he makes. I think that if Mr. Macdonald would make chewing tobacco with his formula out of the Canadian Burley he could make just as good chewing tobacco as he does to-day out of the American Burley.

By Mr. Broder:

Q. Does he not use any Canadian Burley?

A. Not a pound. He takes a license to manufacture American leaf and is not allowed to manufacture Canadian leaf. It has often seemed to me that if this government would give Mr. Macdonald the right to buy fifty or 100 thousand pounds, or whatever quantity they choose, and manufacture it into chewing tobacco with his

APPENDIX No. 2

formula to test whether he cannot make as good out of our tobacco as he does out of American, it would be a good thing.

By Mr. Gordon:

Q. Would he do so?

A. I don't know whether he would.

Q. I understand he refused absolutely?

A. He was asked to give evidence before the Agriculture Committee in this House some years ago as to the manufacture of chewing tobacco out of Canadian. He said then, so I am told, that he had tried to make chewing tobacco out of Canadian leaf and he could not make a success of it with his formula and he never would try it again. But at that time there was not such a thing as Burley tobacco known in this country. He had been importing Burley tobacco to manufacture into chewing tobacco, and when he took the leaf tobacco which was grown at that time as a smoking tobacco it would not absorb as the Burley tobacco did and, of course, he could not make a success of it. I claim that if he was compelled to manufacture Canadian Burley he could make just as good a tobacco as he does from the manufacture of American Burley.

Q. With your experience you have no doubt of that?

A. I might say this: I have been told more than once by an expert purchaser of tobacco in the United States that he had bought millions of pounds of American Burley tobacco and shipped to Mr. Macdonald and he never shipped a pound of better Burley tobacco than we grow in this country. Now here is the Burley tobacco grown in the County of Essex (producing sample). They cannot beat that Burley tobacco in the United States. I was in Kentucky two years ago last October, for a week, in Woodford county, Kentucky, at a place called Midway, fourteen miles from Lexington. A cousin of my wife's has a 2,000 acre farm there and he grows 200 acres of Burley tobacco every year. When I told him that I purchased tobacco for the Empire Tobacco Company in Canada he asked me if I would like to come and look through the barns and see if he kept the tobacco in the same way as we did. I went to his barns and found that they were the same as ours. The doors were fixed with hinges to open out and let the air through. The tobacco was the same kind of Burley and it was put on the sticks in the same way; in fact everything was done in the same way only that his Burley was not as large as ours. It was a smaller tobacco, the stem was smaller, the rib here (pointing to the sample) was smaller, and it had a finer appearance. But I found out the reason for that in going through the country. They do not plant that tobacco there in the same way as we do. We plant it about 3 feet 8 inches apart; they plant theirs 30 inches apart each way. We put a little over 4,000 plants to the acre; they put nearly 7,000 plants to the acre. So you can understand that when 7,000 plants are put on an acre the stalk does not grow as large stems or as large leaf.

By Mr. Broder:

Q. The plant does not get as much sun?

A. The plants are closer and they do not have the space to make them large. If we in this country planted in the same way we could grow the same kind of Burley. But we plant 3 feet 8 inches apart and that will not grow Burley as small as in Kentucky. However the Burley that will grow in the county of Essex cannot be beaten in any country in the world.

TOBACCO GROWING ON PELEE ISLAND.

Q. Was that a sample grown last summer?

A. A year ago last summer. Now, Pelee Island is in the county of Essex and 16 miles out in the lake, half way between Essex and the United States, you might

say the State of Ohio. It is about 5 miles one way and perhaps 12 miles the other. They have there the very same soil that they have in Kentucky—a limestone bottom—and that is especially adapted to the growth of Burley tobacco. Not only has the soil on Pelee Island a limestone bottom, but it is out in the lake where the air keeps the frost away, so that they can plant a week and sometimes two weeks earlier than we can 16 miles away and the frost remains away for from one to two weeks later in the fall.

By Mr. Clarke:

Q. Therefore, they can grow a tobacco of better quality?

A. A better quality. They can grow as good Burley tobacco there as they can anywhere else in the world. The farmers cannot get the plants they want to plant sometimes. Coming to that point Mr. Darius Wigle said he thought that the farmers are being educated to plant much earlier. That is a fact. They first began by sowing seed in beds in the woods, in the open air. They could grow tobacco plants there but they could not plant them so soon. Then they got to planting the seed under cotton, they did that for a while, and now they have glass houses to put it under, and have artificial heat in them so that they can get the growth earlier. If they can get tobacco in about the first of June it is sure to be a good crop, we have never missed a crop in the last eleven or twelve years, since we have been growing Burley tobacco.

By Mr. Clements:

Q. You have no doubt that we can grow tobacco here in Canada equally good, sufficiently good, not only for chewing, but for ordinary good cigars?

A. I am not so much posted as to the cigar tobacco, but I believe we can grow Zimmer Spanish and the big Havana and Connecticut seed leaf—all these are smoking tobaccos that I believe are specially adapted to this country, those three kinds. We can't grow Cuban tobacco successfully here, and I am told they cannot grow Cuban tobacco in Florida. The United States import large quantities of Cuban tobacco and pay a duty on it in that country. They pay millions of dollars of duty on tobacco they can't grow, but they are sure to fix their tariffs so that they do not pay duty on tobaccos they can grow. I believe we should do the same thing. I believe there can be enough tobacco grown in this country to supply the wants of this country, and why can't we grow it?

By Mr. Carrier:

Q. I suppose you are aware of the fact that this particular brand of tobacco can only be grown in a certain portion of Cuba, because the soil in that part of the country is of that particular nature which, I think, gives it that special flavour?

A. I do not think there is any use in discussing that question of Cuban tobacco.

By Mr. Carrier:

Q. You say it is not grown anywhere else than in Cuba, but not even in Cuba is it grown all over the island?

By Mr. McIntyre (Strathcona):

Q. Do you know anything about tobacco grown in the southern valleys of British Columbia?

A. No, but I am told they do grow tobacco there. My belief is that tobacco can be grown wherever corn can be grown.

By Mr. Clements:

Q. That is, you do not think the soil makes much difference?

A. Oh, yes, the soil makes some difference.

Q. How many pounds per acre does it produce?

APPENDIX No. 2

A. In our country it averages 1,400 pounds, that is Burley; and to show the extent to which it can be grown, in the county of Essex there are warehouses in Harrow, in the township of Colchester South; at Kingsville, in the township of South Gosfield; and Leamington, in the township of Mersea. Now, there were 7,500,000 pounds of Burley tobacco grown in Essex and Kent in 1906. Over 4,000,000 pounds of that were grown in these three townships, and the people who live in those three townships have the advantage over the outsiders on account of the warehouses being there and the buyers being there—it is the head centre. Outside of these three places the outsiders do not have as good a chance to sell their goods; there is only a demand for a certain quantity, and the outsiders, I consider, do not have a fair chance when there is more grown than required. Now, if we had our own country for our own Canadian tobacco, if we had our own market for the 14,000,000 pounds instead of only 4,000,000 or 5,000,000 pounds—if we had our own market for our own Burley tobacco, I am sure in Essex and Kent counties alone we can grow from 14,000,000 to 15,000,000 pounds every year without much exertion. If the farmers were only sure that they had our own market it would pay them to put up barns to cure it in and prepare the land for it. We have to keep them back from producing every year. I will tell you what the Empire Tobacco Company had me do a year ago last spring. They first had me send out a circular through the township in which I bought tobacco, the township of Colchester South—I bought for them in 1906 1,200,000 pounds in that one township—they had me send out a circular to the farmers from whom we had purchased tobacco the last year asking them not to grow but very little, because they were afraid they were overstocked and would not be in a position to purchase much. And, to make it stronger, so that the farmers would not misunderstand them, they sent me personally with my horse and buggy to tell the people they had better not grow tobacco, because I would not be there at all this year to buy from them. I have not bought a pound of the growth of 1907, the output is all on their hands except a few thousand pounds.

Q. Simply because there is no demand for it?

A. There is no demand for it and the Empire Tobacco Company did not want the farmers to grow tobacco for which there would be no market.

By Mr. Carrier:

Q. You said you are a buyer for the Empire Tobacco Company?

A. Yes.

Q. Do you not think the prices at which the Empire Tobacco Company is selling their goods to the trade is not in keeping with the prices they pay to the farmers?

A. How, selling it?

Q. Excuse me—what you pay to the growers—what are the prices paid usually by the Empire Tobacco Company to the grower or handler?

A. We bought direct from the farmers.

Q. Is it not ten to twelve cents a pound?

A. We bought for three or four years at as high as ten, eleven and twelve cents per pound, then they began to over-produce and then the prices went down. We paid in 1907, for the growth of 1906, eight cents and six cents and down to four cents.

Q. This tobacco costs the Empire Tobacco Company, domestic grown, about ten cents a pound, about 2½ cents freight, or an average of 12½ cents a pound?

A. Yes.

Q. I suppose it costs to manufacture it into plugs about five cents per pound as a maximum?

A. I don't know about that.

Q. Do you know that the lowest price at which the Empire Tobacco Company is selling to the trade is 25 cents a pound, what does that represent? 200 per cent profit?

A. I will put it in another way; Mr. Macdonald pays 10 cents and brings it from the United States and sells it at 25 cents a pound more, and he puts 12 plugs to the

pound instead of 8. Now if the American tobacco was kept out of this country and Mr. Macdonald was made to manufacture our tobacco with his formula, I believe he would make as good chewing tobacco as he makes now.

AN HON. MEMBER.—Mr. Macdonald has a monopoly.

A. He has a monopoly, but he wouldn't have a monopoly if Mr. Macdonald's agents were travelling up and down the concessions in the townships of Essex and Kent buying his 10,000,000 pounds of leaf there instead of up and down the side lines of Kentucky. There would be competition then between him and every other manufacturer.

Q. Yes, but you see Mr. Macdonald introduced his tobaccos in this country 25 or 30 years ago, and everybody to-day thinks they can't do without Macdonald's tobacco any more than they can do without salt and pepper. It is a kind of prejudice, but he has no tobaccos he sells to the trade at less than 65 cents and this tobacco costs him 25 to 30 cents to bring it to this country. Now, he will pay a customs duty on that of 28 cents a pound, which with excise duty puts the cost to him up to probably 58 cents or something like that. That tobacco does not cost Mr. Macdonald more than 5 cents a pound to manufacture, and yet it is sold at 80 cents a pound, therefore realizing a profit of from 50 to 100 per cent. Every day Mr. Macdonald is using a carload of tobacco and he is making an average of \$3,000 a day profit. It is the same with Mr. Tuckett of Hamilton?

A. I understand all that, but I will give you my version. Up in the county of Essex, years ago before we grew tobacco, the people thought they could not chew anything but Macdonald tobacco. It took them a long time to get educated to chew tobacco made out of Canadian leaf. Now there is not one pound of Macdonald tobacco sold in the western country where there are 100 pounds made out of Canadian leaf sold. I will tell you what I would do. I would put the duty high enough to keep American tobacco from coming into this country and I would say to the manufacturer, 'You have got to manufacture your chewing tobacco out of Canadian leaf or quit the business.' To the chewers in this country I would say 'You have got to chew Canadian tobacco or quit.'

By Mr. Zimmerman :

Q. Oh, no, that would never do?

A. If Mr. Macdonald with his formula can make as good chewing tobacco out of Canadian leaf as he can out of American why should he not do it?

Q. He has built up a business on imported tobaccos and the people of this country want that?

A. I want to give you an experience which came to my notice. The ex-Reeve of Pelee Island and I were discussing that very thing six months ago; he said, 'I want to give you my experience on the chewing of tobacco. I never chewed any tobacco in my life except Macdonald's until last summer. Then the merchant with whom I deal at Pelee Island ran out of Macdonald's tobacco and I was compelled to buy a plug of tobacco made out of Canadian leaf. I chewed that tobacco for three weeks. I longed at first for the Macdonald tobacco but got used to the Canadian. At the end of three weeks I took a chew of the Macdonald tobacco but spat it out, and have never chewed a chew of Macdonald tobacco since.'

By Mr. Clarke:

Q. Won't that apply to smoking tobacco as well?

A. I don't know very much about smoking tobacco.

Q. They can smoke our tobaccos too?

A. Yes, they can smoke it, too. I think we should do as they do in the United States. There they say, 'We can grow all the tobacco we want and no other country

APPENDIX No. 2

can ship to us unless they pay 35 cents duty.' That duty is prohibitive. Nobody ever heard of a Canadian farmer getting a dollar for tobacco shipped by him to the United States. On the other hand, the farmers there get a million and a half of dollars every year for supplying the same kind of tobacco to this country that we can grow ourselves. What we should say is, 'We can grow all the tobacco we want in this country and you shall not ship any to us.' Make the duty so high that you will not get any customs revenue out of it; keep it out of the country. Or, if you want revenue, put enough excise duty on it. That is the way they do on the other side.

By Mr. Gordon:

Q. Would you apply that policy to other commodities or just to tobacco?

A. I am talking of tobacco.

Q. I am looking as to what the effect of that policy would be?

A. Well, I would not.

By Mr. Clarke:

Q. You do not believe in such a policy for everything?

A. No, I do not believe in that for everything, I am talking about tobacco. If we ever produce any other product but tobacco, we can feed or export it, but tobacco we can neither feed nor export.

By Mr. Broder:

Q. You cannot safely encourage the cultivation of tobacco to any extent even if we had our own market?

A. I have a memorandum here of the tobacco production in the townships that I know. Take Colchester south and north in South Essex. They grew in 1906 about 1,300,000 pounds. Now I say that if we had our own market for our own tobacco that would mean a consumption of 14,000,000 pounds of Burley and the production in that township would be 2,000,000 pounds. That is not a very extravagant statement. Then take Anderdon and Maldon, I claim they would grow 1,000,000 pounds in the two townships. The land is not as well adapted for the growth of tobacco, but the climate is exceptionally good, these townships being situated on the Detroit River and Lake Erie.

By Mr. Clarke:

Q. I think it is safe to say the County of Essex would produce double its present consumption?

A. Gosfield south and north now grow about one million and a half of pounds. They could grow 2,000,000. Mersea township grew 1,700,000 pounds in 1906. In that township 2,000,000 pounds could be grown without any difficulty. Tilbury west and north would produce 1,000,000 pounds, Rochester and Maidstone 1,000,000. Sandwich south and west, 1,000,000 pounds. That would be a production of 10,000,000 of Burley leaf tobacco in the county of Essex. The county of Kent can grow 10,000,000 pounds. There is no mistake about that because I have bought all through that county and they have exceptionally good land.

By Mr. Carrier:

Q. I don't know that, they raise a good bean crop there?

A. They prefer to raise tobacco if they can sell it. Now, Pelee Island alone will grow 2,000,000 pounds.

By Mr. Zimmerman:

Q. Don't you think that if they improve the quality of Canadian tobacco there would be no trouble in regard to the sale? I find in Hamilton——

A. Will you please wait a minute until I get through with this statement. Pelee Island will grow 2,000,000 pounds, and then I claim they can grow outside of the counties of Essex and Kent, on the north shore of Lake Erie all the way down to Niagara, over 5,000,000 pounds at least. That would be a total of 27,000,000 pounds by the estimate I have given.

By Mr. Clements:

Q. What would our Quebec friends do?

A. They grow smoking tobacco and we grow Burley tobacco for chewing. They cannot grow Burley tobacco successfully there.

By Mr. McColl:

Q. Would this 27,000,000 pounds be consumed?

A. No, it would not be consumed. The consumption now amounts to only between 14 and 15 million pounds.

Q. What would you do with the surplus?

A. If we had the market in Canada for all that we use there would be a consumption of 15,000,000 pounds of Canadian tobacco instead of 4,000,000 pounds. And the consumption would grow; it is like everything else. I see present Mr. Armstrong, who represents one of the Lambtons. They grow corn in Lambton, don't they, Mr. Armstrong? Well they can grow tobacco there; there is no mistake about that. Now about the price. I paid Robert Wigle, who is a farmer and a cousin of mine, \$1,975 for the product of less than 12 acres for Burley tobacco, at the rate of 11 cents a pound. You can see from this how it would pay the farmer.

By Mr. Clements:

Q. What would be the cost of producing that?

A. It cost about \$45 an acre, but it would be \$50 an acre now with the price of labour as it is. Talk about impoverishing the land. I went to buy tobacco from Mr. Abram Bruner of Olinda a few years ago and I said to him 'That is as nice a field of tobacco as I have seen in years. Have you grown much tobacco on this land?' He said, 'I have had fourteen crops on this same land, and out of that number only one crop of potatoes and thirteen crops of tobacco; I think this is as good tobacco as I have ever had.'

By an Honourable Member:

Q. Would you not consider that hard on the land?

A. You have got to keep the land fertilized. Some gentlemen asked a while ago if the farmers up there have to prepare the land specially. They do have to prepare the land specially. They put on barnyard manure. Now there is a special fertilizer being used which was brought out by the agent of the American Tobacco Company. He sells it to the farmers and waits until they sell their tobacco for his payment.

Q. Does this land produce good crops afterwards?

A. Yes, sir, the crop is all right. Now there is a question which Mr. Zimmerman wanted to ask me.

By Mr. Zimmerman:

Q. I made the statement that if the quality of Canadian tobacco was such that the cigar and tobacco manufacturers of the country could use it—?

A. You cannot go into Mr. MacDonald's factory and pick out a better hand out of his million pounds of American Burley than that (holding up a sample of Canadian Burley grown in Essex county). They all admit you can pick out a 'hand' here and there, but not in any quantity first-class.

APPENDIX No. 2

I venture to say that you can go to the Empire Tobacco Company's institution in Granby and you will see millions of pounds of Canadian grown tobacco there that is better tobacco than Macdonald's. You let an expert go into Macdonald's tobacco warehouses and see his Burley tobacco that he imports from the United States, and let that same expert go to Granby and see the tobacco that the Empire Tobacco Company has, and I will stake my existence they would give their decision in favour of the Empire Tobacco Company's tobacco—that is all chewing that I am talking of, all Burley tobacco.

Q. Would it not be to the advantage of the manufacturer to use Canadian tobacco if it is as good?

A. Yes, I believe it would be to Mr. Macdonald's advantage to-day to use it.

Q. You have to-day 32 cents a pound protection on an article that costs five cents to raise, and it appears to me you are the highest protected industry in Canada to-day?

A. Yes, I know but we are not high enough protected to keep that American stuff out and that is what we have to do.

Q. Does that argument apply to everything?

A. No, it will not, but we can grow enough for this country, and just about enough. When we have a market for only 4,000,000 we can grow too much and I will tell you why.

Q. It is 600 or 700 per cent?

A. I will tell you why, it is not protected enough, because a man who is disposed to manufacture Canadian leaf cannot manufacture a pound of American leaf in that same factory and have his rebates. That is the reason, and the manufacturers of Canadian leaf manufacture about 4,000,000 pounds a year and the manufacturers of American leaf manufacture between 9,000,000 and 10,000,000 pounds a year. If you can fix it some way so that the man who manufactures American leaf can also manufacture Canadian leaf and so give Macdonald a chance to try it, or fix it some way to make him try it you will find he can manufacture tobacco out of Canadian Burley as well as he can out of American Burley.

Q. What is the objection of Mr. Macdonald to using Canadian tobacco?

A. Mr. Macdonald pays 20 cents more excise than the manufacturer of Canadian leaf and 10 cents customs duty. Under the new arrangement the 20 cents excise is knocked off, and 18 cents is put on the customs, so that he only pays 28 cents in customs and 5 cents excise.

By Mr. Clarke:

Q. So that it will be an additional advantage that the stem which before did not pay excise is now paying an extra 18 cents a pound, is not that so?

A. Yes, they do not pay the excise on the stems but they pay excise on the molasses and licorice and all that kind of stuff they put in, which is heavier than the stem.

Q. Yes, and the regulations provide for them still paying duty on molasses and everything?

A. Well, I do not know about the molasses and tobacco separately.

Q. When you speak of the 28 cents customs duty instead of the former one of 10 cents, how much will that be increased by the increase on account of the stem, what proportion of stem is there?

A. I do not know.

Q. It is one-third or one-fourth, I believe?

A. Yes.

Q. So that would make a difference on a pound of four or five cents?

A. He does not pay excise on molasses.

Q. That is provided for?

A. Did it come in free before?

Q. There was a customs duty before and that is as it is now, that does not interfere with it?

A. Now Mr. Macdonald pays 20 cents more excise on the manufactured Canadian leaf, when he imports molasses doesn't he pay duty on it now?

Mr. CARRIER.—Not when it is from the British Isles.

By Mr. Zimmerman:

Q. The conditions are just the same now as they were before as far as that is concerned?

A. This molasses will take up just as much weight as the stem.

By Mr. Clarke:

Q. What proportion of the plug does the molasses and other ingredients represent?

A. I really cannot tell you that.

Q. Is there any standard?

A. No, I suppose it is according to the formula of the manufacturer, some would be more and some less.

By Mr. Zimmerman:

Q. I think that in chewing tobacco it runs about 40 per cent?

A. They have been paying 20 cents excise on that 40 per cent that they won't be paying now.

Q. Yes, but they are paying a percentage, as I understand it, of excise on the ingredients that go into the plug.

By Mr. Clarke:

Q. Yes, and that is continued under the new regulations?

A. I have never seen that.

By Mr. Armstrong:

Q. Can you suggest any remedy for the present situation?

A. To my mind there is only one remedy, and that is—the Americans put duty enough on to keep our tobacco out—and I say we ought to put duty enough on to keep theirs out.

Q. How much protection ought there to be?

A. Well, the Americans put 35 cents on us.

Q. Leave the American duty out?

A. I would consider 35 cents, and if that would not keep it out I would put on forty—put on enough to keep it out anyway.

By Mr. Avery:

Q. You said a few minutes ago that Mr. Macdonald won't manufacture Canadian tobacco?

A. He doesn't, and I understand he says he won't.

Q. But he can, under the new law?

A. No.

By Mr. Clarke:

Q. But he can under the proposed regulations?

A. No, he cannot do it, I don't think he can.

APPENDIX No. 2

Q. With the uniform stamp, the same license for everybody; before he could not do it, but under the new conditions proposed he can?

By Mr. Zimmerman:

Q. In all fairness, when you deliberately try to wipe out a man's business, he has worked up a business on certain tobaccos during the last fifty years, he has established a trade in tobacco, he has made one brand for fifty years, would you deliberately come here and advocate the prohibition of that man importing that tobacco upon which he has built up this trade, in the interest of the farmer?

A. I tell you what I would say to Mr. Macdonald.

Q. I am not speaking about Mr. Macdonald particularly, there are others?

A. Well, I would say this to the manufacturer of the American leaf, 'keep on manufacturing but buy your leaf tobacco in our own country.'

Q. That is no reply to my question. There are men who have established a large business on certain classes of tobacco, their customers want it and are willing to pay for it, and yet you would deliberately wipe out that man's business?

A. No, I would not want to wipe out his business. But I will tell you what I would say: 'I believe we can grow as good Burley tobacco in this country as in the country that you buy from, and I want you to try some of it.'

Q. Your opinion is only one opinion?

A. That is right.

Q. But the manufacturer's opinion is different?

A. That is right.

By Mr. Armstrong:

Q. Mr. Macdonald, as Mr. Wigle has said, has never tried the Canadian Burley. Is it unreasonable to ask him to try it?

A. I would ask him to try it.

Mr. KNOWLES.—I want to raise a point of order, Mr. Chairman. I think the witness is too much disposed to argument and too contentious. I want to say this, I think it is a dangerous precedent to have a gentleman come here and advocate some contentious point such as protection. I can see if we are going to do that we are entering into a very large problem. Those who are favouring freer trade have just as much right to bring people here to give adverse opinions. With all respect to the witness, I think it is a dangerous precedent, and I do not think, in this connection, that members of parliament want education along the line of protection. The Lord knows we have plenty of protection in this country at present; that is my personal view. I think the witness should give evidence as to facts and not enter into contentious controversial matters.

Mr. SPROULE.—The witness was asked a direct question by the member for Hamilton, 'What in your opinion would be the remedy?'

Mr. KNOWLES.—Then my quarrel may be with Mr. Zimmerman.

Mr. SPROULE.—And the witness tells us what he honestly conceives to be the right remedy. That is what he was brought here to tell the committee. He comes from the locality in which the tobacco is grown. Surely he is quite within his rights to answer questions which are put to him.

Mr. ARMSTRONG.—Mr. Wigle was asked to come here and give evidence. We want evidence from practical men like him who have been in the tobacco business for years and who understand the needs of the industry. I asked Mr. Wigle a simple question, to suggest a remedy for the difficulties which now exist. He is suggesting a remedy.

Is there anything wrong in suggesting a remedy even if it is along the line of increased protection, is there anything unreasonable or unfair about it?

Mr. CLARKE.—Do not let us take up time arguing. I want to ask a few questions of interest to the farmers.

Mr. GORDON.—I feel very deeply interested in the debate, but I am not satisfied with the information that has been given. What we want is the increased consumption of Canadian tobacco, and I understand what Mr. Wigle proposes to do is to compel the consumer to buy Canadian tobacco, or to compel the manufacturer to do so, even if the consumer does not. Surely a step in the right direction would be to encourage the farmers to raise the kind of tobacco that will bring them the greater profit.

By Mr. Clarke :

Q. How long has tobacco been grown in Essex and in Kent ?

A. Do you mean all kinds of tobacco ?

Q. Yes ? I wish you would trace briefly the history of that growth ?

A. I believe it was grown more than 100 years ago.

Q. I understand it was grown 200 years ago by the Indians, who were called the Tobacco Nation ?

A. Yes.

Q. You have lived all your life in Essex, will you state what the growth of tobacco has been from the beginning ?

A. We used to consider it a good crop if they raised 100,000 pounds in the whole peninsula.

Q. Up to what time would that extend ?

A. Up to about 1894.

Q. Before that year was any attempt made to grow tobacco in anything like the proportions that are grown at the present time ?

A. No. It was this Burley tobacco that brought the growing of tobacco into that country.

Q. About 1894 ?

A. Yes, in the first year this was grown about 80,000 pounds were raised.

Q. I have a statement here which I would like to place on the record. It is taken from the Leamington 'Post.' It shows that in 1895 the total production was 60,000 pounds ?

A. I said 80,000 pounds, so that I was pretty close to it. I know I bought four carloads that year and there are 20,000 pounds in a carload.

Q. I will give the statement as I find it here (reads) :—

Year.	Pounds.
1895..	60,000
1896..	80,000
1897..	600,000
1898..	4,750,000
1899..	2,000,000
1900..	3,250,000
1901..	2,500,000
1902..	1,500,000
1903..	3,250,000
1904..	5,500,000
1905..	6,500,000
1906..	7,500,000

A. Are these figures correct ?

Q. What year were the 4,000,000 grown ?

APPENDIX No. 2

A. In 1898, 4,750,000 pounds. In 1898 it was estimated that there were 8,000,000 pounds in Essex and Kent and I will tell you what started the growing of it then.

Q. One moment. You think the figures for 1898 are not correct?

A. I think not.

Q. What about the other years approximately?

A. A little more than that was grown each year. In 1897 the tobacco manufacturers paid about 12 cents a pound. All the farmers from St. Thomas west to Windsor were discussing the growing of tobacco. As I had been in the tobacco business there since 1864 they had me to address farmers' institute meetings on tobacco culture. I have picked up a circular which I had at that time entitled 'Instructions for Growing Tobacco in Canada.' This circular was distributed among the farmers. At one meeting the question was asked 'Was it not good to keep the land clear of weeds and all that?' I took one of the clauses contained in these circulars distributed among the farmers—that is away back in 1897—which reads as follows:

'Keep the weeds out. Keep the suckers pulled off, top low, 14 leaves. Keep the tobacco worms well cleaned off, they always eat the best part of the leaf and will destroy the crop. You can't be too particular about that part of it.'

Q. They put in turkeys now to eat the worms?

A. They put in turkeys now instead of boys; they are cheaper. I gave the farmers an address at nearly every institute from Iona near St. Thomas, west to Windsor and Amherstburg, on tobacco culture and I told them at nearly every meeting 'Tobacco is 12 cents a pound but there is only a demand for 3,000,000 pounds'—that is about what I estimated at that time—'Don't grow very much but raise the best tobacco you can and you will get a fair price for it; but if there is an over-production prices will surely go down.' That year prices went down because the farmers grew too much.

Q. I see the average for that year is 5 $\frac{3}{4}$ cents?

A. The price was about 10 cents and it went down—

Q. To nearly one-half?

A. Nearly one-half, yes, because there was too much tobacco grown; more than was needed to meet the demand.

Q. I am afraid you are responsible for the drop, you told them to grow tobacco?

A. They would have grown twice as much if I had not told them not to. I knew what the demand was and told them at every meeting.

Q. In all these years from 1895 to 1906 there has been a considerable fluctuation in prices?

A. Yes.

Q. Running from 6 $\frac{1}{2}$ and 5 $\frac{3}{4}$? Some years it was 11 cents, running on to about 8 or 9 cents?

A. Something like that.

Q. According to the production?

A. Yes.

Q. The present year, I believe they cannot sell tobacco at all?

A. No.

Q. Do you know what the intention of your company is about buying last season's crop of tobacco?

A. The manager of the leaf department of the Empire Tobacco Company is now down in North Carolina, but his brother has been telling the farmers 'We are not going to buy any tobacco until after the new crop has been put in this year.' If there was not too much put in, he said, they were going to buy last year's crop; but if the farmers planted a lot of tobacco the company were not going to buy any at all. This was meant to restrain them from growing tobacco.

Q. The result would be that the farmer would lose his crop if he did?

A. That is it.

By Mr. Zimmerman:

Q. That same condition is existing in Connecticut to-day. I see the American Tobacco Trust have agreed to purchase the tobacco crop of last year and the year before that is on hand, provided the farmers will not grow any this year?

A. They are paying a pretty fair price on the average, 15 cents a pound.

By Mr. Clarke:

Q. Our Burley is, I think, as good as the Burley they are bringing in, judging from what everybody says?

A. I am sure it is, from what I know, I am sure of it.

Q. I am sure of that too?

A. Yes.

Q. What prices are paid over in the United States to the farmers for that class of Burley which we produce in Essex and Kent?

A. The year I was there, two years ago last October, Mr. Parish told me that he sold the same for 11 cents a pound.

Q. I am told that is about the run of prices over there?

A. Yes.

Q. And while they were paying 11 cents a pound over there the price in Essex—

A. That would be in 1905?

Q. Yes, that was in 1905, and according to this paper the price in Essex at that time was 8½ cents?

A. That may have been the average, we paid from 11 cents down to 6; it would average probably 8½.

Q. That is not the fact, if you read this you will see that he puts the high price at 9 and 8½ cents for the average.

A. What year is that?

Q. 1905?

A. That would be for the growth of 1904, you see, what is it next year?

Q. You would run an average of about 8½ cents as against 11 cents which the farmer got in the United States?

A. Yes, I might say that the farmers in the United States used to take their tobacco to the warehouse, to the packing house, as we call them here, and there they would assort it out, and if the farmer took 10,000 pounds they would sort it into two or three grades, put it on the floor, one pile here, another here, and another there, and have the first, second and third grade. Then they would put it up to auction and ask how much for this pile, and how much for that pile, and how much for the other pile, and it was sold to the highest bidder and then they packed it up and shipped it to its destination, that is the way it used to be done. But in Kentucky to-day they have the head buyer, the same as we have in Essex, and he has his buyers all over the county, the same as we have in Essex, buying direct from the farmers. I know that, because I was introduced to Mr. Zeigler, who was the representative for that county.

Q. You made a statement that we imported 10,000,000 lbs. of Burley?

A. Yes.

Q. Are you certain that is correct?

A. Well, I understand it was 15,000,000 all kinds.

Q. I got the figures from Mr. Gerald of the Inland Revenue Department, and they are very, very far from that, and I would like to have it verified.

A. The statement I got is, I think, in the Hansard, in a statement by the Hon. Mr. Templeman in reply to a question by Mr. Clements, that 9,000,000 pounds odd went into the factory.

APPENDIX No. 2

Q. Was that Burley? Did he say it was Burley?

A. For chewing tobacco.

Q. I think you are mistaken. What the return shows is that we imported about 14,000,000 pounds of tobacco and a little less than 10,000,000 went into the other factories, that is smoking as well as chewing. The whole importation into Canada is 14,000,000 pounds?

A. It was 15,165,000 in 1906, and I understood from the answer that Mr. Templeman gave over 9,000,000 lbs. were Burley.

By Mr. Clements :

Q. That is the question, what went into the plug and chewing tobacco?

By Mr. Clarke :

Q. Yes, I looked into that, and from Mr. Gerald I got the information that 10,000,000 pounds in round figures went into plug tobacco and 4,000,000 for cigars. As near as he could estimate 3,000,000 pounds of that which went into the tobacco factories was for chewing. If that is right there was about 3,000,000 pounds of Burley leaf imported?

A. I only took the returns, that there were 10,000,000 pounds. I think that all the kinds of tobacco that go into the manufacture of chewing are the kinds that we can grow, they are the same kinds that we are growing.

Q. You have been representing the Empire Tobacco Company as a buyer for a number of years?

A. Yes.

Q. They take a great portion of the output of Essex and Kent and manufacture it at Granby?

A. Yes.

Q. How many other concerns buy tobacco in Western Ontario?

A. The Erie Tobacco Company, Windsor, buy all their tobacco there, they manufacture Canadian leaf. There is the Dominion Tobacco Company of Montreal, the Rock City Tobacco Company.

Q. The Rock City Company buy all Mr. Walker's output?

A. I do not know that, I know he sells to some person in Quebec.

Q. That is the Rock City Company.

A. They buy outside in Essex as well.

Q. Then there is the McAlpine Company?

A. Yes, the McAlpine Company have an establishment in Leamington where they dry the tobacco and prepare it before shipping it to Toronto.

Q. There are five or six concerns buying?

A. Yes.

Q. Take the last few years, have they all been paying the same prices? The farmers are protesting that they all pay the same prices. I have had complaints from the farmers that there is a combination among all the buyers, so that the farmer does not get any benefit from the protection, it all goes to the manufacturers.

A. I am quite sure there is no combination as between the Empire Company and the rest of them. The smaller concerns have always waited until the Empire Company has established the price and then they would start in and buy and the Empire Company has kept on buying until they have cleaned up the crop.

Q. As I understand it the Empire has fixed the price?

A. They have.

Q. And they pay the farmer whatever they choose?

A. I will say this for the Empire Company that they have always told me when I come to a good lot of tobacco to pay the farmer the very highest price, and never to cut them down on the price.

Q. How was this arrived at? Is it done by dividing up the 34 cents protection they have?

A. No.

Q. Or do they figure out how much it costs the farmer to grow it?

A. I will tell you what I think; they have been requiring from 3,000,000 to 4,000,000 pounds, their trade has increased and they have been paying good prices in order to induce the farmers to grow it and the farmers have kept on growing it.

Q. What do you mean by that—in the United States they are paying 11 cents for tobacco and yet they only pay an average of seven cents to the farmers here.

A. That is all they have to pay to induce the farmer to grow 4,000,000 pounds. If they had a market for 15,000,000 pounds they would have to pay them 10 cents.

By Mr. Zimmerman:

Q. This protection is not given to the farmer?

A. No, it is not.

By Mr. Clarke:

Q. Your idea is that the only way the farmer can get the benefit of protection is to prohibit the importation of it altogether.

A. They prohibit ours, and we can put a 35 cents duty on and that will be pretty nearly prohibition.

Q. I think those figures which Mr. Carrier brought out with regard to 'Pay Roll,' that is the Empire Manufacturing Company's price to the jobber less discount, after they have paid an excise of 5 cents, leaves them a profit of nearly 45 cents a pound on Canadian tobacco to the manufacturer. You take the 'Prince of Wales' that is the favorite brand of Macdonald with everybody, and his price to the jobber is 63 cents, after paying duty and excise of 39 cents, that only leaves him 24 cents a pound profit as against nearly 45 cents a pound that the manufacturer gets on Canadian tobacco. Now explain about all that profit?

A. What is the cheapest tobacco of the Empire Tobacco Company? You are quoting their highest price and Macdonald's lowest price. Mr. Macdonald's price is higher than 67 or 68 cents.

Q. Sixty-three cents?

A. It is not fair to take the highest price of the Empire Tobacco Company and compare that with the lowest price of Macdonald's. Everybody knows that Macdonald does not sell his best tobacco for 63 cents a pound.

Mr. CLARKE.—I am not doing that.

By Mr. Carrier:

Q. That is his lowest price?

A. That is his lowest price and you are comparing it with the highest price of the Empire Tobacco Company. You should compare their lowest price with the lowest price of Macdonald's.

Q. The lowest price of the Empire Tobacco Company is 46 cents. Now don't you think, Mr. Wigle, that the outrageous price which these people are placing on their tobacco is an impediment to the circulation of the tobacco amongst consumers?

A. Let me give you my experience about that.

By Mr. Clarke:

Q. You had better explain that, because the farmers cannot understand why these men are getting these big profits?

A. I don't know what it costs to manufacture tobacco, but a lot of farmers in the county of Essex figured it out just exactly as you do; that the cost of producing

APPENDIX No. 2

was 5 cents a pound and they got 40 cents on the sale of it, and they said, 'Why, we can pay the farmers 10 cents a pound.' They got up the Erie Tobacco Company composed altogether of farmers and they were bound to pay the stock holders 10 cents a pound for their tobacco. Well, the Empire Company raised the price to 12 cents, and they had to pay the same, but every time the Empire paid less than 10 cents the farmers' association followed their example. I want to tell you this, that the farmer who figured the matter out in the same way as you did got out of the business just as quickly as he could. Not many of the original farmers who formed that company has any stock in it to-day, they could not make any money out of it.

Q. Was that in the Erie Company?

A. Yes, in the Erie Company.

By Mr. Carrier:

Q. My opinion is that the American Tobacco Company came to Canada with a big stick; they control all the other manufacturers in the same line and all the growers?

A. In what way are they doing that?

Q. You yourself said a moment ago that they are dependent upon the Granby Company in making their prices. The other manufacturers have got to follow the Granby Company's prices or else die?

A. I don't know that.

Q. I think the price they are putting on their lowest class of plug tobacco is simply outrageous. In my opinion 30 cents would be a reasonable figure and at that price the consumption would be doubled in this country. I do not think myself, with the exception perhaps of the Burley which is grown in your country, that the Canadian grown tobacco is up to what it ought to be. And even if your Burley is equal in quality to the Connecticut Burley why are the farmers in Essex and Kent only getting $8\frac{1}{2}$ cents a pound for it while the Connecticut man is getting 11 cents per pound for tobacco which is exported?

A. Because the Americans put 35 cents per pound duty on it and won't let us take our tobacco over.

Q. Excuse me, give somebody else a chance to say something. Why don't you export this tobacco, if it is as good as you say it is, to France or Belgium? Those countries have representatives in the States buying tobacco, why don't they come here and buy Burley tobacco or why don't you send it over there?

A. Will you let me now talk for a minute. I had a cousin, he is dead now, Mr. Jaduthan Wigle, who lost his farm trying to sell tobacco in the old country. He mortgaged his farm for \$2,000 and went over to the old country to try and establish a market for our Burley tobacco. He met all the manufacturers that he could in Great Britain and other places and thought he was going to revolutionize the whole thing. They were getting Burley from the United States. When he spoke to them the manufacturers there said: 'We have been buying from the United States. The tobacco comes to us on the very same conditions that it would from Canada and we will continue to get it from there.'

By Mr. Clarke:

Q. Why do they not buy our Burley seeing that it is equal to that of the United States?

A. It is just the same as with Mr. Macdonald's tobacco. He buys his from the United States and won't trade with anybody else. If we don't make the manufacturers here do it they won't do it.

Q. There is the Macdonald plug (holding up a plug of tobacco)?

A. Please let me finish. There is the tobacco journal published in England which contains the names of all the manufacturers in that country. Mr. Cox of

Leamington wanted to furnish samples to those manufacturers and wrote to those whose names were in the *Tobacco Journal*. He got ready as nice a sample of tobacco as ever was grown and he fixed it up ready to send over there. He showed it to me and he said: 'You know something about tobacco, I want to show you if that is nice.' I looked at it and said, 'That is as nice a tobacco as there is on the earth, you could not grow better anywhere, it ought to be good enough for any country.' He said, 'I think it is good enough for any country on the earth.' Then I said, 'If it is good enough for any country it ought to be good enough for Canada.' Let us furnish tobacco for Canada first and afterwards supply Great Britain and Ireland if we grow more than we need.

Q. I was going to show the difference between the two brands of tobacco. Now there is 'Prince of Wales' (holding up sample), that is a favorite brand of Macdonald's. There is 'Black Watch,' do you know whose tobacco that is? That is a high grade of the Empire. Now there is the difference. Can you understand why people prefer to pay 10 cents for this smaller plug in preference to the larger?

A. Because they have got accustomed to it. It is like the man on the Pelee Island I told you about. Mr. Mackenzie, of Leamington, told me that he was up in the Owen Sound district some time ago and could not get a pound of Canadian chewing tobacco. He could not chew the Macdonald tobacco because it was not the kind he was used to.

Mr. CLARKE.—An argument against us was attempted to be made on the election platform. Our opponents said 'There is the Fielding plug' and holding up the other tobacco they said 'There is the old Foster plug.'

Mr. CLEMENTS.—To offset what Mr. Zimmerman said——

The CHAIRMAN.—Let Mr. Clarke finish what he was saying.

Mr. CLARKE.—I met a fellow chewing some of this Macdonald 'Prince of Wales' and I said to him 'You can buy nearly double that quantity of tobacco for the same price.' He said, 'I don't care what it costs, I am going to chew 'Prince of Wales.'"

The WITNESS.—I heard one man say that when he chews the Macdonald tobacco his system gets so saturated with the liquids in it that he does not want to chew any other for a while.

By Mr. Clarke:

Q. I want to work out how the farmers can get a better price. You say that under the duty we have they do not derive any benefit from it, it all goes to the manufacturer. Suppose we adopt your view and shut out the American tobacco altogether, how would you protect the farmers so that they would get a share of that any more than they do now?

A. The farmer now knows that there is a demand for 4,000,000 pounds and the manufacturer of that quantity keeps telling him, 'Don't grow too much, we cannot buy it or pay so much for it.' But if the American tobacco was kept out and the farmer knew that he had a market for 14,000,000 pounds instead of 4,000,000 and the manufacturer knew he had to buy 14,000,000 pounds the farmers would pretty nearly have the matter in their own hands. They would say 'You must pay us 10 cents a pound or we will not grow it for you. We have our own country for our own tobacco and we will not grow it unless you pay us a fair price.' The manufacturers would then know that they would have to pay the farmers a fair price in order to get them to grow tobacco.

By Mr. Zimmerman:

Q. Your argument is that the farmer is in the hands of the manufacturer to-day?

A. No, he can only sell so much.

APPENDIX No. 2

By Mr. Clarke:

Q. If you shut out the American tobacco the consumer would be at the manufacturers' mercy and the farmer also?

A. How is that?

Q. To-day the farmer is at the mercy of the manufacturer?

A. Yes, if he grows more than 4,000,000 lbs. a year.

Q. If you shut American tobacco out and prevent it from coming in at all then the consumer would also be at the mercy of the manufacturer, because he would have to chew the Canadian tobacco or none at all?

A. He would, yes. He would have to chew all that we would grow and if he wanted any finer quality he would have to pay the duty on it.

Q. How can you regulate the price which the manufacturer would pay the farmer in that case or which the manufacturer would charge the consumer?

A. Competition would do that. The different manufacturers would all want a share of the 14,000,000 pounds of Burley. We claim that we can grow all the Burley that is required.

Q. I claim so to, and a great deal more?

A. Well, then, why should we keep our market for it, especially when they won't let us ship a pound to the United States. If they would let us ship our surplus there it would be a different matter.

Q. I would like to see my way to doing something which would be certain to benefit the farmers?

A. If the farmer had a market for 14,000,000 pounds of tobacco it would be better than a market restricted to 4,000,000.

Q. More people would grow it, but what guarantee would the farmer have? The duty is 34 cents now?

A. 28 cents.

Q. No, 34, 20 on the excise and 14 on the other?

A. It is 20 cents more on the excise and 10 cents duty.

Q. And 14 on the stemmed.

A. We were talking about the customs.

Q. They do not put stems into the tobacco, it is 14 on what goes into the tobacco?

A. They put the liquids in order to make up for the stem, which comes back to the same thing.

Q. But they get a difference in the excise of 20 cents?

A. Yes.

Q. On the manufactured article?

A. Liquid and everything, molasses, &c.

Q. Yes, so that it is really a great deal more than 20 cents a pound on the tobacco, and 14 cents, that is 34 cents.

A. No, you are figuring on the stems, we take the stems out. A pound of stemmed tobacco, they tell me, will make nearly two pounds of the manufactured article.

Q. Yes, so you are really getting 40 cents a pound on the tobacco?

A. They are not.

Q. At the present time the farmer gets no benefit at all from protection?

A. No.

Q. Supposing you make it 35 cents as you propose, what guarantee has the farmer that he will get anything more than he does now?

A. Because it will keep the American out and he will have a market of 14,000,000 pounds instead of 4,000,000 pounds.

Q. Not 14,000,000, if Mr. Gerald is right, but 3,000,000 more.

A. It must be more than three millions more, because I claim we can grow thirteen millions of the fifteen millions. Of the quantity that is brought in, there is probably 2,000,000 pounds of Cuban which we cannot grow, but I do not care what it

is, we can grow the majority of that 15,000,000 pounds—the 2,000,000 pounds, probably, of that fine quality we cannot grow I know.

Q. I believe that about 4,000,000 pounds comes from Wisconsin and we ought to be able to grow that with proper assistance?

A. Yes.

Q. But I do not convince myself with regard to your idea that if the American tobacco is shut out altogether the farmers would have the manufacturers in their hands—I do not see how that would be the case any more than they have them in their hands at the present time?

A. They would have stronger competition, they would have the man who is buying in the United States now buying in competition with the other men, and they would have the benefit of the millions of dollars which are paid to the American farmer to-day.

Q. What is your own opinion of the proposal to abolish the different kinds of stamps so that all kinds of tobacco can be made in one factory?

A. I do not know very much about the stamp. I have understood that the manufacturers of cigars were not as much interested in the stamps as the manufacturers of chewing tobacco.

Q. You were saying just now that the difficulty now with the manufacturer is that he cannot bring in Canadian tobacco and use it. Would it be of advantage to the Canadian trade if he were allowed to do that?

A. Certainly.

Q. So that if there is a uniform stamp that could be used anywhere it would benefit the Canadian trade?

A. I think it would, but it would be a great deal better if we had our own country for our own tobacco and if we had the uniform excise the same as they have in the United States, they have no stamp at all there.

Q. Your idea is that there may be a uniform excise on tobacco?

A. Yes.

Q. That is what is proposed at the present time, and you approve of that?

A. Yes.

Q. The Ontario government announces that they are going to start an experimental farm on tobacco in the county of Essex, do you know if anything has been done in that matter?

A. I think they have given seed to Mr. Peterson to be grown, but I haven't heard how far it has gone.

Q. I understood they were going to establish an experimental farm?

A. No, I do not know that they have gone that far.

Q. Can anything be done to improve the quality of the Canadian tobacco?

A. I will tell you what has brought this Burley tobacco to the high quality it has attained. The manager of the Empire Tobacco Company sends out a circular every year, and he has been sending them for years, instructing the farmers how to grow it. He tells them the best methods, and impresses upon them that the better tobacco they grow the more they will get for it. More than that, he had a special fertilizer made for tobacco and brings that down by the carload.

By Mr. Zimmerman:

Q. They have made very great improvements in the type of tobacco grown during the last ten years?

A. Certainly, the improvement is 100 per cent.

Q. And although the quality of the tobacco has improved years ago they were getting bigger figures for the poor tobacco than they are to-day for the improved quality. The more they improve it the less price they get apparently?

A. That is right, because the Yankee stuff comes into competition with them.

APPENDIX No. 2

By Mr. Caldwell:

Q. Isn't there something in the curing of the tobacco?

A. No, it is cured as well as anybody can cure it.

By Mr. Sproule:

Q. I would like to ask Mr. Wigle if he does not think there is a good deal in the way the tobacco is manufactured with regard to the quantity that is sold? It suits the taste better. Is it not a fact that in some factories they use a good deal of glycerine and licorice, and in other factories they use molasses?

A. Every factory has a different formula, there is no doubt about that.

Q. It suits the taste of one man better than another?

A. Every manufacturer has his own formula.

By Mr. Clements:

Q. Does not Mr. Wigle think it is a question of prejudice in regard to the Canadian tobacco, and I am sure my Quebec friends will bear me out in my opinion with regard to the Canadian tobacco which is this, I had never smoked Canadian tobacco, and everybody knows I smoke about as much as anybody, but I was on my farm for a couple of weeks and ran out of the other tobacco and I commenced to smoke the Canadian. I had never smoked it before, and now I do not want to smoke anything else, and I say it is the best tobacco anybody can smoke.

By Mr. Caldwell:

Q. If I understand aright Mr. Macdonald's great success has been in the flavour of his tobacco. A smoker gets attached to a certain flavour and no other flavour will fill his wants. The question to me is, I have often wondered, is that flavour on account of the use of a dope or drug? I have often thought that there is a possibility of the flavour being obtained by the use of opium or some other drug which makes it attractive, so that a smoker becomes attached to a certain kind of tobacco and wants no other. The experience I have had with Canadian tobacco is, and I have tried all the brands that I have heard of, that one smoke of Canadian tobacco is about all that I can stand. I do not know whether it is the flavour, or the rankness of the tobacco or what it is, but there is something that is not right. I have grown it in my own grounds but I can't stand it?

A. I stated, I guess it was before you came in, that I believe if Mr. Macdonald would manufacture that tobacco with his formula he would make just as good chewing tobacco out of it as if he used the American.

By Mr. Ross (Yale Cariboo):

Q. Then why doesn't he do it?

A. Because he said years ago he would never do it, and as long as a man, having established a brand can go on selling it without having to bother about trying a different kind of tobacco he will continue to do so.

Q. Now that develops another point, because we have got to look at every side of this question. The consumer of Macdonald tobacco has as much right in this country as the consumer of this tobacco. You say 'Shut out the American tobacco.' Now if you do that what is the consumer going to do who wants to chew the smaller plug?

A. He can do the same as the Americans do. They have got to chew their own tobacco over there.

Q. I am afraid you are not in active politics at the present time?

A. You did not hear me state an experience a moment ago and you could not have heard Mr. Clements give his experience. The ex-Reeve of Pelee Island told me not six months ago that he had never chewed any but Macdonald's tobacco in his

8 EDWARD VII., A. 1908

life until they had run out of that tobacco on the island. For three weeks he was compelled to chew a plug manufactured out of Canadian tobacco, and he said it had cured him of his love for the Macdonald tobacco. He got so that when he again obtained a plug of Macdonald tobacco he took a bite of it and then threw it away; he could not chew it like he could the Canadian plug.

By Mr. Caldwell:

Q. Can you say whether this tobacco is drugged?

A. I don't know about that, but I can say that no two manufacturers have the same formula for making chewing tobacco. I know that.

Having read over the preceding transcript of my evidence, I find it correct.

LEWIS WIGLE.

Tobacco Grower, Leamington, Ont.

Mr. JERRY O'BRIEN, Chatham, Ont., called and examined.

By Mr. Clements:

Q. To my knowledge you are an extensive manufacturer of cigars and you have also had some experience in buying Canadian leaf grown in Essex and Kent. I would like you to give as briefly as possible your ideas as to what you think would be to the benefit of the Canadian grower as well as the manufacturers?

Mr. ZIMMERMAN.—That is the point.

Mr. CLEMENTS.—They have got to be considered.

Mr. ROSS (Yale-Cariboo).—Mr. O'Brien ought to tell us where he is manufacturing.

The WITNESS.—I have been growing tobacco and manufacturing cigars in Chatham.

By Mr. Clarke:

Q. Chatham, Ontario?

A. Yes, for a number of years.

By Mr. Ross (Yale-Cariboo):

Q. Manufacturing what?

A. Foreign leaf tobacco.

Q. Into what, Mr. O'Brien?

A. Into cigars. From my experience in growing cigar tobacco up there I think we can grow tobacco that would take the place of Wisconsin or Connecticut tobacco for cigars.

Q. That is for fillers?

A. Binders and fillers.

By Mr. Clarke:

Q. That is what they use it for?

A. Yes. At the present time it is suitable for medium goods and I think that the proposed duty is good.

APPENDIX No. 2

By Mr. Ross (Yale-Cariboo) :

Q. Medium in strength you mean ?

A. No, medium in price, that is outside of the high class goods.

By Mr. Clarke :

Q. You mean medium quality I suppose ?

A. Yes. The proposed changes in the duties would be, I think, of great benefit to the farmer and to the manufacturer also. If the duty is raised as proposed and the uniform stamp adopted, every manufacturer will have a chance to try Canadian tobacco on its merits. At the present time when any Canadian tobacco is taken into the factory rebates on cuttings would cease. There is such a prejudice against Canadian tobacco that most of the people would not try it.

By Mr. Ross (Yale-Cariboo) :

Q. Where do you get your tobacco for fillers from, Mr. O'Brien ?

A. I buy some of it in Wisconsin, some in Cuba, some in Connecticut, and quite a bit of it in Ohio.

By Mr. Clarke :

Q. Is your factory a foreign or combination ?

A. Mine is a foreign.

Q. You have never tried Canadian tobacco in your factory ?

A. No.

Q. There is nothing to prevent any manufacturer from using Canadian tobacco at the present time, if he chooses to bring it in and pay the additional expense he can use Canadian tobacco ?

A. He will lose the rebate as soon as he brings Canadian tobacco into his factory.

Q. He pays the additional excise of 25 cents ?

A. He pays just \$6 a thousand.

Q. That is on cigars ?

A. Yes, that is what he pays and he can use the Canadian tobacco.

By Mr. Ross (Yale Cariboo) :

Q. Your point is, Mr. O'Brien, that if the duties are re-arranged, you as a manufacturer would then use Essex grown tobacco for your binders, do you make that statement ?

A. Yes.

Q. Now, as a manufacturer, would you say they can grow good tobacco for fillers in Essex county ?

A. Yes, I think if that duty is arranged in the manner proposed that all the manufacturers in Canada when they see a piece of cigar tobacco which is suitable will buy it and use it.

By Mr. Clarke :

Q. Use it on its merits ?

A. There are quite a number of manufacturers and if we all used 5 tons a year it would make the Burley crop so short that the farmer could get the price he wanted from the manufacturer to grow it.

By Mr. Zimmerman :

Q. I thought Burley tobacco was only fit for manufacturing chewing tobacco ?

A. So it is, but if they grow cigar tobacco it will make such a scarcity of the Burley.

Q. I understand that in different States of the Union they grow different qualities of tobacco. For instance in Wisconsin they can grow a wrapper, and in Connecticut they can grow a filler and not a wrapper, and so on in different States. Now how is that?

A. It is a little bit reversed. In Wisconsin they grow a binder and in Connecticut they grow a binder with very few wrappers.

By Mr. Clarke:

Q. The filler is of Havana, is it not, principally?

A. The filler is Zimmer. Zimmer is similar to what is grown in Essex.

Q. Take Tuckett's, their filler is of Havana?

A. I don't know.

Q. It is reputed to be?

A. We all make Havana goods.

Q. But I am speaking of the filler now. I understand what they profess to do is to use Havana for the filler, Wisconsin for the binder, and Sumatra for the wrapper?

A. Or Connecticut for the binder.

By Mr. Ross (Yale Cariboo):

Q. Is that not the rule?

A. Yes.

Q. That tobacco is grown for special purposes in different places?

A. Yes.

Q. That is the rule?

A. Yes.

Q. If that is the rule—I am not saying it to reflect upon the growers in Essex—why should they say that they are more particularly placed there than any other place in the world to grow tobacco for all purposes?

Mr. CLARKE.—There is no place in the world like Essex.

A. In regard to Essex we have different kinds of soil along that lake shore. I have bought tobacco from Amherstburg down as far as St. Thomas. We have a lot of limestone there which is the same as in Hartford, Connecticut. This is Connecticut or Comstock Spanish (pointing to sample). There is a cigar tobacco that is grown up there (pointing to sample), it is a good burning tobacco. It has a white ash and doesn't blister ahead of the fire, and will hold fire for, I should judge, from five to seven minutes; it will hold fire as good as any Havana tobacco that is imported here.

By Mr. Zimmerman:

Q. Have you any experience with Kelowna tobacco at all?

A. No.

By Mr. Ross (Yale Cariboo):

Q. You ought to get some good tobacco in your factory?

A. Well I have heard some good reports about that tobacco.

By Mr. Zimmerman:

Q. I have smoked it; it is good and strong, you do not want to smoke more than one cigar.

By Mr. Blain:

Q. You have the right soil; is the climate good?

A. Yes, we have a good long climate, an early spring and late fall that gives the tobacco lots of time to ripen and cure properly.

APPENDIX No. 2

Q. Is it equal to those portions of the United States that you have referred to?

A. It is similar to that of Ohio, where the great proportion of the filler tobacco comes from that is used in the manufacture of cigars?

Q. Is it better than Connecticut?

A. Yes.

By Mr. Schell (Oxford):

Q. How is it you do not use Canadian tobacco in the manufacture of cigars, if the quality is good?

By Mr. Clarke:

Q. Do you attribute that to the present system of having three separate factories?

A. Yes, as I stated a few minutes ago you can see by the returns of the amount of Canadian tobacco used in foreign factories; that I think will satisfy you it can be blended in beautifully at the present time.

By Mr. Ross (Yale-Cariboo):

Q. You mean to say that there is a reasonably large amount used at the present time?

A. Yes.

Q. That is it, although you are not advertising it to the world?

A. Yes.

Q. That is on account of the prejudice against Canadian tobacco. If people knew generally it went into cigar factories, you fear it would affect cigar trade?

A. I think so.

By Mr. Zimmerman:

Q. You think under the proposed regulations the manufacturer and grower will be very much benefited?

A. I do, yes.

Q. And that it will be a distinct advantage to have one excise and one stamp?

A. Yes, a big advantage.

Q. And one excise?

A. Yes.

By Mr. Parent:

Q. Can you tell me whether good cigarettes can be made out of Canadian tobacco?

A. I never tried it.

Q. You do not know anything about that at all? Are you aware whether experiments have been recently made by manufacturers of cigarettes with Canadian tobacco?

A. I never went into that, in regard to the cigarette business.

By Mr. Clements:

Q. As a manufacturer, and as a buyer, you would approve of encouraging trade in Canadian tobacco and you are perfectly satisfied in your own mind that we can grow in Essex and Kent counties, or in the Dominion of Canada, taking into consideration British Columbia and Quebec, suitable tobacco for the general trade, I do not mean it all, but I mean for anything except the fancy grades?

A. Yes, I think tobacco can be grown here suitable for all classes of trade outside the Sumatra and Havana type.

By Mr. Sproule :

Q. Do you manufacture any kind of tobacco except cigars ?

A. No.

Q. You don't manufacture plug at all?

A. No, not at present.

By Mr. Caldwell :

Q. There is a question that I was speaking of a while ago. Is there any flavouring used in the tobacco which is injurious ?

A. I should not think so.

Q. You think not ?

A. I think not.

By Mr. Spraulé :

Q. You don't manufacture cigarettes or cigarette tobacco?

A. No.

Mr. DARIUS WIGLE.—I would like to ask Mr. O'Brien two or three questions.

The CHAIRMAN.—Be as brief as you can.

By Mr. Darius Wigle :

Q. Mr. O'Brien, as a manufacturer of cigars under the American license, I understand that you have been using Wisconsin binders ?

A. At times, yes.

Q. This is a sample of Comstock Spanish. Can you tell me whether you have ever procured a better binder from Wisconsin than I have in this sample ? (Producing sample).

Mr. ROSS (Yale-Cariboo).—You had better identify the sample.

Mr. DARIUS WIGLE.—This is a sample of Comstock Spanish tobacco grown in Kingsville, Essex county, from seed from Wisconsin.

Mr. CLARKE.—On whose farm ?

Mr. DARIUS WIGLE.—This was grown by Mr. T. Peare, of Kingsville. I paid 9 cents a pound for the crop and I want Mr. O'Brien to give his opinion upon that as a binder ?

The WITNESS.—Well, I have driven through that section of the country this winter several times and examined a lot of this big Havana tobacco grown from the seed that the experts sent up there.

By Mr. Gordon :

Q. You mean comparing it with the big tobacco ?

A. Similar tobacco.

By Mr. Darius Wigle :

Q. How does it compare with what you have received from Wisconsin ?

A. I have examined a lot of it this winter and it will make a first class binder for cigars.

By Mr. Clarke :

Q. Is that a fair sample ?

A. Yes.

Q. There is a lot of tobacco as good as that ?

A. Some a little finer than that.

By Mr. Darius Wigle :

Q. Outside of that I understand you use the Connecticut seed as a binder ?

APPENDIX No. 2

A. Yes.

Q. That is Connecticut seed grown in the township of Mersea. Will you give us your opinion as regards that quality for a binder ?

A. That is the quality that I have just stated in the case of these two classes of goods that can take the place of the tobacco that we import from Connecticut and Wisconsin.

By Mr. Ross (Yale Cariboo):

Q. It is just as good ?

A. Yes.

By Mr. Darius Wigle :

Q. Do you get any better tobacco imported from the United States ?

A. The tobacco that comes from there is not in the farmers' hands and is cured better than the way we get it.

By Mr. Zimmerman:

Q. Is that a wrapper or a binder ?

A. This is a binder.

By Mr. Darius Wigle :

Q. In a clean state just as it comes from the farm. What varieties of tobacco would you recommend to grow in western Ontario for cigars ?

A. Comstock, Spanish, Connecticut and Big Havana.

Having read over the preceding transcript of my evidence, I find it correct.

JERRY O'BRIEN,

Tobacco Manufacturer.

Mr. WHITSON BALDWIN, called.

By Mr. Clarke:

Q. You are from the township of Colchester South, down on Lake Erie?

A. On the north shore of Lake Erie, it is supposed to be the most southerly point in Canada.

Q. How long have you been growing tobacco, or been concerned in the growth of tobacco ?

A. I have been interested and concerned in it all my life.

By Mr. Zimmerman:

Q. That must have been as much as twenty years ago?

A. Yes, quite as much as that. Of course in the growing of Burley, I suppose I have been growing it for ten years, some other varieties before that.

Q. The growth of Burley commenced about ten or twelve years ago? What varieties were grown before that time?

A. Well, what we called Thick Set, the Blue Prior and several other varieties which to-day you would not call tobacco at all; they were a very heavy coarse tobacco which answered the purpose at that time.

Q. What was done with it then?

A. It was sent to Montreal, when I first commenced to grow it, by a small vessel.

Q. So that the varieties of this tobacco you grew twenty years ago are not used at all now?

A. Not used at all.

Q. There is a good deal of complaint, I believe, at the present time, by the farmers that they have no market for their output?

A. I can show you hundreds of barns where the tobacco is hanging as it was last fall because it is not worth while to handle or prepare it for the market because there is no sale for it.

Q. What do you say as to the quality of the tobacco grown up there?

A. So far as the quality is concerned it has been pronounced first-class. They have shown you some prepared tobacco and some that was not prepared. There (indicating sample) is a sample of Comstock, taken out of a bundle just ready to be given to the buyer, this is Connecticut seed leaf.

Q. Where is this grown?

A. In Colchester South.

By Mr. Clements:

Q. Just as it was picked by the farmer?

A. Yes, as it came from the barn pole.

By Mr. Clarke:

Q. What improvement has there been in the last few years on the part of the farmer in regard to taking care of it?

A. They have been more careful in growing and the handling of it. Of course they are trying to grow newer varieties and are becoming better posted in the handling. When we first commenced to grow tobacco it was almost impossible for the ordinary grower to cure it at all, which was all due to handling.

Q. I believe there are several things they have to take care of? Keep it free from sand?

A. That is all in the handling, of course if you allow it to lie on the ground and get rain on it it collects sand.

Q. And the better care taken with it by the farmer, you think, the better price he gets?

A. Certainly, one of the great troubles is the worms get at it sometimes if care is not taken; that is the greatest drawback in the growing of tobacco to-day, but the price is made by the buyer.

Q. Then it has to be cut at the proper time?

A. That depends upon the setting and the season, whether we get a long season. I aim to get my tobacco in about the first of June.

Q. What I meant was that it must be in proper condition?

A. Yes, the coarser tobacco such as Burley, there is no trouble about, when to cut that, it shows for itself when to cut it, but in the finer tobaccos there is a certain time at which it must be cut. There is the Connecticut seedling, it is very difficult to tell when that is ready and there are some other varieties with which similar difficulty is experienced. Take the Kentucky Yellow, for instance, you won't find two plants beside each other fit to cut the same day even if they were set on the same day. Seed leaf is not quite so difficult, it will show more difference on different qualities of land; if you have strong sandy soil and it runs down to black soil you have a different result entirely.

Q. What is your opinion as to the varieties of soil up there for growing different kinds of tobacco?

A. We haven't any soil up there but what will grow tobacco. Of course the heavier soil grows a heavier quality of tobacco.

APPENDIX No. 2

Q. But there are different qualities of soil suited to the different varieties of tobacco?

A. Yes.

Q. And speaking generally you say that the farmers have become pretty expert in growing tobacco?

A. They are improving their soil and their methods have improved as well.

Q. Some more so than others, I suppose?

A. Certainly.

By Mr. Clements:

Q. What would you suggest in the way of improvement?

A. I have been talking with my neighbours about it and they are very anxious to have an experimental station started among us with an expert in charge. It has been said in this house that we do not grow first class tobacco; we are anxious to learn and to be educated along these lines. A number of my neighbours came to me when they found I was coming here, and they said: When you get down there we wish you would urge the necessity of an experimental station along these lines and that we have an expert from the United States where the facilities and the conditions are the same as our own, let it cost what it will, and we will put ourselves under his direction if the government can do so, in order to start a stripping and handling plant among us where the best and greatest quantity of tobacco is grown so that it will be convenient to bring it to the stripping and preparing station, where it can be made ready to be taken to any market, either our own or foreign market. Along with that they wish to have some of our younger men, who have been educating themselves for a higher position, and place them with this expert to educate them so that they will become experts at the work or better if possible, so that we will have men of our own, and reliable among us to carry this business on. We cannot always depend upon hiring the right man in the right place. I noticed when Mr. Wigle was reading that letter that he had to ask particularly of some man he was trying to employ if he was of good habits, sober and industrious, which it is necessary he should be. If we have our own boys we know what these boys can do and what they are capable of acquiring, and we have numbers of them annually who have been attending our colleges, trying to place themselves above the common herd and I think they should be encouraged to become experts in this as in other businesses.

By Mr. Ross (Yale Cariboo):

Q. In the Agricultural College do they give any attention at all to the question of tobacco culture?

A. Not yet.

By Mr. Clarke:

Q. Yes, but they do to the question of chemistry and kinds of soil?

A. That is where these boys would come in, they would have an advantage in that respect.

By Mr. Clements:

Q. Besides looking after the growing of the crop and the taking care of the crop, Mr. Baldwin, do you think that the quality of our tobacco can be improved if our people had better buildings than they have for the curing of it?

A. Yes, I think it could.

Q. And that with proper encouragement the farmers would readily take hold of it and provide those improved facilities if they were assured of a proper market?

A. Certainly.

Q. You have no doubt about that?

A. I am satisfied that our country can be more than double its present production, and would if there was a price that they would be safe in going into the business.

Q. Then in your opinion, Mr. Baldwin, a good deal of our tobacco is not kept in proper buildings, the growers have not proper facilities for keeping it and sometimes it is put in sheds or open buildings?

A. Certainly there have been cases of that kind.

Q. With proper buildings for keeping it the quality would be considerably improved?

A. I think so, certainly.

By Mr. Zimmerman :

Q. Mr. Clarke touched upon a point which seems to me to be extraordinary as to the difference between the raw leaf and the manufactured plug tobacco, that is the plug tobacco which is manufactured out of this Burley?

A. There does seem to be quite a discrepancy between the price received by the farmer and that received by the manufacturer.

Q. How is it that the farmer cannot get any benefit at all by the sale of that?

A. It is a very difficult question to answer. If I were to say that there is a combine amongst the manufacturers in this respect I would perhaps be saying something that I could not substantiate.

By Mr. Clarke :

Q. But there is that impression?

A. It is the general impression, but whether it is so or not I cannot say; not so much of combine as a division of territory.

Q. If it is the fact why people can account for it?

A. Then again when we consider the importation of weed from our neighbours.

By Mr. Zimmerman :

Q. Just on that point. If the tobacco is selling, as one witness says, on the other side of the line at 11 cents while for tobacco of the same quality the grower here is only paid 8½ cents a pound, how do you account for the importation?

A. The duty is not sufficient to keep the American leaf out.

Q. But there is such a tremendous difference in the price?

MR. CLARKE.—Mr. Zimmerman means if they can buy it cheaper here than they can in the United States.

A. I cannot answer that question.

MR. ROSS (Yale Cariboo).—You must answer the question.

MR. CLARKE.—If you can.

THE WITNESS.—I must, eh?

MR. ROSS (Yale Cariboo).—You will excuse me, but you cannot get away from this fact: I asked Canadian manufacturers what was the reason of their paying a bigger price for the imported article and they replied that it was because they cannot get the article they want in this country. Now that is a statement of facts by the manufacturer and you must answer it. The argument on the face of it that the manufacturers are not foolish enough to buy tobacco on the other side if they can get tobacco of equal quality here at a lower figure?

A. If they get a better tobacco on the other side it is not in the Burley but only in the lighter varieties, because I have the opinion of experts from Kentucky; because the Burley tobacco grown in Essex has been placed on the St. Louis market and brought just as good a price as did the Kentucky grown article of the best quality. Where then is our tobacco inferior?

APPENDIX No. 2

Q. I am not answering that, I am only giving you the statement of the manufacturers. There should be an answer to it?

A. There are a lot a things there is no answer to.

By Mr. Parmelee:

Q. We are not going into the growing of cigar tobacco to any extent?

A. Not to any extent. One reason is to be found in the price of cigar tobacco. There has been very little grown. Only since this last year has there been any cigar tobacco grown at all to note.

By Mr. Clarke:

Q. How much Comstock Spanish and Zimmer Spanish is grown?

A. Eight or ten thousand pounds, perhaps not so much. That is excluding the Seed Leaf from the Comstock Spanish and the Zimmer Spanish. There must be from 50,000 to 100,000 lbs. of Seed Leaf.

By Mr. Zimmerman:

Q. With the introduction of one excise duty on all tobaccos in your opinion is that going to benefit the grower?

A. Not directly, it will indirectly, because the men here don't know what they are chewing unless the name is printed on it. Is that satisfactory to you, Mr. Ross?

By Mr. Ross (Yale Cariboo):

Q. Of course, as a canny Scotchman it is absurd to say that the reason Macdonald will not buy Canadian tobacco is because he has got a prejudice against it. Of course, he is a very rich man and does not care probably?

A. That is the conclusion I would come to, he does not care to handle our tobacco because he has a prejudice against it.

Mr. CLARKE.—I think he has got a brand established and does not like to change it.

Mr. ZIMMERMAN.—No man is doing more for Canada to-day than Mr. Macdonald.

The WITNESS.—No one is finding fault with him.

By Mr. Ross (Yale Cariboo):

Q. Do you not think that as far as the chewing public are concerned it is rather strange they will persist in buying twice as much of Macdonald's small plug as they do of the bigger plug made out of Canadian tobacco?

A. I cannot agree with you that twice as much of the Macdonald plug is handled. In our immediate section there is not one-tenth of the Macdonald plug sold to-day that there was three years ago.

By Mr. Clements:

Q. Not one-tenth you say?

A. Not one-tenth of the quantity there was three years ago.

By Mr. Ross (Yale Cariboo):

Q. I am talking of the national output of Macdonald's plug tobacco and all other Canadian factories. I am not sure of my figures, but I think there is twice as much of Macdonald's tobacco chewed in this country as there is of any other variety?

A. I admit that there is a large section of country where nothing but Macdonald's is sold, the Northwest for instance. The Northwest requires Macdonald tobacco simply because they have been chewing it and they cannot get any other. I have one son who used to chew Macdonald tobacco, but at one time he could not get it and tried chewing tobacco of the Erie Tobacco Company of Windsor. He started chewing that and has not chewed any Macdonald tobacco since.

By Mr. Zimmerman:

Q. You ought to work up a prejudice against the Macdonald tobacco. I think Mr. Macdonald has a prejudice against Canadian grown tobacco.

Mr. CLARKE.—Take a brand of anything and it requires time to work up a trade in it?

A. I don't know that we should work up any particular prejudice. We should try and foster that which is going to do us the most good. We want to encourage the use of home-grown tobacco and do away with the importation.

By Mr. Carrier:

Q. You have often heard that Mr. Macdonald has got a secret of his own for preparing his tobacco?

A. So I understand.

Q. All the other manufacturers in this country tried to copy, or to get the flavour that Mr. Macdonald places in his 'Prince of Wales Navy' and have never been able to approach it or to improve on it?

A. So I understand.

Q. This has made Mr. Macdonald's fortune. There was only one man in this country who could do it. His name was Campbell, and he is probably dead now. This secret has made Mr. Macdonald's fortune?

A. Yes.

Q. No one has ever been able to approach the flavour which Mr. Macdonald puts in that tobacco, and the people would rather pay 10 cents for it and get it, than any other tobacco.

Mr. ROSS (Yale Cariboo).—You are not arguing that he could not apply the same flavour to tobacco of the same quality?

Mr. CARRIER.—It was not a question of tobacco but of flavour?

A. It is not a question of tobacco but the flavour, certainly.

By Mr. Parmelee:

Q. You spoke of 8½ cents a pound as an exceptionally low price, that is not the ordinary price?

A. Not the ordinary price.

Q. And that price is due, I suppose, to the farmers growing more tobacco than the market demands, they went into it too fast?

A. A little too fast.

Q. There are two things that I think you should direct your attention to: you should devote yourself to producing, perhaps, a larger variety of leaf so that you could supply the new demand there would be for Canadian leaf for cigar purposes, which would give you a larger output. Then you should improve the quality of your tobacco and keep the production down to within what the demand is likely to be. Of course, that demand is going to grow, but don't get ahead of it.

A. That would be the advice I would give. I would not advise the farmers to go too heavily into the cultivation of tobacco. Of course, if the contemplated changes go through and we get 35 cents a pound duty on tobacco it is going to be an encouragement. I would advise also that an expert should be appointed to instruct the growers in the handling of this tobacco, because we do not understand the handling of cigar tobacco. Those tobaccos are more expensive to grow and handle in every respect, and if we undertake their cultivation we should do it to the greatest amount of profit and turn out the best product possible. Now the greatest possible care has to be exercised in regard to these cigar tobaccos, and to that end we should have expert growers and handlers. I refer to such varieties as Zimmer and Comstock. The Connecticut does not soil quite so quickly, but these other tobaccos if they are handled in a rough or

APPENDIX No. 2

careless manner you ruin one-quarter of your product at least. The plants should be rightly cut and hung up without touching the ground. The plant soils very easily and when in that condition is not even fit for making into a wrapper. So you see there is your wrapper gone. As to the filler it would not make so much difference. But the handling of a crop is everything in order to make the tobacco into a first-class article.

By Mr. Ross (Yale Cariboo):

Q. I want to ask you two questions: You said a little while ago that a few years ago you grew abominably bad tobacco in Essex county, what would not be considered tobacco at all to-day?

A. I would not.

Q. Do you know, as a matter of fact, whether it was when you were growing that bad tobacco Mr. Macdonald made his experiments with Canadian tobacco?

A. I could not say how far Mr. Macdonald's experiments date back. I have learned since coming home that it was at that time.

Q. I understand it was at the time you were growing inferior tobacco he made those experiments and got his prejudice?

A. I guess it probably was. I have learned that it was.

Q. As a grower of first class tobacco, have you or your associates made any effort to put that tobacco in Mr. Macdonald's factory, to show him you can grow good tobacco now?

A. No. It has been shown to him by some of our representatives, Mr. Robinson and others, but he is a man that it is very hard to approach. Of course as growers we do not know Mr. Macdonald, we do not have any communication with him; we are a long way from him; as farmers we do not get very far away from home very often and I cannot say it has ever been placed before him.

Q. You would not blame him for having a prejudice if all he ever saw was the tobacco you grew a number of years ago?

A. No, I do not suppose we would.

By Mr. Clarke:

Q. I suppose that is the way this red stamp and green stamp were so unpopular, because they were applied to the tobacco that was grown years ago?

A. No, that seems to have been the original arrangement, the three stamps have always existed. I do not know whether it was because they were put on Canadian tobacco years ago, it may have been something like that but I could not say. Of course we hear a great deal about the red stamp. I do not see a great deal of it, I am not mingling with smokers as much as I used to, but when the red stamp used to come up they would shove it aside and take the green.

By Mr. Ross (Yale Cariboo):

Q. Because the red stamp indicates to the world that it is made of poor, home grown Canadian tobacco.

A. That is your idea, it is a danger sign.

By Mr. Clarke:

Q. Your idea is that the uniform stamp would be an improvement?

A. Yes.

Having read over the foregoing transcript of my evidence I find it correct.

W. G. BALDWIN.

Mr. PETER LAMARSH, township of Mersea Essex county called.

By Mr. Clarke:

Q. You are the deputy reeve of the township of Mersea, in the county of Essex?

A. Yes.

Q. That is the largest township in the county?

A. The largest township in the county.

Q. To what extent is tobacco grown there?

A. It is grown extensively in the township of Mersea, which is one of the greatest tobacco-growing townships we have, I suppose in the Dominion.

Q. Just state what samples you have with you.

A. This (producing sample) is a sample of white Burley grown in the township of Mersea; that, I presume is made into chewing tobacco.

Q. What do you say about the quality of that?

A. I doubt if it can be beaten in Kentucky or anywhere else.

Q. That sample is put up by the farmers in the usual way?

A. That is the usual way the farmers put it up ready for the buyer.

Q. Have the farmers become fairly expert in taking care of the tobacco?

A. They are becoming more and more proficient.

Q. They improve with experience?

A. Yes.

Q. Take the other samples?

A. These (producing samples) were grown in the same vicinity and they are a splendid quality of tobacco. These are white Burley—I could not procure any cigar tobacco in the time at my disposal but we have grown some in that vicinity.

By Mr. Zimmerman:

Q. Are these cigar tobaccos?

A. No, chewing.

By Mr. Ross (Yale Cariboo):

Q. Was this sample cut at the proper time?

A. Yes, I think so.

Q. Isn't it a little too ripe?

A. No, I do not think so. It is very bright and quite clear. Here are some samples off the limestone in Pelee Island.

By Mr. Clarke:

Q. How does that differ from the other, can you tell me?

A. Well, I can't say that it is any coarser, it is more in case than this Pelee Island tobacco, and you can't get at the Pelee Island tobacco as well to examine the quality.

Q. Is it the case that the Pelee Island tobacco has a better reputation than the mainland?

A. It seems to be, you see the others are of very fine quality.

Q. The buyers pay higher prices for it?

A. I believe the buyers do prefer the Pelee Island tobacco.

Q. What is that other sample, Pelee Island?

A. The same thing, that is for chewing.

Q. Or smoking?

A. They smoke it in Essex a great deal and prefer it to anything they can get, but it is not a smoking tobacco.

By Mr. Carrier:

Q. It has not a good flavour?

APPENDIX No. 2

A. It has not as good a flavour as the smoking tobacco grown for smoking.

By Mr. Clarke :

Q. The farmers there always use this?

A. Yes, they use it.

Q. Is it Burley that they use?

A. Yes.

Q. And they have been using it for a number of years?

A. Well, the farmers use it for both chewing and smoking, after becoming accustomed to it they do not want anything else.

Q. Do they chew it in the raw state ?

A. Yes, sir, many of them.

By Mr. Zimmerman :

Q. Do they die young ?

Q. No, they live to a good old age.

By Mr. Clarke :

Q. What is your idea about the difficulty between the farmers and the buyer ?

A. Well, there is one difficulty, we know that there is a considerable protection given to our tobacco and we know that the farmers do not receive any benefit from it apparently.

Q. How do you account for that.

A. Well, the only answer I can give is that the parties that are manufacturing it must take advantage of the whole thing. They must do so because, apparently, there is no competition, what you might call practical competition in buying.

By Mr. Zimmerman :

Q. I could understand you now if the price of tobacco was as high here as it is in the United States. But you claim to raise as good tobacco as they do in the States, and yet it is three cents a pound higher in the States, and then there is an additional duty of 34 cents.

By Mr. Parmelee :

Q. Just one moment, I want to get at these facts. Mr. Clarke told us a few moments ago that the Empire people are selling a plug of chewing for 10 cents which is twice as large as the plug made by Macdonald.

By Mr. Ross (Yale Cariboo) :

Q. Could the manufacturers pay you as much for your tobacco as they pay for American tobacco when, in order to compete with the latter they have got to put twice as much Canadian tobacco into a plug ?

A. Do you want to know my opinion as to why that is ?

Q. Yes ?

A. The only answer I can give you is this: that the Canadian manufacturer is competing with a trade that has been established for 30 or 40 years, and you know that an established trade anywhere in the world is a hard thing to overcome.

Q. I thoroughly agree with you if that is the answer. The next question that arises is, if they have to do that they cannot pay as much for your tobacco as for the tobacco they are competing with, can they ?

A. Well, you would naturally think they could not do so.

Q. They could not do it ?

A. No.

Q. If they have to put twice as much tobacco into a plug in order to sell it they cannot pay as much for it ?

A. That looks reasonable, but at the same time if the figures which Mr. Clarke quoted are correct, the manufacturers are certainly making a large enough profit to allow the farmers a little of it. They should not retain the whole of the profit, but give us a reasonable amount, and not have us growing tobacco at cost or at a loss. I think the prices which were quoted by Mr. Wigle and the figures which were published by the Leamington Post are really a little larger than what we have actually got.

By Mr. Zimmerman:

Q. That is an outside price?

A. These are outside prices and the majority of tobacco growers have not received the amounts that have been quoted to-day.

By Mr. Ross (Yale-Cariboo):

Q. In order that you may get the same price as the American growers do for their tobacco you have got to educate the people who use the American tobacco out of that prejudice?

A. There is no question about that in my mind and the manufacturer also needs to be educated.

By Mr. Clements:

Q. How would you legislate in order to prohibit the American tobacco from coming into Canada?

A. Such prohibition is not my natural inclination in regard to trade questions, but throughout the world tobacco is regarded as a legitimate object of taxation by all governments. In some countries tobacco is made a government monopoly, and I think that in the majority of cases tobacco is taxed more heavily than it is by our government. It is the same with the Dominion of Canada. Now there is no reason why, if tobacco is a legitimate object of taxation, we should not tax it sufficiently to introduce the growing of certain varieties into this country and supply our domestic market.

By Mr. Clarke:

Q. There is this view of it: supposing you prohibit the importation of tobacco and raise the whole excise, so far as that portion of it is concerned, from Canadian tobacco, you would not affect the price which is paid to the farmer?

A. If the excise were increased it would depend a great deal upon competition between the manufacturers.

Q. In the event of excluding importations of American tobacco the whole of the excise would have to come out of the Canadian leaf?

A. Yes, the Canadian leaf.

By Mr. Carrier:

Q. Do you think it would be advisable for the government to send an expert abroad having with him the best grades of your tobacco, and try and introduce it into European countries?

A. I think so, if they could get the tobacco handled properly.

Q. These finer grades of tobacco might be exhibited at the Anglo-French exhibition in London, and an expert might deliver addresses in their favour?

A. Without doubt.

Q. Bringing out all the good points of Canadian tobaccos?

A. Yes, that might be done. There is something about the tobacco that personally I do not understand. In that connection let me give you a little experience of my own. In 1898 I sold my crop of tobacco. It was a very large one and I think I got some 5 or 6 cents a pound. But when I stripped my tobacco I culled it. I took the poor

APPENDIX No. 2

leaves—the torn leaves and the lower leaves of the plant—and culled them out. The prime leaves or the best leaves I placed upon the sticks. When the buyers came to purchase the tobacco they would not touch the culled leaves, but they bought the good tobacco. Well, I had, I suppose, fifteen or twenty bales of this culled tobacco, in 50-pound bales or thereabouts, and I placed it in my granary where it could not take any moisture or where there was no chance of it heating. I kept that tobacco for a year and a half. My father-in-law, who is a tobacco user, came along and said: 'I want a bale of that tobacco to use.' Well, he took away a bale of it. Let me say first that this tobacco was a mixture of Zimmer Spanish, Connecticut Seed Leaf and Burley. I got my seed from a neighbour who had badly mixed his plants. I think there would also be another variety or two in addition to those mentioned. Well, my father-in-law took that tobacco to the village where he lived and the tobacco users there soon found out that he had some of the weed. One or two begged a little of this tobacco, and finally they all came there and deserted Macdonald and other tobaccos. All wanted to use the Canadian leaf, and they very soon stripped my father-in-law of all that he had and he came back for more. He said that they all admitted that it was the best tobacco they ever got.

Q. Perhaps you are an exceedingly good hand at curing it?

A. No, I think it was nature that did it. I think the tobacco was cured by nature in some way.

By Mr. Ross (Yale-Cariboo):

Q. Were those people not getting that tobacco cheaper?

A. It was not that at all, that would have nothing at all to do with it. They very soon came back and bought the balance of that culled tobacco at 2 cents a pound.

By Mr. Carrier:

Q. Don't you think it would be a good idea for the government to issue licenses to re-handlers for the privilege of handling that tobacco?

A. I think so.

Q. I am speaking of the province of Quebec, because there we have not got the advantage of the beautiful climate such as you have?

A. Yes, we have a good climate, we are ploughing up there now.

Q. Unfortunately for twenty years in our province the farmers have been selling their tobacco just as they raised it, they did not understand about the curing or anything else. The consequence was it gave the tobacco a bad name. The necessary thing now, I think, is to have that tobacco go through the hands of experts, who understand all about the curing, before it goes to the trade?

A. Just so.

Q. We want re-handlers to undertake that, men who understand the business and would pay a license to the government. I believe that the government should put an excise duty of 1 cent a pound on every pound that goes into the trade.

Mr. ZIMMERMAN.—What is your reason?

Mr. CARRIER.—My reason is that all the tobacco should go through the hands of re-handlers. The purchaser would then know what he was getting. The tobacco would be graded and prices paid in proportion to the quality. At present tobacco of an inferior quality goes to the trade the same as the very best, and hence the tobacco receives a bad name.

The WITNESS.—That is very true.

By Mr. Carrier:

Q. You see if the government had a proper system of giving licenses to re-handlers the trade would be placed upon a sound basis?

A. Or let the government themselves appoint inspectors and grade the tobacco the same as they do the grain in the northwest. I have often thought of that. At present we are handicapped and the buyers, or re-handlers or manufacturers—whatever you like to call them—will not give the farmers a reasonable price for their tobacco. Let the government themselves put an excise duty on all tobacco that these men buy, less a certain fixed price to be paid to the farmer, and it would insure to the farmer a certain price for his tobacco at any rate.

Q. That is my theory.

A. I have often thought along the same lines. There is one difficulty in buying county of Essex tobacco, and that is that apparently the best quality such as this (producing sample) was bought at probably only one cent per pound higher than other stuff for which not more than one-half the price should have been paid.

By Mr. Clements:

Q. How much more large Burley can you grow than small Burley per acre?

A. I have never had much experience in that. A great deal depends upon the planting and the distance the plants are set apart and the soil. Mr. Ross, I believe it was spoke about the difference in climate. He will understand the climate of the county of Essex when I tell him that when we left there on Tuesday the people were ploughing. Some years ago I met a party of hunters who were going to the woods of northern Michigan. They had come from a point 80 miles south of Sandusky, Ohio, that is pretty far south from us; we had not had a particle of frost; that was the 22nd of October, and they told us that they had had frost three weeks before throughout the state of Ohio that had killed all vegetation.

By Mr. Ross (Yale-Cariboo):

Q. A remark was made about the Connecticut Yellow not ripening at the same time, any two plants. Would that difference be on account of the planting or something in the condition of the plant or the soil? Is that the same tobacco as grown in Connecticut?

A. I might say that I have had no experience. Before I close, I spoke of Mr. Macdonald's prejudice against Canadian tobacco. I have a brother who has been a very extensive grower, and when he first started to grow White Burley he sent some samples to Macdonald and asked him if he would try the Canadian tobacco. Mr. Macdonald said he had tried the Canadian tobacco once and it had not been a success in this country. His trial was made many years ago, but if he made the experiment now he might change his views.

Having read over the above transcript of my evidence, I find it correct.

PETER LAMARSH.

APPENDIX No. 2

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

FRIDAY, March 27, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 2 o'clock p.m., Mr. McKenzie, Chairman presiding.

Mr. LOUIS V. LABELLE, Joliette, Que., called and examined.

By Mr. Dubeau:

Q. How long have you been interested in the tobacco industry?

A. About 20 years.

Q. You have visited the different parts of the provinces of Ontario and Quebec where tobacco is grown?

A. Yes, I have made extensive trips throughout those provinces especially for the purpose of getting acquainted with what was being done and the possibilities in regard to the tobacco industry, not only from an agricultural, but also from an industrial point of view.

Q. Have you remarked that the climate in the two provinces affects the cultivation of tobacco?

A. I remarked a general effect which has been proven long ago by results obtained and it is this: that in Ontario on account of certain climatic conditions and also the nature of the soils devoted to that culture, it seemed to permit the production of certain types to a greater perfection than we can attain in Quebec. I also noticed, and it is a well known fact proven likewise by results, that in Quebec—for the same reasons, but acting inversely I suppose, or in some way which is not clear to my mind or to anybody else's mind—we can produce certain types and varieties of tobacco to a greater perfection than they can in Ontario. I may add just at this moment, if you will permit me, that this fact is often overlooked. It seems to me that by overlooking the fact that in one province certain types of tobacco obtain greater success than in the other, and vice versa, unnecessary rivalry seems to have arisen between the growers of Ontario and Quebec which should not be the case. This condition of things is not peculiar to this country but is universal. For instance, in the United States, where the cultivation of tobacco is very extensive—in fact they are the largest producers of tobacco in the world—the districts, so far as the agricultural industry is concerned, are clearly defined and divided. In certain states they produce a certain type of tobacco which is never taken out of those States. That is, the culture of that particular type of tobacco is not transferred to other States, but remains there. Now the tobacco growing areas are divided into about five great sections. For example, the central States produce a certain type of tobaccos which is entirely different from that produced in the Eastern States. In the Southern States they produce a certain type of tobaccos which is very different indeed from that grown in the Northern States. This is due to certain climatic conditions combined with the nature of the soils upon which the tobacco is grown. I am stating this to show that there is no need of confusing the possibilities of tobacco culture in the provinces of Ontario and Quebec. Now for the matter which I believe constitutes the object of this inquiry or investigation; I should not think that there need be any rivalry between the provinces of Quebec and Ontario. I believe we are all agreed that both provinces need facilities for opening up a market for their respective products. I do not know if what I have stated is to the point and gives you the information which you require. If not, you can ask me to explain any matters which appear to be in doubt.

Q. You cannot see that there should be any rivalry as to tobacco production between the provinces of Quebec and Ontario?

A. No, there should not be, because in Ontario they can produce certain things to a greater degree of perfection than we can; and on the other hand we can grow certain varieties of tobacco in Quebec more successfully than they can in Ontario.

Q. In your opinion is it a good thing to increase the excise duty on the foreign tobaccos; is it necessary in order to successfully develop the Canadian tobacco industry?

A. No, I do not think it is a necessity, not a bit. I mentioned a moment ago that what we need are facilities for our products in Ontario and Quebec to be used by the manufacturing industry; and the increasing of the duty on the foreign leaf would not help much to that result so long as the restrictions, which have so far existed, remain. I would rather have the restrictions done away with, as is proposed, than have a prohibitive duty put on foreign leaf. I will tell you why I think that. We have already, it seems to me, plenty of protection. There is in fact a protection of 30 cents per pound, considering the total duties imposed upon foreign leaf, in favour of Canadian tobacco. Well, the effect of the increase of duty over what existed prior to 1897 had been felt. That increase of duty was required at that time in order to induce the manufacturers to use Canadian tobacco in their factories. But if a system of fiscal or administrative dispositions had not been established, whereby the use of Canadian tobacco in factories was facilitated, the 10 cents of increase of duty on the foreign leaf would have been of no avail. However, in 1897 the factories were opened up to the use of Canadian leaf to a certain extent; in fact the means were devised whereby the manufacturers who chose to do so could use the Canadian leaf. They could do that under a separate license. Now the results of that increase of duty and the changes in the regulations have worked to the good of the Canadian tobacco producers. The proof is to be found in the fact that we are using now almost 5,000,000 pounds of Canadian tobacco out of the total quantity manufactured, whilst before 1897 the amount that went into manufacture was almost nothing. There is an old saying that the proof of the pudding is in the eating. There we have the proof of the good which resulted from the measures adopted in 1897. However, sufficient has not yet been done because there are other types of tobaccos which we can produce here, and which would be used by the manufacturers were it not for certain restrictions.

By Mr. Owen:

Q. What restrictions?

A. There are three licenses and different stamps used. Those, briefly, are the restrictions I mean; the system of three separate licenses you see. I will not go into this detail very much because a great deal has been said respecting it in the testimony that has been taken. I mention these as being the restrictions and objections to the development of a certain branch of the manufacturing industry from which we can derive great benefit, that is, I mean the tobacco growers. My more particular reason for not being so much in favour of increasing the duties is that supposing we made the duty prohibitive entirely there might be some reason on the part of the manufacturer to complain, because we cannot claim that here in Canada we can produce all the types and varieties and sub-varieties and different grades of leaf which are required by the manufacturing industry. I quite understand we shall always have to import from foreign countries certain types and grades of tobacco which we cannot produce here in Canada, and there is nothing extraordinary in this because, even in the United States, where they produce seven hundred million pounds of tobacco per year and where also they have all sorts of climates and soils, they have yet to import 30,000,000 pounds of Sumatra leaf. Their reason for that is simply an industrial one. It is simply because that Sumatra leaf has certain peculiarities of its own which cannot be duplicated in the best situated parts of the United States. For the same

APPENDIX No. 2

reason we shall always have to import a certain portion of the tobacco which will be required for our tobacco manufacturing industry in all its branches. Therefore, the manufacturers might have some reason to complain if such a step was taken. And as producers, supposing we make the duty prohibitive, the result to the growers would be such that in two years we would fill the country with so much tobacco, I would not say of all sorts of tobacco, that the price would go down and it would be down for fifteen years.

By Mr. Clarke:

Q. How would it affect the price to the farmers?

A. Over-production would bring prices down, that is the natural result. And it seems to me that it is taking a wrong view for the farmers to favour the increase in the duty. I know lots of farmers are in favour of increasing it, and making it even prohibitive, but it would work out in practice so that it would first bring the price down on account of over-production; it is the natural result, and we have the proof of this as I will show you in a moment.

Q. May I ask, are you a grower of tobacco?

A. Yes, sir; I have been a grower for 17 years; I am not engaged in it now. I quit simply because I thought I would never live long enough to see the changes which are about to take place now. But I will go into it again, now that the change which I have been waiting for for many years has come.

By the Chairman:

Q. You refer to the changes in the inland revenue?

A. I say this, that the farmers are mistaken in trying to have the price or the value of tobacco adjusted by means of fiscal measures, because it can only have a momentary effect. It is impossible to fix the value or price of such a product as tobacco, or in fact any product of agriculture, by any such means. An industrial product may, perhaps, be regulated in price to a certain extent by fiscal means, but no agricultural product can be.

By Mr. Clarke:

Q. Wouldn't it have the effect of increasing the demand by giving a wider market in Canada?

A. Here is Canada with a tobacco consumption of 20,000,000 pounds in all forms and shapes, including the foreign importations. All Canada consumes, manufactured or in the raw state is about 20,000,000 pounds—I would not be sure about the exact quantity, but it is that more or less, it may be a few hundred thousand pounds under or above that, but that does not make much difference. Now, I've heard gentlemen say, and they were right in that, when they stated yesterday that in Essex county alone they can produce 20,000,000 pounds. I claim we can just as easily grow 100,000,000 pounds as 20,000,000 pounds. But if the total capacity for consumption is only 20,000,000 pounds at the present time, supposing we produce 50,000,000 pounds just after making the duty prohibitive, what would be the result? First the country would be flooded by over production, and for that very reason the price would come down and the farmers would not obtain what they expect or desire, that is an increase in the value of their product. But supposing we had the whole 20,000,000 pounds to raise, if we produce 50,000,000 pounds what will happen?

By Mr. Owen:

Q. Export it?

A. That is all right, but before we can export it we must produce such an article as will first be suitable for our own native industry, and we could export to advantage only certain types of tobacco which are cigar types, and which can be produced only

under certain favourable conditions, which do not exist now, but which will arise under the proposed changes now under consideration. That is all right, that is what we have been clamouring for so long, for a change, not so much by increasing the duty, but by some improvements in the conditions under which the industry was being carried on. An intermediate industry will arise out of changed conditions and then we will supply, I think, the requirements of the country, and then when there is over-production we can export to foreign countries. Such new conditions will also create something favourable to the good growers of tobacco and discriminate in their favour against the bad growers. Then there will be distinction between tobacco and tobacco. Now there is no distinction made.

By Mr. Owen:

Q. None at all?

A. Hardly any, I will admit there is some, but very little, not enough to attain the desired results, that is give encouragement to the production of good tobacco, that is my idea.

By Mr. Clarke:

Q. About what quantity is produced in the province of Quebec at the present time?

A. I can only make an estimation which may be altogether wrong, but at the same time I might say that whatever has been stated in that respect hasn't much better foundation than my own idea. I would estimate that the production in Quebec is about 5,000,000 pounds—that is the maximum production that was ever attained.

Q. Can you tell me how much of that amount is cigar tobacco and how much chewing?

A. I will tell you, in my estimation nearly all of those types grown there belong to the cigar types, but in order to make it suitable for cigar purposes it must be cultivated under certain peculiar conditions which are not observed, because in the province of Quebec, and for that matter in the province of Ontario, we haven't yet in existence any cigar industry worth mentioning.

Q. At the same time into what manufacture does that five millions go?

A. Very little goes into cigars, the most of it goes to the consumer direct from our farmers without anything being done to it except drying it, as well as can be done and pressing it in bales.

Q. Is that for smoking?

A. For smoking in the pipe.

Q. Do you grow any for chewing purposes?

A. Some of it is used in factories, but I must admit that western Ontario produces the Burley type which is far superior for chewing purposes to our tobaccos in the province of Quebec. Some factories take ours after they have supplied themselves with what they want of Burley. For certain purposes, which are matters of detail in the industry, they find it advantageous to take some of our tobacco also; but the bulk of it comes from western Ontario. Our tobacco is mostly consumed in a raw state, and that is why Quebec tobacco has obtained such a bad reputation. It is because that tobacco has been placed before the consumers in a raw state and that is about the worst state in which it could be offered to anybody. Now, tobacco is not a natural product, it is an artificial product, and in order to bring out its qualities it should be treated properly. Now, the intermediate industry, which will arise out of the new conditions will be created for the particular and specific purpose of treating that tobacco for industrial purposes. Do you see what I mean?

By Mr. Geoffrion:

Q. Are you in favour of the proposed new fiscal arrangements as announced by the Minister of Finance?

APPENDIX No. 2

A. Yes. I believe they meet exactly what is necessary to foster the industry throughout Canada. Everywhere in Canada where tobacco can be grown benefit will be derived from those arrangements. First, because they will do away with difficulties under which certain manufacturers are labouring. It will permit the introduction of the leaf in a better state to the manufacturers through the intermediate industry. It will disseminate a knowledge amongst the farmers of certain things which they at present ignore absolutely. There was no necessity for knowing anything about those things before. Then the ultimate result will be that after we have supplied our manufacturers we shall be able to export whatever is produced over and above the amount necessary for our own consumption. I stated a moment ago that I believe an increase of duties and the prohibition of importations would mean simply harm to the growers, because it would have only a momentary effect, and then I referred *en passant* to the effect which was caused by changes in 1898.

By Mr. Dugas:

Q. Will you show how the intermediate industry would improve the quality of the tobacco?

A. Yes. That improvement will be brought about by treating the tobacco in a certain way and the details of the treatment are these: This intermediate industry exists under different names in the United States. In certain parts the men engaged in it are called re-handlers and in other parts packers. It does not matter what name they go under. The re-handlers are employed in sections where they produce smoking and chewing tobaccos, while the packers exist in sections where cigar leaf is raised. That is the only difference there is between the two names. However, these re-handlers or packers are supplied, or they supply themselves, with buildings which must be constructed for the special purpose of treating tobacco. In the second place, there are certain—I would not say secrets, but there are tricks of the trade which are known and acquired by practice only. Now, these re-handlers or packers will come over here, they will know how to distinguish between types, they will know how to treat and classify them, they will know how to pack them for the different branches of industry or for that matter, for exportation, and they will know how to ferment them. Fermentation is practised in the case of the cigar leaf. The other types of tobaccos, whether for chewing or smoking, are not fermented in the strict sense of the term.

By Mr. Parmelee:

Q. They go through a process?

A. They are put through a process, but not the fermentation process which is given to the cigar leaf.

Q. But it is a process?

A. Yes, it is a process.

By Mr. Dugas:

Q. All this work is done by the packers?

A. Or re-handlers.

Q. Or re-handlers?

A. Yes. In the United States. And the same would be done here, and that is where they would increase the quality of the tobacco, because it is the treatment and process which is absolutely necessary in order to bring out the qualities of the leaf which exist in a latent state in a good crop.

By Mr. Dugas:

Q. Do you think that our Canadian tobacco can be exported to a foreign country without being managed by these packers or re-handlers?

A. No. Simply for this reason, that the foreign markets are not used to special types of tobacco, absolutely well treated from countries that export tobacco. They

would not take Canadian tobacco in the raw state and with all qualities mixed up and poorly packed. They would not receive it. We must have these re-handlers or packers who will prepare the tobacco properly, before we can expect to export.

By Mr. Parmelee:

Q. What is the difficulty in the way of these establishments being started now?

A. The difficulty is this, this has been tried by means of organizations among the farmers, but it is impossible to bring the farmers to work together towards a certain goal. There is no inducement for it, take the cigar types, for instance, which should be grown for the cigar industry exclusively, and we have not that cigar industry here; it does not exist, or only on a very limited scale, and the manufacturers who have attempted it, for the most part have made the mistake of trying to make cigars out of a leaf that was not properly treated. The re-handlers or packers have no assured opening for their product which costs them something above what they pay for it, and therefore are not induced to go into it. They must first be assured that having added to the value of the tobacco by means of selection and treatment they will find a market for it so that it will pay them, that is where the difficulty lies exactly.

By Mr. Owen:

Q. Your contention is that our tobacco is not good enough for export?

A. I beg pardon, sir; I do not say that, and I do not mean that. I simply say it is not in the proper condition to export.

Q. Is it in the proper condition for home consumption?

A. No, sir.

Q. That is right?

A. I quite agree with you on that, but we have been consuming it in the worst condition possible. It is an acquired taste for it, and can you prevent a man smoking straw if he wants to?

By Mr. Dugas:

Q. As an example of what you have said, did you not prepare some tobacco in 1901, some samples to be sent to Belgium?

A. Not only in that year, but at three different times I sent samples of tobacco to Belgium myself, and also to Holland, and a good deal of correspondence has resulted from that. I have none of the letters here, but most of the letters that I received held out favourable prospects on what I have submitted to them in a very crude state. All those letters I believe are here at the department, if not all, at least the most important and most interesting of them are. From my personal experience I might say that our tobaccos have been highly appreciated by the importers of Belgium and Holland, but they have always made the remark that the tobacco was not in a suitable state for them to take it.

Q. It was not finished?

A. Exactly. I sent it in the raw state, because I wanted to find out myself what should have been done to improve the tobacco, and they explained to me what was wanted was better assorting and more particularly the fermentation of it.

Q. What was the opinion of those people to whom you sent samples as to the quality of your tobacco in its condition?

A. They stated that this tobacco had in itself qualities which made it at least equal to some of the types which were received in Belgium and Holland from the United States, that is exactly what they said, and then they went on to remark that our type was in a raw state in which they could not receive it there; that if we treated it properly, that is, if we assorted it according to their particular requirements over there, so that it would be suitable for their market, and if we also fermented it the result would be that it would possibly be a superior article to the Wisconsin tobacco, which they imported themselves.

APPENDIX No. 2

Q. Is there any other place in the world where tobacco is used as it is in this country, without being prepared?

A. No. There is not a single civilized country in the world where tobacco is consumed in the raw state. I might say, Mr. Dugas, that suppose we went to Central America, Mexico, Columbia or Brazil, I will leave out Cuba because we should not compare ourselves with Cuba and for that matter no country can be compared to Cuba, but take South America, where it is generally thought the conditions are ideal for the production of tobacco—supposing, I went to Brazil, to the Bahia district, and brought some tobacco back in the raw state, the same as we get it from the farmers and as it is consumed by our farmers here, and went to a manufacturer and had it made into cigars, and suppose I had some in my pocket and offered them to you, you and the other gentlemen here would say, 'This is about the worst stuff I ever smoked in my life.' That would be the case even if it was Brazilian tobacco, which has the highest reputation on the market, and yet the fact is that our tobacco is now being consumed in the raw state.

By Mr. Parmelee:

Q. Just a moment here; you know, as I know, there is in the province of Quebec an enormous quantity of tobacco consumed in the raw state?

A. Yes.

Q. Can you tell me why a man who has once acquired a taste for it will smoke no other?

A. I can't explain.

Q. But it is true, isn't it?

A. It is true, but it means we should not give personal opinions on these matters of taste, we should not dispute upon them; it is a question of an acquired taste.

Q. I mean this, that the man who is in the habit of smoking the raw leaf, if I offer him some manufactured tobacco he will politely refuse it?

A. Quite true, but that is limited to the province of Quebec; we have a market in the province of Quebec for that tobacco.

By Mr. Geoffrion:

Q. You mean to say that in some parts of the province of Quebec, mostly in the lower counties, that there we do not get smoking tobacco, for pipe smoking, that is good; that it is not really good tobacco we get?

A. Well, good, I'll admit that it is good, because I find it good myself, but you will not get everybody to admit that it is good.

Q. It is just as good as any other tobacco you can buy at a dollar a pound anywhere?

A. Yes, that is quite right, but I would say I never tried to make an argument of that, because my personal taste may be wrong.

Q. I suppose your argument is that we ought to have some depots where it would be properly prepared?

A. Exactly.

Q. What would you propose as to that? Do you think that the proposed regulation will have the effect of having the producers get together?

A. I do not know exactly how it will happen. I surmise it will happen simply in this manner: That people having money to invest will find it advantageous to go into this new branch of business in Canada; and I believe that the proposed new regulations will create such conditions as will induce people that have money to go into the business. Now, I have already the proof of that because I have been consulted by men that meant to go into the business years ago and have been simply waiting for the creation of these new conditions to do so.

Q. You think they will certainly go into the business now?

A. They will certainly go into the business now, and one of them has already made the necessary arrangements.

By Mr. Broder:

Q. If you increase the product very much it will result in a surplus that you will not be able to dispose of even if you get your own market?

A. I have just explained that the new conditions created will give birth to a new industry which will help us in disposing of our surplus to foreign countries.

By Mr. Dugas:

Q. I would like to know your opinion in regard to the new regulations. Some of the witnesses that have been heard before this committee have stated that the new regulations will result in lowering the duty on foreign leaf from 35 to 33 cents?

A. I do not see it that way.

Q. What will be the effect as to duty?

A. I have looked into the matter carefully in order to find out whether what I read in the papers with respect to this was right or not. Mr. Fielding said that it was a rearrangement without augmentation of or diminution in the duty.

By Mr. Parmelee:

Q. Yes, he said that practically?

A. He did not say this absolutely, but in a general way. There might be slight differences due to the impossibility of getting decimals into line in making the calculations; but practically there is no increase or decrease in the amount of duty to be imposed on the foreigner, absolutely none.

By Mr. Dugas:

Q. I see that the new regulations provide 'on foreign leaf tobacco unstemmed, per pound 28 cents.' This will be collected before the manufacturers use their tobacco, and then they will pay 5 cents duty when they place their tobacco on the market. This brings the duty up to 33 cents?

A. Yes, but there is something overlooked in that calculation. It is this: the duty of 10 cents is collected on the raw leaf as it comes out of the warehouse and goes into the factory where it is taken for use and converted into the manufactured product. Now, when this comes out of the warehouse again for consumption it pays a duty of 25 cents. The total duty, therefore, is 35 cents. But this fact should not be overlooked: the 10 cents duty on the leaf is also on the stem which is taken out in the manufacturing process, and more especially in the case of chewing tobaccos, because into chewing tobaccos none of the stems go. Now, in the case of a strictly chewing tobacco factory this will mean one-third taken off. Now, the 10 cents is also imposed on that 33 per cent of the weight. But the way it works out is that there is a difference of 2 cents owing to the change in weight. A duty of 28 cents on the raw leaf means that this duty is also levied on the stems which are taken out later in the process of manufacture, which accounts for the apparent superficial difference of 2 cents in the total duty. Twenty-eight and five make 33, and 25 and 10 make 35. But I am pointing out where the discrepancy is made up. Take 100 pounds of tobacco which pay 28 cents duty. Then take the stems out of the leaf and it will mean a change of, we will say 25 per cent. That means a difference of 7 cents. One-fourth of 28 cents is 7 cents, and 28 cents and 7 cents added make 35 cents. Then again after that tobacco has been converted into chewing plug there will be 5 cents more duty to pay on it, making the total duty 40 cents. Of course, there will be compensation for that. You may say that, as I have figured it out, the duty amounts to 40 cents. But no, it is not that. The licorice and other ingredients that go into the chewing tobacco replace to a certain extent the stems which have been taken out in the process of manufacturing chewing tobacco. Therefore, 100 pounds of leaf tobacco, if it has

APPENDIX No. 2

been stemmed, produces 100 pounds of manufactured tobacco, because the stems have been replaced by the licorice, sugar, molasses and everything else that goes into it.

By Mr. Broder:

Q. Do the factories use the stems for any purpose?

A. There is no practical use for stems in this country.

By Mr. Clarke:

Q. Do they not make snuff out of it?

A. Very little. There is no snuff trade in this country, or hardly any.

By Mr. Dugas:

Q. It has been said by some witnesses that under the old regulations the government collected 25 cents a pound on chewing tobacco, for instance, and collected that amount on all ingredients which were used in the manufacture of that tobacco. Now I see in the new regulations that where less than 50 per cent of Canadian raw leaf, and 10 per cent or more of other material, is used, such material shall be subject to a duty of 16 cents per pound?

A. This is entirely in favour of Canadian tobacco. It is a direct inducement to the manufacturers to use Canadian tobacco in combination with foreign leaf.

Q. Thus the duty will not be diminished?

A. It will be increased whenever that clause applies.

Q. Are you aware of the amount of the rebate which was granted to the manufacturers for their strips of tobacco?

A. No, not exactly.

Q. I put a question in the House lately and the answer was this: The quantity of tobacco exported upon which a refund was paid on foreign leaf was 112,891 pounds. The amount of the refund was \$10,737.70. There was an addition to the above of 363,518 pounds of cigar cuttings exported upon which a refund of \$36,311.80 was paid. According to the new regulations no such rebate will be paid in the future?

A. That is what I understand. They could not do so under the new regulations, because the Canadian and foreign leaf will be so mixed up that it will be impossible to distinguish one from the other. So the government have to do away entirely with the rebate and that is in our favour. It is not so much in the amount of money that I see where that will be a gain to us; but in that it closed the factories that wanted to have those rebates, to the Canadian leaf. That is all, I understand, there is in it. It is a peculiar thing but, those rebates seem to have closed those factories to the Canadian leaf.

Q. I have received a letter from Mr. Jos. Picard, of the Rock City Tobacco Company, Quebec, complaining of the new regulations as regards cigarettes. Will you read that letter (handing a letter to witness), and say whether the new regulations will injure the cigarette business as is claimed there?

A. (After reading the letter) I believe Mr. Picard is mistaken. In making his calculation he erred in the same way as I did myself when I first worked it out, he overlooked certain things. I see here a plain calculation which makes the point clear, and by what I see there is absolutely no difference in the total amount of duty imposed on the foreign leaf in the case of cigarettes. Therefore, it means that under the new regulations the protection in favour of Canadian leaf to be used in cigarettes amounts to exactly the same. That is what I make out from this calculation here, and I know that I have been doing the same thing myself. There is a slight apparent discrepancy of about 6 cents per 1,000 cigarettes, but I believe this is due to certain losses which necessarily occur in that industry, cuttings and things upon which they possibly got a rebate before, but which they will not receive now under the new regulations. Therefore, it seems to me that as to the amount of duty it remains absolutely the same

as it was before. I believe, Mr. Dugas, your correspondent is mistaken in his contention that they are losing a certain advantage which they enjoyed before.

Q. Are you aware of the number of cigarettes which are made yearly with Canadian tobacco?

A. No, I cannot say that I know the number, or the quantity of tobacco used for cigarette purposes; but I would not think it is a great deal.

By Mr. Dubeau:

Q. What will be the effect of the proposed regulations? Will it be to induce the manufacturers to go among the farmers and establish packing warehouses for re-handling?

A. Yes, undoubtedly, and I believe that a moment ago I replied to about the same question. I will again say that I not only believe, but I am absolutely sure, as I mentioned a moment ago, some persons of importance in the tobacco industry have been looking towards the time when such change is made as would warrant their going into that particular re-handling industry. Now, it looks as if the time had come, and no later than about four or five days ago I met one of those gentlemen who told me that if nothing goes wrong with the contemplated change, he will be right into our section among the farmers and start a re-handling establishment there this very spring. So that, if there is no undue delay I am sure that it will establish the re-handling industry, but if the carrying out of the contemplated change is postponed so late that the crop will have started fermenting it will be too late for him to do anything this year.

By Mr. Dugas:

Q. Are you not aware that last year Mr. Cusson, a cigar manufacturer of Montreal, bought nearly a half a million pounds of tobacco for the purpose of making cigars, and there was a man brought from Connecticut to prepare this tobacco, and that this was done in the expectation that these new regulations would have been approved last year?

A. Yes, I know that because Mr. Cusson asked me several times what I thought with respect to the changes, and I told him that in the course of time this would certainly occur. Well, one day last year he told me, 'I am going right into it,' and he bought, as you say, Mr. Dugas, between 500,000 and 600,000 pounds—it must have shrunk some since, but I believe the original weight was between 500,000 and 600,000 pounds, and I know he has brought a gentleman from the United States who is an expert in treating that tobacco. I was there myself at his warehouse and I looked at the tobacco and spoke to the gentleman from Connecticut, who told me he was very much surprised at the quality of it.

Q. Is it not a fact that these cigars we are now smoking were made out of the tobacco which Mr. Cusson has bought?

A. I do not know whether these particular cigars are made out of that tobacco, but I have myself often smoked some very fine cigars which Mr. Cusson gave me. We talked it over several times, but as to these very cigars I would not vouch that they are the real thing, but I have been smoking some that I know were made from that tobacco, and I believe myself that they were Canadian wrapped up in Sumatra.

Q. Are you engaged in the manufacture of cigars?

A. No, I was in the manufacture of tobacco when I became a grower.

By Mr. Clarke:

Q. Can you tell me what proportion of the leaf is stem? What proportion of the whole weight does the stem constitute?

A. We have to distinguish in this, Mr. Clarke, because in the smoking tobacco factories, for instance—there are none such existing exclusively—but I would mention Sir William Macdonald's factory, where they manufacture only smoking and chewing

APPENDIX No. 2

all in the plug, I would estimate that in such a factory the proportion of stem is about 25 per cent of the original weight of the leaf on the average. Because in such a factory all the tobacco is stemmed, as he never makes plug tobacco with the stems in; but take for instance the American Tobacco Company, where they make cut tobacco, the greater proportion of their tobacco that they place on the market contains the stems, consequently their proportion of stems to the total weight of their production would on the average be very far below 25 per cent.

Q. I thought the American Tobacco Company imported the tobacco without stems?

A. They may, I do not know as to that, but I hardly think they do. They may, but I do not see where the advantage would be for them to do so.

Q. Can you tell how many varieties of smoking tobacco you grow in the province of Quebec? You have the Comstock Spanish?

A. Well, I would not say we are growing any types of smoking tobacco, known as such in the United States, we are not, neither are the growers in Ontario, because the smoking types which the United States are producing are grown more especially in the two Carolinas, Virginia, Delaware and also in Kentucky and Ohio. These are the States where they grow smoking tobacco more particularly known as such, but we are not growing in Quebec those varieties, we are growing cigar leaf tobacco which we use for pipe purposes also, and for which such a taste has been acquired as to render them acceptable to the public as a pipe smoking tobacco. But if you ask me, 'Are you growing pipe smoking tobacco,' I could not say that we are, according to the American standards.

Q. I do not mean the pipe smoking tobacco, but this Comstock Spanish, Connecticut seed leaf?

A. Those are cigar varieties.

Q. But you grow all of those?

A. Yes.

Q. And you grow Havana leaf, that has been spoken of?

A. There is not so much in varieties as would appear, but it is the types that should guide us, because the varieties after all differ very slightly. I have read the names of 121 varieties of seed leaf plants, they are nearly all alike in the field, you could not distinguish between them.

Q. What is the most profitable type you grow down there?

A. I do not know that I could find a basis for establishing a valuation of the cost and profit in that sense, I do not know.

Q. Which is the favourite type grown by the farmers? What is grown there most?

A. I would say the Havana seed leaf, including the Comstock and the Zimmer Spanish, which belongs to the Havana seed leaf type. The Havana seed leaf is the most favourable type to be grown in the province of Quebec. Our possibilities there are limited, and we should not go beyond our possibilities, that is where many make an error, they try all sorts of tobacco; I have seen them trying to grow Sumatra in the province of Quebec, it is impossible, they simply do not know what they are about. Our possibilities are limited and so they are in your own section. If they ever try to grow a lot of varieties they will *casser sa pipe*—break their pipe—as we say in Quebec, because their possibilities are limited and they should remain within their possibilities. So should we also. The Havana seed leaf types are the most advantageous for us because they are very rapid growers and they seem to adapt themselves to our particular climatic conditions. We have certain soils which, owing to their chemical composition and natural elements, combined with our particular climatic conditions produce a result which is sometimes surprising to us. We sometimes produce a product which is superior even to the parent plant coming from Wisconsin. That may be a surprise but it is a fact. There is not so much to be wondered at when we have learned something about tobacco. It is simply that this plant can adapt itself to the most curious and diversified conditions.

By Mr. Dubeau:

Q. If I am not mistaken you stated a few minutes ago that the consumption of Canadian tobacco has increased very much. Did you not find in that fact the industrial value of our Canadian tobacco?

A. Undoubtedly, that is obvious to my mind. It seems to me that the increase in the consumption of the tobacco manufactured from the Canadian leaf which has taken place since 1897 undoubtedly means that it has an industrial value and a commercial value, also, and to me it is an absolute proof that the public like it. Is that an answer to your question? I believe it is absolutely obvious. It was claimed prior to that increase of duty by manufacturers right here in Ottawa that we would never be able to use the Canadian leaf for industrial purposes on a large scale. I remember that perfectly well, because I was here several times discussing the subject and I had occasion to tell these large manufacturers that the future would prove whether they were right or wrong, that their own personal opinion might be very respectable indeed but that it was a little bit tainted by their being interested in objecting to the change proposed by us. The increase of duty was desired in order to promote the manufacture, and improve the manufacture of Canadian leaf. Then the proof came and we have it before us. The proof is in the fact that we now use almost 5,000,000 pounds of Canadian leaf in the manufacture of chewing and smoking tobacco; whether it comes from Ontario or Quebec is immaterial to the fact. Now it is claimed against Canadian tobacco that it will never be suitable for the cigar industry, and the manufacturers say that they cannot use the Canadian leaf. I quite admit that they cannot make a good cigar out of the leaf they get from the farmers as it is produced now. But what is proposed by these new regulations is to arouse an active interest in the development of this branch of the industry and prove the possibilities of the cigar leaf produced in Canada. It is from that that we infer later on the same result will be obtained in the cigar industry that has been obtained in other branches of the industry. I believe that is answering your question—that there will be an industrial value in Canadian tobacco.

By Mr. Lewis:

Q. In reference to the adaptability of the soil, I want to know whether this gentleman can give me an opinion whether you can grow tobacco in the county of Huron. It would not be as warm a climate probably as you might have in Quebec?

A. I believe that we can grow tobacco almost anywhere, and some authorities have claimed that tobacco can adapt itself to any climatic conditions, and in fact tobacco has been produced in the 60th degree of latitude. Whether it has any industrial value is another question. As to being able to produce it, there is no doubt that any soil will produce it, but of course there are some soils better adapted to produce a certain standard.

Q. What would be the best kind of soil, gravel or clay or loam?

A. It depends, gravelly or light soils will produce light coloured varieties.

By Mr. Clarke:

Q. Black mucky soil will also produce good tobacco?

A. Yes; light soil will produce light coloured varieties and loamy soil will produce fine textured cigar leaf; sandy loam and heavy clay will produce the heaviest types of chewing tobacco, not Burley, but the dark kinds.

By Mr. Lewis:

Q. Will the proximity of water have an influence in the growing of tobacco?

A. It may have, but it is so remote and difficult to define that I would not go into that, except to say that near the ocean where certain currents of wind drive the brine

APPENDIX No. 2

of the ocean from the sea to the land it may affect the product so that it will make it very badly combustible on account of the salt.

Q. How long does it take tobacco to grow?

A. Sixty days for the quick growing varieties, and up to one hundred days for the slower.

By Mr. Clarke:

Q. What is the meaning of the word 'Cavendish,' I do not just understand it?

A. Cavendish is the name which has been used under all administrations in England and in Canada in reference to tobacco which is pressed into plugs, whether chewing or smoking; it is the general name which has been given to the manufactured tobacco in plug shape; that is, the 'cut' tobacco is different from Cavendish, which is chewing and smoking plug.

Q. One other question. Under the present law there is a rebate for clippings, but under the proposed regulations that rebate will not exist. Can you tell me what effect that change will have?

A. Yes, sir. I mean from the point of view of the Canadian grower—it will have this effect, that in all the factories working under a foreign license and using foreign leaf exclusively, if they choose to use Canadian tobacco in combination with the foreign they will not be induced to do so as at present on account of this rebate.

Q. That rebate is if they ship the clippings back?

A. Exactly, re-exporting.

Q. Do you know what proportion the clippings bear to the total weight?

A. Mr. Dugas has given the figures; he says that it is something like 300,000 pounds of cigar cuttings exclusively. There are other rebates on manufactured tobacco, but that is the total of the cigar clippings.

Q. So that this is really an important matter, because where Canadian tobacco was used they could not get the benefit of that rebate?

A. No.

Q. So that the removal of that difficulty will be of decided advantage to the Canadian grower?

A. Yes. It opens the door of all factories to Canadian tobacco.

By Mr. Dugas:

Q. According to your long experience, Mr. Labelle, is it not a fact that the commercial value, the real value of tobacco, resides more in the preparation of it than in the cultivation?

A. Yes. I expressed myself on this point just a little while ago, when I said that tobacco is not a natural production, it is an artificial product; there are latent qualities in the crop which must be brought out afterwards. Of course, in order to make a success in cultivation it must be grown in the best soil for that type, and it must be cultivated with a view to attaining certain qualities for certain purposes; yet, even when all these conditions are observed, there will be latent qualities in the crop which will permit of producing, by preparation and handling, a highly valuable article for certain definite industrial purposes. But these qualities will be brought out of the leaf only after certain specific treatment has been given to the product of the grower, and only then will those qualities be brought out, and it is only after those qualities have been developed that the crop will be suitable for industrial and commercial purposes. Therefore, it is more an industrial product than a natural product, just the same as it is with wine. Wine is simply the juice of grapes, but if it is only the juice of grapes and not fermented it is not drinkable. Even in the part of France where they produce the best wine an experienced man may press the grapes and get the juice out of them, but if he does not know how to ferment and to blend

it—and it is not so much the blending as the coupage which makes the difference—it will only be grape juice after all; it will not be wine.

Having read the foregoing transcript of my evidence I find it correct.

LOUIS V. LABELLE.

Mr. J. B. DUGAS, St. Jacques, County of Montcalm, called and examined.

By Mr. Dugas :

Q. You are a tobacco grower ?

A. Yes.

Q. You have considerable experience in tobacco growing ?

A. I have some 17 or 18 years' of experience.

Q. You were charged by the Department of Agriculture of the Dominion to prepare samples of tobacco to be sent to London and Belgium there to be examined by experts. Did you go yourself with those samples and will you state to the committee what was the report thereon ?

A. It was in 1902 or 1903 that I was ordered by the Department of Agriculture to prepare a certain quantity of our Canadian tobacco just as we produce and prepare it and to go with those lots of tobacco and introduce them in the English and Belgium markets in order to get an appreciation of our product from those people. Invariably we had the same answer from every one to whom we showed our samples. They would say 'The brut product is good, it looks well and appears to be of fine quality, but in its natural condition it is not saleable on our markets for the reason that it is not finished. This tobacco should be sorted and fermented, and re-sorted later on in order to make it acceptable on all our markets for different uses.' There is some difference in the demands of different markets. On the English market they prefer a darker tobacco, that is as they term it there fired, fermented highly when the tobacco becomes darker in colour; except on the British market where a lighter coloured tobacco is preferred. On the Belgium market in every instance the light coloured tobacco is preferred; but there they gave us exactly the same reasons that we had already met with on the English market, that our tobacco was not finished. The raw leaf, they said, seemed to be of very good quality but in its actual condition they could not really give a correct appreciation. While we were there, in Belgium and other places, they told us. 'Why, it is singular, we are doing an extensive trade with the United States market. You are situated in the neighbourhood of that country, why don't you prepare your product as they do there. If your tobacco is prepared as it is in the United States we have no doubt you can do a good trade here with us in Belgium.' In England they told us the same thing. They remarked: 'If your tobacco is as good as the American tobacco we will undoubtedly give you the preference. We are fellow citizens and if you will give us an article as good as we can buy in the States we will give you the chance.' The tobacco dealers of England and Belgium have made a report to this effect. Accordingly the Department of Agriculture thought it would be well to send some one over to Wisconsin, the state that was most convenient for conducting observations and which was in about our latitude.

Q. Have you not been advised in Belgium or England to recommend to the Minister of Agriculture that he should send somebody to Wisconsin to study the methods of tobacco culture followed there ?

A. Yes.

APPENDIX No. 2

Q. And was it not on that account that samples of tobacco were imported from Wisconsin ?

A. Yes.

Q. It was on the suggestion of those people in England or Belgium that you made that report to the Minister of Agriculture ?

A. Yes.

Q. And then you were sent there ?

A. I was intending to make my remarks brief and perhaps I have cut them too short as to that.

By Mr. Clarke:

Q. Before you leave the subject of Belgium, do they grow any tobacco over there ?

A. Some.

Q. Do you know what price the growers there get for tobacco ?

A. It varies. I believe that Mr. Charlan would have more knowledge of the price paid in Belgium for raw leaf.

By Mr. Dugas :

Q. Is there a large market in Belgium for tobacco ?

A. An immense market.

Q. And in England also ?

A. In England also.

Q. So that if our tobacco was prepared in proper shape there would be a good market in England and Belgium for our product ?

A. Yes. From the information I got whilst there, the demand is almost unlimited, because the consumption in England is two pounds per head of the population, men, women and children, and then besides there is a great importation and exportation of tobacco.

By Mr. Clarke:

Q. What do they pay in Belgium for tobacco? Suppose we exported tobacco to that country, what would we realize for it?

A. For tobacco in good shape, 15 cents of our Canadian money; that is what they told me.

Q. Would that be 15 cents here or with the duty in Belgium?

A. 15 cents f.ob.

Q. Here?

A. Here. We would load it.

By Mr. Dugas:

Q. There is no customs duty there?

A. No.

By Mr. Clarke:

Q. I believe the restrictions in Belgium are less than in most countries?

A. That is the reason we were sent over there.

By Mr. Dugas:

Q. As to the freight, you say you exported tobacco from Canada to Belgium, is the freight heavy—how much did you have?

A. 1,840 pounds of tobacco.

Q. That you exported from Canada to Belgium. How much was the freight?

A. I think I calculated that it amounted to something like one-fourth of a cent per pound.

Q. Well, now, will you state what you did in Wisconsin at the time you were there for the Minister of Agriculture? Did you bring some samples of our own tobacco from Quebec, and did you show them to those people in Wisconsin?

A. Yes. From the favourable report we had made of the reception of our tobacco in the European market, the Agricultural Department thought it would be wise to send some of our Canadian farmers to obtain information as to the methods of cultivation, etc., in the State of Wisconsin, as that state was the most convenient and in about the same latitude as Canada. So I was sent over there in company with Mr. Denis, of Rouville county, for that purpose. We found that the climate is about the same as ours, because we had left here in the last days of April, I think it was, and when we got there we found they were hardly any more advanced than we were. The beds there were just getting made, and we stayed there until the plantation was about to commence, but we did not stop to see the plantation. We went around there to see how the work was done in the warehouses and the condition of the different crops, etc. We found that the Wisconsin tobacco looked a great deal like our own Canadian tobacco, but we never said anything about it until finally—I had brought with me some tobacco produced in Montcalm county. I had cured it myself. I did not know much about the quality of it; I suppose I took what was about the best quality—and after having examined a good deal of the Wisconsin tobacco in the warehouses here and there I introduced this sample of Canadian tobacco which I had with me, and I asked one of the principal handlers and dealers of Jamesville, Mr. S. B. Heddles—he is an important grower and dealer in tobacco there—and I showed him the sample, asking him what he thought of it. He looked at it and said that the tobacco was very good apparently, and passed several remarks on it; he said the tobacco was really in fine condition to go just then into fermentation. After we had talked a while on the qualities of this tobacco he asked me where it was grown and told me later on that he thought I had picked it up in some of the neighbouring warehouses. I told him it was tobacco produced in Canada, and he looked at it again and said: 'It is really a splendid article in raw leaf, only the form of the leaf is defective—it should not be so pointed, it should be more rounding and broad,' and he made the remark that all this variety of tobacco that was packed had a tendency to coming towards a point in the leaf, and it always left a narrow space between the fibres. He called his foreman, who substantiated all that the boss had said in reference to the good qualities of this tobacco. That encouraged me, and I showed the same samples of tobacco to several other people, and invariably I received the same comments and the same answers to my questions—that it was of really good quality, only it was not finished—what it was but (rough, not sorted).

Q. And did you bring back some seed from that state to plant in your part of the country?

A. Yes, I brought a small quantity of seed produced in Wisconsin, and from what I had seen over there I thought myself justified in recommending this type of tobacco to the Hon. the Minister of Agriculture, and he sent some of this Wisconsin tobacco seed, which goes by the name of 'Comstock Spanish.' Mr. Comstock introduced this variety of tobacco some forty years ago, so they told me, and it has kept the name ever since, but it is really Wisconsin tobacco, because we suppose that Comstock died long since.

Q. What has been the result of your experience with the seed brought from Wisconsin?

A. We had this seed distributed in our district, I suppose perhaps five or ten pounds of this tobacco seed, and invariably it has given satisfaction. From the first years' seeding, the first crop was considered of excellent quality, and I was inquiring at our annual convention of the Tobacco Growers' Association, I met there several manufacturers and had them to examine the samples that were there on exhibition, tobacco produced from the imported seed itself, the first year's importation, and the

APPENDIX No. 2

second year's growth, that is from seed produced from the plant grown from the imported seed and also samples of the third year's growth. While between the second and third year's growth there wasn't really any difference, those experts considered that as between the first and the second year's crop there was a marked difference and that in favour of the second year's crop. They said that the production of the second year was better than that produced from the imported seed the first year.

Q. So according to your experience you have a good product in the tobacco grown from this Wisconsin tobacco seed ?

A. Yes.

Q. You are aware that Mr. Cusson, of Montreal, bought some of those tobaccos last year, had them properly prepared and fermented, and made good cigars out of them ?

A. Yes. I know Mr. Cusson very well. I see him frequently and often have a conversation with him concerning tobacco. I have seen his tobacco in the leaf, I have seen it manufactured into cigars and I have had the pleasure of smoking a great many of his good cigars.

Q. Are you aware that Mr. Cusson is prepared, under the new regulation, to build warehouses for packing tobacco in your county, he is ready to go into the business of preparing tobacco ?

A. I could not say because I have not seen Mr. Cusson since the changes were announced. About a week before the announcement I met him, and we were talking about what is likely to take place, and he told me that if such would take place he had about decided to establish himself in Montcalm county or the county of L'Assomption in the re-handling business. The committee, of course, understand what is meant by re-handling.

Q. On account of the new regulations foreign manufacturers will have to pay 28 cents duty before using their tobacco. This fact will cause people to go into the business of re-handling ?

A. Yes, so it seems to me.

Q. There will be a large return to them if they go into that re-handling business ?

A. I don't know that it will be necessary. The gentlemen to whom I exhibited my samples of Canadian tobacco—

Q. In Wisconsin ?

A. In Wisconsin remarked that he thought with the protection we then had—that was two years ago—and the quality of the tobacco we could produce in Canada, he had simply a good sure way of making money and if he was not established to suit himself in Wisconsin, he could not see any better place to establish himself to make money than in Canada.

Q. He would have been ready to do it under the old regulations ?

A. Under the old regulations, yes.

Q. And he would be more ready to come now under the new regulations ?

A. Yes. I thought it would be well to state this. I had forgotten to do so before.

By the Chairman :

Q. He wanted to have a hand in the pudding ?

A. Yes, he said he would have a real pudding.

By Mr. Clarke :

Q. You made the remark two or three times that the opinion expressed in England and Belgium in regard to our tobacco was that it was not finished ?

A. Not finished.

Q. What do you mean by that ?

A. It is not fermented and sorted in a manner convenient to the manufacturers. You see the English method is this: The English dealer sends his order to an Ameri-

can dealer that he wants such and such a tobacco. That is, ready for his lines just as he wants it.

Q. What needs to be done to our tobacco is the work of the re-handler?

A. Exactly.

Q. And you think the proposed regulations will bring that about?

A. In my opinion.

By Mr. Dugas:

Q. You have been travelling for several years through the United States, and have also been in England and Belgium. Did you see on the market in those countries any tobacco which is kept in the very same condition that we place our own tobacco on the market here?

A. I have seen tobacco in many conditions. I have seen tobacco in just as poor, and I suppose poorer, condition than ours in Central South America, where they ought to produce the very finest tobacco. The cause of that is, I suppose, just as it is here, the want of knowing how to prepare it properly.

Q. But no tobacco is put on the regular market elsewhere without being properly cured, or fermented and sweated?

A. No.

Q. In no market in the world except in Canada?

A. No. I have come to the conclusion that in its actual condition our tobacco is not marketable.

Q. And the only way to get our tobacco into proper condition will be to have it assorted or packed by re-handlers?

A. By some one of experience.

Q. Are you aware that in the United States the manufacturers never buy their tobacco from the growers, but from the re-handlers or packers?

A. It happens sometimes that the prevailing price not suiting the grower—I have seen that in Wisconsin—he will not sell his crop, but will sort it and put it in fermentation himself and wait for his price. But that is seldom the case.

Q. That is not the regular way?

A. That is seldom the case. In that instance the manufacturer buys directly from the farmer who has prepared his tobacco.

Q. According to your experience you scarcely ever see the farmers preparing their own tobacco themselves?

A. Seldom.

By Mr. Clarke:

Q. There are two questions I would like to ask. They use the expression 'Cavendish' in the Act. Do you know what that is?

A. I don't know exactly what it is.

Q. There is one more matter I would like to know from either you or Mr. Labelle as to the extent of rebate is paid on clippings?

A. Mr. Labelle will answer that.

Having read the foregoing transcript of my evidence, I find it correct.

J. B. DUGAS,

Tobacco Farmer.

THE IMPROVEMENT OF RURAL CONDITIONS.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 62,

WEDNESDAY, May 27, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock a.m., Mr. McKeuzie, chairman, presiding.

THE CHAIRMAN.—Gentlemen: We are very much pleased to have present to-day Doctor James W. Robertson, C.M.G., Principal of Macdonald College, Ste. Anne's, who will address us on a very interesting subject. Doctor Robertson is not by any means a stranger to the committee and the mere mention of his name promises us an address of far more than ordinary interest. The committee, I know, are always pleased to hear from him and without further delay I have great pleasure in introducing him to you.

DR. ROBERTSON.—Mr. Chairman and Gentlemen:—It has always been a pleasure to me to come before this committee. I appreciate very highly the quality of its work. Its reports have been a means whereby sound information on rural conditions has been spread over the Dominion. For our students in agriculture at Macdonald College I provide the reports of this committee as the best history of the progress of agriculture in Canada which can be obtained—a record of important developments and extensions in rural industries. This committee has also, through its reports, been a very efficient agent for creating sound public opinion regarding agriculture in Canada. A good deal is said boastingly sometimes about the ancient nobility of agriculture and the glories of the occupation and the volume of the wealth it produces. Much of that is what we, in college parlance, call hot air; it does not drive any engine. But the reports of this committee have been the means of creating sound public opinion as to the relationship of agriculture to the prosperity of Canada, and of creating a right attitude on the part of railway companies and steamship men towards agriculture. I am quite sure that my own feeble efforts, when Commissioner of Agriculture and Dairying, would not have accomplished so much in the improvement of transportation for dairy products, meats, fruit, and poultry products, carried through the House as the policies and proposals were under the kindly guidance of the Minister of Agriculture—if these had not been endorsed and supported by this committee. I add my testimony as to the immense value of the carefully edited reports of this committee, through which guidance has been given to the public, and to railway and steamship companies and the producers of wealth from the soil. I am glad to come here and lay before you some convictions and suggestions regarding the still further improvement of conditions for rural communities, and for the advancement of agriculture. While that is one of my objects in coming here, the primary purpose of my visit is to renew, in most respectful earnestness, the invitation to the committee itself which I had the honour of offering to your chairman: It would give us who are the staff of Macdonald College very great pleasure if this committee would come in a body to that institution and see the place; see its activities, see its farms, live stock and crops, see its buildings and equipment; and see the possible range of its usefulness for every part of Canada. I do not know any institution in Canada from a visit to which the members would derive more pleasure and more benefit, as members

of this committee, and perhaps even as members of the House of Commons and the Senate of Canada. It is one of the new forces which has come into existence in Canada for the betterment of rural conditions, to move the rural population in a far-reaching and in a powerful way. It is not competing with any other institution, because there is none other like it anywhere as yet. It has entered upon a field hitherto uncultivated in large part. It, however, is co-operating with every other institution that makes for the betterment of rural conditions in Canada; and it is complementary to them in so far as it undertakes things which they have not hitherto attempted.

I need not tell you—it might seem like boasting to tell you—the size and the cost of our place. Sir William C. Macdonald has spent over two and a half million dollars, and the whole college plant is not yet completed. Sir William also transferred to our trustees—the Governors of McGill University—two millions of dollars as an endowment. Not a dollar has been knowingly wasted; we have put up the best buildings and put in the best equipment for the purpose which could be procured. I do not know of any other instance where a private citizen has given so much of his time and his thought and his wealth, as has Sir William C. Macdonald, wholly and solely for the public good and absolutely without any effort to secure gain or fame or honour for himself.

THE MACDONALD COLLEGE LABORATORIES.

Macdonald College is not only an institution for the instruction of young men and women in class rooms and laboratories. Of that side of its work I do not propose to speak to-day, because when I had the honour of being before you last year I spoke of Macdonald College, to some extent, as a college of instruction for rural life. But Macdonald College has great research departments and departments of illustration for the various activities of rural life. It has been planned to obtain further knowledge, applicable to the conditions of rural life, as a means of making that life more satisfying to the people. For instance, there is no other institution in Canada with laboratories for the bacteriology of agriculture that may be compared with those of Macdonald College. We have just come to know in agriculture, as medical men have come to know in medicine, that a knowledge of the science of bacteriology is indispensable for an understanding of its principles and methods. The laboratories for biology, physics and chemistry are equally well equipped for their purposes; and the professors in charge have zeal, with knowledge and practical ability. The facts of prime importance in agriculture are not the numbers of bushels per acre in any one year.

It is fundamental to continued prosperity in Canada that the teachers, the leaders, the guides in farming, should hereafter know more than anybody has hitherto known regarding the life content of soil for profitable agriculture. Such a wise and strong statesman as Lord Salisbury said in one of his masterly speeches, that the great problem, not only of England but of all humanity, is to maintain the fertility of the soil by the activity of plants and the activity of bacteria. That is the problem of humanity; otherwise human life must disappear from the face of the earth; and in the process poverty must prevail while the land becomes increasingly poor. The laboratories are only one branch of what has been planned for at Macdonald College. It would be worth your while coming to see what we have in those and in other departments.

I would like to refer to another department for a moment. In association with our Department of Bacteriology (which, as you all know, is under Professor Harrison, formerly of the Ontario Agricultural College), research work is being looked into in what is called Parasitology. There are several obscure diseases that do much harm to live stock in Canada, the cause of which nobody knows, and nobody knows the remedy. Dr. John L. Todd has come to work in our laboratory. His appointment

APPENDIX No. 2

was to an associate professorship in McGill University. He is a Canadian by birth, a graduate of McGill and for a time belonged to the School of Tropical Medicine, Liverpool. For some three years he was in Africa, where he was engaged in research work. He will make a study of the diseases caused by animal parasites. While much attention will be devoted to the study of human diseases in the Faculty of Medicine of McGill, it is intended that a part of his energies will be spent in the investigation of diseases of domestic animals. I would like to put in evidence a memorandum by Dr. Todd in which he asks that veterinary surgeons, ranchmen and farmers everywhere, if they have knowledge of an obscure disease, will give him information in reference to the same, and will send him specimens in order that he may be able, through us, to render good service to Canada. Dr. Todd says:

'1. The majority of the causal agents which are at present known to produce disease are vegetable parasites—*bacteria*, e.g., the bacilli of tuberculosis, typhoid and diphtheria; the causes of many of the diseases of warm climates and of some of those occurring in temperate zones have recently been found to be small animal parasites—*protozoa*, e.g., the parasites causing malaria, sleeping sickness, syphilis, and, probably, scarlet fever and smallpox in men, as well as those producing dourine and Texas cattle fever or red water and various poultry diseases in domestic animals.

'2. In consequence of the great importance of this class of diseases, McGill University has established an associate professorship in Parasitology with the object of studying means for the prevention and cure of diseases caused by animal parasites.

'3. While much attention will be devoted to the study of human disease, it is intended that a large part of the energies of the department will be spent in the investigation of diseases of domestic animals.

'4. At present only a few of the diseases of Canadian stock and poultry are known to be caused by protozoa, but it seems very probable that some of the diseases of an obscure nature, present in this country among domestic animals, may be caused by such parasites. It is believed that the investigation, along these lines, of such diseases will yield good results.

'5. These investigations cannot be successfully undertaken without the cooperation of those, such as veterinary surgeons, farmers and ranchers, who frequently come in contact with diseased animals. It is through them only that information concerning the existence of disease can reach the Department of Parasitology.

'6. It is therefore requested that those who have personal knowledge of any disease of an obscure nature in domestic animals of any sort will report its existence and nature to the address given below.

'7. At present information is particularly wanted concerning "loco" and "swamp-fever" of cattle and horses, and of "black-head" of turkeys; information concerning their distribution, spread and frequency of occurrence is especially requested.

'8. It is trusted that this effort to combat Canadian cattle disease will be fitly appreciated and assisted by those whom its success would especially benefit.'

9. Address:

Dr. John L. Todd,
Macdonald College,
Que.

CEREAL HUSBANDRY.

Let me allude briefly to one or two matters which may increase your desire to visit us. In the Cereal Husbandry Department we are attempting to provide improved seeds for cereals for the Province of Quebec, and to some extent for the Maritime Provinces. The Agricultural College at Guelph does that for the province of Ontario; and the Central Experimental Farm largely for the eastern portion of that

province. We have come to recognize by experiment and research that the seed grown in any locality, when improved by systematic selection, brings the largest and best crops in that locality. There does not appear to be any certainty of permanent improvement from occasionally bringing in seed new to the district and letting it go at that. I threshed out that idea before this committee some ten years ago; and I read the report of my evidence lately to see if I wanted to modify the opinions expressed then. After ten years of further observation, investigation and reflection, I regard the character of those opinions as sound with reference to improvements, possible and desirable improvements, in the growing of grain crops in Canada. One of the methods advocated was the improvement of seed grain, by selecting the best seed from the best crop in the locality for seed for subsequent crops in the locality, and by keeping up the process annually. That practice is now in a fair way of becoming general throughout Canada.

At Macdonald College we are carrying on many other experiments and illustrations. For instance with oats, we found last year that the percentage of weight of hull to total weight of kernel ran from 48 per cent of hull, when the oats were cut unripe, down to only 28 per cent in the same field with the same variety when the oats were thoroughly ripened. What a difference there is in the value of a bushel of oats for feed if you have 48 per cent of hull (poorer than straw) in the one case, and only 28 per cent of similar hull in the other.

Another instance of illustration or experimental work has been to show to what extent the yield and quality of wheat are affected by the date of seeding. On our farm last year the earliest seeding of wheat gave us 25 bushels to the acre, and with similar seed of the same variety, on the same soil and with every other condition alike, the latest date of seeding, four weeks later than the earliest, gave us only 10 bushels to the acre. There was a heap of ten-bushel wheat reaped in Eastern Canada last year for want of the seed being put in in good time. The point is this, that in the case of wheat the earlier it can be sown on a suitable seed bed the better the crop. Of all the cereals that applies particularly to wheat.

The work is under the direction of Professor L. S. Klink, our professor of Cereal Husbandry. In comparing the productiveness of varieties of grain, chosen because promising for our locality, Professor Klink reports the best variety of good milling wheat (Red Fife) as yielding 34 bushels per acre, the poorest (Huron) 19 bushels. The best variety of oats (Early Triumph) yielded 84 bushels per acre, the poorest (Fifty Pound Black) 39 bushels. The best variety of barley (Mandscheuri) yielded 67 bushels per acre, the poorest (Success) 31 bushels.

We have a Research Department in Animal Husbandry, under the direction of Professor H. S. Arkell. We are only beginning in it, because that unfortunate fire, when lightning struck our barn last September, consumed our barns, cattle stables and piggery. We had to put up temporary buildings for the winter; but now we are putting up permanent and, so far as practicable, fireproof buildings for live stock, granaries and implements.

THE POULTRY DEPARTMENT.

In the Poultry Department, under Mr. F. C. Elford, we have carried on research and illustration work since October, 1906; and in that we have something of interest for you. I have had a good deal of enquiry regarding what I said before this committee last year about hens that laid eggs during winter in colony houses one board thick, with the thermometer sometimes as low as 17 degrees below zero in the colony houses. These enquirers—perhaps I should say these sceptics, in the kindest sense of that word—pointed out that the eggs would get frozen. It so happened that the eggs did not get frozen, because with our trap nests the hen cannot get off the nest until the man comes, which he does twice at least in the forenoon, and takes the hens

APPENDIX No. 2

off the nests. I might now report further on how these hens have behaved. I am able to say from the records during the past winter that the egg production of which I spoke last year was not at all spasmodic or for the one winter only. We had the same hens in the same houses during the winter just ended and they kept on laying eggs from December. In 1906 they were pullets and began in November. To show you the slight effect of intense cold—and the value of this lesson is especially great for Manitoba and the Northwest, where the people have supposed that they could not keep poultry profitably during the winter and feed them on their frosted wheat and waste grains—I cite the case of 125 laying hens in these simple colony houses, one board thick with no artificial heat of any kind except the hens themselves all winter. The hens never got any soft food in the form of mashes nor any of those troublesome concoctions of any sort. They never saw water from the time the freezing weather came in November until the warm weather of March or April. Instead of water they picked snow, and during the few times when they couldn't run out it was shoveled in to them. As a whole, the flock were not laying quite as well last winter (1907-8) as they were the winter before. I need not detain the committee by many statistics. On January 26th they gave 49 eggs; on the 27th, 56 eggs; on the 28th, 46 eggs; on the 29th, when it was 18 below zero in the house, they gave 52 eggs; the next day, 56 eggs; the following day 56 eggs; there was no shrinkage because of that temperature of 18 below zero in the house. Then on February 4th they gave 58 eggs; on February 5th, 35 eggs; on the 6th, when it was 20 below zero in the house, they gave 48 eggs; on the 7th, 26 eggs; on the 8th, 43 eggs. I give these records for a few days on both sides of two very cold days. Following a severe drop in the temperature there was a falling off in the egg production the next day. But it went up again the day after to the average production.

By Mr. Crawford:

Q. On what are you feeding them?

A. Feeding them chiefly on Manitoba frosted wheat; it is very good stuff.

By Mr. Telford:

Q. Are these houses covered with paper?

A. They are only one board thick; but we put roofing-paper on the roof to keep the rain out. There is nothing on the sides except the one board of one-inch thickness, tongued and grooved and shrunken at that.

By Mr. Lewis:

Q. Do you use any artificial heat?

A. No; the colony houses were out in the field without even shelter. At the end where the roosts are, we put two-ply of lumber with paper between so that there shall not be any draft. A cotton curtain is let down in front of the roosts on very cold nights.

EGGS FROM DAMAGED WHEAT.

Now as to the frozen or frosted wheat. I have great faith in the value of poultry to use up otherwise unsaleable grain. I am not one of those men who contend that a dairy farmer or a meat-producing farmer should not sell any grain. It is often profitable in dairying, beef raising, pig feeding and chicken feeding, to have some of the best of the grain for sale; the remainder being disposed of in the form of animal products. Last winter we brought down a car load of frosted wheat from the northwest. It costs us 26 cents a bushel at the purchasing point, which was not a high price, and about 60 cents a bushel at Ste. Anne de Bellevue. Our object was not to buy an especially cheap feed, but to feed the frosted wheat to poultry and find out

what could be done with it. Here are some of the results. Taking the months of March, April and up to the 24th of May, those 630 hens consumed 177 bushels of frosted wheat. Then they were given also 1,700 pounds of wheat bran which cost \$21.25. In addition to that they were given 850 pounds of meat scraps which we buy from the packing house. This cost us \$21.25. They also got grit and oyster shells which cost \$21.25. We gathered from those hens 27,211 eggs, over 2,267 dozens, which could have been sold for from 25 to 50 cents a dozen. Every bushel of that frozen wheat gave us 8 dozens of eggs; that is the point. That was in a climate which some times went down to 22 below zero in the colony houses where the hens were kept. I would not be afraid of Manitoba and the Northwest under those circumstances. It shows that frozen wheat fed to poultry in that way is far more profitable and satisfying than when fed to larger stock such as cattle and pigs.

Q. You will admit that the production was a much larger one than the farmer usually has from his hens?

A. But not larger than the farmer usually could have.

Q. To what do you ascribe your large production?

A. Largely to two things. First of all to the selection of these hens, for a good many generations, out of hens that have lived under cold conditions and laid eggs through the winter. Then to the low temperature, fresh air with sunshine, dry feed and necessary labour by the hens. They cannot get enough to eat without scratching for it.

Q. Dry feed?

A. Yes dry feed. Then necessary labour, preferable to artificial exercise. The hens could not get enough to eat without scratching among four inches of roughage to get their feed. These are simple conditions, nothing but what the ordinary farmer could have and make use of. If it were a case of building expensive houses and employing a lot of labour the farmer might be excused from adopting this plan; but we have simplified it down to a point where any farmer can easily go and do likewise. But he must exercise care and carry on the work with intelligent thoroughness.

Q. Did you have any special breed?

A. We had six breeds.

A word to show you there is no deterioration in the stock. The hens that were kept under these cold conditions during the winter of 1906-7 laid eggs that tested between 87 and 93 per cent of fertility. Then the pullets from those hens are as good as their mothers. There is no deterioration. The mothers in 1906-7 gave on the average 28 eggs apiece during the coldest weather before the end of February. The pullets in 1907-8, which was a severer winter, gave 25 eggs apiece before the end of February.

Q. What were the breeds?

A. Barred Plymouth Rocks, White Wyandottes, Buff Orpingtons and Rhode Island Reds. We have also two other breeds—Black Minorcas and White Leghorns—but they did not do as well through the winter.

By Mr. Monk:

Q. How many hens do you keep in each house?

A. There are from 50 to 25 according to the size of the house. The larger colony houses are 20 ft. x 14 ft. x 7 ft. high; the smaller 12 ft. x 8 ft. 7 ft. high.

By Mr. Schell (Oxford):

Q. Did the Rocks prove to be a good quality of fowl?

A. Capital. The Rocks last year gave us eggs that sold for \$4.27 per hen. The cost for feed was \$1.44 per hen. There you see is a big margin for labour. I would not dwell upon this hen business if it were a small thing; but the trend of civiliza-

APPENDIX No. 2

tion is towards eating the finer and not the coarser foods. The products of the farm that are coming to have more and more value are pigs and poultry—bacon and cold chicken. Those are branches of live stock that we look forward to improve. We hope to see Quebec and other provinces supplied from our selected strains of poultry. We shall have a good many cockerels at \$1 a head, bred from these strains. I do not want to be beguiled into giving you a statement at the same length as this for every department of Macdonald College or I would occupy several sessions of the committee.

By Mr. Lewis:

Q. Do you allow your hens to go outside during the winter?

A. There is a small door in each colony house through which they can pass in and out whenever they like.

Q. Do they not suffer from wet or cold feet?

A. Not in the least. We have not had any serious illness or sickness. We lost a few hens by accident. I do not say that we have found a panacea; we have gone back to the simple life for poultry—low temperature, fresh air, sunshine, dry feed of suitable quality and necessary work.

Q. When allowed outside do the combs of the fowls not get frozen?

A. It is about as cold inside as outside. Our thermometer registered 22 degrees below zero last winter in the houses where they were. A sparrow does not get frozen although it is often out in winter when it is 30 degrees below zero. The Black Minorcas and White Leghorns with larger combs were kept in a warmer building. Their combs would have been injured.

By Mr. McIntyre (Strathcona):

Q. How do you produce the necessary labour by the hens?

A. By throwing their feed on the floor, which is covered by a roughage of four inches of cut straw and chaff. The hen has to scratch in order to get a meal.

Q. Do you change that straw periodically?

A. It is removed from under the roosting place, pushed over and renewed in that way over the whole floor about once every month. It does not get foul.

By Mr. Lewis:

Q. There have been statements made in the newspapers with regard to the value of poultry products to the effect that it is as great as that of the grain production; do you know whether that is the fact or not?

A. I do not know; it is difficult to ascertain. The total value of the production of eggs and poultry in the United Kingdom was, according to the latest returns, \$57,000,000; in France, \$85,000,000; in Canada, \$16,000,000; and in the United States, \$295,000,000. The estimate of the annual value of the world's production of eggs and poultry has been put at \$990,000,000. I did look into this matter comparatively to some extent. For instance, the province of Nova Scotia, where a large number of barrels of apples are packed every year, is rated in nearly all descriptions of Canada as a great fruit-producing province. Now, the poultry products of Nova Scotia are greater in value annually than the apple production. But the poultry production of that province is hardly ever heard of, and the reason of that is that the hen is doing business in small numbers and in a humble way in a great many places. The aggregate of her production is more than the whole apple crop. If you could have improved methods applied to all Canada, thereby increasing the production from poultry to the extent of only \$25 per farm you would have done much to increase the national prosperity.

By Mr. Schell (Oxford):

Q. What grain would you advise the use of?

A. There is nothing better than a mixture of wheat, barley, oats, corn and some buckwheat. One of the very wasteful practices of the Canadian farmer has been the selling of grain that is not properly cleaned by the fanning-mill. We take the fanning-mill and we take out one-fourth of the grain, more or less. That gives a superb sample of grain to dispose of at the highest price, and the one-quarter that is left is capital feed for the poultry. Superior crops on the farm come by using the cleaned selected seed; and the use of the inferior portion as feed for animals is true economy in agriculture.

By Mr. Lake:

Q. How much wheat did the poultry consume per head?

A. These hens consumed 19 pounds per head in the three months, March, April and May; 177 bushels were consumed by the 680 hens from 1st March to 24th May, and, as I mentioned a moment ago, the product was at the rate of eight dozens of eggs per bushel of wheat consumed.

By Mr. Monk:

Q. Do you intend to refer to vegetable gardening, or do you do any of that?

A. We do a good deal, but time will not permit me to go into details. First of all, we have the school gardens for children and teachers in order that they may be trained not merely to manage the production of plants, but to understand the principles of seed selection, of cultivation of soil, of rotation of crops and of protection against weeds, plant diseases and insects. Then we have the kitchen garden for women who come for the courses in household science. Then we have about 70 acres of land given up to small fruits, large fruits and vegetables. We carry on experimental research while we grow supplies for the college dining-room.

The horticultural farm covers an area of about 70 acres. Of this 30 acres are orchard, 20 of which are devoted to hardy varieties of apples; the aim being to determine the best way to grow them to develop not only productive but long-lived trees. To determine this a series of cultural experiments are begun this season. Each row running north and south represents a variety, and the orchard is divided into plots taking three rows east and west for a cultural or fertilizing test as the case may be.

The variety apple orchard covers about five acres, four trees of each variety being planted. The pear and plum orchard occupies about three acres. The plums in this orchard are principally those of American origin. Plums of European origin, and also cherries, are planted as fillers in a part of the commercial orchard.

The area devoted to small fruits and grapes covers about five acres, one acre of which is in strawberries, now one year planted, and one and a half acres planted this year. Three-quarters of an acre are in grapes, and the balance in bush and cane fruits. These are being grown on a commercial scale, and experiments to determine the most profitable way of growing them are in progress.

Vegetables of various kinds are also grown. Four acres are devoted to the root crops, such as carrots, turnips, beets and parsnips. One acre to the crops such as melons, cucumbers, squash and pumpkins, and one acre to tomatoes.

Three acres are planted to onions and about half an acre to celery. About 30 acres are in potatoes. The space between the fruit trees is planted principally to this crop, leaving a space of four feet at each side of the trees. Garden peas and beans occupy four acres. Two acres are planted with asparagus. One acre is devoted to a small nursery of ornamental stock for planting on the college grounds. The area under cultivated crop embraces about sixty acres.

The laboratories and greenhouses give the student an opportunity of gaining

APPENDIX No. 2

horticultural knowledge in a practical way during the winter months. One greenhouse is devoted entirely to giving the students actual work in the laying out, planting, care and management of trees, small fruits, and vegetables. The other greenhouses are utilized for the development of greenhouse crops, both flowers and vegetables, which are grown along commercial lines; at the same time experiments to determine, if possible, how best to develop these crops for the greatest profit are being conducted.

The horticultural department is under the care of Professor Saxby Blair. His work while horticulturist at the branch experimental farm at Nappan, N.S., was of immense benefit to horticulture in the Maritime Provinces.

MACDONALD COLLEGE TRIPODS.

We are standing at Macdonald College for research work and for illustration work in three of the important matters in agriculture. The use of selected seed on suitably prepared soil; the proper rotation of crops (which is hardly understood and certainly is not practiced in the eastern part of Canada, excepting in parts of Ontario); and the protection of crops against weeds, insects and diseases. Each one of these three might increase the average yield of crops as much as 25 per cent within ten years wherever put into intelligent, careful practice. Our policy at Macdonald College is not merely to have research work along these lines, but to give illustrations along these lines wherever our students go, and we hope by and by to make every graduate of our college a leader to carry out that system of farming on his farm, under college direction. He shall have selected seed (if need be furnished by the college), grown on suitably prepared soil; he shall follow a rotation of crops properly adapted to his locality; and he shall be capable of fighting the weeds, insects and diseases. Such illustrations on his farm will be a beacon light to the whole locality, and thus the lessons will be brought home in an effective way.

In our research work because we have the means and the men we want to make the benefactions of Macdonald College for rural communities extend as widely as possible. We carry on the work of the college in three departments or schools. In connection with the School of Agriculture we have the research and illustration departments of which I have spoken. Then we have Household Science, with research, and instruction for the homes of the people. That branch treats of the three prime necessities of life—food, raiment and housing. It is just as important that the woman should be educated for her sphere of management as the man for his. In the School for Teachers the instruction and training are for teachers preparing for city and rural schools. It is important that the rural school and its teacher should stand in with those two other activities, viz., the occupations and the homes of the parents, and that the children should be thoroughly trained towards ability for, as well as an understanding of, what will be required of them in the fields and in the homes. The three-fold character of the college fits it to train leaders for rural communities.

TENDENCY TOWARDS RURAL LIFE

We are now at a time in the history of Canada when there is not merely need for a great advance in agriculture, but such a chance for it has never occurred before in the history of the race. Only recently have we come into possession of the intimate knowledge of nature that enables a man to apply his intelligence in its widest ranges to agriculture with satisfaction. Until the close of the last century it had been largely a question of muscular labour and a little bit of intellectual direction, but not very much. Nowadays, through the great advances which have been made in the control of natural forces, there is growing up an intelligent preference for life on land by educated people. That condition again calls for modifications in education in order that

they and their children may be able to utilize the personal experiences of the schools in making the best of their lives and opportunities afterwards. A feeling of restlessness, of change, of chafing under existing conditions is abroad among the people. That is not wholly new, but there is a comparatively new feature in the unrest. Instead of the movement being all city-ward, there is now a tendency, an instinct, an inclination to get back to the land, to stay on the land for the sake of the homes and the families, for the sake of health and security in opportunity of employment and for the advancement of worthy education. To advance the agricultural and industrial education of the people of Canada is the highest privilege as it is one of the important duties of statesmanship. Of all forms of help which a government, representing all the people, may with safety and benefit give to individuals, the best are those which help to develop intelligence, power, ability, skill and co-operation with good-will.

ARE WE GOING UP OR DOWN.

It is a question of serious concern to us all whether there is a distinct deterioration of the English-speaking rural population in progress in the areas of Canada which lie east of the Great Lakes. That would not be a popular question to discuss if one were in public life seeking the suffrages of the people. But then the truth should be told. There is no good reason at least why a Scotchman should not speak it, speak it as he sees it—remembering the sacred admonition ‘speaking the truth in love.’ Eastern Canada could sustain no greater loss than a reduction in its rural population; for an intelligent, prosperous and contented rural population is the greatest asset of any state. Young men have been leaving the rural districts in large numbers every year. I will not say one disparaging word as to the attractions which have drawn them elsewhere, but where the strong, vigorous, enterprising and ambitious young men and women continue to leave for twenty or thirty years the human life of the locality is left greatly weakened. The heaps of skulls from France in Northern Italy and the sprinkling of bleached bones from Napoleon’s army in retreat from the frozen steppes of Russia together left degeneration in France. When Napoleon robbed the land of its best youth and left their bodies in trenches from Egypt to Waterloo, what could be expected but a Sedan and the decadence from which France is now only recovering. The well-born, well-bred and well-educated youth are our best asset. If the education of the schools beguiles them to leave the land in larger numbers than is mete, we should change the education. If the west lures them they should be given correct information about the west—and also sound information, interpreted with insight, about the east. Varied and reliable information regarding the Canada east of Lake Huron should be put systematically and extensively before the people of Great Britain.

It is worth while looking the conditions of rural life in Eastern Canada square in the face and seeing what can be done to make them better. Matters can be mended in two ways: (1) By making the occupation in each locality more attractive and profitable to those engaged in farming. That can be done by the spread of knowledge and the giving of practicable and economical illustrations of application of that knowledge to local conditions. (2) By such an adjustment of schools and of training that the children will be attracted to rural occupations and will be qualified to be successful in them. The best asset we have anywhere is an intelligent, prosperous and contented population, with the children being brought up for life at its best in the locality.

IS WASTE NECESSARY?

There has been much said about the development of the west; we have not yet much evidence of development. We have occupied parts of the west; there is no doubt about that. But the occupation of a country is not the same as the development of

APPENDIX No. 2

it through making the most of its resources or its population or its social organizations. I would like to have this committee forward some constructive statesmanship in agriculture which would look towards improving the fertility and cleanness of the fields while the immediate crops gave a satisfying return to the farmers. It is considered by many that the wastefulness of pioneers is in keeping with the prodigality of nature; and that the pioneer has the right to dissipate natural resources if he has thereby improved himself and the prospects for his family. Take an illustration in a large way from the use of coal. During millions of years it was prepared and then stored in the earth—we suppose for human use. And we have been using it with fine prodigality, boasting of the millions of tons we mine every year. Yet we learn from the best authorities that the probabilities are that in 75 years the coal measures of the United States will be pretty well exhausted, except those at lower levels more difficult of access and more costly to obtain. Of course, it seems all right for civilization in the meantime to be using the coal which has given man to a large extent control over metals and the knowledge of and control over electrical energy. Thereby he has acquired ability to use the inexhaustible resources of water-powers and wind-powers—and perhaps by and by he may be able to use sun-power direct. We can now harness the water-powers of the country and generate heat, light and power from them, which man could never have done, so far as we can see, except for the use he had of coal in a large prodigal way during all these experimental years. There is a justification, if you please, for extravagant use of a great natural resource, because of what has resulted from it in gaining control over other still more valuable resources. But when you exhaust the soil, what do you do? You make the people more careless and less competent; you leave them less power and more poverty in every respect. On the other hand, when you preserve and increase the fertility of the soil the people thereby become increasingly efficient and capable. These two go together. It is for us to see that the wealth which we have in the fertility of our soil shall be maintained, and that there shall be continuously improving conditions for the rural population. The soil fertility, already in our brief term of occupation, is so badly depleted that the average crop of wheat in Canada gives just a little more than one-half of the average yield per acre in old England. That is what occupation of this great heritage of ours by wasteful methods has done for us.

A GREAT HERITAGE.

Lest any one might think that I underestimate the west, or that I value lightly the prospects of Canada, which are for the present in a large way bound up with and determined by the progress of the west, let me briefly review the situation. We have in Canada in our natural resources for agriculture two vast areas. We have, coming eastward from the Atlantic, practically a thousand miles where apple trees thrive and where the summer is fragrant with clover blossoms. These indicate natural conditions that make human life and human civilization capable of permanence at their best. I do not know any other two sets of conditions that indicate the suitability of climate and soil for human life at its best, with equal simplicity and aptness, as do apple blossoms and clover.

Then we have a region to the north of Lake Superior which may be full of minerals, with forests and streams suited for great pulp and paper production. That area reaching to James Bay and Hudson Bay has other resources and on its southern edge some good agricultural lands.

Beyond that region, towards the setting sun, we have a thousand miles of prairie lands, with the accumulated fertility for wheat gathered into their surface through thousands of years. There, as elsewhere, agriculture is not the breaking of clods. It is the harnessing of sunshine into crops and products for the profit, service and pleasure of mankind.

Beyond the prairies we have 500 miles of the most magnificent mountain scenery in the world. Great hills pregnant to bursting with gold and lead and silver, and some other minerals; and then small valleys in between with wheat and even peaches as products. I have great faith in Canada, but let us have due regard to the relative values of great areas and their possible development. I do not know any part of Canada that has been overpraised as part of the national asset, but what I want to emphasise this morning is that in all of eastern Canada, where the bulk of our people have been living, we have great areas of land which have been neglected and impoverished to their loss and to the nation's loss in a very serious way, and that state of affairs should be amended.

In playing this great national game of developing Canada let us play it square, with our convictions clear and unalterable that we are playing it as honourable trustees for posterity.

PROGRESS IN YIELDS PER ACRE.

There were in 1906 in Canada 611,493 people living on land as occupiers, and the value of the agricultural property in that year was put at \$2,300,000,000. The annual value of all agricultural products, on the average for a few years, is something like \$520,000,000 from the farms of the Dominion. I would not detain you with statistics about that. I want to come to a point that is of more definite interest. Taking the four chief crops, spring wheat, fall wheat, oats and barley, 14,757,118 acres were grown in Canada in 1907. In the province of Ontario I take a period of ten years from 1887 to 1896 for comparison with the ten years from 1897 to 1906. I compare the average yields per acre in those two ten-year periods. In that way you may get a reasonable index of progress or of the opposite. In the province of Ontario, where most work has been done in the diffusion of knowledge regarding agriculture, the increased yield per acre on the average during the latter ten years over the former is quite marked. In fall wheat the increase on the average was at the rate of 13 per cent. The increased yield of oats was 18.9 per cent. The increased yield of barley was 23.4 per cent. The majority of farmers on whose farms the increases have occurred would account for them by saying: 'We use better seed; we are following a sensible rotation, applying manure to the hoed or green crops, and we keep down the weeds as far as we can.' These are the three things that count. Some farmers still remain unmoved by the progress, but the best of them have made so much progress that these are the gains reported on the average for the whole province. If similar rates of improvement were applied to all the wheat, oats and barley crops in the other parts of Canada, the total yield last year would have been 52,000,000 bushels more than was actually harvested. I mean with the same acreage, the same climate and the same markets. Fifty-two million bushels of grain are worth thinking about.

Take the case of potatoes. The crop last year from 503,546 acres was rated at 66,704,595 bushels. Might I illustrate by quoting the results of experiments and experience at some of the twenty-nine school gardens which were established under the Macdonald Rural Schools Fund?

INSTANCES-FROM SCHOOL GARDENS.

At most of the gardens two plots, side by side, were planted with potatoes under similar conditions. The treatment of both plots was alike, except in regard to the spraying with Paris green to destroy the potato beetles and with Bordeaux mixture to prevent blight. One plot in each garden was sprayed with the mixture three or five times, as the case might require, whereas the other plot was left unsprayed. In every case the yield of potatoes from the sprayed lot was larger than the other. The following list shows the increased yield resulting from spraying at six gardens: Knowlton,

APPENDIX No. 2

Que., 111 per cent; Richmond, Ont., 100 per cent; Carp, Ont., 85 per cent; March, Ont., 81 per cent; Guelph, Ont., 43 per cent; Brome, Que., 41 per cent.

If an increase of 40 per cent could be obtained (that is less than the lowest of the school gardens), think what an immense addition to the value of the crop in Canada that would bring. And such a result, in a very large way, has been revealed at Bowesville in Ontario. In that locality the potato industry has been put on a new footing of profit by the work done at the Macdonald School Garden in that locality. I take the following extract from the report of the principal of that school, not only in regard to the potato crop, but in regard to all ordinary crops on the farms:

'Bowesville, Ont., which is situated six miles south of the Dominion capital, has long been regarded as one of the most progressive sections in the progressive county of Carleton, and it is to the active interest of its people in the welfare of their school that the credit for a large measure of the success of the movement here is due. They have never interfered but to aid. Land sufficient to make a school ground comprising two and one-half acres was purchased and this was enclosed by a neat fence with turned posts and attractive gates.

'The daily attendance at Bowesville school may be placed at approximately fifty children, ages ranging from six to sixteen. The plan of dual ownership of garden plots has been followed here, a senior and junior pupil having joint ownership in a piece of ground (ten feet by twenty feet), working in conjunction and making a just division of the spoils at time of harvest. This plan gets over the difficulty experienced when juniors are shouldered with the entire responsibility of managing a plot, while it does not destroy the sense of ownership which makes proud the juvenile gardener. In laying out and cultivating the garden plots the entire work, with the exception of the ploughing of the ground, was performed by children, and, it may be added, cheerfully performed. Neighbouring farmers brought manure for the garden and ploughed the ground.

'The experimental plots, belonging to the senior class, deserve special notice. Experiments in crop rotation, in the effect of clover growth and in potato spraying, have been carried on and results carefully noted. Bowesville is the centre of the largest potato producing section in eastern Canada, so particular attention was paid to potato spraying experiments. In addition to the class experimental plots mentioned, three of the oldest pupils carried on an independent experiment in spraying. Care was taken that the crop receive neither more nor less attention, other than the spraying, than did the crop in a neighbouring field. Rows of potatoes sprayed with Bordeaux mixture were grown beside rows receiving ordinary attention. When the resulting crops were piled side by side in the tool-house showing an increase equivalent to more than fifty bushels per acre for the sprayed over the unsprayed crops, and also a decided improvement in size and quality, the farmers sat up and did more thinking than would have been the case had they read of the same results in some agricultural publication. It is not so much what these plots teach as it is the trend of thought induced.'

Some of you might find it worth while to spend a few days in investigating the progress at Bowesville for yourselves. The increased yield of potatoes on two plots grown side by side, where potatoes were sprayed properly by the children compared with those left unsprayed, ranged all the way from 111 per cent to 41 per cent. That was not merely in one garden, but taking the range of all the gardens the increase was from 111 to 41 per cent. Forty per cent increase in the yield of potatoes in Canada means over 26,000,000 bushels. Think what that represents! That is not merely reasoning in the abstract, counting all the chickens before they are hatched. I do not think you could spend a few hours more profitably than by driving out and seeing the Bowesville locality. If you talk to the farmers they will tell you that since the establishment of that school garden they have increased the yield on their farms throughout the locality. These farmers have copied the school garden fence around their homes throughout the locality. You can there observe some of the facts from

a definite piece of research illustration work. Men have come all the way from the United States to Bowesville to see the results.

By Mr. Monk:

Q. Are there any school gardens in Quebec?

A. There are some ten in that province now.

By Mr. Telford:

Q. Do you propose to insert directions for the raising of potatoés in your address?

A. You will find those set out in an excellent bulletin by Mr. William T. Macoun, of the Experimental Farm. The point I want to make is this: That while first-rate information has been given in print and spoken of at Farmers' Institute meetings and conventions, there has been an absence of definite systematic effort to find instances of the best things that have been done in agriculture and to give practical illustrations which will cause them to be repeated elsewhere. That is the next step in the organization of agriculture—to make full inquiry and, after patient, thorough investigation as to where and how the best things are being done, to give illustrations of them so that the farmers of other localities may be able to do equally well and may be stimulated to do equally well. I might go on by the hour, I suppose, giving you instances of improvements in the operations on farms and in the management of farms, but that would not be a wise use of your valuable time. I could give you the names of men who have told me that within ten years, since they have put into operation that plan of agricultural management—selected seed on properly prepared soil, a suitable rotation of crops and protection against insects, disease and weeds—they have doubled the quantity of their crops and improved the quality. This within ten years with no greater area of land. What has been done by a few men can be done by every man who will bring to bear on local conditions similar methods of intelligent management.

THE ORGANIZATION OF ILLUSTRATIONS.

There is room and need for improvement in the organization of agriculture as an industry on each farm and also for the organization of agriculture as a national interest. I mean by this that you may have one man in every township using selected seed suited to his locality, following a fine rotation of crops, and possessing knowledge and skill and power to suppress weeds and insects and keep back diseases. That is advantageous so far as it goes. Its influence might be made to go much further. What is being done to make the best methods followed by that good man available to every other man in the township? And not merely to make them available, but to have them presented in such a way that every other man will want to adopt equally good methods in his practice? Farmers' Institutes do a great deal. Lectures are useful, and articles in the press direct attention and encourage study. But the definite object lessons preferably on illustration farms chosen for that purpose, are also needed and would supplement the usefulness of all these other agencies. There ought to be some means of organizing rural life in such a way that fine illustrations of good farming would be effectively brought before all the people. It is of fundamental importance that we should provide this illustrative education in agriculture for those who labour on the land; it is essential for the maintenance of prosperity, of contentment and of progress.

By Mr. Lewis:

Q. Where does the ordinary farmer get his selected seed?

A. He may grow it himself. For some years there has been a Canadian Seed Growers' Association, the members of which select year after year the best heads out

APPENDIX No. 2

of their growing crops on a hand-selected seed grain plot. By continuous selection they keep on improving the mother plot. The grain from that goes out as registered seed—like foundation registered live stock.

The experimental farms have done great good in the distribution of improved seed grain and in many other ways, but you know their purpose is largely for experiment and research rather than for illustration. It has always seemed to me that we have not illustrations enough, in addition to the experiments, for the benefit of the man who cannot translate and apply the published results of experiments to his own conditions, but who could copy if he had opportunities of observing in his own locality. What further would I recommend? Not merely a counsel perfection in the abstract. I know of no better body than this committee to seek out by scientific enquiry—an enquiry which shall be thorough, painstaking and careful—the place or places in every province where agriculture—where rural life—is at its best in regard to the production of crops, in regard to the disposal of crops, in regard to the maintenance of soil fertility, in regard to the efficiency of the people in their social relationship and in regard to the contentment of the people with their conditions. There are many places in Canada like that.

It is worth while to bring about an illustration farm, in every way providing satisfying occupation in a rural district at its best. Such a farm would cause its essential features, and the fundamental principles that determine its quality, to be repeated and applied over and over again. Wherever it prevailed would thereby become part of the new earth. It is worth while to try to have an illustration rural home at its very best in all its appointments, in all its activities, and in all its spirit. It is worth while to help bring about one really good rural school, in every way adapted to the needs of the people of the locality. It is worth while to endeavour to have such a school repeated, over and over again, until the whole land is in the way of being transformed by their influence. Where the school, the farm and the home are each at their best, and in numbers at their best in any locality, there you would have an illustration rural community worth studying by all men who are concerned for the weal of their fellows. Where it prevailed would become part of the new heaven, and of the new earth wherein dwelleth righteousness. To have seen such places, to have known of their real merits, would bring to every intelligent toiler for the betterment of conditions and of life fresh confidence, renewed courage and enlarged enthusiasm for education and for rural life. Let me throw a further light on this and then come back to further discussion of it.

INSTANCE FROM DENMARK.

Some twenty-two years ago I paid a brief visit to the little kingdom of Denmark, which had then started on a course of development by improved agriculture. Denmark had become one of the poorest nations in Europe. Two of her richest provinces had been taken by Germany, but the courageous and tenacious Danes were not altogether cast down on that account. Under the leadership of public-spirited citizens they started in to improve the agriculture of the nation as a means of saving it from stagnation. Under the Royal Agricultural Society they selected a number of the best farmers and farms they could find, and arranged to have selected young men spend three months or longer on a number of those farms in turn. These young men, who might be called apprentice students, wrote articles on what they observed, what they did and what they learned. Returning to their own homes they helped to put into practice the best methods they had acquired. In a short time the knowledge of the best farming methods in the kingdom was available to the farmers in every locality. At the same time they carried on a systematic improvement of the education in their rural schools, looking towards training the young people into ability for life at its best in their own locality.

The little kingdom of Denmark sends to England some of the same sort of products as Canada. And Denmark received in 1903 \$8,400,000 *more* than other competing countries would have received in the same markets *for an equal quantity* of the three products, butter, bacon and eggs. That was the premium obtained by the Danes for superiority of quality and condition. Denmark has had illustration farms and schools for thirty years. The rural population has been educated towards ability, intelligence in regard to rural life, and the public spirit that makes for successful co-operation. That little kingdom receives from England an immensely larger amount for her farm products than any other country for equal quantities. That is the premium for superior education of her rural population. Much of it originates in the rural schools. It leads on to co-operation in many rural activities. Co-operative creameries, co-operative bacon-curing establishments, cow-testing associations, are but instances.

OUTLINE OF SCHEME FOR ILLUSTRATIONS.

I think it is possible in Canada to have similar or greater progress in agriculture. A systematic enquiry conducted under this committee or by a commission would pave the way for the organization of illustrations. These illustration farms would be no more remarkable in fifty years or less than are the public schools of to-day. It is not so long ago since only children who could be sent far from home could obtain a good education. Now the opportunity is close by everybody's door. I think a similar development for the service of the fundamental occupation of the people—agriculture—is coming. In the meantime much would be accomplished by even a few illustration farms in each province. As a bare outline of what might be undertaken I would propose say five illustration farms, each with a specialty as well as with good general agriculture. For an illustration dairy farm I would pick out some young farmer of intelligence and public spirit. His place should be easy of access to visiting farmers. Then if he needed a little financial help to put his farm buildings or herd into good shape that might be arranged. A sum up to \$1,000 might be lent to him for those purposes under an advisory committee. In consideration he would undertake to carry on his farming according to the counsel and plans of the committee and to let visiting farmers observe and learn. For such service \$200 of the loan might be remitted annually. He should also furnish an annual report of progress for publication. If he failed in those respects there would be no cancellation of the loan. Under such skilled advice and supervision as would be furnished, I think it is quite within probability that within five years that young farmer would have doubled his farm revenue, and if the whole \$1,000 were cancelled to him in five years in return for the labour expended in initiating the new system of farming, in showing visitors what he was doing and in preparing reports, it would be money well spent. If his success were seen by many and proclaimed lucidly it would be repeated over and over again; thousands of men would want to do the same thing with their stables and their cows and their products.

Another young farmer might be engaged to give similar illustrations with a specialty of fruit farming; a third man with a poultry farm and pigs; and a fourth with improved farm machinery and the growing of special seed grain. Another farm might particularly illustrate the production of beef and horses. A few thousand dollars expended through the right men in the right places for such illustration work would have a mighty effect upon rural conditions in the whole Dominion. I would do likewise if I could with farm homes and with rural schools. The illustrations would be immensely helpful. But I must not detain the committee with details concerning these; and at any rate they lie rather on the borderland of subjects with which the committee deals.

Except in work for research and for instruction of students, the operations of agriculture can be carried on most economically by those who follow it for what they

APPENDIX No. 2

can make out of it. But these men can be helped by expert counsel and supervision, and if need be a little money, to give fine illustrations of what may be done when the counsel of highly-trained experts, the knowledge of local conditions, and unselfish energy with economy are united in the effort to render definite public service. With illustrations of the occupation at its best, of the rural home at its best, and the rural school at its best for the children, we should be in a fair way to make real progress worthy of our heritage and of our obligations. If I have said a single word about any part of Canada which might be interpreted as unsympathetic, it was not meant in that spirit, but was rather the prosaic expression of the warning of Goldsmith's lines:—

'Ill fares the land to hastening ills a prey,
Where wealth accumulates and men decay.'

Because I have looked into the homes, the schools and the farms of Canada, and watched the incoming crowds from the steamers, I go back with renewed zest to labour for the improvement of conditions for rural life in Canada.

Mr. Chairman, again I cordially invite you to bring the committee with you to Macdonald College and see for yourselves what we have done and what we are attempting to do. I thank you, Mr. Chairman and gentleman, for having heard me attentively so long.

On motion of Mr. Lewis, seconded by Mr. Monk, a cordial vote of thanks was given Dr. Robertson for his instructive and entertaining address.

Having read over the preceding transcript of my evidence I certify the same to be correct.

JAS. W. ROBERTSON,

Principal, Macdonald College.

DEVELOPMENT OF THE DAIRY INDUSTRY IN CANADA.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

WEDNESDAY, July 8, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 10 o'clock, a.m., Mr. McKenzie, Chairman, presiding.

The CHAIRMAN.—I have much pleasure in informing the committee that Mr. J. A. Ruddick, Dairy and Cold Storage Commissioner, has come to-day to address us, as you will observe by the notices for this meeting, upon the subject of the 'Present Conditions of the Dairy Industry in Canada.'

Mr. J. A. RUDDICK.—Mr. Chairman and Gentlemen of the Committee, I am pleased to have this opportunity of putting before you a few facts concerning the dairying industry. It has been suggested to me that on this occasion I might confine my evidence to the present status of the dairy industry in Canada. In previous years I have covered the ground pretty well in regard to the work carried on by the branch of the Department of Agriculture, of which I have the honour to be the chief officer.

GROWTH OF CO-OPERATIVE DAIRYING IN CANADA.

First of all, I would draw the attention of the committee to the extent of the growth of the factory system of dairying in this country. If you will look at this map (indicating map on the wall), which has been published with the report of the Dairy and Cold Storage Commissioner for 1907, you will observe that it is nearly covered in some places with red, green and blue dots. The red dots represent creameries, the blue cheese factories and the location of the combined factories is shown by green dots.

Beginning in the east we find a number of factories in Prince Edward Island, a few in Nova Scotia and more again in New Brunswick.

Passing into the province of Quebec, the factories are very numerous in the St. Lawrence valley and in the Eastern Townships. I would also draw your attention to the large number of cheese factories in the Lake St. John region. It will be observed also that there are a large number of creameries in the province of Quebec, especially in the Eastern Townships and on the north shore of the St. Lawrence immediately below Montreal. Many of the factories in Quebec are also combined factories, making both cheese and butter as circumstances seem to warrant.

Passing westward into Ontario, the eastern portion is occupied almost entirely by cheese factories. There are a few combined factories and only a few creameries.

Factory dairying has not developed much in the counties immediately around Toronto, but in southwestern Ontario, the home of the cheese factory, we find a large number of the largest factories in Canada. The northwestern counties of old Ontario, including Lambton, Grey and Bruce, constitute the principal butter-making district of Ontario, although the creameries are located in all the counties throughout the western peninsula.

8 EDWARD VII., A. 1908

The factory system has been well established in Manitoba, where there are a number of successful cheese factories and creameries.

The farmers in the province of Saskatchewan have not yet shown much inclination to take up dairy work, but northern Alberta is fast becoming one of the important dairying districts of Canada, and there are now over 50 creameries in that part of the province.

In British Columbia there are a number of well organized creameries doing a good business. As a matter of fact the creameries in British Columbia average as large as those in any other part of the country.

The total number of cheese factories and creameries in Canada, by provinces, is as follows :—

CHEESE FACTORIES AND CREAMERIES IN CANADA, 1907.

Province.	Cheese Factories.	Combined Cheese and Butter Factories.	Creameries.	Skimming Stations.	Total.
Ontario	1,096	86	102		1,284
Quebec	1,392	736	627	51	2,806
Prince Edward Island	23	16	8		47
Nova Scotia	7		10		17
New Brunswick	33		35		68
Manitoba	36		21		57
Saskatchewan	1		6		7
Alberta	8		45		53
British Columbia			16		16
	2,596	838	870	51	4,355

The first cheese factory, as some of you know, was started in 1864 in Mr. Schell's constituency (South Oxford). There was another one started in Hastings county in 1866, and it is claimed that the first cheese factory in the Brockville district was started about the same time. The factory system grew rapidly from the first in western and central Ontario. A cheese factory was started in Missisquoi county, Quebec, also in 1864, but the growth of the industry was very slow until after the year 1880, when the factory system spread rapidly over the settled portions of the whole province.

THE FACTORY SYSTEM DOES NOT INDICATE GROWTH OF THE INDUSTRY.

It has been the practice to estimate the progress of the dairy industry partly on the factory end of the business and partly on the export trade in butter and cheese. While the growth of the population was small and the home consumption therefore about the same one year with another, the export figures indicated with fair accuracy the increased production from year to year, but during recent years the large annual increase in population, and the increased purchasing power of the people, have added so much to the home consumption that the former basis of calculation no longer serves to indicate the progress of the industry. As a matter of fact, the exports of butter and cheese from Canada have declined in recent years, the maximum having been reached in 1903. It has been thought by some that because of this decrease in the export trade that the industry, as a whole, was declining. I wish, however, to point out to the committee to-day that this conclusion is not justified. In order to make this point clear I desire to submit the following figures :—

APPENDIX No. 2

EXPORTS YEARS ENDING JUNE 30, 1903, AND MARCH 31, 1908.

	Lbs.	Value.
Cheese, 1903..	229,099,925	\$24,712,943
“ 1908..	189,987,365	22,887,237
Butter, 1903..	34,128,944	6,954,618
“ 1908..	4,858,276	1,068,703
Condensed milk, 1903..	3,083,810	242,539
“ 1908..	472,824	43,874
	<hr/>	<hr/>
Total values of all products, 1903..		\$31,910,154
“ “ 1908..		23,999,814
		<hr/>
Decrease..		\$ 7,910,340

It is true that these figures show that there has been a decline in five years in the value of the dairy products exported of \$7,910,340, but against that decline the industry may be credited with an increased consumption as follows:

Increased consumption of:

Milk..	\$4,500,000
Butter (20 lbs. per head)..	4,000,000
Cheese..	200,000
Condensed milk..	300,000
	<hr/>
	\$9,000,000

The above estimates of consumption are based on increased population only.

By Mr. Schell (Oxford):

Q. This calculation is based entirely on the increased population?

A. Yes, and does not take into account the increased purchasing power of the people generally, which, if the amount were known, would I feel certain be surprisingly large.

Q. I think that would amount to at least 100 per cent, that is the increased purchasing power and the tendency to use more.

A. And the tendency to use more butter because it is of better quality, is an important factor.

By Mr. McColl:

Q. Perhaps with regard to butter that is not exactly correct. When a butter factory is established in a neighbourhood the farmers' wives who formerly made butter and brought it into the local market themselves, send their cream to the creamery, and then you get a record of it, but you would not have a record of the amount manufactured under ordinary circumstances?

A. These figures that I have given you are export figures only and there is a small amount of dairy butter included.

By Mr. Brown:

Q. In regard to the gathering of cream, do you think it is ahead of the old system?

A. I do not think it is ahead of the separator system, but there are many districts in Canada where it is the only practical system. It has been adopted and it is

8 EDWARD VII., A. 1908

successful in these districts. But where the separator system is practicable, my advice is to stick to that system.

By Mr. McColl:

Q. I have a butter factory recently established in my riding where they separate the milk on the farms, each farmer has a separator, and the reason they adopted that system is that they are enabled in that way to keep the separated milk at home and use it while it is fresh; it appears that if it is sent to the factory and separated there, if it stands for some time, it becomes deteriorated and it is not fit for the raising of calves?

A. Through the courtesy of Mr. Blue, the chief of the Census and Statistical Branch, I am able to give the committee some new figures relating to dairy production. The Census Branch has just completed a return of the dairy industry in Canada for 1907, and in order to make a comparison the figures of the census of 1900, and also the figures of the census of manufactures which was taken in 1905 are given. The figures furnished by the Census Branch, as I have just stated, are as follows:—

Creamery butter and cheese, value of	\$29,462,402	\$32,402,265	\$34,546,701
Condensed milk, value of . .	269,520	855,409	910,842
Totals	\$29,731,922	\$33,257,674	\$35,457,543
Increase in seven years		\$5,725,621	
Increase in last two years		2,199,869	

This table does not include milk for direct consumption, nor does it include dairy butter, the value of which amounts to about \$22,000,000. Therefore, I do not think there is any doubt that the dairy production has increased since 1900, to the extent at least of \$10,000,000 or \$12,000,000, which is very considerably more than the decline in the exports. Calculate it any way you like and you will find that the production is still increasing.

I have noticed references in the press deploring the decline in the export trade, on the assumption that the country is losing on that account. I do not take that view of it at all, it seems to me that there is quite as much money and just as good profit in supplying the Canadian public with dairy produce as there is in supplying the people of any other country. Take the experience of the United States. At one time they exported a great deal more butter and cheese than we did, although their maximum never was as high as ours. At the present time, their export trade is almost nil, yet we find that they are continuing to increase their production very largely. The increase in the total value of the dairy products of the United States between 1900 and 1905 was 28 per cent; the total value in 1900 was \$130,783,349, and in 1905 the total value was \$168,182,789. One of the marked increases is in the growth of the condensed milk production; the total value of the condensed milk produced in the United States in 1905 was \$20,149,282, showing an increase in five years of 69.5 per cent. That leads me to say a word or two about the condensed milk industry in this country. I think it is likely to be a very much more important factor in our dairy trade than it has been in the past. It has been so small in the past that we have not paid very much attention to it, and we have not taken it into account in any calculation with regard to our dairying industry.

APPENDIX No. 2

CONDENSED MILK.

By Mr. Smith (Oxford):

Q. Will you indicate what condensed milk is and how it is made?

A. There are two kinds made in Canada, 'sweetened' and 'unsweetened.' In making the sweetened article, 400 lbs. of milk is condensed by evaporation to 100 lbs. and 75 lbs. of sugar is added, so that out of the 400 lbs. of milk you have 175 lbs. of sweetened condensed milk. The unsweetened milk is simply condensed to about the same proportion, perhaps a little thicker, because the sugar adds considerably to the consistency of the sweetened milk. They also make a condensed coffee, condensed cocoa and other drinks. In 1900 there were only four establishments in Canada turning out \$269,000 worth of condensed milk. This industry has gradually increased and in 1908 there are nine or ten condensed milk factories in operation, and one powdered milk factory. It is stated that they will make considerably over \$1,000,000 worth of condensed milk this year.

By Mr. Schell (Oxford):

Q. There is a factory in Ingersoll which is taking in 10,000 gallons of milk worth \$1,000 per day.

A. The Aylmer establishment reports that they will turn out \$400,000 worth this year.

The growth of the condensed milk industry is shown by these figures:

Condensed Milk.

	1900.	1905.	1907.	1908.
Establishments.....	4	5	7	9
Value of products.....	\$269,520	\$355,409	\$910,842	Over 1 million.

Imports and Exports of Condensed Milk.

	1900.	1905.	1908.
	\$	\$	\$
Imports.....	254,176	11,955	268
Exports.....	Nil.	268,899	43,874
Consumed in Canada.....	523,696	598,465	866,700

These figures give us an excellent idea of the development of this industry. In 1900 there was consumed in Canada condensed milk to the value of \$523,696 and in 1905 the consumption had increased to \$598,465, but in the year ending the 31st March, 1908, the consumption had increased to \$866,700, which shows how our home consumption is increasing. If we had the actual figures of the home consumption, and the production of milk and milk products on farms in Canada, we would find

8 EDWARD VII., A. 1908

that the total volume of the trade is very much larger than most of us suppose it to be. I am pleased to say that the Census Bureau has undertaken to collect complete statistics of the question. I have made an estimate of the total value of the entire annual production of milk and milk products in Canada and I put it about like this:

ESTIMATED TOTAL VALUE OF THE ANNUAL PRODUCTION OF MILK AND MILK PRODUCTS
IN CANADA.

Creamery butter and cheese.	\$36,000,000
Dairy butter.	22,000,000
Condensed milk.	1,000,000
Milk for direct consumption.	35,000,000
	<hr/>
	\$94,000,000

By Mr. Maclaren:

Q. What do you value the milk at? For direct consumption?

A. At twenty cents a gallon.

Q. Will it go at that all over the country?

A. I think it will, winter and summer. Of course it is very difficult to arrive at the total consumption of milk in Canada; I have tried two or three different ways of getting at it. In the first place we will take it on the basis of the consumption per head, and I have figured that the average consumption of milk would be about a half a pint per head per day. I find that in the city of London, England, with a population almost equal to the population of Canada, the total consumption of milk is 112,000,000 gallons per year. They have the figures of all the milk brought into the city each day.

Q. What is the average figure of production per cow?

A. It has been figured at about 3,000 lbs., but I think it is slightly above that. Our records would show that it is.

By Mr. McColl:

Q. You say that you have taken the milk at 20 cents per gallon, that will be the average price to the consumer, not to the producer.

A. To the producer.

Q. To the farmer?

A. I think it will average that. Of course it does not average that if the milk is sold at the factory, but for milk used for direct consumption will. A great many of the producers sell it direct to the consumer, and others sell it to the dealers in the city, and I think that is a pretty fair price. In some parts of the country consumers are paying much higher prices.

By Mr. Maclaren:

Q. A cow is a pretty good machine to have according to those figures at the present time?

A. The cow is all right.

I have some other figures which I have taken from the recent census:

APPENDIX No. 2

VALUE OF THE CREAMERY BUTTER AND CHEESE PRODUCED IN CERTAIN COUNTIES IN 1907.

County.	Number of Factories.	Value of Creamery Butter and Cheese produced.	Area of County in acres.	Production of Creamery Butter and Cheese per acre.
<i>Ontario.</i>		\$		\$ cts.
Oxford.....	50	1,461,333	489,300	2 98
Hastings.....	91	1,266,421	1,486,700	0 85
Leeds.....	90	1,262,598	576,000	2 19
Dundas.....	70	1,034,798	245,200	4 22
Russell.....	74	590,159	260,600	2 26
Prescott.....	69	546,809	316,350	1 72
<i>Quebec.</i>				
Beauce.....	164	750,362	1,210,266	0 62
Shefford.....	52	653,374	363,008	1 79

Thus we find there are four counties in Ontario which produce over a million dollars worth of creamery butter and cheese in a year. At the top of the list is the county of Oxford which produced \$1,461,333 worth of butter and cheese, mainly cheese, last year. I think it is a record for that county and a record for any county in Canada. In one important respect Dundas county leads them all, and that is in the high production per acre. I have given the whole area of the county in each case. Oxford and Dundas are pretty good counties with very little, if any, waste land. The county of Hastings, on the other hand, has a good deal of waste land and water surfaces and there is a considerable area in the north in which there are no factories. The yield for that county is only 85 cents per acre. The county of Dundas, which is probably the greatest district in Canada for the production of milk, produced cheese and creamery butter to the value of \$4.22 per acre. The county of Russell produced only \$2.26 per acre. Then in the province of Quebec the county of Shefford, one of the best counties, produced \$1.79 per acre. There is also a large amount of waste land in Shefford.

By Mr. Maclaren (Perth):

Q. What about the milk in that county, are they converting it into butter and cheese or sending it into the city?

A. They are making both butter and cheese, more butter than cheese. That is what they are doing this year. Last year they probably produced more cheese than butter.

Q. Are there any condensed milk factories in that part of the province?

A. Not in Shefford. There are two condensed milk factories in the province of Quebec, one in Huntingdon and one in L'Assomption.

Q. How do you find these condensed milk factories affecting the cheese and butter factories in the different parts of the Dominion?

A. The condensed milk factories pay more money for milk than cheese factories can do and they are taking the milk away from where they are established.

Q. They are closing up the cheese and butter factories?

A. Yes, to some extent.

Q. When farmers have the opportunity of selling to condensed milk factories it increases the value of the milk?

A. It does, but it is only in a very small proportion of the whole.

8 EDWARD VII., A. 1908

Q. That helps to put Oxford county at the head of the list?

A. I think it would be there even if all the milk were made into cheese.

COW TESTING ASSOCIATIONS.

I have not very much more time and I want to refer briefly to one phase of the work which my branch of the department is carrying on at the present time. I quoted some figures to show you the difference in production in different parts of the country. I might go further than that and quote the records of the Cow Testing Associations and show that there is a tremendous difference in the yield per cow in different sections of Canada. We are getting some of the very best records from the county of Oxford, where one of these associations is organized. We are trying to carry this information to the farmers in other parts of the country, where they are not producing as much as they should, in order to show them how they can improve the profits from dairying by giving more attention to improving their herds. We have during the last four or five years been organizing the dairy farmers into associations for the purpose of weighing and testing the yields of the individual cows in their herds and I think we have been fairly successful in this work. I will not trouble you with any details of the work this morning but simply give you an idea of how far it has been organized. There are this year in operation 82 associations located as follows: In Ontario 31, Quebec 31, New Brunswick 10, Prince Edward Island 2, British Columbia 7, Nova Scotia 1. We have not done anything in the three prairie provinces because the local governments there are doing that work. We have, however, been giving them some assistance.

Q. How many are there altogether?

A. Eighty-two. The total number of cows tested in June was 7,817. We find that besides the members of these associations, a very large number of individual farmers throughout the country have taken this matter up on their own account, and I feel confident that in a very short time it will have a very profound effect upon the production of milk in this country.

EXPERIMENTS IN CARING FOR MILK.

There is another way in which we hope to increase the profits from milk production, in connection with the cheese factories, by getting more accurate and definite information as to how milk should be handled at the farms to produce the most cheese of the best quality. Therefore, I have arranged with the owners of a cheese factory at Smith's Falls to have members of my staff carry on there an extensive series of experiments in the handling of milk on the farm; handling the milk as it is very often, too often, done, and then handling it by proper methods in order to determine the difference in the quality and the increased amount of cheese made from the milk when properly handled. I think this information, which will be available for distribution among the farmers, will be of very great benefit indeed. I must say that there has been in the past a good deal of guesswork in advising the dairymen as to how milk should be taken care of. It is only within the last few years that science has been brought to bear on the question through the study of bacteriology. Before that no rule prevailed, it was simply rule of thumb methods that were followed and there was no accurate information concerning it.

MARKETS FOR DAIRY PRODUCE.

I would like to say a word about the markets for Canadian dairy produce. Great Britain will always be our principal market. We have a very good market for a comparatively small quantity in the West Indies. Our friends in the Maritime

APPENDIX No. 2

Provinces have taken advantage of that market and are supplying it with a good article. They practically control the trade in many of the islands and adjacent countries. There is another opening for a small quantity of butter in the Orient, and the Western Provinces are sending some butter to that market. But Great Britain is bound to be the principal market, and as it is the best in the world there is no reason why we should not devote our chief attention to meeting the demand there.

SHIPMENT OF GREEN CHEESE.

Q. You are supplying that market with green cheese. Why not stop that practice?

A. I think we have succeeded in checking that practice this season.

Q. Is there no arrangement whereby the government can interfere so as to compel people not to ship their cheese from factories under a certain age, or has any action been taken in the matter? I think it is a most serious question. Some of us have spent our lives in trying to improve the quality and raise the reputation of Canadian cheese, and when success has been attained careless people endanger that reputation and ruin the market by sending over the product in a green state. I think something should be done to stop it?

A. I quite agree with Mr. Maclaren that something should be done. I do not see very well how it can be made a matter of direct legislation. It is impossible for anyone to say just how long cheese should remain in the factory.

Q. Certainly cheese should remain more than one day in the factory.

A. Some cheese cure much more rapidly than others, depending on the temperature and the way the cheese is made. Certain cheese would be more ready to ship in 10 days than others would be in 3 weeks. I think the matter might be controlled if a law were enacted to compel the cheesemaker to put the day and the month of manufacture on the cheese.

Q. We have that law now have we not?

A. It is only permissible, it is not compulsory. It is against the law to make any misrepresentations as to the date of manufacture but there is nothing to compel the dating of all cheese. If all cheese and the packages were dated, then the man who receives them on the other side of the Atlantic would know what was the matter with them if they were too new. If such a law were enacted it would make a good deal of difficulty in the trade for a year or two, but I believe in the end it would work out well and would put a stop to the practice of shipping the cheese in too green a condition. The dating of cheese has been urged on other grounds with which I have not been in sympathy, but this question puts a new face on the matter. I might say that this year there has not been nearly as much fault to find with green cheese shipments as there has been in the last two years. The milk producers themselves, the patrons of factories, are beginning to see it is in their interest to look after these things. They are beginning to see that they will be the losers in the end if anything is done to injure the market. I have referred at length to this question in all my recent reports and have taken every possible means of warning the producers against a continuance of the practice. I beg to submit a copy of the last circular issued in relation to this question.

(Circular.)

DEPARTMENT OF AGRICULTURE.

BRANCH OF THE DAIRY AND COLD STORAGE COMMISSIONER.

THE SHIPPING OF GREEN CHEESE.

To whom it may concern:

The writer has lost no opportunity during the past two years of calling attention to the danger of injuring the Canadian cheese trade by the practice of

8 EDWARD VII., A. 1908

shipping the cheese in a green condition. The question is treated at some length in my last annual report, where I was able to quote the opinions of leading merchants in Great Britain, all opposed to the practice.

‘I am now able to quote from communications on the subject recently addressed to the Honourable Mr. Fisher, Minister of Agriculture, by The Home and Foreign Produce Exchange of London, England, and The Bristol Provision Trade Association, in words which would indicate that harm has already been done to the cheese trade by this “penny wise, pound foolish” practice.

‘The first-mentioned association writes in part as follows:

“LONDON, May 2nd, 1908.

“Importers of Canadian cheese into London met in conference to consider what steps should be taken to bring into prominence the damage which is being occasioned to the reputation of Canadian cheese owing to the persistent practice on the part of Factorymen of sending out their makes before the goods have had time to mature, and I have been instructed to lay the matter before you in the hope that prompt and efficient steps may be taken to effect a remedy.

It is unquestionable that there is an increasing tendency for makers to get quit of their cheese as quickly as possible. In a great many instances goods are moved out much too soon, in some cases even within two or three days of manufacture. The result has been that the natural process of maturing has been arrested and such cheese arrive here insipid in flavour and in a condition which reflects anything but credit upon the product. In addition to this, the excessive moisture militates severely against the sale. In no circumstances should cheese be allowed to leave the Factory until ten days after manufacture. That is the minimum of time which should elapse before the goods are moved, and unless stringent measures are adopted to prevent the Factorymen sending their cheese out earlier, the position of the Canadian article on the London market will become depreciated.”

‘The foregoing is from a body of merchants who handle nearly one-half of the cheese exported from Canada.

‘The Bristol Provision Trade Association’s letter contains the following sentence:

“This means the forcing into consumption of immature, or in other words, inferior cheese, resulting in widespread dissatisfaction. Needless to say, the tendency of this is to bring Canadian cheese into disfavour, and if persisted in, it is bound greatly to curtail consumption.”

‘It would seem to be unnecessary to add anything to these statements made by those who are in the best position to speak with authority on the question.

‘I would only say that while I was in Great Britain last fall, I found plenty of evidence to prove that the trade has already been injured by the unbusiness-like policy of shipping the cheese before they are fit to eat. Whenever this question is brought up among dairymen, there seems to be an inclination to put the blame on the buyer and let it go at that. The buyers are certainly responsible for encouraging the movement of green cheese, but the dairymen who have been the losers, and who will be the losers again, should not allow their business to be injured in this way.

J. A. RUDDICK,

Dairy and Cold Storage Commissioner.

Ottawa, Ont., May 19, 1908.’

Now to return to the question of markets. I notice there is very often a tendency to discuss a great many things in connection with the marketing of cheese and butter, but the more experience I have of this question and the more information I

APPENDIX No. 2

get regarding it, the more I am convinced that there is only one thing that is of any real importance. The channels of trade are well organized, there is no difficulty about the shipping of produce, the transportation facilities are excellent, and all the machinery for the export and for trading in dairy products is well organized between this country and Great Britain—splendidly organized. There is only one thing that producers need give special attention to and that is to make an article of superior quality. If they do that, there will be no trouble about selling at the highest market value at all times. People worry themselves about whether we shall have cheese boards or farmers' exchanges, or whether we shall have inspection here or inspection there; it does not amount to anything at all compared with what I have mentioned.

Q. What is the good of making the quality of the highest possible grade when people are shipping cheese that is only a day old?

A. That is being stopped.

Now, as I have only about ten minutes more, I would like to tell the committee something about the International Dairy Congress which was held at the Hague last September and which I attended as representative of this country.

THE THIRD INTERNATIONAL DAIRY CONGRESS.

I have prepared for my annual report, which is now in the press, a full account of this meeting containing all the resolutions which were given effect to by the various sections.

Q. When will that report be out?

A. I do not know. It is now in the hands of the King's Printer. I might say that this was a very interesting meeting. Some 26 different countries were represented by official delegates, and there were voluntary delegates from societies and different interests making up a total of about 600. The official language was French, but discussions were carried on in English, Dutch, German and French. To give you an idea of the international character of the meeting let me tell you that at the Congress banquet there were 22 nationalities represented and the chairman spoke in 7 languages. The most interesting and useful feature of the Congress to me was to meet so many men from different parts of the world engaged in the same line of work as myself. I think that is the chief value of these gatherings. The actual proceedings are often unimportant, and I noticed in this case that the resolutions, before they were finally passed, were generally amended to meet the different views until there was not very much in them. The discussions were rather of a cut and dried character as far as the programme was concerned; but the meeting together of delegates, the discussions in the hotels, and the excursions taken with different people from all over the civilized world—these things were all very interesting and very valuable. The committee in charge organized a large number of excursions covering nearly the whole of Holland. Of course, in view of the small extent of country, that is not a very big undertaking, but we spent some most interesting days visiting the different dairying districts. Dairying is the national industry of Holland and although the country is only about as big as that part of Ontario lying west and south of a line drawn from Southampton to Toronto, they export just about as much dairy produce as we do and feed over five millions at home, nearly as large a population as our own. They exported in 1906, \$27,042,432 worth of butter and cheese. Of course, the Dutch people do not eat as much butter as we do, because they consume a large quantity of margarine, the manufacture of which is a big industry in that country. We visited some of the large farms and the creamery districts. I would like to have every owner of a cheese factory and creamery in Canada see some of the buildings in that country. I saw buildings in Friesland that cost \$50,000, creamery buildings erected by the farmers themselves. They organize co-operative associations and

borrow the money to pay for those buildings and then repay the loan at the rate of about one-fiftieth every year until fully repaid. They have no share capital but become each and severally responsible for the loan and repay it out of the profits of the creamery.

By Mr. McIntyre (Perth):

Q. I suppose the cleanliness was very noticeable?

A. Decidedly so. I visited farms where the cows are kept in one room of the house, animals and family all under one roof. That is in the winter time, of course, in the summer time they are out on pasture. The room which was set aside for the cows was right alongside of the kitchen and the kitchen door opened into it. In the summer time then they make cheese, they use the stable as a cheese curing room, and make the cheese in a little room next to the kitchen. The stable is finished with glazed earthenware and was as clean as it could possibly be. There were lace curtains on the windows and everything was as neat as you could possibly imagine. Those are the old Dutch farms. I saw one modern stable near Amsterdam in which there were 200 cows kept to supply milk for that city. For cleanliness, convenience and appearance, I have never seen anything better than this stable. The cows were of Dutch breed similar to the Holsteins, but rather coarser. The Hollanders say that the black and white cows in America are Dutch and not Holstein. The Holsteins come from that part of Germany which adjoins the mainland of Denmark. I saw the record at one creamery where 1,150 cows averaged over 8,000 lbs. of milk a year. Of course, they have marvellous pastures in that low-lying country where the water line is only about 2 feet below the surface.

Q. Are the cattle limited to certain parts of the pasture or do they wander over the whole field?

A. In Holland the cattle wander over the whole field. In some parts of Europe they are tethered, particularly in Denmark where they have no fences, but in Holland the ditches and canals take the place of fences. The country is divided into small plots in that way.

By Mr. Telford:

Q. Is any part of the country irrigated?

A. There is none of it that you would call irrigated. There are large districts known as polders, which are really below the level of the sea. These areas have been reclaimed by the erection of great dykes which keep back the sea. These wonderful Dutchmen are now at work reclaiming the Zuider Zee in this manner. These low-lying districts are drained only by means of a system of pumps, which keep the water down to a certain level—about two feet below the surface. You will understand, therefore, that drought is unknown. I do not think there is very much in the methods or practices of any of these countries which can be blindly copied in Canada, but there are many things we can learn from the Dutch farmers. The wonderful economies which they practice in many ways would be a very good object lesson to some of our Canadian farmers. I do not mean the economy of doing without things, but rather the economy of utilizing waste spaces and materials. Their labour conditions are quite different, and that must always be taken into account. Labour is very cheap there and the women do a great deal of work on the farm, so that we cannot apply their methods to our conditions in this country. I might say for the information of the committee, because I think you take some interest in immigration matters, that there is a desire on the part of many Dutch farmers to come to this country. I found a good deal of interest was being taken in Canada. Whenever I was introduced as the representative of Canada I could see that people became interested at once. I had a letter from a friend of mine in Holland the other day

APPENDIX No. 2

asking me if I thought he would be justified in accepting a commission from the Dutch government to come over here and look into Northwest lands, as there were a large number of their farmers—men possessed of money who could not buy land in Holland because there is no land available—and who would like to come to Canada. I don't think we could do better than encourage these Dutch farmers to come here.

Mr. MACLAREN (Perth).—There is lots of room in Ontario and Quebec for dairy farmers.

Mr. RUDDICK.—I do not know that I have anything more to say unless members of the committee would like to ask questions.

Mr. MACLAREN (Perth).—There is a gentleman here from New Zealand. In that country they are producing a lot of cheese. Are they going to swamp us?

Mr. RUDDICK.—I do not think so. A good deal has been said about the supply of cheese on the British market from New Zealand last winter and certainly the percentage increase is very considerable. I think it amounts to about 70 per cent over their previous year's record. That amounts to only 160,000 boxes of cheese, but the shrinkage in butter more than makes up for the extra shipments of cheese. The tendency now is to go back to butter. Many factories have found they made a mistake in establishing cheese plants and making cheese last year and they are going back again to butter because it now gives relatively a better price. I do not think it is likely there will be very much of a permanent increase in the exports of cheese from New Zealand. There is no doubt it did have some influence on the market last year, and I think it cost some of the big holders in London considerable money to buy up the New Zealand cheese on the market in order to keep up the price.

Having read over the preceding transcript of my evidence, I certify the same to be correct.

J. A. RUDDICK,

Dairy and Cold Storage Commissioner.

SOWING AND REAPING.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

WEDNESDAY, February 19, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock, a.m., Mr. McKenzie, chairman, presiding.

The CHAIRMAN.—I am pleased to announce to the committee to-day that Mr. G. H. Clark, Seed Commissioner, is present and will address us upon 'The vitality of wheat, oats and barley in Manitoba, Saskatchewan and Alberta in relation to the crops of the year 1907.' This, I think, will prove a very interesting subject. Mr. Clark is doing very good work in his branch, and I have no doubt that his address will prove both interesting and instructive. I was particularly struck with Mr. Clark's investigations when I visited his department last week, and I think it would be an excellent idea for as many members of the committee as possible to call at his branch in the Canadian Building on Slater street and see the nature of the work that he is carrying on. I do not know of anything more important in connection with agriculture than the testing and improvement of seeds and seed grain. I would like to say a word or two upon another matter. My attention has been drawn by readers of our reports to the fact that the interjection of questions while a speaker is addressing the committee destroys the continuity of his narrative and draws the speaker into channels somewhat foreign to the subject with which he is immediately dealing. Now, I would ask the members of the committee to confine their questions to matters having a direct bearing upon the subject under discussion, and to put their questions at such a time that the sequence or form of the narrative shall not be impaired. The reports of our meetings will then read more intelligently and appropriately. I know that I need only draw your attention to the matter and the desired end will be reached.

THE WHEAT CROP OF 1907 IN WESTERN CANADA.

Mr. CLARK.—Mr. Chairman, Hon. Mr. Fisher, and gentlemen. It always gives me pleasure to respond to a summons to address this committee. It is a matter of some regret to me this morning that I have to bring to your notice a slight misfortune that has happened to a comparatively few of our people in the Canadian west. I say a comparatively few. I have estimated that the number of farmers who have suffered hardship west of Lake Superior and east of the Rocky mountains would not exceed 12 per cent of the population, and of that 12 per cent only those who are carrying their proverbial eggs in the one grain basket. You may remember that a few years ago Professor Robertson did considerable towards establishing creameries in that western country. I have heard many unfavourable comments concerning those creameries in grain districts, but I venture to say that those farmers who are located within a radius of 20 miles from those creameries and who have maintained their dairy herds will this year have no cause for regret on account of their establishment. It seems to me that the weal of the people of the west will ultimately depend largely on their tendency towards diversified or mixed farming, although grain growing will doubtless predominate.

By Mr. Schaffner:

Q. I would like to ask what you mean by that 12 per cent?

A. Taking the total number of farmers between Winnipeg and the Rocky mountains, I am quite sure that the number who have suffered hardship this year will not exceed 12 per cent.

Q. Do you mean from frost?

A. From frost, from unfavourable climatic conditions.

NARROW-MINDED CONCEPTIONS.

By Mr. Jackson (Selkirk):

Q. You say between Winnipeg and the Rocky mountains. Ought not the 100 miles east of Winnipeg be considered as well?

A. I should say between Port Arthur and the Rocky mountains. I want to mention this fact in particular because you are all aware that when a few farmers have suffered on account of the frost or from any other cause, we hear a great deal about their difficulties. That has been the case this year. We have heard this year much more from that 12 per cent of farmers than we have heard from the remaining 88 per cent who have been favoured with really satisfactory crops. Many of that 88 per cent have had perhaps more profitable crops than at any other time during the last five years. During a recent trip from Minneapolis to Chicago I was forced to listen to the conversation among a number of American business men who claimed to know all about our Canadian conditions, and they were all agreed that the whole of our grain crop in the west was injured by frost and that the great problem which confronted the governing bodies of Canada was how to feed the people and carry them over to the next year. I did not make any remark, but I thought of the adage 'what fools these people be.' I have found, as a rule, that the citizens of the United States have a very limited and narrow idea of the conditions in Canada; and I want to assert here before this committee, that it is my judgment, having travelled many times over the west of Canada in all conditions of climate, that a season of general misfortune in the west, even in such an unfavourable season as we have had during the past year, is not possible—at least it is highly improbable. I would consider that there is no more danger of a general crop failure between Port Arthur and the Rocky mountains in our Canadian west, than there would be between the Missouri river and the Rocky mountains in the United States or in the north of Europe. In the north of Europe the hardships experienced by the farmers this past year are if anything greater than they have been in our Canadian west even in some of the districts which suffered most.

THE GRAIN CROP OF GREAT BRITAIN, IN 1907.

I had an opportunity a few days ago to read a letter bearing a November date which was written by the wife of one of my good brother Scotchmen in Scotland in which she said, writing on a Sunday evening, that she had been to the kirk in the morning, the preacher had opened the service with a short prayer, and he then told the congregation to go home and get in their grain. He himself proceeded to his own farm and got in his grain,—a very sensible man in my opinion. The writer of the letter went on to say that the grain was scarcely worth the trouble of bringing it in, because it was almost spoiled with the wet. On the ground that misery likes company, it would be well for our farmers in the west who have suffered somewhat on account of the frost in certain areas this year to reflect on the condition of the farmers in Europe who have suffered even greater hardships, through continued wet.

APPENDIX No. 2

It was on the 11th September that I received a communication from my district assistant located at Calgary. I have three district assistants, one in Winnipeg for the province of Manitoba, one in Regina for the province of Saskatchewan, and one in Calgary for the province of Alberta, who devote all their time to their respective districts. I received a communication from my officer at Calgary stating that they had had a slight frost about the 21st August, a heavy frost in some districts on the 31st August and a heavier frost again in September. While much of the crop on the light land and in the districts where they had not too much rainfall promised well, he intimated to me that it would be necessary this year to investigate and find out exactly where the farmers would be at in regard to their seed supply for the spring of 1908. I was then authorized to issue orders to each of my assistants to spend five weeks in travelling through their respective districts, to secure samples of some of the best grain and some of the grain that had been injured, and forward it to Ottawa for vitality tests. We have received up to the present time more than 4,800 samples. We had tested up to the 1st January nearly 2,000 samples, which were reported on in bulletin form. Of this bulletin we have distributed 60,000 copies to the farmers in all parts of the west. For this purpose we availed ourselves of the census schedules, taking in the farmers in the districts where the frosted grain was most prevalent.

By Mr. Broder:

Q. The conditions in the west, I suppose, were largely due to the backward spring?

A. The spring was exceptionally backward this year. Not since 1888, I think, has there been a season during which the climatic conditions approached those which prevailed in the west this past year. The spring was late, the summer was cool and cloudy and there was too much precipitation of rain in some districts and that kept the grain green and growing. Then the early frosts which came earlier and were more severe than usual did the rest. The northeast part of the province of Manitoba (pointing to the map), is of comparatively low altitude, and we have found in the Dauphin district oats of this year's growth on light soils that will germinate 99 per cent and others on heavier soils that will not germinate more than 10 or 15 per cent. A line from somewhere near Dauphin, coming down to about the middle of Marquette, and then into Saskatchewan, near Moosomin, and extending south of the main line of the Canadian Pacific Railway, and across at about Arcola in an irregular line to about 50 miles from what is called the semi-arid belt, thence northwest to include the heavy clayey land about Regina would roughly include the greater part of the area that suffered from autumn frosts.

SEEDING THE SOIL.

North of Calgary in Alberta the conditions in respect to frost are variable. Around Clover Bar in central Alberta there are some very good seed oats this year.

What we undertook to do was to make it clear this year to the farmers of those western provinces the necessity of having their seed grain tested as to vitality, so that they could better estimate the quantity of seed that should be sown, having regard to its percentage of vitality. I am inclined to believe that it would be wise for the farmers in the west who have clean farms to use their own frosted seed oats, if they will produce as high as fifty per cent of strong growth, and sow them at the rate of four bushels per acre. At the best it is very difficult to get seed that is absolutely free from noxious weed seeds. By seeding at the rate of four or five bushels per acre of oats or barley that will germinate 50 per cent or better, unless the spring season be very cold and backward, should give a satisfactory crop.

By Mr. Blain:

Q. Would five bushels per acre be sufficient, do you think?

A. Yes, of oats or barley that will give 50 per cent strong growth under greenhouse conditions and during the first six days.

By Mr. Wilson (Lennox):

Q. To make a really good showing how much do you require per acre of sound seed?

A. Two bushels.

Hon. Mr. FISHER.—That is of oats.

By Mr. Wilson (Lennox):

Q. And of wheat, how much do you require?

A. About a bushel and a half of good Red Fife wheat would be sufficient. I based my estimate of the shortage in seed supply on the actual areas as provided to me by the Census Commissioner. His figures were based on the actual census areas for 1901 and 1906, and these were increased in geometrical ratio to 1908. I took the Census Commissioner's figures and by a calculation and estimate worked out, as well as I could, those areas within the belts in which the grain would not come up to a 50 per cent vitality in the case of oats, and a 60 per cent vitality with reasonably plump seed, in the case of wheat. Those figures were used in calculating the amount of seed supply that would be needed in the northwest this year.

By Hon. Mr. Derbyshire:

Q. Of the 12 per cent that failed, how much later than usual was the seeding done?

A. At least a month.

By Mr. McIntyre (Strathcona):

Q. Was it not the conditions that prevailed after seeding?

A. The conditions after seeding had more to do with the late maturity than the date of seeding.

Q. The seed ought to be sown earlier?

A. Fairly early. Oats should not be sown until at least after the middle of April. Oats that are sown in the middle of May will ripen within a few days of oats sown about the middle of April, because rapid growth does not commence until about the first of June.

By Mr. Crawford:

Q. Is that not the case with all kinds of grain?

A. Yes, but not in all climates.

By Hon. Mr. Perley:

Q. The seed that is sown early ripens first?

A. Yes, but there is not as much difference in the ripening as there may be in the time of sowing. You can sow wheat in March, say, and again in May, but they would not be a month apart in dates of ripening.

By Mr. Schaffner:

Q. Are you referring to wheat now?

A. Wheat, oats and barley.

Q. It is more important to get the wheat in early than the oats?

A. It is important, but I do not believe that it is advisable to sow wheat much before the 1st April. I would say 7th April. It should be sown as soon as possible after that date. I do not think it is advisable to sow oats until after the middle of April, say the 20th April for the western provinces.

APPENDIX No. 2

Q. There were a lot of oats in the west sown in June last year?

A. Probably.

By Mr. Owen:

Q. Tell us the percentage of wheat, oats and barley which was injured by the frosting of the crops?

A. There were different degrees of injury. I estimate the area that was injured so badly that it will not be fit for seed, as not more than 10 per cent. There are between ten and eleven million bushels of seed wheat required each year for the provinces of Manitoba, Saskatchewan and Alberta.

Q. According to your statement then there should be a sufficient quantity of grain in the northwest at the present time?

A. They have in the west all of the wheat they want for seed. All the wheat that is being asked for, I think, is 1,300,000 bushels, and that is estimated for use at the rate of two bushels per acre.

By Mr. Wilson (Lennox):

Q. You say that the farmers in the west have now enough seed?

A. They have enough of wheat, but not of oats.

Mr. WILSON (Lennox).—That is news to me.

By Mr. Owens:

Q. Cannot the people purchase all the wheat they require for seed up there?

A. I would not like to be too positive upon that point. Let me say that although the process of buying at the present time is pretty well advanced, it would be well in the interest of the farmers of the west not to make too detailed a statement regarding the supplies of seed grain.

By Hon. Mr. Perley:

Q. How much is he paying for wheat now?

A. I do not know.

By Mr. Lake:

Q. When you speak of the northwest, do you refer from the country westward, or the country westward from Winnipeg?

A. I refer to the country between Port Arthur and the Rocky mountains. The one chief risk in sowing seed oats that are slightly frosted, is the weather conditions that may occur during the first three weeks after seeding. If the weather conditions be favourable for rapid growth during that period, there should not be so much risk in sowing oats that will germinate more than 50 per cent and which are not slow to germinate. The rapidity of germination, or what technically is called the vital energy of the seed, is influenced a great deal by the weather conditions which prevail during the first month after seeding. I have brought to-day some oats in process of test in soil to show you. These are of about fourteen days' growth. They will enable you to see a difference between weak growth and strong growth. These are 100 plants of relatively strong growth. Here is a lot that gave only about 30 per cent of strong growth. You can see a large proportion of weak plants in the latter sample. Even in the poorest samples we usually find some good grain and some that is inferior. Here, however, is another lot of uniformly weak spindly plants.

By Mr. Owen:

Q. Where do you grow those?

A. We grew those in the seed laboratory under greenhouse conditions.

Q. At what temperature?

A. Between 64 and 68 degrees.

Q. They are not as healthy to look at as if they were grown in the open air?

A. No, the colour is not quite so good. But under greenhouse conditions we get more rapid growth than would be obtained under field conditions, because we have better moisture and we have control over the heat.

By Mr. Broder:

Q. It is more uniform?

A. Yes. This (showing specimens) is an illustration of the relative vital energy of the seed. The one shows about 98 per cent of germination in six days. From 100 grains of the other only three came up in six days. The latter, if sown under field conditions, considering the average moisture in the soil and the climate in the west, could not be counted on to give a very good crop. If the soil is sufficiently moist and the weather is warm and continues warm for three weeks after seeding, there is not so much risk in sowing seed grain of comparatively weak growth; but with frosty weather and a dry soil the sowing of these weak oats or shrunken wheat, although the wheat will germinate fairly high, would be disastrous from the point of view of the satisfactory crop.

I would like to speak for a few minutes on the principles of making germination tests.

SUPPLEMENTING SEED SUPPLY FOR 1908.

By Mr. Owen:

Q. I understood you to say there was plenty of wheat in the northwest for seeding this year, plenty of good wheat that will germinate after having been sown?

A. Yes.

Q. Of oats what percentage is short? About how many bushels will need to be purchased elsewhere?

A. The provinces have said that they must have seed grain that is free from noxious weed seeds. Mr. Castle, as I understand it, who is doing the buying, must adhere to the conditions named by the provinces who are to pay for that seed. To get the total quantity of seed oats which they may need and of the quality that they desire, which is important, they may have to get perhaps two-thirds of the quantity outside of the provinces of Manitoba, Saskatchewan and Alberta. If the provinces should modify—

By Hon. Mr. Perley:

Q. Do they require any seed in Manitoba?

A. They will need seed oats in northern Manitoba. To get the quantity of seed oats required from western sources it would be necessary that the provinces should modify their conditions in respect of wild oats in the seed oats. You will understand that at the present quite a large quantity of the oats have gone forward and have been mixed with commercial lots in the elevators at Fort William. I think it would be advisable not to discuss the matter at the present time. Of course, I will answer any question which this committee may approve of, but I do not want to interfere with Mr. Castle's operations.

By Mr. Wilson (Lennox):

Q. I understood that Manitoba was not covered by this arrangement?

A. Manitoba, as I understand, is looking after her own seed grain provincially. That is to say, the provincial authorities are carrying out the work.

APPENDIX No. 2

Q. And we have nothing to do with that?

A. In looking up supplies of seed I may say in a general way that there is a question of the advisability of bringing seed grain from the coast climates of other countries. This year there may be considerable really high-class seed go into the west from England and from Prince Edward Island.

Those oats under western conditions will not do quite so well the first year. They will not be up to their normal condition even in the second year, but in the third year they will do quite as well in the west as they do in their native country, and the farmers in the west can count upon having good results for the next twenty years as the result of importation. The difficulty with oats, wheat and barley in the west has been that year after year, the grain is cut a little on the green side. That tends to a natural deterioration in the stamina and productiveness of the plant. The grain that will be taken into the west this year will be of exceptionally good quality, having for generations back reached its full maturity before being harvested. Although for the first year or two, as I said, it may not give quite as satisfactory a crop as it did in the climate from which it came, after three years it will give and continue to give excellent results in the west.

By Mr. Martin (Wellington):

Q. Does the seed taken up from Ontario do as well as the seed you speak of?

A. Not as well the first year as does the home grown seed, but there is not so great a difference between Ontario importations and importations from coast climates.

By Mr. Blain:

Q. Are we to understand that the oats in England are of a higher standard than those in Canada?

A. They are thoroughly matured oats, and perhaps plumper than the western grown oats. Perhaps on account of their more careful system of farming in Great Britain their oats are purer as to variety and, I think, better than our own.

By Hon. Mr. Derbyshire:

Q. Do they weigh much more?

A. Yes, per measured bushel.

Q. How much do they weigh per measured bushel?

A. Forty to fifty pounds.

There are usually many grains of oats in frosted samples in which the germ in the kernel is not dead, but it is unable to make use of the plant food in the kernel. The enzymes of the kernel act as a digestive fluid upon the nutritive qualities in the kernel itself when the germ starts into life. The germ has to depend during the first four or five days upon the nutriment in the kernel for its sustenance. Now, in these frosted oats in which the germ is still alive the enzymes are partially destroyed. When planted in good soil the germ of frosted oats can draw some slight nutrition from the vegetable mould, and on that account may grow a little faster in the soil under greenhouse conditions than under the regular methods of germinating seeds. We have the authority of Noble, Hartz and many others who have given much time to the study of processes of seed germination, when we say that to give the farmer an accurate measure of the value of seed to him in respect to its vitality the test is better made in the standard seed germinator. Report should be made of the proportion of grain that will germinate in four, five or six days and at the end of ten days.

The soil tests of frosted grain, if conducted under greenhouse conditions, is in part a measure of the extent to which a particular soil is able to feed a germ that has lost the ability to feed itself naturally. We can see what this soil will do to feed

frosted germs of oats that are not able to feed themselves, but I cannot undertake to say whether these oats that will germinate and give satisfactory growth in this soil will germinate and grow equally fast under the soil conditions that the farmers have in the west. On account of these conditions I desire to urge upon all the farmers in the west the necessity of testing their own oats and barley in their own soil at their own homes and under their own observation. If the farmers could come to our office they would see their seed growing in boxes, such as I have here to-day, and they would get more information as to its condition than they would get from the usual germinator tests. We use the standard seed germinators because they give a more accurate measure to the farmer of the vitality and strength of growth of the seed than the soil test, and the returns from the germinators are more quickly obtained at much less cost for labour.

From our investigation into the condition of the seed supply for the western provinces I would say that looking to the future crop of 1908, although there are small areas for which the governments have undertaken to procure supplies of seed for the farmers, I have no hesitation in saying that the condition of the seed supply in the west to-day, with what will be added, will not detract in the slightest from the prospects of a good crop.

By Mr. Broder:

Q. You would not advise sowing any doubtful seed?

A. I strongly advise no farmer to sow any oats or barley this year, no matter whether he be in southern Manitoba or in the northern part of Saskatchewan, without himself, in his own home, testing the grain in the soil, for the purpose of determining its vitality.

By Mr. Schaffner:

Q. It is not likely when the farmer sows a bushel and a half of wheat, which is the proportion they sow in the west as a rule—it is not likely that it will all germinate. But taking that quantity of the ordinary seed sown every year, what percentage of that would germinate?

A. Under field conditions I would think that what would germinate 100 per cent in four days in the seed laboratory, will perhaps give 85 plants in the western soil.

Q. Then if 85 per cent of the wheat will germinate, that will be all right?

A. That is taking high-class seed, No. 1 Northern.

Q. Would 85 per cent germinate?

A. Yes.

Q. Then as to oats, you say that if the percentage was 50 per cent it would be better to sow four bushels to the acre?

A. Yes. Sow four or five or even six bushels of seed that will give fifty, forty or even thirty per cent of relatively strong growth when tested in their own soil.

By Hon. Mr. Perley:

Q. That would be on account of the cost. If he sows four bushels to the acre, which he may get at 25 to 30 cents, it is better than by sowing two bushels which will cost him more?

A. Not so much on account of the cost as on account of the difficulty of procuring pure seeds. To get seed which is clean—that is what is wanted—I doubt very much if it will be possible to get all the supply that is asked for.

By Mr. Blain:

Q. Is your department taking any special pains to communicate the information to the farmers in the northwest as to making these special home tests?

APPENDIX No. 2

A. Yes, we have issued 60,000 copies of this bulletin. I brought up two packages of them this morning.

Q. I understand that, but has the department taken a list of farmers throughout the west and mailed a copy to every one?

A. We took the census schedules and mailed the bulletin to the farmers whose names appeared thereon.

Q. It seems to me that it would be money well expended for the government to send fifty or sixty men out to the west to give special instructions to the farmers on that point. The idea of making such tests will not suggest itself to the average farmer, I think?

A. We have held this year in the province of Alberta 34 special meetings on seed, in the province of Saskatchewan 36 special seed fairs, and in the province of Manitoba the Seed Branch assisted with eleven. The provincial department of Manitoba has also had a number of seed grain exhibitions in that province.

By Mr. Broder:

Q. Were those exhibitions well attended?

A. Yes, and they were better attended this year than usual on account of the existing conditions.

By Mr. Blain:

Q. Then I think we may conclude that the information is pretty well disseminated among the farmers in the northwest as to these suggested home tests?

A. I feel quite sure that it is. We have done everything that we possibly could to have that information well disseminated because of the danger of the farmers sowing without testing. If the farmers will test their seed and ascertain what proportion of it will germinate and sow it accordingly, they will do much to eliminate the possibility of crop failure.

Q. Have the farmers in the west heretofore adopted any such policy?

A. They have had repeated partial failures of crop in Alberta and Saskatchewan on account perhaps of there being no seed laboratory from which they could be advised, no special organization in the west looking after seed grain and prompting them to do this work. This special investigation was started, as I said a few minutes ago, by my assistants in Alberta, Saskatchewan and Manitoba, commencing after the first frosts occurred, and they have been working at it continuously ever since.

Q. Just this year?

A. This last year. Of course, we had no seed laboratory until 1902.

By Mr. Jackson (Selkirk):

Q. Has the department been doing any testing at suitable points in the west?

A. We have quite a large seed laboratory at Calgary which was established last year. I have had also to establish a temporary staff at Winnipeg, not to test for the farmers in general, but for Mr. Castle who is buying at Winnipeg.

By Mr. McIntyre (Strathcona):

Q. We have had seed fairs for some years?

A. It is four years since seed fairs were started. They have been very useful as well as educational to the farmers, a special marked day for seed grain. The field competitions in seed grain have also had an exceedingly wholesome influence.

By Mr. Jackson (Selkirk):

Q. What arrangements did your agents adopt to get samples of grain?

A. The first trips of inspection from their district headquarters was made about the middle of September. At that time the harvest was not very well advanced, but they collected some samples of grain and forwarded them to the seed laboratory. They also issued letters to secretaries of agricultural societies and men who had been attending any of the seed fairs in previous years, asking them to forward samples of their grain to the laboratory for testing.

Q. I notice you have not been getting any samples from northeastern Manitoba, say about Selkirk?

A. We have had quite a large number from Selkirk since the 1st January.

Q. Your bulletin does not show that?

A. Up to the 20th or 25th December we had no samples from Selkirk. The usual letters had been sent in to the electoral district of Selkirk, but no response had come from it. I presume, like some of the other constituencies in southern Manitoba

By Mr. Schaffner:

Q. There are practically none from southwestern Manitoba?

A. I suppose the farmers there considered the grain was not severely frosted and immediate action was not necessary.

By Mr. Jackson (Selkirk):

Q. There was not frost at all in our district?

A. I would not like to say there was no frost at all.

Q. There has been none whatever that we have heard of?

A. I think in the constituency of Selkirk they have not suffered materially.

By Mr. Christie:

Q. Have you made any tests of the grain grown in the province of Ontario?

A. This year?

Q. Yes?

A. Not very many for vitality. I don't think the grain needs it.

Q. I think the oat crop in a great many parts of Ontario has been a failure for the last few years?

A. A failure in yield?

Q. A failure in yield and in weight?

A. They were about 83,000,000 bushels short of the average yield in the province of Ontario last year. On that account the price of oats and barley in the province is high. I think the percentage of vitality of the grain in Ontario is satisfactory.

Q. I think the crop has been a failure for two or three years in some parts?

A. On account of the climatic conditions.

By Mr. Crawford:

Q. Were your samples well cleaned?

A. The samples sent are tested in the condition in which the farmers send them.

Q. The farmer would not possibly clean them, but it might raise the standard if the samples were thoroughly cleaned?

A. We report to him that the standard of vitality would be raised by a thorough cleaning.

Q. That would apply more to oats?

A. It applies more to oats.

Having read the foregoing transcript of my evidence, I find it correct.

GEO. H. CLARK,
Seed Commissioner.

EXPLORATIONS IN THE VICINITY OF THE SASKATCHEWAN RIVER.

HOUSE OF COMMONS,
COMMITTEE ROOM No. 34,

February 26, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock, a.m., the Chairman, Mr. McKenzie, presiding.

The CHAIRMAN.—The business before us to-day is to hear an address from Mr. W. McInnes, Geologist, Geological Survey of Canada, upon his explorations of the region lying south of the Saskatchewan river, and drained by the Carrot and Pasquia rivers; also of the district northwest of Lake Winnipeg and east of the province of Saskatchewan.

Mr. McINNES.—Mr. Chairman and gentlemen: The district explored by me last summer about which I have to say something this morning, is the area lying to the south of the Saskatchewan, between that river and the Canadian Northern Railway Company's Prince Albert branch; and more particularly the region lying immediately to the south of the Saskatchewan and drained by the Carrot and the Pasquia rivers. This great region may be divided for convenience, perhaps, into two areas, the lower area, lying at a height of 900 feet above the sea, consisting of a broad undrained plain, and a higher area from 1,000 to 1,200 feet above the sea, which contains excellent land for the purpose of general agriculture.

By Mr. Lewis:

Q. What is the distance between the railway and the river?

A. The area is a triangular one. At Prince Albert the distance is nothing, but it is about eighty miles when you get down to the mouth of the Carrot river, which joins the Saskatchewan at the Pas Mission, a little over 100 miles from the mouth of the river at Lake Winnipeg. This great plain that I spoke of extends from the base of the Pasquia hills, easterly, and northeasterly and north to a considerable distance beyond the Saskatchewan. It is underlaid by Silurian limestone, with a gentle dip southwesterly, the limestone overlaid in turn by an irregular formation of boulder clay which comes to the surface in places, but is generally covered by more recent lacustrine deposits consisting of clays that have been laid down on an ancient lake bottom. The higher area that I spoke of is underlaid by cretaceous sediments and really belongs to the great plains. Over these cretaceous sediments is the same irregular formation of boulder clay, and over that again the same deposits of lacustrine clays with the addition of a vegetable humus—a deep black surface soil, two feet and upwards in thickness, exactly the same as that which provides the agricultural soil of the plains generally. The boulder clay extends to the very summit of the Pasquia hills. The overlying clays, which really furnish the soil of the plains, are not found on the very summit of the Pasquia hills. They are laid down at just as high an elevation further west, but as a matter of fact it is only the boulder clay that is seen on the very summit of the Pasquia hills at their eastern end.

By Mr. Lewis:

Q. What is boulder clay?

A. It is supposed to be the ground moraine of the glacier. That is, it is the material carried along by the great glacier, made up of detritus abraded from the

underlying rocks and boulders, picked up as it was traversing the country, and laid down in a mass without any stratification or regular arrangement, the boulders lying at various angles and not in layers, as we find the lake deposits or deposits laid down under water.

Q. Is that clay mixed with boulders?

A. What I have described as the boulder clay is, but that is not the surface clay of the region.

By Mr. McIntyre (Strathcona):

Q. Then for agricultural purposes the vegetable humus that overlies the hills is not generally stony, the surface is easily cultivateable all over?

A. Yes. I might say that the extreme northeastern portion of the Pasquia hills have an elevation of about 2,100 feet. The plain at the base of them is only about 900 feet high. The hills rise first by a gradual slope for perhaps 300 feet above the low land; and then by a very steep slope, often with scarped faces. Some of these faces are of boulder clay and some of the cretaceous shales, very often quite steep and precipitous. These deposits are very readily eroded by the streams running down from the hills which cut deep gulches in them, producing a country of steep valleys and uneven surface. The northeastern side is consequently very much cut up and would afford very little land that could be easily cultivated. I mean that it is cut up into saw-shaped edges. As you go further west the slopes become more gradual and the hills merge gradually into the great plains, the elevation of the two becoming approximately the same. The elevation where the Canadian Northern railway crosses the summit is about 1,600 feet. The railway crosses the summit by very moderate gradients, merely climbing over a broad, low hill or swell in the surface.

Q. Is there any timber on these hills?

A. Yes, very good timber.

By Mr. Jackson (Selkirk):

Q. What is the elevation at Prince Albert?

A. I think it is in the vicinity of 1,400 feet.

Q. So you go down from the swell to Prince Albert?

A. Yes. The summit is about Peesane Sta., 100 miles east of Prince Albert, and then it is a rolling country from there to Prince Albert.

Q. And where is the Saskatchewan river just there?

A. The Saskatchewan at Prince Albert is just close to the railway and at the height of land spoken of it is 40 miles to the north.

Q. Is the Saskatchewan navigable at high water?

A. It is navigable clear away to Prince Albert, with the exception of the rapids known as Grand Rapids, near the mouth of the river.

By Mr. Sinclair:

Q. Could you go by water to Edmonton?

A. Yes, at high water. Last summer I went down in the Hudson Bay boat from Prince Albert. This is the way I reached the country.

By Mr. Jackson (Selkirk):

Q. The pilots of that country require to learn the conditions every year, owing to the existence of sand banks?

A. To a certain extent. There are a number of shifting sand banks, but that does not apply when the water is moderately high. A person can then travel with ordinary freedom down the river. Very often in July the water is very high and not infrequently it remains at a good height practically all summer.

APPENDIX No. 2

By Mr. Lewis:

Q. Would you say the country is well wooded?

A. Perhaps I might describe my route last summer. Upon entering this country I came down the Saskatchewan by a Hudson Bay Company's steamer from Prince Albert and was brought to the mouth of the Sipanok channel with my canoes, a distance of, approximately about 140 or 150 miles. We put our canoes in the water at the mouth of the Sipanok channel. The Sipanok channel is a very curious feature of the topography of that region. It is a winding channel 60 miles long which flows from the Saskatchewan to the Carrot river. At low water there is no overflow from the Saskatchewan, but at high water there is a very considerable river, quite large enough for good sized scows by which some of the fur companies take in their supplies.

Q. How far is that from the Pas?

A. By the Saskatchewan it is a little over 100 miles, and by the Carrot river about 60 miles.

Q. There is no land there fit for agricultural purposes?

A. No. I was going to say that this higher bench, which represents the eastern edge of the cretaceous sediments, crosses the Carrot river about ten miles above what is known as the Pas mountain, Indian reserve, or just at the foot of the first heavy rapid on the Carrot river, and crosses the Saskatchewan river at Birch island. Above that, this whole country is very excellent agricultural land. Below it is not an agricultural country because of the imperfect drainage. Standing on the top of the Pas mountains and looking north, northeast, and east, one sees a vast plain extending for thirty or forty miles in each direction, absolutely flat, and made up almost entirely of hay marsh with very numerous large and smaller lakes, and diversified by occasional small groves of willow and aspen.

By Mr. Jackson (Selkirk):

Q. Point out on the map where that plain is?

A. It covers all the country here extending from the base of the hills, north-westerly, northerly and northeasterly to the low hills beyond the Saskatchewan river (indicating on the map.) Standing here on the edge of the escarpment and looking out in the indicated directions, the first high land is that away beyond the Saskatchewan here, and that is not very high.

Q. That is near the eastern boundary of Saskatchewan?

A. Yes, from the eastern boundary westward for about 50 miles and eastward for over a hundred.

Q. How is the territory that you have just described drained?

A. It is only drained by the Saskatchewan river and its tributaries.

Q. Could any system of drainage be adopted there which would recover that land?

A. I was going to suggest—it is a very important matter and one which I think is very well worth serious consideration—whether it would not be possible by dealing with the rapids at the mouth of the Saskatchewan river and lowering its level, to give adequate drainage. There is a fall of about 100 feet. Lake Winnipeg is about 100 feet lower than the Saskatchewan above the rapids. The main rapid which occurs three or four miles from the mouth is only about three miles long. Almost the entire fall occurs in that distance. If it were possible to accomplish this drainage, an area of 5,000 square miles or more—which would mean over three million acres—could be rendered fit for cultivation. This I anticipate would have a soil quite similar to the vegetable humus which covers the plains. It is now being deposited in exactly the same way that we think the surface soil of the plains was accumulated.

By Mr. Staples:

Q. What is the depth of water in the river above the rapids?

A. Just above the rapids? I don't know. I was not there. I came up by Lake Winnipegosis and did not pass that part of the country. The river generally is comparatively deep, that is 30 feet, with shoals here and there. It is a very rapid flowing river.

Q. That territory is in the province of Saskatchewan is it?

A. The eastern boundary of that province runs through it. Part of it lies north of the boundary of Manitoba in the unapportioned district which still lies in the Northwest Territories.

Q. What portion of this territory would be in the Northwest Territories?

A. About one-half of it. This is the boundary line (indicating on the map). This part of the area would be in Saskatchewan and this part in Manitoba.

By Mr. Ratz:

Q. Is the bottom of the river at the rapids rock?

A. Yes. It is a hard magnesium limestone, a dolomite. It is very possible and not at all improbable, I think, that there may be a pre-glacial outlet where the river originally ran and which is now filled up with drift. The Grand Rapids of the Saskatchewan now are cut through a gorge in this limestone formation, like the Niagara gorge on a small scale; and in very many of these cases we find that where a river has worn its way through a rocky gorge of that sort it is because its old channel has been filled up at the close of the glacial period by accumulations of glacial drift, sands and clays, and it had to seek a new channel. The old channel if it could be found, and if there is one in this case, would probably be low enough to allow the proper drainage.

Q. My idea was that if the water was deep enough above the rapids it would be a small thing to blast out the rapids, but if there is a rock bottom all the way along it would be a different matter?

A. That has not been entirely ascertained. We know there are two points where rocks do occur. There are two points between Cedar Lake and the Grand Rapids where there are smaller rapids also over limestone.

By Mr. Jackson (Sellkirk):

Q. Then your idea would be that just between the boundary of the Northwest Territories and Saskatchewan there may be an old channel which has been filled up, where the Saskatchewan takes a bend to the south?

A. At that point? No, I do not think that is the place, because I was through that country and I did not see any place where there would have been a channel.

Q. There seems to be a natural water-course to the north just on the boundary line?

A. It is very much higher country when you get in there.

By Mr. Lewis:

Q. Point out on the map where you think there might be a possible channel?

A. I thought it possible that there might be a channel running into Lake Winnipeg. It is not very far from the present channel, probably running from Moose lake out to the shore of Lake Winnipeg, or northeasterly by the Minago river to the Nelson. But that is a country that I have never been over. It did not come into my area of exploration at all last summer, and I have never seen it.

By Mr. Jackson (Sellkirk):

Q. Have you been down the Nelson river?

A. Yes.

APPENDIX No. 2

Q. As far as Cross lake?

A. Yes, as far as Split lake, 140 miles beyond Cross lake.

By Mr. Zimmerman:

Q. The Saskatchewan actually empties into Cedar lake and through Cedar lake into Lake Winnipeg. Cedar lake is really an expansion of the river?

A. Yes, but a very wide one, as much as 20 miles in width, and having an area quite justifying its being termed a lake.

By Mr. Sinclair:

Q. You said the same process was going on in that region which had made the plains fertile. What do you say is the process?

A. I imagine that the process is by the accumulation of all sorts of marsh growth—of marsh grasses and all sorts of vegetable matter; the growth being luxuriant, the accumulation is comparatively rapid and it is protected from destruction by fire by the wet nature of the country. This decayed vegetable matter is mixed to a certain extent, very probably, with fine silt and fine clays, deposited by flood waters.

By Mr. Zimmerman:

Q. That is what has formed the banks in the Saskatchewan, has it not?

A. Yes, and I might speak of that. I did not realize until I examined the conditions there rather closely, why it is that the immediate banks of these rivers are built up so much higher than the low-lying lands behind. I found by practical experience last summer that during high water when the Carrot river, for instance, was in flood, and carrying down an immense amount of sediment, that the clear water in the back country which ordinarily flows out into the Carrot river is backed up and fills all that flat country; that really the turbid water which is capable of dropping sediment only extends back from the bank of the river for three or four chains. Here it meets the back or clear water and prevents its running off, so that all this great flat that I speak of is practically receiving no sedimentation or very little, from the flood waters. During the time of flood, the water covering it is clear and not depositing any sediment even to within a very short distance back from the bank; but close to the river this sedimentation is going on, and higher banks are, therefore, built up.

Q. This low flat land then is practically on a level with the river, and the shores of the river have been practically formed by the accumulation of sand and silt?

A. Quite so.

By Mr. Jackson (Selkirk):

Q. Is all that country which you mention, 5,000 square miles, only 900 feet above Lake Winnipeg?

A. Nine hundred feet or thereabouts.

Q. What is the height of Lake Winnipeg above the sea?

A. Seven hundred and ten feet I think is the latest figure. At Cedar lake above the head of the Grand rapids the elevation is about 840 feet, but there is a general westerly rise in that country, the Saskatchewan being a quick flowing river; and 100 miles up stream, even where there are no rapids, it would be something like 100 feet higher.

By Mr. Lewis:

Q. How high are the banks of the Saskatchewan?

A. Through this area that I spoke of, the banks are very low, only four or five feet in height, and flooded always at high water. There is a ridge at the Pas, a little over 100 miles from the mouth of the river which is taken advantage by the railway to cross part of this low land.

Q. What is the Pas?

A. The Pas is an old English Church mission and also a Hudson Bay post. It is now of interest chiefly because it is the point selected by the Canadian Northern Railway for crossing the Saskatchewan with their Hudson Bay branch.

By Mr. Sinclair:

Q. How long would it take the waters to get down from Edmonton to Lake Winnipeg. Assuming the water rises at Edmonton four feet on a certain day in June, when will that rise take place at the mouth of the river?

A. I have this data as to that: Before leaving Prince Albert we had a telegram from Edmonton that there was extremely high water there on Sunday night. On Friday afternoon and Friday night the water was coming up very fast in the Sipanok channel. That would be a distance as the river runs of 600 miles traversed by the flood water in five days, or perhaps a little longer as, though our advice told of high water at Edmonton on Sunday night, it may have reached there earlier.

By Mr. Zimmerman:

Q. There is no timber in the neighbourhood of Cedar lake and Cumberland House on the North Saskatchewan?

A. When I was in the region north of the Saskatchewan the summer before last, I saw several small areas of good timber there. The region covered last summer on the Sipanok channel and Carrot river has some very good timber on the narrow belt along the banks of the rivers, and extending in places for some distance inland. Between the two main branches of the Pasquia river also there is an area of spruce that would furnish timber.

Q. That is on the other side of the Pas?

A. That is above the Pas. I think there is no timber below.

Q. There is a little black birch but there is no land to grow timber on?

A. That is all a part of this low land that we have been considering.

Q. There is a ridge, is there not, between the Pas and Moose lake, and on that ridge there is a little timber?

A. Yes, that belongs to the other area, the more elevated, limestone covered country.

By Mr. Staples:

Q. You spoke of the country being covered with grass and you say it is probably hay marsh?

A. It is mostly a low hay marsh, the grasses often growing in the water or on very wet land.

MR. ZIMMERMAN.—It is beautiful meadow grass, there is no finer in the world.

By Mr. Staples:

Q. What is it—a species of blue-joint?

A. There is some blue-joint grass. There are a couple of marsh grasses that I really do not remember the names of, very excellent grasses though.

Q. What is the temperature of the country? Have you any idea as to whether it would be fit for horse ranching or cattle ranching without involving the erection of extensive buildings?

APPENDIX No. 2

Mr. ZIMMERMAN.—If you could get land that would not drown the horses you could get an immense quantity of hay.

A. The winters are rather long, but the summers are warm, and during the growing season there are about seventeen hours of possible sunshine per diem.

By Mr. Jackson (Selkirk):

Q. Did you get any information as to that from the Hudson Bay people? Is the land always covered with water?

A. It is always too wet to be of any great value in its present state, but there are small areas here and there which are capable of cultivation.

By Mr. Sinclair:

Q. Is it a swampy meadow which you cannot cross? Could a horse travel over it?

A. There are certain parts where, in an extremely dry season, you could get areas of that character particularly near the banks of the rivers. At the Pas they cut quite a lot of hay and at the Indian reserves on the Carrot river. There the Indians have 80 head of cattle and a number of horses which they own themselves, and they cut a lot of hay for this stock.

Q. Grass can be cut on the river banks and transported to other points?

A. The Indians cut their hay on their own reserve. They have quite an area at the back end of the reserve which is high enough for the purpose. The immediate banks of the rivers, the more elevated ridges, are for the most part wooded.

By Mr. McCraney:

Q. Are these marshes produced by the waters of the river?

A. Yes, they are produced by the absence of any adequate drainage. The water that covers them does not necessarily come from the river, but it is prevented from flowing out into the river owing to the relatively high level of the banks and of the river itself.

Q. What area of country is relatively marsh?

A. This low country I estimated to be about 5,000 square miles.

Q. What would be the effect of deepening the river channel at particular points?

A. If it could be accomplished it would probably drain this area and make it very excellent agricultural country.

Q. Are there any particular points on the river which came under your observation which would seem to permit of deepening the channel?

A. I spoke some time ago about the Grand rapids at the mouth of the river. If by any means a better channel could be made there it might possibly be accomplished. Of course, there are points in the river above, where it flows over harder rock where the channel would also have to be deepened.

By Mr. Lewis:

Q. There is no question that if that country were drained it would make good farming land?

A. Not in my mind. The land close to the banks is often pretty sandy, but that is due to this deposit by the flood waters of the river when the river is running very fast and carrying a somewhat sandy deposit. As soon as you get back of that strip it is a sort of black muck.

By Mr. Sinclair:

Q. Is there any gold in that country?

A. I did not find any.

By Mr. Zimmerman:

Q. I was informed that if the Canadian Northern Railway were built out to the Pas immense quantities of hay could be harvested there?

A. I am sure there could.

Q. There is a settler located between Moose lake and the Pas who has started horse ranching. He told me himself that he cuts his hay in certain parts there with a mowing machine?

A. They have a mowing machine at the Pas I know. I saw the mowing machine in use there on one of the flats.

By Mr. Staples:

Q. You do not mean to say that you cannot operate a mower on those marshes?

A. It is too wet over the greater part, over limited areas one could be used.

Q. Then it is practically of no value?

A. Of course, this area I was speaking of, this lower area, must not be confounded with that lying west of the first rapids on the Carrot river which has a much higher elevation. In the case of that whole area extending from the rapids just spoken of westerly to the settled lands of the upper Carrot river I think that no better land could be found. It is quite the same character as the ordinary good lands of the plains.

By Mr. Lewis:

Q. That is the prairie lands?

A. Yes, the prairie lands.

Q. Where is that land, to the south?

A. No, it is to the east of this area of land which has already been sub-divided (indicating on the map) further down the Carrot river.

Q. It is bounded on the north by the Carrot river, is it?

A. It extends away on both sides of the Carrot, across towards Saskatchewan on the north, and in towards the Pas mountains on the other side.

By Mr. Staples:

Q. What quantity of that higher land is good?

A. Of course, a lot of land here (indicating on the map the upper portion of the Carrot river) has been sub-divided and occasional settlers have gone in there. The good undivided portion would make up an area perhaps of 1,000 square miles.

By Mr. Lewis:

Q. Is that the same kind of land as in the Carrot river valley which has been laid out and settled?

A. It is the same.

Q. It is just as good soil?

A. Just as good. In going up the river I really thought it was finer country below the settled district; it was rather a heavier soil. It is exactly the same surface, but is underlain by a little heavier clay and is not so sandy.

Q. How high are the banks of the Carrot river?

A. The immediate banks are from ten to fifteen feet, and within 200 or 300 yards it rises by a gentle slope to 70 feet.

Q. Is that the wooded part of country which you spoke about?

A. That is covered by a second growth, chiefly of aspen poplar. It is quite small and it could really be described as a half wooded country, because there are patches

APPENDIX No. 2

every here and there of prairie and the forest growth is small and sparse so that it could be cleared with little labour.

Q. Was it burned over originally?

A. It has been burned over very frequently.

By Mr. Staples:

Q. Is there any spruce there?

A. Not in the upper part of it. There is some very excellent spruce along this part of the Carrot river (indicating on the map the portion of the Carrot river immediately above the first long rapid).

Q. What is it like around Cedar lake, what quality of timber is to be found there?

A. I made no exploration at Cedar lake, but I should doubt whether there is much timber there; it is for the most part too low for it.

By Mr. Lewis:

Q. You spoke of a part of the country where there was timber. Where is that and what kind of timber is it?

A. The timber of that country is white spruce. There is a belt on either side of the Sipanok channel, a narrow belt on the more elevated land on the immediate banks, of white spruce and two sorts of poplar—aspens poplar and balsam poplar. These all grow to large, clean stemmed trees. Besides these, elm, oak, ash and ash-leaved maple grow to a fair size, but not so large as the first mentioned trees.

Q. What size would the white spruce be at the bottom?

A. As much as two feet; not averaging that, of course, but averaging fifteen inches and generally tall and straight.

Q. How large an area would be covered by that white spruce?

A. That I could not say; I do not think a very large area. I went in over this flat country adjoining the Sipanok channel and I found that the belt of good spruce varied from a few chains to half a mile or so in width. Back of that the land is too low and swampy to grow very good timber. Upon the Pasquia hills I saw some very good timber. At an elevation of 500 feet I saw the best timber that I noticed anywhere in that district. It was white spruce, very tall and clean-stemmed and of large size.

By Mr. Jackson (Selkirk):

Q. At an elevation of 500 feet?

A. I mean above the plain.

Q. Is there any tamarack in that country?

A. There is some tamarack. I saw a few good tamarack trees, but no large area of tamarack.

By Mr. Zimmerman:

Q. Not sufficient to justify lumbering operations?

A. Not in the case of tamarack. Land has been acquired just below the Pas by the Pigeon River Lumber Company, and they expect to put in a mill during the coming summer, I understand. This would be for the sawing of white spruce mainly.

By Mr. Sinclair:

Q. Where will they deliver their lumber?

A. It will be carried by the Hudson Bay branch of the Canadian Northern Railway which is graded into the Pas. The steel was laid last autumn within twenty miles of that point.

Q. How far is the Pas from Prince Albert?

A. It is a little over 200 miles.

By Mr. Staples:

Q. How far is it from the Pas to Fort Churchill on the Hudson bay?

A. It is about 500 miles to the mouth of the Churchill at Hudson Bay and about 250 miles to where the Churchill river drainage is first struck.

Q. That is about half way, is it?

A. About that. I went over that country in 1906.

By Mr. Sinclair:

Q. Do you mean half way to Churchill from Prince Albert? That is not what you mean?

A. The railway line projected really does not start from Prince Albert. It starts from a point on the Canadian Northern railway about 150 miles east of Prince Albert.

Q. The Canadian Northern goes to Prince Albert?

A. Yes, the Hudson Bay branch starts from a point on that line and takes a northeasterly course crossing the Saskatchewan at the Pas and continuing in about the same direction to Hudson's Bay at the mouth of the Churchill river.

By Mr. Lewis:

Q. What is the name of that place it starts from?

A. Etiamami is the name of the station on the Canadian Northern railway near which Hudson Bay junction, the point of departure, is situated. The Canadian Northern now is within 250 miles of the Churchill river, and within about 500 miles of Churchill harbour on Hudson's bay.

By Mr. Zimmerman:

Q. How far is it from the Canadian Northern station at Etiamami to the Pas?

A. About 80 miles; 50 miles of that is constructed. It may have been all constructed, because when I left, in the autumn, the line had been graded practically to the Saskatchewan, and the steel laid for nearly 60 miles. The part which had the steel on it had not been ballasted at the time I saw it.

By Mr. Jackson (Selkirk):

Q. I should imagine there would be difficulty in that low country in getting a railway through?

A. Well, the line leaves Etiamami on the flanks of the Pasquia hills and follows those flanks down to the Pasquia river. Then it strikes a tract of boulder-clay which extends with intervals of swamp right into the Pas at the Saskatchewan.

By Mr. Lewis:

Q. The railway does not get into that low country then?

A. The company had very great difficulty in finding a practicable road over that country. The surveyors were at work a great many years and made a great many explorations before they found a feasible route across to the Pas. For a long time they thought they would not be able to find one. Even then it was in places only a very narrow ridge of even comparatively dry country, and if they went off to the right or left to any great distance they would get into this low country.

Q. The swamp?

APPENDIX No. 2

A. Yes, they cut through swampy land for a considerable distance. Along that ridge, or rather on parts of it, where they are on the flanks of the Pasquia hills there is some country that could possibly be settled, but it is very little.

By Mr. Sinclair:

Q. Are they operating that railroad now in the winter season?

A. The intention was to open by January 1, as some of the fish companies wanted to get their fish out, but I have not heard whether that has been done.

By Mr. Lewis:

Q. Where is the fish to be found?

A. In all of the larger lakes lying north of the Saskatchewan in the vicinity of the Pas, and beyond.

By Mr. Jackson (Selkirk):

Q. I would like to get your opinion as to the country between Norway House and Cross lake?

A. That will be a part that I will take up now.

Q. I should think that that would be away east of the line of railway?

A. It is, but that is the way I went into that country. In order to reach this area through which the Hudson Bay railway will pass, I went down Lake Winnipeg to Norway House and down the Nelson river. The Nelson river lies just at the edge of a large basin occupied by lacustrine deposits so that there are limited areas that could possibly be cultivated. The larger areas are almost bare archean rock—granites, gneisses and schists. The area through which the railway will run north of the Pas may be roughly divided into three different tracts of country. There is first the limestone country, extending from the Pas north for about 40 miles, which is overlaid by flat-lying limestone or hard dolomites of Cambro-Silurian age. The limestone on all the higher lands, comes almost to the surface. It has very little soil cover and is absolutely bare for long distances. On the top of some of the hills one can walk on absolutely bare limestone. North of that for the next 100 miles is a clay covered country which represents the sediments accumulated in the basin of a glacial lake—a lake which at the close of the glacial period was held back in the north by a high dam of ice, and on the west by higher lands. This clay has a thickness of about 100 feet at the thickest part, gradually becoming thinner and thinner as the land gets higher until, at about the 950 feet contour the clay disappears and we get the marginal deposits of the old lake, sands and gravels. The country of this character would be about 10,000 square miles in extent; approximately that. I do not mean to say that the 10,000 square miles would be all very excellent country, but the land which is covered by these lacustrine deposits has that area. The Nelson river being on its eastern edge it extends westerly to about the foot of Burntwood lake, northerly to the Churchill river, and southerly to a little south of the Grass river. There is a limestone escarpment that marks approximately the southern edge of the clay basin, and it follows a nearly east and west line just touching the southern end of Reed and Wekusko lakes.

By Mr. McCraney:

Q. As I understand you there is an old lake basin, and its altitude is lower than the surrounding country?

A. I mean that the sediments which now form the surface of that country were accumulated in the basin of an ancient lake. They are now 100 or 150 feet deep in some places in the valleys, just covering the tops of some of the hills, reducing what was, prior to the glacial time, a country with a somewhat hilly surface to almost a

plain, by filling all the valleys almost to the level of the hills. It is a country absolutely devoid of rock or boulders. One can travel up the Burntwood river, for instance, for 100 miles and not see rock at all.

By Mr. Jackson (Selkirk):

Q. Is there timber there?

A. Very little, but there has been timber there. I may say that the river takes its name from the fact that the country has been burnt over so much. I saw indications there of three different burnings within 60 years, an old one, a more recent one, and one about 10 years old. Some of the stumps gave evidence that if the country could be protected from fire it would support a very good growth of timber. On some of the islands, or peninsulas cut off by the surrounding swamp, there are very good trees now.

Q. Principally birch and poplar, I suppose?

A. I am speaking of white spruce, which is the only merchantable timber we get in that country. There is said to be north of Moose lake a very good timber area. I saw an area north of Cormorant lake of very excellent timber, but limited in quantity. There is also timber west of Atikameg lake, but I saw only the edge of that. These timbered areas are all south of the good, clay-covered land.

By Mr. Staples:

Q. Take between the Nelson and the Churchill up to Hudson bay, what is the character of the soil?

A. This ancient lake that I was speaking of, as far as we can judge, was held up by an ice barrier on the northern and eastern sides and extended northerly about to the valley of the Churchill, as, from the description we have from the Indians, this clay country extends north just about to the Churchill river. North of that, for a considerable distance, it becomes gravelly again, marking probably the shore line of the old lake.

Q. What is the distance between the two rivers?

A. At Split lake, where the two are closest, it is about 50 miles. The railway after crossing the Saskatchewan at the Pas and following the elevated ridge from the north bank of the Saskatchewan westerly to Atikameg lake and Cormorant lake, crosses the latter at the narrows and runs northeasterly through the clay country until it strikes a branch of the Nelson river known as the Burntwood river, which it follows down to the vicinity of Split lake. From the vicinity of Split lake it crosses by an extension of the same clay land to a lake at the head of the Little Churchill river. It then follows the Little Churchill river down to near the head of the Deer river, another tributary of the main Churchill, and continues in the valley of the Deer river down to Churchill harbour on Hudson's bay. That is the route which they have projected.

By Mr. Lewis:

Q. Did you get any sight of coal or minerals in that section?

A. One object of my exploration in the Pasquia hills was to find out whether there was any probability of the occurrence of coal there. The Pasquia hills are made up of Cretaceous soft bitumenous clay shales which burn quite readily in a camp fire, but which have not enough hydro-carbons to be of any practical value as fuels. This shale belongs to what is known as the Niobrara division of the Cretaceous. That is about the middle of the upper Cretaceous. The productive coal areas of the west lie in the lower Cretaceous which is absent in the county under review, in what is called the Belly River series of the Upper Cretaceous, and in the Laramie and Edmon-ton beds still higher. Just here (in the Pasquia hills region) the beds are too low

APPENDIX No. 2

in the geological scale for the productive coal measures of the western plains, and the Lower Cretaceous beds, which hold the coals in the foot hills, are absent altogether, having never been deposited.

Q. Between the two?

A. Just between the two. Of course as you get west, we will say to the Prince Albert and upper Saskatchewan country and a little west of there, you get into a country where the Belly river coal measures should begin to appear.

Q. That is higher?

A. Still higher. There is a gentle slope southwesterly to all these beds, so that as you go westerly and southerly you get higher and higher beds at the surface. The beds on the Pasquia hills, the Niobrara, I found to be as high as 500 feet above the plain; and from the dip of the strata it would be probably 1,200 feet lower when you get west of the longitude at Prince Albert. You would thus have a depth of 1,200 feet up to the surface of the ground which would be almost, but not quite enough, to bring you up to the coal bearing measures of the Belly river series. That is the reason why I say one may expect to get into the upper coals further west.

By Mr. Sinclair:

Q. West of where? West of a line running south from the vicinity of Prince Albert.

Q. East of that you would not find coal?

A. No, I would not anticipate it. One cannot be dogmatic, but the measures that have elsewhere been found productive do not occur there.

By Mr. McCraney:

Q. Coal has been found in the Eagle Lake district west and southwest of Prince Albert?

A. Yes, I should judge that would be somewhere about the edge of it.

By the Chairman:

Q. Would you consider that it would be an expensive country to build a railway through from the Pas north?

A. No, not as compared with our railways in general. It is not a mountainous country at all, it is not a rough country and a large part of it consists of clay land, so that it would be comparatively easy to build a railway through it.

By Mr. Jackson (Selkirk):

Q. What about the rivers and lakes?

A. There are not very many and there would be but little heavy bridge work.

By Mr. Cash:

Q. Is there not lots of muskeg there?

A. There are some areas, but the low land which I spoke of on the Saskatchewan would not be encountered after leaving the Pas. There is no muskeg for which drainage could not be provided.

Q. I think you said this country was about the same for 50 miles north of the Pas?

A. The country for about 40 miles north of the Pas is the Silurian limestone country, where the limestones practically form the land surface.

Q. That is where it is raised. But between those ridges it is all muskeg so far as I can see?

A. There are a number of areas of muskeg, but I do not think any larger proportion than is characteristic of our northern country.

By Mr. Jackson (Selkirk):

Q. Is it as bad as that Judas muskeg east of Winnipeg?

A. You might strike the same areas of muskeg in any of our northern country. As far as I have been able to see it is not an exception; in fact, taking into consideration this area of clay country there will be less muskeg than the average of northern regions.

By Mr. Cash:

Q. You think, comparing this line with other railways, it would not be expensive to construct?

A. My impression is that as compared with other railways it would not be an expensive line to build. You must consider that it starts at an elevation of only 830 feet or so above sea level at the Saskatchewan, and that the distance is 500 miles from there to Hudson bay. That is a fall of only 800 feet in a distance of 500 miles, and there is no height of land to go over in the intervening distance; it is a gradual slope the whole way.

Q. Is it not a fact that in getting to the Pas mountains where the line follows the Pas ridge from Etiamami for 15 or 20 miles, there is difficult country?

A. They have a bad piece of country to cross there.

Q. It seems to me wherever they go in that direction that is true?

A. That applies to the country south of the Saskatchewan, between their present line and the Pas. It does not apply at all to the country north. There you get into an entirely different country.

Q. I thought it did?

A. No, there are not the same conditions at all. On the course of the projected railway the low land ends at the Saskatchewan.

Q. What do you say of the line that is projected from the Pas, do they go west of Moose lake?

A. There is a gravel ridge which runs from the Pas right over to Atikameg lake; it is about 90 feet above the Saskatchewan, and would furnish a most excellent roadbed.

Q. Does the line go west of Cormorant lake?

A. It goes west of Cormorant lake and thence northeasterly to Reed lake mostly over a dry rocky country.

By Mr. Jackson (Selkirk):

Q. I have often been interested in the geological formation of the shore of Lake Winnipeg consisting of granite and limestone. What is the explanation from a geological standpoint?

A. The limestone is a sedimentary series which was deposited on top of the old Archean gneisses.

Q. Of the granite?

A. Of the old granite. The old granite belongs to the Archean age. It is known as the Laurentian formation and forms the backbone of the continent. On this has been laid down the various sedimentary series. In this particular case we know from the fossils that the sediments are Lower Silurian limestones. These series, which consist of sediments accumulated on an ocean bottom, are laid down flat on top of the old Archean axis. Just how far they originally extended northerly across this Archean axis we are unable to say. We have another corresponding sedimentary series coming in from the Hudson bay side, consisting of similar flat Silurian limestone. It extends inland from Hudson bay for 40 or 50 miles, and south of James bay for over 100 miles, each of these sedimentary basins overlapping the old Archean which protrudes from underneath them and forms this axis which runs across northern Canada. Whether the sediments once covered the whole of this area or not we cannot say.

APPENDIX No. 2

positively. We know from the occurrence of outlying patches far inland that it has extended for 40 or 50 miles farther than it does now, having been eroded away simply by the ordinary weather erosion.

Q. Take the banks of Lake Winnipeg. Those composed of limestone are from 30 to 50 feet high, and the same way with the granite shores on the other side. It does not appear that the limestone banks are any higher than the granite banks?

A. I do not remember the particular locality you speak of, but with respect to the point you raise, it would mean that there had been a slight fault, that the limestone had dropped a little, that there had been a crack where the present river runs.

By Mr. Cash:

Q. Do you claim that the clay basin you spoke of is fit for agricultural purposes?

A. Yes, a very great deal of it.

Q. It is pretty level?

A. Yes, it rises from the rivers with a gentle slope, sometimes terraced, sometimes just with a gradual slope to heights of 70 and 80 feet, runs back for three or four miles with a very gradual rise to a little over 100 feet, and then extends for miles at about that height. One can walk over that country in many places for a great many miles—I have done so for seven or eight miles—and not see a rock at all.

Q. Is that country crossed by rivers and little lakes?

A. Yes, there are lakes and streams through it generally, not so many, of course, as in a rocky country like our ordinary northern country. The best agricultural land would be opened up by the Hudson Bay railroad, which will run right through it, dividing it almost in half. In all the northern lakes and streams the water is good—excellent water; there is no alkali at all. In reference to the Pasquia country, I neglected to say that just at the base of the Pasquia hills there is a belt of about one mile in width that is characterized by salt springs. The vegetation is that which grows in salt water, and the water is all brackish. One spring which I found near the shores of the Carrot river, the water from which I had analysed, contained about a quarter of a pound of sodium chloride—that is common salt—to the gallon. This is a little lower in salt content than many of the springs they have been using commercially down about Lake Winnipegosis, and higher than some of them.

By Mr. Lewis:

Q. How do you explain its presence?

A. We consider it comes from the underlying Silurian dolomites which we know contain crystals of common salt scattered through them. Sometimes where these rocks come to the surface we have been able to find the salt crystals in the rock. We consider it is the leaching out of these crystals of salt by percolating water that produces the brine.

By Mr. Cash:

Q. You spoke of this clay basin sloping in certain directions. In what direction is the general tendency of the slope?

A. I should say it slopes with the present slope of the rivers—the general slope of that clay country is easterly, with, of course, minor gradients towards the lakes and rivers.

Q. I did not catch exactly what you said about timber. Did you say there was not very much?

A. There is hardly any on this clay covered country. It is nearly all of quite recent second growth.

Q. After you get through the clay country is there any more agricultural land between there and Hudson bay?

A. I think not. You then get into the Archean, that is the old granite, and there would be very small areas.

Q. I read a report somewhere that along a ridge between the Nelson and the Churchill rivers there was some good agricultural land?

A. There is a ridge just where this railway proposes to go to the west of Split lake, that would be of the same clay country. But when you reach as high an altitude as Split lake you are getting into a climate which is really a little too severe for the purposes of general agriculture. That is just about the northern limit.

By Mr. Martin (Wellington):

Q. How hot would it be in the clay belt that you speak of?

A. I was very much surprised at the warmth of the summer I was there, the summer of 1906, there was no killing frost until September 29.

By Mr. Jackson (Selkirk):

Q. At what date were you there?

A. I spent one summer.

Q. Were you there late in August?

A. Yes.

Q. Was there any frost that killed the potatoes?

A. We had no frost until September 29. That was the summer before last, you will remember.

Q. No frost at all?

A. Last summer there was frost while I was in the country further south, that is on the Carrot river, on September 16. There was no July or August frost. On August 26 the thermometer just reached the freezing point. The water in a shallow dish formed a little scum of ice, but it was not sufficient to freeze even the most tender of the vegetation.

By Mr. Martin (Wellington):

Q. How about the spring frosts?

A. In 1906 on the Pas they had all their gardens well up on May 24, and did not suffer from frost after that time. Last spring on May 24 there was about three feet of snow where they had planted their garden previously. This does not mean that the whole country was covered with snow at that date, but only that this garden had drifted full of snow. However, last summer was not really one to judge by. The weather was exceptionally severe all through that country and the spring was very late.

By Mr. Cash:

Q. What was the vegetation on the clay belt while you were there, vetches, peas and so on?

A. Vetches, peas, bluejoint and wild rye were growing luxuriantly on the lower land and in the slopes of the low ridges. In some places they were to be found on the tops of the hills, but, of course, growing more sparsely.

By Mr. Jackson (Selkirk):

Q. On this plain are there the same prairie flowers that we have in Manitoba?

A. Most of them, not all.

Q. Did you notice the wild cucumber and any species of the convolvulus?

A. The convolvulus grows there and two or three kinds of vetches, together with very many other flowering plants whose names I cannot recall at the moment. Generally there is a very luxuriant growth.

APPENDIX No. 2

I have here the meteorological records which I kept during the summer, and, for comparison the meteorological bureau records taken at various points throughout northern and central Manitoba during the summer, which I obtained from Mr. Stupart, the Director of the Canadian Meteorological Service.

By Mr. Jackson (Selkirk):

Q. I suggest that these records be inserted in the report. Were they kept by the Hudson Bay officials?

A. No, I kept them myself, the instruments used being 10-inch maximum and minimum thermometers of United States Weather Bureau pattern. It will be noticed that the records of temperatures in this northern region compare not unfavourably with the records of the same date in many localities that are recognized wheat raising districts.

TABLE OF TEMPERATURES.

From a record kept by W. McInnes in the region N. W. of Lake Winnipeg during the summer of 1906.

Place.	N. Lat.	Date.	6:30 A.M.	Noon.	6 P.M.	—
	° \	1906.	°	°	°	
Valley of Nelson river.....	54 15	June 19..	50	56	54	
" "	54 30	" 20..	50	55	52	
Cross lake.....	54 45	" 21..	46	48	46	Strong N.W. wind and rain.
" "	54 45	" 22..	46	48	46	" "
Valley of Nelson river.....	54 45	" 23..	46	61	86	
" "	54 45	" 24..	58	68	64	
" "	54 45	" 25..	52	68	72	
Sipiwesk lake.....	55 ..	" 26..	58	70	72	
Valley of Nelson river.....	55 30	" 27..	64	76	70	
" "	56 ..	" 28..	60	78	76	
Split lake.....	56 ..	" 29..	66	70	65	Strong S.E. wind
" "	56 ..	" 30..	58	64	61	" "
Averages for June.....			54½	63½	61½	
Split lake.....	56 15	July 1..	54	76	..	
" "	56 15	" 2..	61	..	..
" "	56 15	" 3..	60	72	70	
Lower Burntwood valley ..	56 ..	" 4..	62	84	80	
" "	56 ..	" 5..	63	82	82	
" "	56 ..	" 6..	64	74	72	
" "	56 ..	" 7..	62	64	72	Rain 7 A.M. to noon
" "	55 45	" 8..	64	72	72	
" "	55 45	" 9..	54	78	74	
Wuskwatim lake.....	55 30	" 10..	50	80	82	
" "	55 30	" 11..	66	84	76	
Lower Burntwood valley ..	55 45	" 12..	52	52	52	N.E. wind all A.M.
Footprint lake.....	55 45	" 13..	47	52	50	N.E. wind and rain.
" "	55 45	" 14..	52	56	60	N.E. wind & rain until noon.
" "	55 45	" 15..	46	66	62	
Upper Burntwood valley..	55 30	" 16..	56	70	72	
" "	55 30	" 17..	60	76	74	
" "	55 30	" 18..	64	72	74	Two hours rain after noon.
" "	55 30	" 19..	60	72	74	
" "	55 30	" 20..	61	74	76	
" "	55 30	" 21..	57	67	66	Rain all day.
" "	55 30	" 22..	57	74	74	
" "	55 30	" 23..	60	74	76	
Burntwood lake.....	55 30	" 24..	58	78	78	
File River valley.....	55 15	" 25..	64	80	76	
File lake.....	55 ..	" 26..	58	84	78	
" "	55 ..	" 27..	65	78	77	
" "	55 ..	" 28..	62	76	76	
" "	55 ..	" 29..	60	69	68	
" "	55 ..	" 30..	58	66	73	
" "	55 ..	" 31..	58	80	76	
Averages for July.....			58½	73	72	

TABLE OF TEMPERATURES—Continued.

Place.	N. Lat.	Date.	6·30 A.M.	Noon.	6 P.M.	Min. for 24 hrs.	—
		1906.	°	°	°	°	
Methy lake.....	54 45	Aug. 1..	60	75	78	.....
Between Methy and Reed lakes.....	54 45	" 2..	59	68	66	.....
" ".....	54 45	" 3..	55	72	68	.....
Reed lake.....	54 30	" 4..	55	72	70	.....
" ".....	54 30	" 5..	65	73	72	.....
" ".....	54 30	Aug. 6..	65	73	72	.....
Grassy River valley.....	54 45	" 7..	64	82	80	.....
Wekusko lake.....	54 45	" 8..	62	86	80	.....
" ".....	54 45	" 9..	60	76	76	.....
" ".....	54 45	" 10..	60	72	68	.....
" ".....	54 45	" 11..	40	60	68	.....	Light frost at night
Grassy River valley.....	55 ..	" 12..	60	78	76	54	
" ".....	55 ..	" 13..	56	62	59	62	
" ".....	55 ..	" 14..	60	91	83	54	90° until 5 P.M.
Wekusko lake.....	54 45	" 15..	65	78	81	56	S.E. wind. Ther.
" ".....	54 45	" 16..	60	68	74	58	over.
" ".....	54 45	" 17..	49	78	78	47	
Grassy River valley.....	54 45	" 18..	66	88	66	62	
" ".....	54 45	" 19..	57	55	52	56	Rain all P.M.
" ".....	54 45	" 20..	45	62	68	42	
Reed lake.....	54 30	" 21..	36	68	67	32	
" ".....	54 30	" 22..	47	78	63	38	
South of Reed lake.....	54 30	" 23..	50	78	71	34	
" ".....	54 30	" 24..	54	78	72	44	
Cowan River valley.....	54 30	" 25..	57	66	56	52	Light rain 5 to 10
" ".....	54 15	" 26..	52	62	60	40	P.M.
" ".....	54 15	" 27..	44	65	58	38	
Yawningstone lake.....	54 15	" 28..	43	49	53	42	
" ".....	54 15	" 29..	44	50	54	40	
" ".....	54 15	" 30..	44	58	59	43	
Cormorant lake.....	54 15	" 31..	56	63	64	46	S.E. wind. Rain
Averages for August.....			54½	70	68½	46½	at night. Min. average from 12" to 31 st .
Cormorant lake.....	54 15	Sept. 1..	56	64	64	46	
" ".....	54 15	" 2..	56	61	61	42	
" ".....	54 15	" 3..	57	72	68	54	
Atikameg lake.....	54 ..	" 4..	52	72	63	49	
" ".....	54 ..	" 5..	42	64	58	38	
The Pas, Saskatchewan.....	53 45	" 6..	59	70	64	37	
Atikameg lake.....	54 ..	" 7..	60	76	72	57	
" ".....	54 15	" 8..	50	70	72	48	
Cormorant lake.....	54 15	" 9..	60	67	67	55	
" ".....	54 15	" 10..	56	66	64	55	
" ".....	54 15	" 11..	51	54	48	58	
" ".....	54 15	" 12..	45	50	54	44	
" ".....	54 15	" 13..	37	51	54	36	
" ".....	54 15	" 14..	48	50	50	45	
" ".....	54 15	" 15..	51	50	50	47	
" ".....	54 15	" 16..	47	55	58	44	
" ".....	54 15	" 17..	56	64	60	55	
" ".....	54 15	" 18..	45	60	58	40	Light rain all day.
" ".....	54 15	" 19..	51	68	60	50	
" ".....	54 15	" 20..	43	54	54	40	
Atikameg lake.....	54 ..	" 21..	48	49	46	47	
" ".....	54 ..	" 22..	43	56	46	42	
" ".....	54 ..	" 23..	48	52	56	43	
" ".....	54 ..	" 24..	53	58	60	51	
" ".....	54 ..	" 25..	45	66	55	44	
Between Atikameg and Reed lakes.....	54 ..	" 26..	43	56	46	42	
Reeder lake.....	54 ..	" 27..	44	68	60	32	
The Pas, Saskatchewan.....	53 45	" 28..	44	42	46	41	
" ".....	53 45	" 29..	30	46	48	26	First killing frost.
" ".....	53 45	" 30..	46	52	47	41	
Averages for September.....			48½	59½	57½	43½	

APPENDIX No. 2

TABLE OF TEMPERATURES—*Concluded.*

Place.	N. Lat.	Date.	6:30 A.M.	Noon.	6 P.M.	Min. for 24 hrs.	—
		1906.	°	°	°	°	
The Pas, Saskatchewan.....	54 45	Oct. 1..	34	48	42	34	
" "	53 45	" 2..	45	56	48	42	
" "	53 45	" 3..	45	50	46	42	
" "	53 45	" 4..	34	48	42	30	
Saskatchewan river.....	53 45	" 5..	35	53	46	.....	Snow at night.
Cedar lake	53 15	" 6..	40	42	44	.....	Sleet at night.
High Portage.....	53 15	" 7..	38	46	46	.....	Frost at night.

ABSTRACT OF METEOROLOGICAL OBSERVATIONS, 1906.

MINNEDOSA.

1906.	TEMPERATURE.			MAXIMUM AND MINIMUM TEMPERATURE.				
	7 a.m.	2 p.m.	7 p.m.	Mean Max.	Mean Min.	Max.	Min.	Monthly Mean.
July.....	58.3	77.4	72.2	77.4	54.5	87.5	41.0	63.8
August.....	55.0	72.6	70.3	76.4	51.0	95.5	33.2	63.7
September.....	46.5	70.4	64.0	73.7	43.5	97.0	28.5	58.6

STONY MOUNTAIN.

	9 a.m.	2 p.m.						
July.....	68.9	76.3	.....	78.0	54.6	91.0	46.0	66.3
August.....	65.6	75.2	.....	77.0	51.9	95.0	33.0	64.4
September.....	.....	.....	.....	.....	.....	.....	.....	.....

HILLVIEW.

	7 a.m.	2 p.m.	9 p.m.					
July.....	56.3	75.9	63.4	76.1	53.2	87.0	43.0	64.6
August.....	55.1	75.4	62.5	75.8	50.6	97.0	35.0	63.2
September.....	47.3	73.1	58.2	74.1	44.1	98.0	28.0	59.1

BRANDON.

July.....	60.8	76.6	67.8	79.5	51.7	91.3	38.5	65.6
August.....	57.4	74.6	65.6	78.5	49.1	95.0	35.0	63.8
September.....	47.5	72.7	59.1	75.1	41.9	100.0	26.0	58.5

	Months.	MEAN.		EXTREMES.	
		Max.	Min.	Max.	Min.
Dauphin.....	July.....	79·3	55·4	91·0	41·0
	August.....	78·1	51·1	94·0	35·0
Birtle.....	July.....	78·3	53·3	86·0	40·0
	August.....	75·8	49·0	94·0	34·0
	September.....	73·0	41·7	93·0	28·0
Auverne.....	July.....	84·4	54·9	97·0	42·5
	August.....	80·8	53·0	103·0	35·0
	September.....	77·8	45·5	101·5	29·0
Oakdale Park.....	July.....	76·4	53·0	87·0	41·0
	August.....	74·4	52·2	94·0	36·0
	September.....	73·7	47·1	96·0	28·0

Having examined the preceding transcript of my evidence, I find it correct.

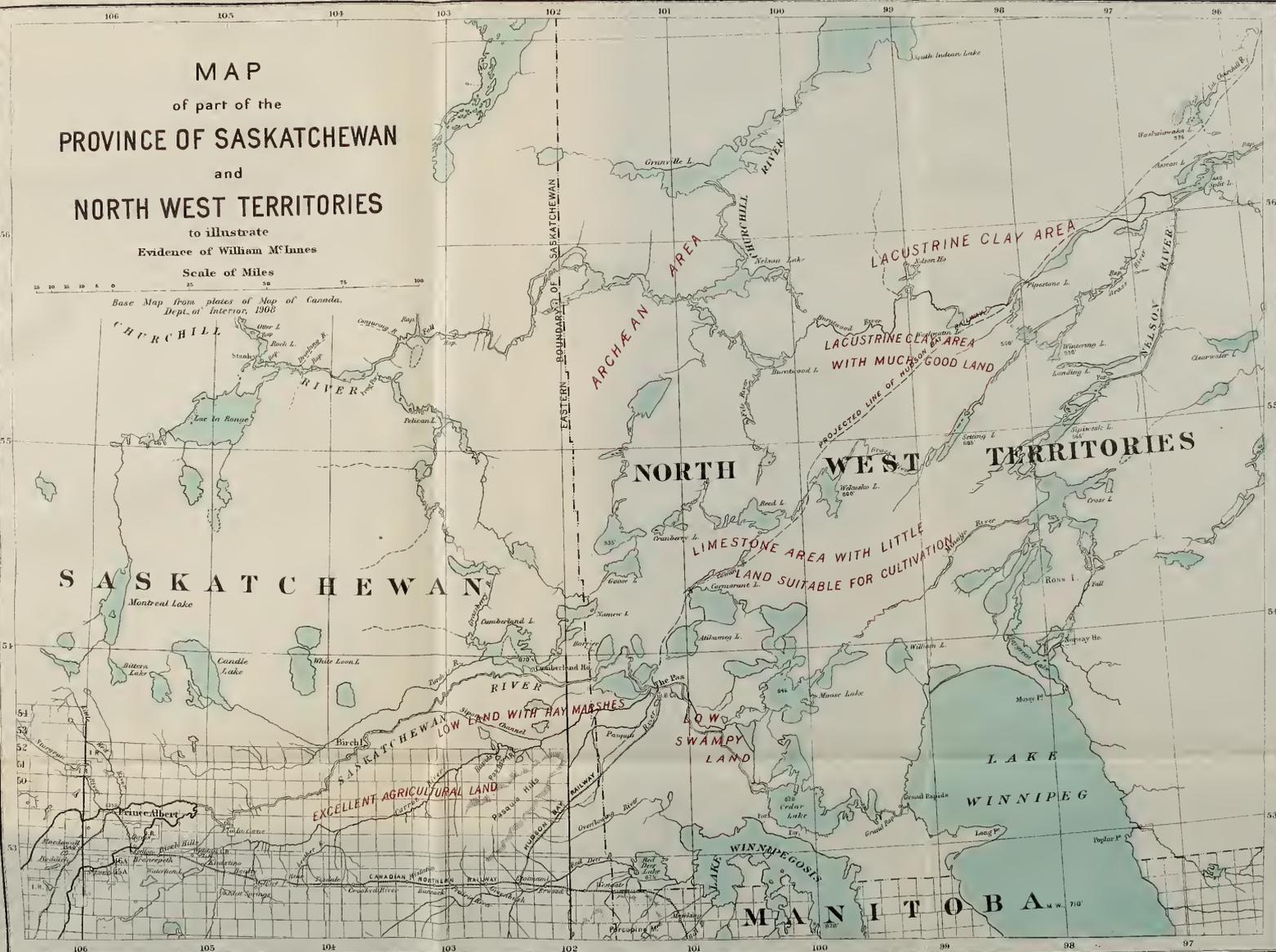
WILLIAM McINNES,
Geologist, Geological Survey of Canada.

MAP
of part of the
PROVINCE OF SASKATCHEWAN
and
NORTH WEST TERRITORIES

to illustrate
Evidence of William McInnes

Scale of Miles

Base Map from plates of Map of Canada,
Dept. of Interior, 1906



SASKATCHEWAN

NORTH WEST TERRITORIES

MANITOBA

ARCHAIC AREA

LACUSTRINE CLAY AREA

LACUSTRINE CLAY AREA
WITH MUCH GOOD LAND

LIMESTONE AREA WITH LITTLE
LAND SUITABLE FOR CULTIVATION

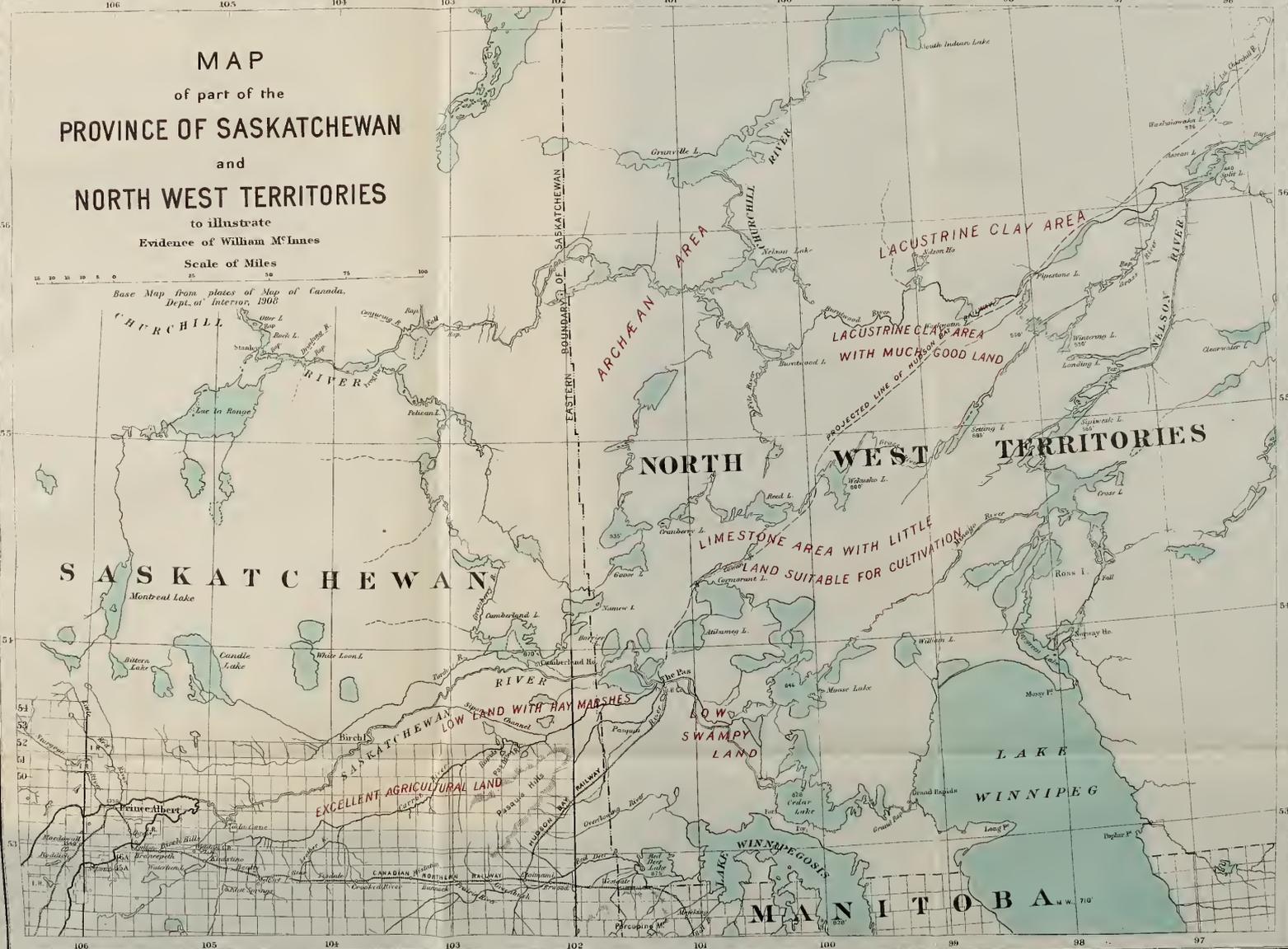
EXCELLENT AGRICULTURAL LAND
SASKATCHEWAN LOWLAND WITH HAY MARSHES

LOW SWAMPY
LAND

LAKE
WINNIPEG

EASTERN BOUNDARY OF SASKATCHEWAN

PROJECTED LINE OF HIGHWAY NO. 1



CANADA'S FERTILE NORTHLAND.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

WEDNESDAY, March 11, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock, a.m., Mr. McKenzie, Chairman, presiding.

The CHAIRMAN.—We have with us to-day Mr. R. E. Young, D.L.S., Superintendent of Railway Lands of the Department of the Interior, who will speak on 'Canada's Fertile Lands North of the Saskatchewan River.'

MR. YOUNG.—Mr. Chairman and Gentlemen: I think I should at the outset say that I have evidence at considerable length for every statement that I intend to make here. I would first explain the large map of the Dominion depending from the wall on my right on which I have coloured in red the townships that were surveyed on the 1st of January of this year, the townships of which plans have been published. The settlement is, of course, confined to the areas coloured in red. You will notice a small patch of darker red colour around the city of Winnipeg. That is the land that was surveyed according to a departmental map issued in the year 1873. I have the map here and I think it is interesting if you would look at it because immediately outside the limits of the surveyed townships the land is shown topographically in a very incorrect manner. According to that map the information about the country outside the surveyed area was very limited indeed. There are about 4,500,000 acres of land in that small tract that was surveyed in 1873.

The subject of my story to-day is the portion of the Northwest north of the coloured area. I would like you to look at the map on the other side of the room. That is what is known as the Homestead map published by the Department of the Interior. I want to devote a few minutes, if you would allow me, to an explanation of the progress in the coloured portion as shown on the large map. There are three reasons why I want to do that. I think that when I bring before you in the manner which I shall endeavour to do, the facts that I have in my possession to-day, the growth in that settled portion will appear surprising and interesting; and the growth that we may expect in the settled portion in the future will show that it is of great importance that we should know and investigate more about the country north of the coloured portion. If that region is as good as I think it is, investigation is very necessary, and if it is as bad as some people imagine, it is equally desirable that we should ascertain all that we can about it. There is another reason why I want to explain a little about this coloured portion on the map, and that is I think I can show you in a very brief way and with very few figures that the area of land available in the surveyed portion of the Northwest is much more limited than many people imagine. There is a third reason, and perhaps you will allow me to state it, and that is I was a resident of the Northwest for nearly twenty years and I lived there through all the dark years when we hoped that many things would happen which have since come to pass. I like to dilate upon the progress that has taken place and to tell you a little about what we expect will happen in the future. It is a little difficult to explain these things by figures without becoming wearisome, and I am going to illustrate some of my points by diagram.

First let me point out the railways on the Homestead map. There are nearly 7,000 miles of railway on that map. I think the exact figures were 6,400 odd on the

8 EDWARD VII., A. 1908

1st June last year, and, therefore, it will be safe to say there are 7,000 miles of railway now. When I landed in the Northwest on 1st May, 1880, there were not any miles of railway in the Northwest except a half finished line between Emerson and St. Boniface. We had to cross the Red river into Winnipeg on the ferry. The line was built by laying ties on the prairie and spiking the rails to them, and that is all the railway there was.

The population in the settled portion of these three provinces can be safely stated, I think, at 1,000,000 people. I have made a little effort to get the figures worked out, and I think that is a fair estimate and not very much outside of the mark. The Census Bureau has given me an estimate of 6,800,000 as the total population of Canada on the 1st January last, so that we have in the three provinces, excluding British Columbia, one-seventh of the population of the Dominion at this date.

Now, I want to illustrate by means of diagrams some of the figures to which I will draw your attention. There are 120,000,000 acres on the coloured portion of the map to my right, and I have converted that into a square on the same scale. I do not know that I could show it in any better way. Here is a square on the same scale representing the coloured area on the map (holding up square). The area of land alienated is 86,000,000 acres, which is represented by the somewhat smaller square and which I place in front of the larger square. The balance around the edge is what we have left in the surveyed portion of the Northwest. I am giving you round figures, although I have the figures exactly. Now, let us compare the area alienated with the area under cultivation of 8,500,000 acres represented by this much smaller square. The area under wheat is 5,000,000 acres represented on the same scale by this smaller square.

This smaller square represents, as I say, 5,000,000 acres of land, but it also represented 100,000,000 bushels of wheat in 1906. The figures of the Department of Agriculture are 110 odd millions. Those of the Winnipeg Grain Exchange are 92,000,000 or 93,000,000, so that I think I am safe in saying there were about 100,000,000 bushels of wheat raised in the Northwest in 1906. Supposing I take the 86,000,000 acres of land and cut off a quarter for the purpose of making a calculation which may seem to be a rather optimistic one. If I scale the 86,000,000 acres down in that way to 65,000,000 acres and divide the 5,000,000 acres into it it will go 13 times. Is it not a fair supposition that we can multiply 100,000,000 by 13 and get 1,300,000,000 bushels of wheat within a reasonable number of years? If you feel inclined to doubt that supposition, gentleman, there is just one point I ask you to remember; that is selected land. It is not land taken at random over an unexplored country; it is selected land. Over 31,000,000 acres of that land was selected by about 200,000 homesteaders. About the same amount was selected by seven or eight railways to satisfy their land subsidies, selected by expert land examiners, and while I would not pretend to be an authority on this subject and to make the statement that there will be raised annually $1\frac{1}{3}$ billions of bushels of wheat, for the purpose of my argument I want to just ask you to turn that amount into dollars and consider it for a moment. We are not taking into account oats, barley, flax or rye or the cattle products of that country at all. Take that area of land with the wheat which can be grown to a lesser extent even than my figures would give, and it seems a reasonable and safe statement to make that in the time of people now living there will be the equivalent in money of 1,300,000,000 bushels of wheat. Remember, there are over 50,000,000 acres of land that have not gone into that calculation. There are 120,000,000 acres of land surveyed, and I am only asking you to consider this as applied to 65,000,000 acres.

There is another aspect of this question that I would like to bring to your notice. I have a telegram here from a gentleman in Saskatoon, and he followed that message up by a letter. I got these figures because I knew the gentleman, and I particularly asked him to give me figures that I could absolutely rely upon and quote. I only get figures from that point, although similar results can be shown from many other points

APPENDIX No. 2

in the West. I have no interest in Saskatoon in any way; I do not own an acre of land there or anywhere else in the Northwest, and do not expect to. Now, this gentleman's statement, which I consider very striking, is: '375 acres wheat, net cash yield per acre \$14½.' He wrote me at greater length afterwards. Well, gentlemen, I think it is quite a striking thing to reflect upon. That man goes into that country and farms 375 acres. He spends \$6 or \$7 in raising wheat on it, and after the crop has been harvested he has over \$14 per acre to put into the bank.

By Mr. Jackson (Selkirk):

Q. What year was that? A. Last year. He has given me a number of other figures. Some of them are a great deal more. There is one of \$18, but this is a clean cut statement and that is the reason I took it.

By Mr. Wilson (Lennox):

Q. Was that for 1907? A. That is what I understand from his letter.

By Mr. Thompson:

Q. Are the 86,000,000 acres as yet unclaimed?—A. No, that is the land alienated from the Crown.

Q. There are about 120,000,000 acres in all? A. Yes, of surveyed land.

Now, about the north country. The first thing I would like to speak about in that connection is this: In considering the north country a great many people have the idea that latitude governs the climate. Of course, that is absolutely untrue. It is ridiculously untrue, particularly as compared with our country, it does not apply at all. I will go into the climate question in a few minutes, but in the meantime let me draw your attention to the fact that that northern region is practically all a wooded country. The knowledge we have of that country has been obtained by people who have travelled along the rivers in canoes almost entirely. I would like to ask any gentleman to try and imagine how much valuable knowledge would have been obtained of the great and wealthy province of Ontario by means of travelling along the St. Lawrence, the Ottawa and other rivers as men used to travel in canoes 200 years ago? And yet that is the kind of knowledge that we have about that north country almost entirely. Let me ask you to notice a small red star on the map, 14 miles outside the Arctic circle. That is Fort Good Hope on the Mackenzie river. The statement was made before the Senate Committee last Spring, which was investigating the north country, that potatoes, cabbages and onions were grown at Fort Good Hope.

A gentleman who gave evidence before the Senate Committee last spring was in my office about a week or ten days ago. He told me that he was at Fort Good Hope last summer and he said: 'I saw just as good vegetables growing there as I have seen in the province of Ontario.' The gentleman in question is Mr. Conroy, of the Indian Department. Now, the growth of vegetation is rapid, beyond belief to us, in that north country. I will quote you a statement made by Bishop Clut, who, I think, was stationed at Fort Providence for many years, and who gave evidence before the Senate Committee, which was presided over by the late Senator Schultz, in 1888. He said, speaking of vegetation at Fort Good Hope: 'I have observed this phenomenon: Towards 7th or 8th June vegetation commences and in five or six days the leaves of the trees had reached their natural size.'

Now, I am going to tell you what the red spots on this map mean. Those are points where wheat has been grown. They were not selected for any agricultural purpose because they are points where the fur trade has been carried on by the Hudson Bay Company. That is why they are selected. Another point I would like to mention to you is that the inhabitants of that country, and there are very few of them, are almost exclusively flesh eaters. They do not eat, and they do not desire to eat,

wheat or such products. I want to show you—no doubt many of you have seen it before, but it seems to me important—a sample of Ladoga wheat that was grown at Fort Simpson. Here it is (holding up sample). I got it from Dr. Saunders, Director of Experimental Farms. Fort Simpson is the farthest north of these red points just short of latitude 62 or just about it. I showed that wheat to a gentleman who is accounted an authority on the subject, and I don't think you could get a better authority; I am referring to Senator Finlay Young. I said 'Mr. Young, would you please look at that wheat, but do not refer to the label on the bottle, and tell me what you think of it?' Mr. Young examined the sample in the way that men who are experts on wheat often do. I think he saw nearly every grain of it; he took good care to do so. He said 'It is very nice wheat, I would call it good wheat. It has been slightly frosted but I think that wheat would go about 64 pounds to the bushel.' Well the label on the sample says 'Ladoga wheat, grown at Fort Simpson on the Mackenzie River, 62 pounds to the bushel.'

By Mr. Schaffner :

Q. How many days was it growing?—A. I could not tell you. I have seen the statement that wheat is grown in 86 days, that is in some points in the Northwest country, but I am not sure about that. Now, gentlemen, here is a sample of wheat from Fort Vermilion (displaying sample). I showed that also to Mr. Young and got his opinion on it. In both instances he expressed his opinion before he knew where either of the samples came from. He said 'That is pretty nice wheat. It is not so nice a wheat as the other but I think it would make first rate flour; it is good wheat.' Now, consider for a moment that the area enclosed by these red spots would be larger—I think considerably larger—than the entire Province of Ontario. I will just take a moment to enumerate these points. There is Fort Simpson on the Mackenzie river, Fort Providence—and a witness said before the Senate Committee last spring that he had seen wheat ready to cut at Fort Providence on the 28th July, 1906, and it was cut a few days later, and good crops of oats and barley at Fort Liard. You see in the report of the Senate Committee of 1888 that Ex-Judge McLeod gave evidence and quoted from his father's journal. His father was an official of the Hudson Bay Company and his journals extend from 1811 to 1849. He said: 'Wheat is a sure crop at Fort Liard four times out of five.' Then there is Fort Chipewyan. Wheat that was grown there took the highest award I think at the Centennial Exhibition in 1876. Then there is Fort Vermilion where a flour mill is turning out 35 barrels a day. That mill is electrically lighted and equipped in a modern manner. There were 25,000 bushels of wheat grown at Fort Vermilion in 1906. This farthest point west on the Peace river is Fort Dunvegan. (There are two or three other points Hudson's Hope, and Fort St. John, which I have omitted on account of their being down in the valley.) Proceeding with reference to the wheat points there are Lesser Slave Lake, Fort McMurray, and Ile a la Crosse. At the latter point Professor Macoun found them growing wheat and grinding it with a horse power mill in 1875. Then there is Stanley Mission, 150 miles north of Prince Albert on the Churchill river, Archdeacon McKay gave evidence before the Senate Committee that wheat had been grown for seven years in succession at Stanley Mission. At Cumberland House, Sir John Richardson records that wheat was grown in 1820 when he passed through there. We also have the statements of witnesses before the Senate Committee that wheat has been grown at Norway House, Cross Lake and Nelson House.

There have been a great many statements made about the probable area available in that country for settlement. One gentleman, a member of the Alberta Legislature, Mr. Bredin, said that there was 100,000,000 acres of land—he was particularly referring to the area as far east as the Athabaska and west and north of it—available

APPENDIX No. 2

for settlement. Mr. Conroy of the Indian Department, who has travelled over that country a great deal, made the statement that there was as much land in that tract of country as was now settled west of Winnipeg. There is a great deal of evidence existing as to the probable area of land available in that country. The Minister of the Interior had an exploration made, I think it was in 1905, of the country between Pas Missic on the Saskatchewan and Fort Churchill. That party was sent out for the purpose of exploring the country. They were members of the Geological Survey of Canada and their statement—which I presume can be absolutely relied upon—amounts to this: That there are 10,000 square miles of good clay land between the Pas and Fort Churchill—6,000,000, odd acres of land. A surveyor of the Indian Department who had been around Lac la Ronge, told me that he considered the land surrounding its shores just as good as any land south of the Saskatchewan. There has been a great deal of other evidence given about that part of the country, which I will not take time to dwell upon this morning. I think it may be generally stated that south of the Churchill river, west of the Athabaska and Slave rivers and extending as far north as Fort Simpson, and perhaps a little farther, there is a good deal of good land all the way.

Now, as to the climate. Mr. R. F. Stupart, the Director of the Meteorological Service of Canada, has devoted a good deal of attention to this subject, and he says that he would consider the mean summer temperature of $57\frac{1}{2}$ degrees was a safe limit up to which you could grow wheat. He said that he would not dogmatize on the subject, but that that would be a safe limit. I think that Dr. Saunders would put it at a little lower. I have endeavoured to put on that line as near as I could get to it. I admit the information is not complete, but we have done the best we could from the evidence supplied by Mr. Stupart. I will trace a line on the map running from the northeast corner of the province of Manitoba—just outside the spots that I have mentioned—crossing the Mackenzie river about half way between Fort Wrigley and Fort Norman, and then following the eastern slope of the Rockies southerly. During his evidence before the Senate Committee last spring, Mr. Stupart furnished a table giving the summer temperature, and I think it is a very striking thing that the summer temperature of Fort Simpson, Fort Chipewyan and Winnipeg are nearly the same—that is, from the 1st June to the 20th August or thereabouts—the summer temperature would therefore be nearly the same as that of the city of Ottawa. It is hard to understand or believe that a man may be going about here in summer clothing and that if he could be transported to Fort Simpson in those months that he could wear the same clothing without discomfort. You may say that it is pretty cold in the winter. I do not think there is any doubt about it. It is somewhat colder than the North-west.

By Mr. Schaffner:

Q. Do you say that Ottawa is colder?—A. I do not think that Ottawa is colder than the North-west.

Q. I think it is this winter. In my opinion, there is no doubt about it?—A. However, as to that there is just one remark that was made by a witness before the Senate committee last spring that seems to me to be very pithy and to the point. He said: 'Things don't grow in the winter.'

Mr. JACKSON (Selkirk).—They do in British Columbia.

Mr. YOUNG.—If the agricultural possibilities are in that country, the fact that it is a cold climate won't deter people from settling there. I have read a few unfavourable expression of opinion about that country, but I never heard of any one saying that it was not a healthy country. I gave you the figures a few moments ago of the net result of growing wheat in the vicinity of Saskatoon. I believe that it would be a

reasonably safe statement to make that better wheat can be grown the further north you go. Many authorities agree that the further north you go, almost to the northern limit of the wheat-growing area, the better the wheat that is grown. I believe that the statement has been made that wheat has been grown at Fort Chipewyan weighing 68 lbs. to the bushel. Men have gone into the most undesirable places on the earth's surface in search of gold and to carry on gold mining. They have gone into the hottest and the coldest and the most unhealthy countries for this purpose. Surely there is no amount of gold mining equal to the results obtained at Saskatoon, viz., 14½ dollars net per acre?

I want to meet the point that would arise in a man's mind about the cold winter. I want to introduce to your notice at this stage something that I have prepared for this committee this morning. I will fasten it to the map so that you can see it in its relation to the subject. This is a map of the province of Tobolsk in Siberia. It is drawn to the same scale as map and placed in the same position as to latitude. That small dark spot, not quite one-third north of the south part of the province, is the city of Tobolsk. That city has a population of 20,427 people. The city of Onsk on the Great Siberian Railway, just on the south boundary and about 100 miles north of the latitude of Edmonton, has a population of 37,470. The city of Tomsk, which is not within the province of Tobolsk, but in an adjoining province and in a little lower latitude than Tobolsk, has a population of 52,005. The population of the province of Tobolsk was a million and a half of people in 1900.

By Mr. Duncan Ross:

Q. How far up does the line of habitation extend? A. I have a more complete map, but I am sorry I did not bring it over. I might say though that two-thirds of the way up we find a road marked on the map which would indicate settlement I suppose. I also have figures here of the population of some eight or ten town in the province of Tobolsk. There is one of 1,000, another of 3,000, another of 7,000, one of 8,000, and so on. The farthest north is the town of Bere-zoff with a population of 1,073 and in latitude 63.50.

By Mr. Jackson (Elgin):

Q. What information have you as to the number of convicts that were sent in to that country? A. I don't know as to that. Whether they were convicts or not in 1900 they raised 6,480,000 bushels of wheat, 3,000,000 odd bushels of rye, 972,000 bushels of barley and 10,617,000 bushels of oats. These figures are contained in the Encyclopedia Britannica.

By Mr. Armstrong:

Q. Can you give us any idea in what part of that province these crops were chiefly raised in; was it in the southern portion? A. It certainly would be. I don't think there is any question but that it would be in the most southerly portion. All the information I have would go to show that settlement would not extend to the most northerly regions. Still the fact that there were towns of 1,000 people in the northern portion would go to show that there must be something being done there that would support a town of that size. I have tried to work out some parallel between the climatic conditions there and our own country, but I am not able to give it to you exactly. I think that the figures given by the Russian government would probably be the most favourable that they could furnish. The mean temperature for the period from September 1 to June 1, which would include the winter months—I think that is all it is necessary to discuss—would for the province of Tobolsk be practically the same temperature as at Fort Simpson. It is a very striking thing that a million

APPENDIX No. 2

and a half of people live in that province and that they raised 6,480,000 bushels of wheat in 1900. Surely if our country is as good as we think it is, we ought to people it to as great and even a greater extent, and to complete the parallel between the two I think I can say without any hesitation that we must have something which they have not got, and that is the benefit of British institutions.

By Mr. McIntyre (Strathcona):

Q. The southern boundary of Tobolsk is 100 miles north of Edmonton? A. I think it would be. It would be just about 10 miles north of Athabaska Landing.

When I was discussing the wheat question in connection with these points that are coloured red on this map I drew attention to the fact that they were not selected for wheat raising. I want to discuss that point a little further. I say there are three reasons why we can expect better results in wheat raising in our northern country than has been accomplished up to the present time. I will quote what Professor Macoun has stated in a pamphlet relating to the Yukon (reads):

'When grain ripens in the country and is again sown there, it will take on the conditions of its environment and mature earlier, and early frosts like those attributed to Manitoba, will have no effect as the crop will mature before they come. I may remark here that the wheat in the Northwest ripens earlier now than it did twenty years ago, and many people believe that it is the climate that has changed, whereas it is only the wheat that has adapted itself to its environment.'

I think that any gentleman who has been following the trend of affairs in the Northwest will agree with me that the conditions are better with respect to possible injury by summer frosts now than they were twenty years ago. I don't think that can be questioned. That is one reason that is given. Now, I asked a gentleman who is better able to express an opinion on the point than I am a few days ago what he thought of that statement of Professor Macoun's. He said: 'I don't altogether agree with that statement. I do not hesitate at all in saying that the improvement is marked, but I will account for it in another way. If you raise wheat on virgin soil on the prairie it will grow to perhaps about the height of a man's shoulder the first year. The next year it will not be quite so high. The third year it will be perhaps not so high as the second year, but it will mature earlier. Devote that land to some other use for a year or two and then go back to the cultivation of wheat again, and you will get the wheat growing to the height of about the second or third year, but it will mature earlier. The soil is sharpened.' He explained to me that in the Red River valley, where the land is heavier, it would take very many years to bring about that result, and it would not be of so much value to this generation, but in the lighter soil, farther west, it has a marked effect, and, as he argued, there is no question about it.

By Mr. Wright (Renfrew):

Q. Will you permit me to give you some information on this point? A. If you would kindly allow me I would ask you to first let me finish the point with which I was dealing. The third reason why we can expect better results in that north country is because the staff at the Experimental Farm have been steadily carrying on experiments with a view to obtaining a variety of wheat that will ripen a few days earlier, and if they can shorten the term for the ripening of wheat by four or five days or a week, it will bring into the certain line as to wheat growing an enormous area of land. There is no question about it. They have accomplished some good things already and they expect to accomplish a great deal more.

By Mr. Blain:

Q. What was the quality of the 6,480,000 bushels of wheat produced in Siberia? —A. I could not tell you that. There are a great many other statistics about Siberia

that are interesting. For instance they exported 40,000 lbs. of honey from an adjoining province in Siberia in 1900 and so on: I have not the time to enlarge upon it.

There is no question about it that in the north country there are grasses of the greatest possible value to cattle raising, finer grasses than there are in other parts of the northwest. I could read from a letter written by Professor Macoun on that point. I do not like to pass Professor Macoun's name without saying that I believe that if there is a man whose name will be handed down to posterity in Canada with honour it is that of Professor John Macoun, because of the optimism he has always had with regard to that country from the first, (hear, hear.)

I want to draw your attention, or relate to you, a little incident that happened to me in the Spring of 1882. I was down at Warren's Landing, at the foot of Lake Winnipeg, about the 1st June, 1882. It was an isolated place, to some extent, and rather difficult to get at, and our arrival in June on the first steamer, was the first intimation they had there of a great many things which had been happening about the boom at Winnipeg. I was talking with a gentleman there who was connected with the fur trade and had been in it nearly all his life. He was a man of intelligence and was able to talk intelligently about any subject which you might mention, and he was perfectly sane except on one point. I will tell you what he said to me. I was telling him about all the things that were happening at Winnipeg and among others the fact that the Canadian Pacific Railway had built enormous shops. He then said, 'It doesn't make any difference, Mr. Young. They will be allowed to fall to pieces. That country is no good; it is only good for the fur trade. I have lived nearly all my life in this country and we old-timers know much better about the country than anyone else.' 'But,' I said, 'They are spending millions of dollars in building a line across the prairie.' He said, 'I don't care, you will find they will take up the tracks.' That man was able to talk sensibly about anything else, but there you see was the influence of the fur trade, the influence of the conditions that he was surrounded by; and you will find that time after time when gentlemen in that northern country who have been connected with the fur trade are asked about the country their inclination is always to detract from its value. We hear a lot about the 'Last West,' our Great West, and its value for settlement. I suppose it is the last West and I suppose that it is the last not only for the fur trade of the Hudson Bay Company, but also for other people who are interested in that trade.

By Mr. Barr :

Q. Their interest is to keep the country for the fur trade?—A. They are not enthusiastic about encouraging settlement.

By Mr. Jackson (Selkirk) :

Q. That gentleman might have been acquainted only with the country east of Warren's Landing?—A. He was not giving me any information regarding the North country that I am talking about, but of the prairie country that was not then settled.

Q. His opinion was influenced by the country that he had been in for so many years?—A. That might be. There is another point that I want to bring to your attention as to the conditions in the North-west country. About three weeks ago I wrote to Professor Macoun and gave him a list of questions about that country to which I asked him to give me answers. I think it is a very remarkable thing that in his reply he says: 'In my report to Mr. Alexander Mackenzie in 1877, just when I was fresh in the Northwest, I gave details about certain districts of the northland which I could not give in a letter, but I would suggest that extracts from this report may be taken and placed upon file with this letter, as my statements and conclusions as printed 30 years ago still remain without impeachment at the present time.' I think it is a

APPENDIX No. 2

remarkable thing that with respect to the country through which Professor Macoun went in 1872 and 1873, and which excited his enthusiasm—this is the country that I am trying to tell you about—he now says of it: ‘My statements remain without impeachment at the present time.’ Now, he speaks in this letter of two facts that I think are very striking. He says: ‘In conclusion, I may say that the climate of the whole northland is a stable one, and as local conditions change it will improve, and where small spots are now called good land whole areas will take that term. The low altitude and the long day are fixed conditions and will always be the same. The forest will be cleared and the muskegs drained, and as the land becomes drier the frosty conditions will pass away and a good country will result.’

Now, there are some other sources of wealth in that country. I am going to place this pointer on the pencil lead line that I have drawn on the map extending from about the middle of Reindeer Island in Lake Winnipeg northwesterly and crossing the Peace River about 50 miles north of Peace River Landing. That is the line shown on a departmental publication issued a year or so ago, the mineral map of Canada as the northerly limit of prospecting. North of that line there is practically no prospecting as the note on the map says. The mineral wealth of that country is very great. There is no question about it but that there are a great variety of minerals. The first thing I want to touch on is petroleum. That has been frequently spoken of as the petroleum field of the world, and I will give you one point about that. Mr. McConnell made an examination of that field some years ago for the Geological Survey and he made a calculation of the amount of crude petroleum which it would have taken to have saturated the ground to the extent that he had discovered. He says that the amount of crude petroleum sufficient to saturate the area that he had examined would be $6\frac{1}{2}$ cubic miles. A witness before the Senate Committee in 1888, whom I quoted a few minutes ago, ex-Judge McLeod said that there was an area of 100,000 square miles in that country within which there were found indications of petroleum. There is a tar spring down at Great Slave Lake, there are some I think on the Mackenzie, and there are 75 miles, or thereabouts, along the Athabaska where these tar springs are found, caused by the oozing out of petroleum through centuries of time. I have a photograph here that I can show you of a bank of the Athabaska river, somewhere near Fort McMurray, and I think from the height of the man standing on the bank that it would be about 200 feet high. It has been represented to me as being solid tar or asphaltum. At any rate the soil is saturated with petroleum to the whole depth of the bank.

By Mr. Blain:

Q. Have you visited the country yourself?

A. I have not been in hardly any of the country which I have been describing. I have been studying a good deal, and I do not think I have got nearly to the end of my studies yet. There are about one hundred authorities in my office that I have not yet gone through.

Now as to natural gas. It is a matter well known to many people that there is natural gas in that country. There was a well sunk twelve years ago on the Athabaska and it has been burning ever since. It is spoken of as the largest gas well in the world. You will find that a great many travellers who have gone through that country lit natural gas along the banks of the river and used it for camp purposes. A gentleman who was there boring for oil told me that he had used natural gas constantly as it was escaping through cracks or openings in the soil.

Then there is salt. Let me quote again from the evidence given before the Senate Committee: ‘Near Fort Smith there is a salt mine which is probably the most beautiful and the most abundant in the universe. There is here a veritable mountain

of salt. By digging a little in the earth, from 6 inches to a foot, rock salt can be found there.'

Gold has also been discovered there, also copper. There is no question but that copper exists at some points in the Barren Lands. Bishop Clut in his evidence before the Senate Committee spoke of Indians coming into Fort Providence and having crosses made of copper. I do not think that any white man has found out exactly where that copper came from. At any rate there is lots of copper.

There is also coal. In 1789 when Sir Alexander Mackenzie went down the Mackenzie river, he found that there was coal in the banks which was burning, and this extended for many miles along the river. That coal is burning yet.

Iron also exists in many parts of that country. Mr. Tyrrell, I think it is, described the country north of Lake Athabaska as being most promising from a mineral point of view. I cannot enlarge upon the subject of minerals just now, but I merely mention the fact of their existence. I want to ask your attention for a minute or two upon a point about the mineral question in that country which has impressed me, but I do not know whether I can convey that impression to you or not. I want you to consider Dawson City which is marked with a small red star on the map. I have here a clipping from the *Manitoba Free Press* of 20 years ago in which it says that miners had just discovered gold in the northwestern part of Canada up near Alaska. That was the first intimation that any gold was to be found there. I have the figures of the Geological Survey showing that over \$120,000,000 of gold were taken out from the Klondike fields up to 1st January last, and it is well known that that amount is far within the mark. As a matter of fact the output is a great deal more than that. So much for Dawson City.

Take Rossland, B.C. I lived in that city for two years and I am somewhat familiar with the conditions. The townsite of Rossland was ungranted land of the Crown in the year 1894. The Le Roi mine is just on the edge of the townsite and the total product of gold, silver and copper at Rossland up to the same date as I have given for Dawson was over \$40,000,000.

Now just for a moment let me refer to Fernie, B.C. The coal deposits at Fernie were unknown 25 or 30 years ago. I got some figures from Dr. Haanel about the coal at Fernie and from the figures which he gave me I make this calculation: There were 1,800,000 tons of coal mined either in the year 1906 or 1907—I am not quite sure which—in that field. Taking that as a basis it will take 12,222 years to exhaust the coal at Fernie at that annual production per year.

Another point farther east, not far from our own Ottawa Valley, is Sudbury, the discovery of the copper and nickel mines of Sudbury was coincident with the construction of the Canadian Pacific Railway, and the discovery of Cobalt, still nearer Ottawa, is a matter of about five or six years. Now I think that when you reflect upon the fact that these discoveries have been made in a prospected portion of Canada, and consider that probably more than one-third of the total area of the Dominion has not been prospected at all and that these discoveries have all been within the last 20 years, you will admit that it opens up great possibilities. We have the evidence from the staff of the Geological Survey as to the discoveries of the past and there is every reason to expect that there will be equally great mineral discoveries in the Northwest in the future.

The timber resources of the country I have not got time to dilate upon.

I just want to mention the water powers. There are beyond question water powers of enormous value in that country and with the development of electricity it is hard to set a limit on the value which those water powers may have.

I am going to mention one more subject, and that is the fish wealth of the north. If there was no other source of wealth in that country I think it would be of tremendous importance to the people of Canada to be made aware of the value of the

APPENDIX No. 2

fisheries of that country. There are in every lake, river and stream, enormous quantities of fish; whitefish, lake trout and jackfish in the clear waters and sturgeon in many rivers; salmon in the rivers running into Hudson Bay and the Arctic Ocean, and the salmon known as the Inconnu in the Mackenzie river and in Great Slave lake.

I have tried to compile figures that would impress upon you the value of the fisheries, but I do not know whether I have accomplished anything or not. With such meagre information as I had I tried to make an estimate of the water area in that country. Every lake, river and stream probably is full of fish. West of the Nelson river and north of the settled area, I estimate there are 63,000 square miles of water. There is a great deal more than that, because there are many smaller lakes that we have not got any information at all about. That is very nearly the same area as there is in Lakes Superior, Erie and Huron combined. There are two lakes, Great Slave lake and Great Bear lake each of which is larger than Lake Erie, considerably larger.

The natural system of waterways in that country attracts one's notice. I have not got the figures exactly at hand, but I think it is in the neighbourhood of 1,300 miles from Fort Smith to the mouth of the Mackenzie in which steamers drawing 6 feet can navigate at any time of the year when the river is open. Fourteen miles above Fort Smith you get into another system of waterways going up the Slave and up the Peace rivers, with falls not far from Vermilion. Above those falls you can go for 650 miles up the Peace river to the Rocky Mountains, all navigable. Then there is the Athabaska river, or a considerable portion of it. So we have very much over 2,000 miles of navigable waterways in that country.

Now, gentlemen, there is a deduction that seems to follow from all these statements if they amount to anything at all. That deduction is, that it is time that we knew more about the country. I think it is time more knowledge was acquired, and I am going to ask you to consider for a few moments a condition somewhat similar to that which we have here in another part of Canada—I refer to New Ontario. Previous to about the year 1899, I think, it would be the opinion of anybody who knows anything of Ontario that the region north of the Canadian Pacific Railway line was of no value whatever for any purpose practically speaking. I had always heard it so spoken of myself, but without dwelling upon it, let me say that it was a country which did not promise to be ever of any great value. Some six or eight years ago an exploration of that country was undertaken. I believe that for departmental purposes New Ontario was considered to be the country lying north of the main line of the Canadian Pacific Railway. The country was divided into ten districts and there were surveyors appointed who took charge of each district for exploration purposes. Attached to each party was a land examiner, a geologist, and a timber expert. Well I have been told—I went to some trouble to find out—that the cost of that exploration was \$74,000. When the reports of these exploring parties were made up the government were able to announce that there were 16,000,000 acres of clay lands in New Ontario suitable for settlement. There were nearly 300,000,000 cords of pulp wood discovered in New Ontario, and I have the statement within the last few days of the Deputy Commissioner of Lands and Forests—I asked him the question and he said that the building of the Temiskaming and Northern Railway was a result of that exploration. The discovery of Cobalt was in consequence of the construction of that railway, and I believe the fact of there being 16,000,000 acres of clay land in New Ontario, which will be traversed from end to end by the Grand Trunk Pacific Railway, was an assurance to the people of Canada that there would be local traffic on the line and it would, therefore, be a much more certain enterprise than it otherwise would have been.

By Mr. Jackson (Selkirk):

Q. Whereabouts on the map are those 16,000,000 acres?

A. The line of the Grand Trunk Pacific, as you see it on the map, runs pretty nearly through the middle of it. I have not got the exact boundary. There have been 1,800,000 acres of land surveyed since that exploration took place as a result of it, and the deputy commissioner in Toronto in writing to me made a very remarkable statement. He said that in some of the townships it had been found that there was not one single acre of land which was not suitable for settlement and he added 'I think that is a record unique in any country.'

Now I am just about through, gentlemen, and I hope I am not wearying you. I would like you to look at the homestead map. I told you at the outset that there were practically 7,000 miles of railway.

By Mr. Duncan Ross:

Q. Of constructed railway?

A. There were 6,400 odd miles of railway constructed up to the 1st June last.

Q. In operation?

A. In operation. Those figures were obtained from the Department of Railways and Canals. The actual number at that time was 6,422, and I think it is safe to say that there are now 7,000 miles. That excludes every section that is not in actual operation. Now the line that is coloured green on that map is the Canadian Northern, the red line is the Canadian Pacific Railway system, and the brown line is the Grand Trunk Pacific. You will find three small lines at the lower part of the map in another colour not far west of Winnipeg, which represent the Hill lines which have just entered into that country. I think there is no question that Mr. J. J. Hill would not undertake to enter that country to such an extent if he did not intend to remain there. Therefore, it is almost certain that the Hill system will spread over that country as well as the three other systems referred to. Now if you consider the railway situation there and bear in mind the facts which I gave a few minutes ago as to the result of exploration in New Ontario, have we not the right to expect if we can demonstrate beyond question by actual exploration that the North country is what I take it to be that those railway systems will extend into it and occupy and possess it in the railway sense of the term? The Canadian Northern is at the Pas on the Saskatchewan, at Prince Albert, at Battleford and at Edmonton. The Canadian Pacific Railway is at Edmonton. Surely the Grand Trunk Pacific and Mr Hill's system would not stop short of it if there was any traffic to be got. I think it is easily capable of demonstration that before long we shall see railway construction in that country which will open it up and lead to further discoveries.

I remember when we used to hear in the West, it was an expression used derisively about us from across the line and was used very frequently, that the Canadian Pacific Railway was 'The Dominion on wheels,' and it was often said that Canada consisted only of a fringe of settlement along the northern boundary of the United States. Well, gentlemen, when we consider that Fort Simpson is 900 miles north of the International boundary and that wheat has been successfully grown there under unfavourable conditions, I think that we are in a position to show that the Dominion has broadened considerably from what it was 20 years ago.

By Mr. Armstrong:

Q. Before you sit down will you give us a little information about the timber lands in the North country? You mentioned the fact that there was a great extent of timber lands. Could you give us a short description of it?

A. If the committee will allow me to take up the timber question in about a week's time I will give them a great deal of information on the subject. There are about 100 authorities in respect to that country, the statements of men who have travelled through it and written about it. I have got one of my staff looking through

APPENDIX No. 2

those authorities and getting everything that has been said not only about timber, but about fish. As to the fish the results of the investigations so far have been personally amazing to me. I could quote to you the statement of Mr. J. B. Tyrrell who said that 140,000 white fish were caught at Fort Providence in ten days' fishing. There were 32,000 caught in two nights' catch on the Beaver river north of Battleford. There is a statement made by Professor Macoun as having been found in the journals of Sir John Ross, I think it was, that six tons of salmon were caught at one haul in the bay in the Arctic ocean into which the Back river empties. It is the same story throughout. Every traveller who has ever mentioned the subject speaks of every lake and stream as being full of fish.

By Mr. Duncan Ross:

Q. These are mere fish stories?

A. You can find it in the evidence taken before the Schultz Committee in 1888. There is where the statement was made.

By Mr. Armstrong:

Q. Tell us one timber story?

A. I won't undertake to discuss the timber question to-day because I am not quite prepared.

By Mr. Duncan Ross:

Q. If you are going to discuss the question of timber, the attention of the authorities should be drawn to the fact that a lot of timber is being destroyed by fire each year. That is a question which this committee could very properly discuss in connection with the matter of timber?

A. That is a point that I particularly want to develop in the investigation which I am conducting as to the amount of timber which has been destroyed by fire. There is a tract of country between Lake Winnipeg and Hudson bay, on the Burntwood river, on which there is some extremely fine timber. But it appears that the Indians have burned that country over through some superstitious reason of their own for generations back, and they have practically destroyed all the timber. But at one time it was a well timbered country, and I believe there is a great wealth of timber in that north country. At present, however, I am not prepared to discuss the subject.

MR. THOMPSON.—Last year from the Yukon, in about latitude 63, I got some wheat which I submitted to this committee, and also laid on the table of the House. This year I have some oats grown at the same point which I would be glad if the committee would examine. (Sample produced and laid upon the table.)

MR. YOUNG.—I am not going to say anything about the Yukon. I have some information here that would be interesting to the committee, but it is such a large subject that I have confined myself to the statements already given.

By Mr. Duncan Ross:

Q. There is one question which has not been brought out sufficiently, and that is in connection with the quantity of land under cultivation. You said, if I remember right, that there were only 8,500,000 acres of land already under cultivation?

A. I gave you the round figures and they were about 8,600,000 acres.

Q. That is in the Northwest, taking in Manitoba, Alberta, Saskatchewan and the unorganized territory, and you say there are 86,000,000 acres of lands alienated?

A. Yes, in the surveyed portion. There are practically no lands alienated outside the surveyed area.

Q. What proportion of that 86,000,000 acres of land alienated would you say was equal to 8,500,000 acres brought under cultivation; I mean as to the character of the land?

A. What I said was this: Of the 86,000,000 acres of land I cut off one-quarter and brought it down to 65,000,000, and then I drew attention to the fact—

Q. Then the 65,000,000 acres you consider good agricultural land?

A. I think you can measure agricultural results with safety on 65,000,000 acres. Then I pointed out that 31,000,000 acres of that land had been selected by homesteaders, that it is selected land.

Q. Do you say that there are 8,600,000 acres under wheat?

A. No, under grain.

Q. But 31,000,000 acres of land have been taken up by homesteaders?

A. Yes, in round figures.

Q. Now we are getting near the point.

A. And about the same amount has been granted to railways. That is why I tried to figure out that we were going to have in the future from the land now surveyed a yield of $1\frac{1}{3}$ billion bushels of wheat or its equivalent.

By Mr. Thompson:

Q. What is the total area of tillable land?

A. In the north country north of the settled part of the Northwest? We had the evidence of two witnesses before the Senate Committee last spring. One said there were 100,000,000 acres of land available in the district from the Athabaska river west. Another gentleman said that there was as much land available for settlement in that country as was now settled west of Winnipeg. I don't think that I would like to say there are 100,000,000 acres.

Q. Mr. Bredin said that before the Senate Committee.

A. Yes. I would not like to adopt that as my own statement; I think it is a pretty liberal estimate.

By Mr. Herron:

Q. Do you think the land north of the Saskatchewan river, speaking of the two provinces, is of equal value for all purposes as the land south of it or to anywhere near the same degree?

A. I don't think it would be in the case of Saskatchewan.

Q. Well as to Alberta what would you say?

A. I think perhaps the best part of Alberta is in the north.

Q. I mean including mineral and agricultural possibilities?

A. There are great mineral possibilities in the northern part of Saskatchewan, but the Churchill river would probably be the limit of agricultural land. There is no question that up as far as the Churchill river the land is good. That you can expect just as good results in regard to that land most of the witnesses seem to agree. When you go north of the Churchill the land is not good. It is a rocky country and sandy. The mineral possibilities are greater with respect to anything else but petroleum in the northern part of Saskatchewan, I think than they are perhaps in the northern part of Alberta. But that is not based upon accurate discoveries, that is the information which has been given.

By Mr. Thompson:

Q. What is the distance of Fort Providence, Fort Simpson and Fort Liard from the boundary line?

A. Fort Simpson is 900 miles and 575 miles north of Edmonton.

APPENDIX No. 2

By Mr. Duncan Ross:

Q. You have avoided the Peace River country; why did you not say something about it?

A. It was included in the country that I was talking about. I enlarged my remarks so as to cover a much larger area than the Peace River country. I did not want to forget Saskatchewan.

By Mr. Thompson:

Q. You say that Fort Good Hope is fourteen miles below the Arctic circle?

A. Yes.

Q. They raise vegetables there?

A. Yes.

Q. Have they tried to raise wheat?

A. I don't think so, but they raise good vegetables—cabbages and lettuce for instance.

By Mr. Duncan Ross:

Q. Are you aware of the fact that in the Peace River country last year they had no summer frosts and better grain than at any other place in the Dominion and that this winter has been a marvellously mild one? I might say for the information of the committee that I had a letter from a gentleman who was surveying in that country all last summer. He left there some time at the first of the year and when he reached Winnipeg he was amazed at the cold weather. The gentleman in question said it had been bright sunny weather all the winter in the Peace River country?

A. The statement about that country is borne out by dozens of witnesses. That can be established by a reference to the evidence taken by the Schultz Committee in 1888 and our more recent report of last year. Witness after witness has made the same statement. One gentleman said that he had driven for three weeks in that country in January without an overcoat.

THE TIMBER BELT OF THE NORTH.

The following report of the timber of the most northern central belt of Canada embraces a wide area, extending east to west from the Hudson bay to the Rocky mountains, a distance of nearly one thousand miles, and from the Hudson, Nelson, Saskatchewan and Athabaska rivers on the south to the Arctic ocean on the north, a distance of eleven hundred miles.

BARREN LANDS.

By consulting the accompanying map it will be seen that a line drawn from Fort Churchill on the Hudson bay in a northwest direction to the mouth of the Mackenzie river divides, roughly, the so-called 'barren lands' from the timber belt. This, however, does not mean that trees do not grow north of this line. They are found in isolated spots along the banks of streams sometimes far within the barren lands. A fringe of fair-sized trees, for instance, is found along the banks of the Hanbury river although there are no trees to the north or south of it. It will be noticed that the forest extends about 750 miles farther north on the Mackenzie river on the western side of this tract than along the Hudson Bay on the eastern side. The reason of this is because of the remarkable mildness of the western side in comparison with the eastern. The 55° isotherm for summer extends as far south of the Hudson bay as the Lake of the Woods. About half way between the 49° and 50° north latitude. It trends northwest from here, crossing the Mackenzie river where the latter crosses

the 130° west longitude. The total distance from its extreme southern limit to its northern limit is about twelve hundred miles. Of course the isotherms for the winter months do not indicate such a difference in the winter climate.

No effort has been spared to exhaust every available source of information and it is therefore hoped that the seeker after knowledge as to the timber resources of this portion of Canada, will find herein a compilation as complete as it is possible to make it. The information is derived from the most reliable authorities from the time of Samuel Hearne, 1772, to Elihu Stewart, 1906. The old explorers and travellers including Samuel Hearne, Sir Alexander MacKenzie, Sir John Franklin, Sir George Back, Sir John Richardson, and many others were consulted as well as the men of our own times, including Professor John Macoun, Dr. Dawson, Dr. Bell, R. G. McConnell, J.B., and J. W. Tyrrell, all connected with the Geological Survey of Canada, Otto J. Klotz, D.T.S., W. Thibaudeau, C.E., W. Ogilvie, D.L.S., D. C. O'Keefe, D.L.S., T. Fawcett, D.T.S., and others.

The thought which comes to the mind again and again and which remains as the lasting impression from the study of the recorded impressions of all these explorers and travellers is the unanimity of testimony to the enormous loss by fires to the timber wealth of the north land of Canada. Serious, calamitous and almost irreparable as the loss from this source has been and continues to be in all parts of Canada, it is surely far greater in the north. A few reasons for this are:—

(1) The forest growth is slower towards the north till in the extreme north a tree over four hundred years old had only attained a diameter of from 2 to 3 inches, according to one observer.

(2) The northern forests occupy to a considerable extent land not likely to be required for agriculture and therefore the more desirable to be retained as a supply for future needs of the settled portions of the country.

(3) These forests should comprise for all time to come, if kept reasonably free from fires, one of the finest and most extensive game preserves in the world.

(4) Great possibilities of mineral wealth exist in many portions of the north country, but the destruction of the forest wealth of the country might easily be the deciding factor in rendering impossible of economic development vast deposits of minerals which would otherwise contribute to the general prosperity of the country.

Another conclusion one reaches, in studying the timber question in the north land of Canada, is the limited area, comparatively speaking, as to which there is any information. By a reference to the accompanying map on which it has been attempted to show, by colouring, some of the information collected in this report and as far as possible all the routes of travel followed by the different explorers, this will appear more plainly. The explorers travelled, as a rule, along the rivers or lakes in canoes, and in many cases their knowledge was only such as could be gained in that way.

Many explorations have been made, it is true, away from the rivers, but the fact remains that there are thousands of square miles as to which there is absolutely no information.

This report is divided for convenience into districts comprising generally those formed by the river basins, commencing on the east with the Hayes, Nelson and Churchill, across the continent to the Rocky mountains and then north to the Arctic Ocean, forming roughly the letter 'L.'

NORTHWEST TERRITORIES—NORTH OF MANITOBA.

In this portion of the Northwest Territories which is soon to be added to Manitoba, the timber would be all good if it were not for the repeated burnings, which have reduced the average diameter of the trees found there to a foot or less. Most of the timber is young and if protected for some years will average a much larger diameter, as is proved by the size of a few trees that have escaped the fires altogether. Other-

APPENDIX No. 2

wise the size and quality of the timber is governed by the climate, the best timber being found as you go south.

SASKATCHEWAN.

The greater part of northern Saskatchewan is poorly timbered, the best timber being found in the south and southwest of the district mentioned, where the timber is good and in comparatively small areas, excellent. Unlike the country north of Manitoba, the size of the timber is governed by the soil and not by latitude. J. B. Tyrrell found better timber on the Cochrane river, away in the north, than in the country south of that to the Churchill river; a country rocky and with poor soil.

ALBERTA.

Alberta is more thickly wooded, but the timber, especially in the muskeggy parts, grows rank and small. Forest fires are to some extent accountable for this as the soil is excellent and the latitude could not affect it as the farther north you go the better the timber gets. Good timber is found on the numerous islands and alluvial flats along the lower Peace river.

Very good timber is found near the delta of the Athabaska and Peace rivers though the area it covers is not very large, but the best timber in all the northwest is along the Slave river and on the Liard and its tributary, the Nelson.

MACKENZIE RIVER.

Even on the MacKenzie river almost to the Arctic ocean, the country is well timbered and every man who has travelled down this river has remarked on the wonderful growth of the trees one hundred miles within the Arctic circle.

NORTH OF MANITOBA, AND EAST OF SASKATCHEWAN.

The timber of this district (formerly part of Keewatin), although there is little or none that has not been burned over, is far superior to the country just west of it in Saskatchewan.

FOREST FIRES.

The forest fires, however, have perhaps been more destructive in this district than in any other part of Canada. As will be seen in the more detailed account of the country farther on, the loss by fire has been enormous and most of the country has been burned over many times.

As long ago as 1878 Dr. Robt. Bell (Geol. Rep., 1879) says: 'Up to 1878 the great region covered by the report had been annually devastated by forest fires, ranging over large areas and destroying the timber in different localities from time to time, until, perhaps, more than half of it is already swept away. In that year I made a point of calling the attention of the Indian chiefs and head-men to this great waste, and informed them that it was the wish of the government that the timber (which the Indians had not before considered of any value) should not be thus destroyed, and requested them to make their temporary fires on the beach or the bare rocks, and to extinguish their camp fires in all cases before leaving. This they all promised to attend to and the result has been that during 1879 no forest fires, as far as I could learn or observe myself, had occurred. The saving thus effected is worth to the country many times more than the cost of our explorations.' The Indians, however, seem to have soon forgotten Dr. Bell's wishes, as no mention was made in later years as to the prevalence of forest fires being on the decrease.

Mr. Wm. Beech, of Fort Churchill, whose evidence on the timber of this portion of the northwest is referred to further on, says: 'I think that timber notices should be printed in Cree and Chipewyan so that those Indians might know and be careful of the timber. Notices as regards fire are sent in English, why not in Cree and Chipewyan? They have a type of their own and can read their own languages. They have books and I have seen their prayer books and bibles. Cree Indians are very good people.'

Mr. McInnes (Geol. Sur. Rep., 1906), speaking about the country near Burntwood river says that occasional white spruce and tamarack attain diameters as great as 18 inches, and adds that these are trees that have escaped when the surrounding forest was burned and are sufficient evidence that, but for the repeated fires, there would be large areas covered with good timber.

DETAILED ACCOUNT—HAYES RIVER.

In this district the Hayes river valley possesses the best timbers but in the country north the timber gradually deteriorates till along the Churchill there is very little good timber.

In 1884 Dr. Klotz explored the lower part of the Hayes. He noticed that there was more and larger poplar (5 to 7 inches) here than on the Nelson opposite. 'It is very marked that the woods on this route are far better than on the Nelson and there is a greater proportion of tamarack (probably one-third). Many trees (spruce) would measure 12 inches in diameter.'

KNEE LAKE.

On the south side of Knee lake there is some fair sized spruce, balsam, tamarack and birch. The birch increases in size as we proceed westward.

STURGEON CREEK.

The Shamattawa river is a tributary of the Hayes. Sturgeon creek is a tributary of the Shamattawa. Wm. Beech, a pioneer settler at Churchill, who has travelled all through this country, says (1908) the Hudson Bay people get their timber for manufacturing their boats and buildings at Sturgeon creek. He says the timber is from 12 inches to 1½ feet.

GOD'S LAKE.

God's river, a tributary of the Shamattawa, is the outlet for God's and Island lakes. A. S. Cochrane (Geol. Sur. Rep., 1878-79), reported the timber around God's lake as more than half burnt over, while the timber around Island lake was still green. Spruce, the most abundant wood everywhere, attains in many places a very good size and is used in the form of logs and beams for building purposes. The tamarack and banksian pine sometimes have a diameter of about 20 inches. Balsam fir is common and of good size around Island lake, some of the trees measuring nearly four feet in circumference, but it is scarce at God's lake and only rarely seen and of small size as far north as Knee lake.

MOLSON LAKE.

Mr. Beech estimates that at Molson lake, the head waters of the Hayes river, there were twenty million feet of spruce timber.

APPENDIX No. 2

NELSON RIVER VALLEY.

Northwest of the Hayes is the valley of the Nelson river. The timber along the lower part of the Nelson does not compare favourably with the timber along the lower part of the Hayes. Throughout its whole length spruce and poplar predominate. Aspen poplar, says J. B. Tyrrell (1896) is the commonest deciduous tree, as it grows on the drier uplands everywhere, occasionally forming beautiful forests, but more often, and especially towards the north, partly covering the surface with scattered groves of small trees.

Wm. Beech reports districts of good firewood from Flamborough Head to Owl river.

NISKI LAKE.

The first river of any size running into the Nelson is the Kisemitiskun or Old-Fish-weir river. J. B. Tyrrell in 1894 was at Niski lake, the headwaters of this river. The north shore he found covered with a rich growth of dark evergreens. The banks, close to the water's edge, are clothed with white and black spruce and some small poplars.

LIMESTONE RAPIDS.

The next river is the Limestone or Mittitto river. At Limestone rapids, says Dr. Klotz, (Interior Rep., 1884), the spruce is small, although some trees measure 7 to 10 inches, and back from the river it is smaller still. The little poplar that is found is scrubby. The Limestone river runs almost parallel with the Nelson to the north. The country from the Niski lake, the headwaters of the Old Fish-weir river, to the headwaters of the Limestone through the long chain of lakes, is described by J. B. Tyrrell (1894) as thickly wooded with small timber and towards Cat Fishing lake much of the timber had been killed by fire. On the upper part of the Limestone he found the best timber. He says, 'These banks are wooded with tall white spruce which looked very beautiful after the monotony of the stunted black spruce forest.'

GULL LAKE.

Below Gull lake the woods, says Dr. Klotz, are somewhat better and almost exclusively spruce, but there is no merchantable timber. From here to Split lake the wood is small, much thereof being brûlé.

SPLIT LAKE.

The islands in Split lake, he says, as well as the shores are wooded, chiefly with spruce, some tamarack, poplar and birch; the wood is somewhat better than on the Nelson, averaging probably 7 inches in diameter. Owen O'Sullivan (Geol. Rep., 1904) says that here the trees, chiefly black spruce, are from 4 to 10 inches in diameter.

ASSEAN LAKE.

North of Split lake lies Asscan lake, and some way north of this again is Waskaio-waku lake.

The shores of Asscan lake, says Mr. O'Sullivan, are well wooded with black spruce, tamarack and white birch. A fire that occurred two years ago ran from its southeastern end for several miles eastward.

Wm. Beech reports that from Split lake to Waskaio-waku lake there is good timber, spruce and some tamarac, one foot to 15-inches in diameter and 30 feet high.

From Split lake west the country is divided into three river valleys, the Burntwood being the most northerly, the Grass river occupying the centre and the Nelson the most southerly part.

BURNTWOOD RIVER.

J. B. Tyrrell (1896) says that on the northern part of the Burntwood river white spruce is rather scarce.

Wm. McInnes (Geol. Sur. Rep., 1906), describes the timber in this river. He says the forest is a mixed second growth, mainly spruce and tamarack varying in age from recent brûlé to 50 years. Along the lower part of the river but little timber left is of a size larger than 8 inches in diameter, three feet from the ground. All the drier parts denuded of old forest by the repeated fires that have swept over the region, being covered by forest of only ten years' growth or younger.

ODEI RIVER.

To the north of the valley of the Odei or Heart river, which flows into the Burntwood river from the west on the left bank eight miles from the mouth, is a rolling, forested country. Here, he says, the forest is mainly spruce and tamarack of about sixty years' growth, the larger trunks reaching diameters of from 8 to 10 inches, but the general average not more than 6 inches. In the valleys occasional white spruce and tamarack attain diameters as great as 13 inches. These are trees that have escaped when the surrounding forest was burned and are sufficient evidence that, but for the repeated fires, there would be large areas covered with good timber.

From here to Pipestone lake the recurring forest fires have not only denuded this section of its trees, but even the stumps have for the most part been burnt away, so that it is now covered only by an open growth of small white birch, poplar, willow and banksian pine, with an undergrowth of vetches and grasses and small shrubs diversified here and there, by small open tracts. Where the grass covered surface is free from trees, this country often presents quite a park-like aspect.

From here to Waskwatin lake the low flat along the river is covered by a sixty years' growth of timber, mainly of banksian pine and spruce. The higher plateau is wooded principally with spruce from 6 to 8 inches in diameter, with scattered banksian pines, poplars, and white birches succeeding an earlier burned forest that was even younger when destroyed, and this following a still earlier, that by the stumps, is shown to have been somewhat larger. Evidently this country has been subjected to repeated burnings that have followed one another, often at intervals of comparatively few years.

WASKWATIN LAKE.

Waskwatin lake is described by J. B. Tyrrell as 'wooded with white spruce and poplar. A supply of timber for building and fuel could be obtained from the surrounding country.'

A mixed second growth forest, says Mr. McInnes, mainly aspen poplar, covers all the uplands, while on the islands and on low flats bordering bays of the lake are found white spruces and poplars of diameters up to one foot.

Continuing along the Burntwood river, Mr. McInnes describes the country as being of the same general character for thirty miles, 'covered for the most part with a mixed second growth from ten to thirty years old, but with here and there, clumps of white spruce, with tall and straight trunks, a foot or more in diameter.'

FOOTPRINT LAKE.

At Footprint lake the greater part of the flats and practically all the highland have been burned over within twenty years, and are clothed now with an open growth of small mixed timber.

APPENDIX No. 2

Southward of the most southerly bend of the Burntwood river the country is wooded with banksian pine, poplar and spruce.

NELSON HOUSE.

At Nelson House, J. B. Tyrrell in 1896, said that timber for house logs had to be collected from scattered groves and brought several miles up or down the brooks or across the lake.

FILE RIVER.

From the Burntwood lake along the File river, which is really another name for the upper part of Burntwood river, J. W. McLaggan of Strathcona, Alta., (Hudson Bay route, J. A. J. McKenna, 1906) says that with the exception of a bunch of spruce of about half a million feet, averaging 12 to 14 inches in diameter, there was seen nothing but small, scrubby, mixed timber of but little value. The country back from the river has been burned over.

GRASS RIVER.

South of this is the valley of the Grass river which covers a much larger area than the Burntwood, and the timber, where not destroyed by fire, is much better, but nearly the whole area has been burned over. As long ago as 1879, Dr. Robert Bell (Geol. Rep.) says that in places along the route the woods are burnt, but most of the timber at that time appeared to be green, and of a hriifty growth, the spruce sometimes measuring over 6 feet in girth which is equivalent to a diameter of 2 feet.

PAINT LAKE.

At Paint lake, along the lower part of Grass river, the islands are covered with small mixed timber. On the south side of the lake there is a fairly good bunch of spruce, suitable for railway ties or pulpwood. Back from the lake the country has been burnt over but is growing up again with poplar and other trees.

Between Paint and Setting lakes he says there are small bunches of spruce and poplar, but back from the river the country has been burned over.

SETTING LAKE.

Along the shores of, and on the islands of Setting lake there is, Mr. J. W. McLaggan estimates (Hudson Bay route, 1906, J. A. J. McKenna) about ten million feet of young, sound, clear spruce timber, averaging from 12 to 14 inches in diameter.

Below the rapids of Grass river the country has been burned over leaving only a few bunches of spruce.

J. B. Tyrrell mentions (1896) that the Rowan or mountain-ash grows freely and has an abundant crop of berries especially around Wikusko and Reed lakes.

HERB LAKE.

From the rapids to Herb lake, says Mr. McLaggan, there are small bunches of jackpine and tamarack, and on the north side of the lake there are spruce and poplar fit for railway ties and pulpwood; but back from the lake and the river the country appeared all burned. Mr. McLaggan expresses the opinion that there must have been a good timber area bordering these waters, and that, if fire can be kept out, reforestation will soon be effected.

REED LAKE.

From Reed lake north to Methy lake, he says the timber is mainly jackpine and tamarack of small size, a limited portion of which would be fit for railway ties.

From Red lake west to Elbow lake he saw about two million feet of good spruce and poplar, averaging from 12 to 14 inches in diameter.

South of Reed lake he passed through low and swampy country covered with scrubby timber. About a million feet of medium-sized spruce was sighted; the country was found to have been burned over and growing poplar was found, which in a few years would make good pulpwood.

From Cranberry to Athapupuskow lakes he reports a poor growth of scrubby timber.

UPPER NELSON RIVER.

We will now return to the Nelson river which we have already followed to Split lake.

Above Split lake, says Dr. Klotz (Interior Rep., 1884) the spruce is only about 4 inches in diameter. The lower limbs soon die from the growth of moss thereon, leaving only a green top. Tamarack which elsewhere generally grows in swamps, is found here on the bare rock.

SIPIWISK LAKE.

The whole surface around Sipiwick lake, he says, is wooded principally with spruce, some tamarack, pitch-pine, birch and poplar. Spruce sticks there are of 10 inches, yet the exception rather than the rule.

MUHIGAN LAKE.

The country along the Muhigan river, says J. B. Tyrrell, (1896) has all been burnt over and much of it is now almost treeless, like partly open prairie, with scattered groves of small poplars and alders.

ECHIMAMISH RIVER.

The country along the Echimamish river, says Dr. Robert Bell (Geol. Sur. Rep., 1879), is very swampy and wooded with spruce, tamarack, banksian pine, white birch, aspen, balm of Gilead, and willow, with a little balsam fir.

In the country north of Norway House the woods, according to Dr. Klotz, are good, affording 12 inch spruce sticks. There is considerable balsam also. The country is, he says, all wooded but not a forest country.

ROSS ISLAND.

Dr. Robert Bell reports in 1878 that at that time a small area of the timbers had been preserved on the west side of Ross island, where the West river enters Big-reed lake and here many of the white spruce measured three feet in diameter. Even the most rocky tracts support a growth of trees large enough to be of value for many purposes.

NORWAY HOUSE.

Dr. Klotz says that at Norway House, north of Lake Winnipeg, the woods consist of spruce and poplar and some scattered birch and pitchpine. A good stick of timber would be about 9 inches at the butt.

GUNISAO RIVER.

The Gunisao river is to the northeast of Lake Winnipeg but it flows into the Nelson river above Norway House. According to J. B. Tyrrell (1896) the banks are wooded with beautiful, tall, white spruce, apparently forming a magnificent coniferous forest.

APPENDIX No. 2

ferous forest, but how far back from the river this forest extends was not determined. There is certainly here a large quantity of valuable timber, much more than was seen anywhere in the country immediately east of Lake Winnipeg, for most of the surface farther south has been swept by extensive forest fires within the last decade.

To the northwest of Lake Winnipeg are a number of lakes which belong to the Saskatchewan water system.

From Cranberry to Athapupsukow lake Mr. McLaggan, (Hudson Bay route, 1906, J. A. J. McKenna), describes the timber as poor and scrubby. Some small bunches of spruce were seen along Athapupuskow lake near the portage, and by Goose river, but the country has been all burned over, leaving only small clumps of spruce.

GOOSE LAKE.

The greatest part of the country on the upper end of Goose lake has, he says, been burnt over, leaving only clumps of spruce and poplar.

COWAN RIVER.

After crossing Black Duck lake on the upper parts of the Cowan river he reports scattered bunches of spruce and tamarack of a size suitable for ties or pulpwood.

Along Cowan river he describes the country as low and flat, with small quantities of good spruce timber in spots until within a few miles of Black Duck lake, when bunches of good spruce, estimated at ten million feet, come into view.

CORMORANT LAKE.

On the north side of Cormorant lake, and along the creek which connects it with Lake Yawingstone, and on the south side of the latter lake he saw from three to five million feet of good milling spruce timber.

CHURCHILL RIVER VALLEY.

North of the Nelson River valley lies the valley of the Lower Churchill river.

Owen O'Sullivan in the Geological Survey Report (1906) of his trip in 1904, says wood is scarce at Churchill. The Hudson's Bay Company obtain their fuel supply from a ravine three miles distant in a southwesterly direction where black spruce averaging 5 inches in diameter is found.

W. Thibaudeau, C.E., in the 'Hudson Bay Route,' 1906, by J. A. J. McKenna, also says there is no merchantable timber in the vicinity of Churchill, although there is an ample supply of timber for fuel purposes for many years along both banks of the Churchill and around Button bay.

SEAL RIVER.

Travelling northwest from Churchill, Dr. Robt. Bell in 1879 (Geol. Rep.) says that spruce and tamarack are found growing near the sea-coast in favourable situations as far as Seal river beyond which their northeastern limit curves inland.

EASTERN WOODS.

J. B. Tyrrell in 1893 went from Churchill to York. Almost due east from Churchill he came to the Eastern woods, so called, where Wm. Beech says there is some good wood. Most of the country crossing Salmon creek, Broad river and Owl river is open plain.

BROAD RIVER.

Wm. Beech, however, says that on Broad river there is heavy timber 10 to 15 inches within ten miles of the coast, and, he adds, it is a great pulpwood country.

W. Thibaudeau, C.E., who went over much the same ground as Mr. Tyrrell, does not speak of seeing any timber except four miles from Churchill where he says there is spruce from 6 to 12 inches, and at Broad river where there is a strip of about four miles by one-third of a mile wide; there is stunted black spruce from 8 to 14 inches and he reports the balance of the country is open, level, plain perpetually frozen.

CHURCHILL RIVER.

On the main Churchill river, above its mouth, to Deer river, Beech says there is some good spruce from 7 to 15 inches in diameter. The country back from the Churchill appears to be generally poorly timbered.

DEER RIVER.

J. B. Tyrrell reports the sides of the Deer River valley are at first thinly wooded, but as the river is ascended the timber becomes much thicker and heavier. Inland the country is generally open, but thinly wooded in places. Beech reports that the timber extends fifty yards only all along the Deer river. On the upper stretches the trees range from 12 to 20 inches in diameter. Owen O'Sullivan (1904) states that this whole region has been overrun by fire. Bunches of spruce and tamarack that escaped the fires were frequently met close to the water's edge. About half-way down he came to the open mossy plain, which extends northward to the well wooded banks of the Great Churchill.

OWL RIVER—NISKI LAKE.

J. B. Tyrrell found the almost continuous forest began before reaching the ancient shore line between the Deer river and Owl river. At the head of Owl river he found the remains of a forest fire eighteen years old. Between this and Niski lake, the source of the Kisemitskun river which flows southeast to the Nelson, the country was thickly wooded mostly with black spruce.

W. Thibaudeau, says that from the headwaters of the Deer to the Churchill, the country is covered with scrub spruce and tamarack from 4 to 6 inches in diameter. There is no timber where they reached the Churchill river, and from here along the east side of Little Churchill there is some timber from 6 to 14 inches in diameter.

LITTLE CHURCHILL.

Speaking of the lower part of the Little Churchill Dr. Robt. Bell in 1879 says the timber below the Recluse lakes is burnt all the way to the Great Churchill. In 1904, Owen O'Sullivan says of the same country that from Recluse lakes northward the country, which has been overrun by a fire that occurred some forty years ago, is now partly covered with bunches of second growth black spruce, tamarack and white birch.

Of the upper part of this river Dr. Bell reports the country as 'generally green' or unburnt. The timber, however, does not seem to be very good as Owen O'Sullivan speaks of it as covered with black spruce, white birch and tamarack of small size. Near Waskaowaku lake there is some black spruce averaging 8 inches in diameter.

WASKAIOWAKU LAKE.

Owen O'Sullivan reports the forest growth around the lake as chiefly black spruce and white birch of from 4 to 14 inches in diameter, while Thibaudeau reports

APPENDIX No. 2

it slightly larger. Thibaudeau says also the ridge between here and Split lake was thickly wooded with spruce from 4 to 10 inches.

SASKATCHEWAN.

CONDITIONS AND EXTENT OF THE TIMBER.

The extreme east of Saskatchewan and extreme west of what was till lately part of Keewatin has the poorest timber of all the northern forest country. South of the Saskatchewan, is the prairie. Directly around the Saskatchewan it is flat and swampy. Travelling north you almost immediately come to the rocky sterile country. This country extends to the barren grounds across the Churchill, Reindeer lake, Cochrane river and on to the Kazen river which flows through the barren lands. The good timber in Saskatchewan is confined mainly to the country north and northwest of Prince Albert.

FOREST FIRES.

Fires have been very destructive in Saskatchewan also. R. S. Cook, of Prince Albert, in his evidence before the Senate Committee, 1907, says, 'There is no calculating the amount of the timber that has been destroyed, and the very best spruce at that. The government are now taking steps to try and put a stop to the burning. They have fire fighters out there during the dry season, but it is such a vast country it is a very difficult matter.'

In the rocky country along the Churchill where the soil is poor the forest fires do not turn the country into prairie as they do along the Beaver. Around Cold lake, on the border of Saskatchewan and Alberta, R. S. Cook says the fires have been very destructive but there has been good timber there. Mr. Eberts, who traversed this country exploring the proposed route of the C.P.R. says (Dominion Pacific Railway report, 1880) 'that the whole of this district (south of the Beaver) was originally forest, but at present a strip of from five to twenty miles along the Saskatchewan is chiefly prairie and to the north, large open tracts were interspersed through the forest land. These prairies and open tracts were no doubt the result of the fires.'

Fires, says Mr. Cook, have been very destructive at Montreal lake and about two-thirds of the timber immediately around Stanley Mission has been destroyed by fire. Archdeacon McKay says that in some places the timber has been destroyed by fires for the time being, particularly in the rocky country. The fires seem to be more destructive in that class of country than in the other part.

EASTERN SASKATCHEWAN.

From all accounts there is little or no good timber north of the Saskatchewan river in eastern Saskatchewan. From the Dom. Pac. Ry. reports of 1880, we learn that 'Banksian pine is prevalent on the sand-hills and ridges, but seldom attains a foot in diameter. Birch and willow are numerous but of little value except for fuel. North of latitude 55 extending to Churchill river the whole country is described as being absolutely barren consisting of Laurentian rocks in which, however, there are great possibilities of mineral wealth.

Banksian pine of small size scattered over the rocks and here and there groves of small spruce in marshy spots were met with.

NORTHERN SASKATCHEWAN.

J. B. Tyrrell in 1894 explored the lakes and rivers of northern Saskatchewan, Reindeer lake and river, Cochrane river, Geikie river and the country north to beyond the tree limit. In hardly any part did he find good timber. Reindeer river

appears to be fairly well wooded. 'In some parts the river flows through low bottom-land wooded with small spruce and tamarack behind which rise the rocky ridges.' At Reindeer lake the growth is still poorer 'a few pines and spruce cling to the brown, lichen-covered rocks.' The growth north of this is very poor.

COCHRANE RIVER.

On the portage to the headwaters of the Thlewiaza river, says Mr. Tyrrell, is a grove of fine, tall, white spruce, the best spruce seen on the banks of the Cochrane, and here the Indians seem to resort regularly to obtain wood for their canoes, while birch bark can be procured from trees on the same sandy ridge a short distance farther north.

BLUE LAKE.

North of this again at Blue lake he writes, 'The hillsides are wooded with large white spruce up to 76 inches in circumference (Geol. Sur. Rep. 1896) three feet from the ground. The western side is wooded with white and black spruce, birch, alder, willow and straight aspens 4 inches in diameter,' the first of these latter trees seen for a long time.

ENNADAI LAKE.

At the south end of Ennadai lake the hills are usually wooded but within a few miles the forest disappears or becomes confined to the ravines and the hillsides are bare. On the Kazen river which is north of the tree limit, Tyrrell says 'there are a few groves of larch of fair size.'

CONTRADICTORY EVIDENCE.

Of the country from Lac la Ronge south there has been much contradictory evidence. Surveyors and explorers who have been over the country, J. B. Tyrrell and different men sent out by the government (Dom. Pac. Ry. Report) say that there is no good timber there, while Archdeacon McKay and R. S. Cook, of Prince Albert, say there is much good timber.

J. B. Tyrrell (1892) says 'South of Lac la Ronge there is some improvement in the timber. On Montreal river small Banksian pine cover the country. No large timber, spruce or pine, is seen till near the lake, when on the southern end some groves of large spruce were seen. Montreal mountain appears to be more than half burnt over. The largest timber is seen on the watershed south of Montreal and Deer lakes.' Mr. O'Keefe in his exploration in 1879 (Dominion Pacific Ry. Rep.) says, 'Along English river, in this section, nothing but rock, sand and swamps is recorded.' Mr. Clarke, his assistant, made an excursion south of Lac la Ronge and he said that 'In the northern part there are small sections of fair land south of Lac la Ronge and surrounding Egg lake. Around the latter lake there is a belt of fine timber, consisting of tamarack, poplar and in places balsam.'

Archdeacon McKay and R. S. Cook (Senate Committee Report, 1907) however, speak very highly of the timber here. The latter writes that 'to the west of Lac la Ronge the country is all timbered—in some places heavy timber. There is spruce and poplar. The spruce is good enough for lumber and of course it would do for pulp-wood. As to the country around Lac la Ronge there is timber all through it, wherever it has not been destroyed by fires.'

Archdeacon McKay explained that he put up a sawmill at Lac la Ronge in the year 1906, and it is run by water power. The logs that are sawn there are the kind of timber found in that part of the country. They average seventeen logs to the thousand feet. They will be logs 14 to 15 feet long. The diameter would be about

APPENDIX No. 2

two feet across at the butt-good, large logs, clean timber, very much the same timber as at Prince Albert. This good timber is scattered all over the country sometimes for miles.'

Owing to this contradictory evidence it is pretty hard to accept a fair estimate of the timber here. Archdeacon McKay of course may be speaking of a much more limited area than the explorers who probably take a general estimate of the whole country.

There is no doubt that there is good timber between Lac la Ronge and Prince Albert.

TIMBER NORTH OF PRINCE ALBERT.

R. S. Cook says that down through the region immediately north of Prince Albert and on through to Montreal lake, it is pretty much a timber country. Dr. Hugh Bain of Prince Albert (Senate Report, 1883), says, 'Immediately north of us we have a large belt of timber, chiefly spruce, and also a good deal of poplar.' He also says that the true forest just touches the river at Prince Albert. At the present date, twenty years later, Archdeacon McKay says it is all forest practically until you get about thirty miles from Prince Albert. The forest fires have no doubt cleared much of the forest off for thirty miles during that twenty years.

D. C. O'Keefe in the Dominion Government Pacific Railway Report, 1880, says that 'North of Prince Albert and west of Cumberland House to longitude 107° 30' much timber was observed. In the south-western part poplar copse prevails, gradually, emerging into continuous poplar forest which attains its greatest development to the east of Stinking lake. The balsam and poplar in groves is of large size, in many cases two feet in diameter. Extending eastward from Stinking and Pelican lakes, fine groves of spruce are frequently mixed with aspen and balsam-poplar, and, on the borders of the swamps, groves of tamarack of all sizes up to 18 inches in diameter are found.

This well-timbered region also extends first northwest and then west along the Beaver river.

R. S. Cook twenty years later, says that 'passing down the Beaver river and southeast towards Prince Albert, there is a large quantity of very good spruce. Witness said that the fires had been very destructive and burned off a good deal of the top soil. Where that top soil is gone the country is of very little use. It is growing up with black birch and second growth poplar. There are openings but to no great extent.'

PRINCE ALBERT TO GREEN LAKE.

Professor Macoun in the Senate Report, 1888, speaking from actual observation, says 'there are immense groves and timber of excellent quality lying between Prince Albert and Green lake. Very excellent groves of white and black spruce are found in that country. Of course when I speak of timber I mention only black and white spruce and jackpine as we call it, that is scrub pine, only it grows very large up there. These are the trees that are of economic value, besides the balsam poplar, and it only grows on the islands and alluvial bends along the river bottoms. When you come to the route of Green lake there is two days' journey through a magnificent country, beautifully timbered. Crossing the Saskatchewan at Carleton, for two days you travel through a prairie country with bluffs here and there. Then you travel for two days through a forest to Green lake. It is a dense forest.'

GREEN LAKE.

Speaking of Green lake he says: 'Timber of this section is of very fair quality, consisting of spruce, poplar and tamarack.'

STINKING AND PELICAN LAKES.

From Stinking or Witchikan lake to Pelican lake Mr. O'Keefe (Dominion Government Pacific Railway Representative, 1880), says 'continued our course through spruce and tamarack woods of fine timber averaging 20 inches in diameter and from 50 to 60 feet high, which continued for two and half miles, then poplar with birch, spruce and tamarack prevailed.' Mr. Eberts, speaking of the country west and north of Pelican lake says, 'this is the southern limit of the true forest. The timber is large, consisting of spruce, balsam, poplar, banksian pine, and a few trees of yellow pine from 12 to 30 inches in diameter.'

BEAVER RIVER.

Mr. Eberts explored from here in a northwest direction on the watershed between the Beaver and the Saskatchewan in the year 1879 (Dominion Government Pacific Railway Representative). 'The indications suggest that the whole of this district was originally forest, but at present a strip of from five to twenty miles along the Saskatchewan is chiefly prairie. To the north large open tracts are interspersed through the forest land. The standing timber consists of poplar and spruce of good size, with banksian pine on sandy soil.' Since this time, nearly thirty years ago, much of this timber has been burnt as R. S. Cook says that around Cold lake on the border of Saskatchewan and Alberta the fires have been very destructive although there has been good timber there.

WESTERN SASKATCHEWAN.

Travelling north from here the timber gets poorer. Mr. O'Keefe describes the country inland from Doré river, a tributary of the Beaver, as sterile but river banks well wooded with spruce. South and west of Lac la Plonge are sandy plains, muskeg and tamarack swamps, while southeast there is some good tamarack and spruce.

ILE A LA CROSSE LAKE.

Bishop L. F. Lafleche (Senate Report 1888) says 'the vegetation (of Ile à la Crosse) has a poor appearance and can offer no advantage for the working of the forests. Autumn fires have devastated them considerably. The principal species of wood are the cypress which hardly attains a diameter of a foot and a half at the butt, the spruce, white and red, the birch, the poplar, &c.' In 1879 Mr. O'Keefe reports 'From the southeast end of the lake (Ile à la Crosse) we penetrated (east) to Burnt Mountain.' He found a fair growth of banksian pine, poplar and birch and in places tamarack. Then he found a barren plain country similar for twenty miles north and south. Hon. Wm Christie (Senate Report, 1888) reports that from Ile à la Crosse lake to Portage la Loche the whole country is rock and islands covered with small trees.

Professor Macoun (Dom. Govt. Pac. Ry. Rep. 1877-78) says that much of the land in the vicinity of Methy and Buffalo lakes is covered with banksian pine and may, therefore, be set down as very poor and sandy. In the more elevated country only, he observed balsam, spruce and even there it was of rare occurrence.

The Churchill river was for over 100 years the canoe route for the voyageurs and explorers travelling to the Mackenzie valley, Sir Alexander Mackenzie, Sir John Richardson, Sir George Simpson and others. All speak of the Churchill as a rocky country of small trees or else do not mention the trees at all.

APPENDIX No. 2

ALBERTA.

Leaving the province of Saskatchewan by the Clearwater river you enter Alberta and the timber gets somewhat better.

W. Ogilvie, D.L.S. (1892), speaking in a general way of this district says that as a rule the trees are much smaller than people in the eastern provinces are accustomed to see made into lumber.

FOREST FIRES.

He says that owing to its position the resources of the upper part of the Athabacka river stand a chance of being utilized much earlier than those on the lower river. He continues, 'I am sorry to say, however, that long before it will be necessary to resort to this, much of it may be burned, as such is the case along the trail between Edmonton and the landing. In 1884 I passed over this trail twice and then saw many groves of fine spruce, but last summer I saw that much of the best of this timber had been completely burnt off. Then the country in the immediate vicinity of the landing was all heavily timbered, much of it merchantable. Last summer especially in the Ta-wat-an-a-velley and vicinity, the country resembled prairie nearly as much as the country in the vicinity of Edmonton does.

CLEARWATER RIVER.

T. Fawcett, D.T.S., made a survey of the Clearwater river (in 1888) and connecting waters to Cumberland House following the old canoe route. He reports the valley for the greater part of the distance is thickly timbered with balsam poplar, white poplar and birch. A few good trees are found, but those suitable for manufacture only in small numbers. The balsam poplar grows to an average size of from 6 to 24 inches in diameter, straight and free from limbs, but the timber is not of much value. About sixty miles up the stream banksian pin is scattered among the other timber, and the soil becoming sandy, scrubby pine is plentiful. Black spruce and tamarack also occur but are somewhat scarce. Towards the top of the banks the timber is much smaller.

CONDITION OF THE TIMBER ON THE ATHABASKA RIVER.

Leaving the Clearwater you enter the Athabask river. Many years ago there was evidently some very good timber on the river, but now the fires have destroyed a large proportion of it. The upper or southern parts have the poorest timber. As you go north the trees get larger until in the delta you find excellent timber.

In the report of 1888, Wm. Ogilvie gives a description of the different trees of this region. The spruce and poplar found in about equal quantities, greatly outnumber all the others; spruce generally found in groves by itself, seldom exceeds 12 to 14 inches in diameter, and from 100 to 120 feet in height; poplar generally small but found on many of the flats of a good size. Of the other species of trees he says the white birch, the only hard wood in the country of any use, is small and crooked and seldom more than 6 or 7 inches in diameter; the pitch pine generally small and scrubby and of little or no value; the tamarack scarce and generally small only found in marshes and a great deal of it hollow and unsound at the heart. Still he says that all the way down to the lake, the country is or was, thickly wooded. W. F. Bredin, of Lesser Slave lake, twenty years later says (Senate Report, 1907), the valley of the Athabaska from where the McLeod river empties into it, to the Grand rapids, a distance of about 300 miles, is mostly timbered with small timber, poplar and spruce, not scrub exactly but not much saw timber. Professor Macoun (Senate Report, 1888), says that all the branches of the Athabaska and the Athabaska river itself,

have excellent forests in many places, sometimes continuous for very many miles. Then at other times the forest is poor and in some places nothing but small poplars. The whole region may be taken as a forest country that will produce economic timber. The same may be said of the country up towards the base of the Rocky mountains, at the source of Smoky river. Mr. Bredin says that the timber might have been fairly good at one time, but now it is fairly scattered and a great deal of it is grown up with second growth. From the McLeod river to McMurray the timber is poor while from McMurray to Lake Athabaska there is some improvement.

EDMONTON.

The wooded country of the upper Athabaska is just north of the great prairies that extend as far as Edmonton.

LAKE ST. ANNE.

J. McEvoy (Geological Report, 1897) says the prairie region that exists around Edmonton gradually disappears towards the west and before Lake St. Anne is reached the country is to a great extent covered with a thick growth of poplar and cottonwood. H. A. Macleod (Dom. Govt. Pac. Ry. rep., 1875) says that from Edmonton to the Rocky mountains the poplar becomes larger, but decreases in quantity, and spruce appears more frequently with pitch pine and balsam till the woods are entirely made up of those species. He says that the poplar in the northwest appears to be of better quality and closer in the grain than that found in Ontario, resembling soft maple and makes very good firewood.

LOBSTICK VALLEY.

Again, in the Pacific Railway report, 1880, he says there were a few small prairies in the Lobstick valley, the rest of the country being covered with timber mostly of the original growth, a large proportion being of good size and fine quality, but brulés and windfalls were numerous and very extensive in this section of the country. Marcus Smith (Pacific Railway report, 1877-78) reports the spruce and poplar of good size. Twenty years later (1897) J. McEvoy gives a much less favourable account of the timber. 'Burnt and green woods of spruce and cottonwood alternate along the way. Fallen timber is plentiful throughout. Thick small timber was seen, but the greater part has been killed by fire.'

MCLEOD RIVER TO ATHABASKA RIVER.

Continuing he says that all the country from the McLeod to the Athabaska river had been overrun by fires a few years before and much of the timber destroyed had been of a merchantable size. It was then a wilderness of bare trunks.

ATHABASKA VALLEY.

As the bottom of the Athabaska valley was approached he found smaller and more scattered timber. Beyond this, at Cache Pecotte, four miles above Sandstone creek and below Brulé lake, the Athabaska valley was to a great extent an open grass country, having in parts a light growth of scattered pines and some heavier spruce woods.

MALIGNE AND ROCKY RIVERS.

Before reaching the Rocky mountains Mr. McLeod found on the Maligne and Rocky rivers much rough wooded country, much of the timber fallen.

APPENDIX No. 2

JASPER HOUSE.

Professor Macoun (Pacific Railway report, 1877-78) says that not many miles northwest of Jasper House the aspect of the mountains changes, the slopes lose their wood and become clothed with grass instead of spruce forest, and the plain instead of being a continuous forest changes its characteristics to those of park and meadow land.

BAPTISTE'S RIVER.

Professor Macoun, in his 'History of the Great Northwest,' 1882, says there is an abundance of fine timber of various species on Baptiste's river.

LESSER SLAVE LAKE.

The Lesser Slave lake region lies between the Athabaska and the Little Smoky river.

H. A. Conroy reports (Senate Committee, 1907) that some parts of this district are heavily timbered, while other parts are open. There is an Indian reserve along the Little Slave river and a portion of that has good timber. He says that the Indians have the finest piece of timber on the Lesser Slave lake as a reservation. The spruce is large, and there is a species of poplar that they call the black bark poplar which grows very large in that vicinity. Mr. Conroy has seen it from 3 to 4 feet across the stump and 50 and 60 feet high on this low land. The north side of Lesser Slave lake, he says, is covered with quite a heavy second growth of poplar from 9 to 12 inches through and very slim and tall, and with some spruce, but not to any extent. North of this he says there are twenty miles of a rolling prairie country which appears as though it had at one time been burnt and the timber destroyed.

LESSER SLAVE LAKE TO WHITEFISH LAKE.

About half way between Lesser Slave and Whitefish lakes you strike a timber belt running from that to Whitefish lake, and there is a great deal of poplar and some spruce, where Mr. Conroy has seen logs two feet through.

LITTLE SLAVE RIVER TO ATHABASKA LANDING.

From Little Slave river to Athabaska Landing he says the banks of the river are fringed with timber, probably half a mile to two miles wide. The spruce is fairly large; in some districts fit for sawlogs, and mostly all fit for ties and small building timber. Some of it was very large spruce for that country, three feet across the stump.

LITTLE SLAVE RIVER TO McMURRAY.

W. Ogilvie reports (1888) the timber on the Athabasca from Little Slave river down to McMurray as generally small, although alders and willows grow to a size which would surprise people from the eastern part of the country. He has seen alders more than 8 inches in diameter and 30 feet high, while willows are often seen one foot in diameter, and he has seen one 16 inches. Elihu Stewart (1906) reports that the country along the banks from the landing down for some forty miles has suffered very much from fires. Below this point less damage has been done to the timber, which consists of poplar, birch, spruce, &c., the spruce being mostly along the river and its tributary streams. It is generally rather too small for lumber, though some belts contain trees of sufficient size for that purpose. The appearance from the steamer would indicate that generally the timber is of second growth. The spruce seems to be overtaking the poplar and will supplant it in time. This timber is well worth preserving from fire.

LAC LA BICHE.

East of Athabacka Landing is Lac la Biche the north shore of which Mr. Eberts (Pac. Ry. Report 1880) says is thickly timbered with spruce and poplar; the rest of the country covered with the last two trees and with banksian pine and tamarack.

For many miles north Mr. Stewart reports the timber as consisting of poplar, birch and some spruce, but none of the latter of good quality.

Past the numerous rapids from here to McMurray the standing timber is very small but nearly the whole district has been burnt over from time to time. There is very little large enough for lumber.

MCMURRAY TO LAKE ATHABASKA.

W. Ogilvie (1888) says that from McMurray down to the flats adjoining the lake the timber is nearly all spruce and poplar. There are a few ridges of pitch pine which possess no value. Occasionally a few white birch are seen. H. A. Conroy speaking of the present time (Senate Committee Report 1907) says that on the lower levels of the Athabaska through to Athabaska lake, there is heavy timber all the way along. The Indians told him that back from the river it is pretty muskeggy. He had been up the river every year for eight years. Taking the country as a whole there is quite a lot of marketable timber. All the lakes and rivers could produce good timber. There are millions of cords of spruce for pulpwood. W. F. Bredin also speaking of the present day says that it looks like a great alluvial plain from the river along from Fort McMurray to Lake Athabaska, 200 miles. That country is more or less timbered. He says that the country from McMurray to Lake Athabaska does not seem to have been as much swept with fires as the country south of that. J. W. Tyrrell who travelled through here in 1893 says that 132 miles below McMurray, the banks were thickly draped with spruce and poplar woods. Besides spruce and other varieties he saw balsam trees, the last seen on the northward journey.

BIRCH HILLS.

To the west of Athabaska river below McMurray are the Birch hills. Mr. McConnell (Geol. Report 1887-88) reports that on the Moose river to the Birch hills are small aspen, spruce and banksian pine. The timber on the Birch hills was largely destroyed by fires.

DELTA OF THE ATHABASKA.

In the delta of the Athabaska is undoubtedly the finest timber met with in going north from Edmonton to the lake. W. Ogilvie (1888) says that the spruce are generally much larger there than on the upper portion of the river, and much more free from limbs and knots and well suited for use. He says he saw nothing to compare with it in any part of the Territories (adjoining the prairies) through which he had been. For some three or four miles back of the lake, on the south side, there is nothing but willow and small poplar, which gradually merges into the large timber as we get back from the lake. Hon. Wm. Christie (Senate Report 1888) says that very good wood, useful for building purposes, can be got here. In later years travellers such as Elihu Stewart (1906) make small mention of the timber here, so probably it is not nearly so good as it once was.

PEACE RIVER COUNTRY.

PRAIRIE AND FOREST FIRES.

The Peace river though lying generally farther north than the Athabaska valley has a great deal more prairie along its banks than the Athabaska. Dr. Dawson (Geol.

APPENDIX No. 2

Report, 1879-80), says that the origin of the prairies of the Peace river is sufficiently obvious. 'There can be no doubt that they have been produced and maintained by fires. The country is naturally a wooded one and where fires have not run for a few years, young trees begin rapidly to spring up. The fires of course are ultimately attributable to human agency, and it is probable that before the country was inhabited by the Indians it was everywhere densely forest-clad. In its primitive state the surface was probably covered by a dense and heavy growth of coniferous trees. These forests having been destroyed by fire, a second growth, chiefly aspen, but with much birch in some places, and always everywhere a certain proportion of coniferous trees, chiefly spruce, has taken its place. The aspen, being a short-lived tree, while the spruce reaches a great age and size, the natural course of events, if undisturbed, would lead to the re-establishment of the old spruce forests. The total area of prairie land, west of the Smoky river, may be about 3,000 square miles. The remainder of the surface is generally occupied by second growth forest, occasionally dense, but more often open and composed of aspen, birch and cottonwood with a greater or less proportion of coniferous trees. Some patches of the original forest remain, however, particularly in the river valleys and are composed of much larger trees, mostly coniferous, amongst which the spruce is most abundant. Handsome groves of old and large cottonwoods are also to be found in some of the valleys.' Professor Macoun (Senate Report, 1888) says that the aspen never grows large and seldom runs above a foot in diameter in the Peace river country although he had seen specimens larger than that. He would not speak of the aspen as a tree of economical value for the purposes of export.

ST. JOHN AND DUNVEGAN.

Between St. John, B.C., and Dunvegan, Professor Macoun reports many miles of beautiful farming country, alternating with spruce, aspen and cypress woods.

DUNVEGAN.

Of the country directly west of Dunvegan he writes that it was almost denuded of trees, probably by fires, and had much the appearance of prairie. After this the country assumed a park-like character, almost a dead level and more than half covered with trees. H. A. Conroy (Senate Com. Report, 1907), had been fourteen miles north on the Peace river from Dunvegan and found timber growing pretty large. He says there are groves in that country through which a man could drive a mowing machine, the trees are so far apart.

PEACE TO BATTLE RIVER.

H. J. Cambie (Dominion Government Pacific Railway Report, 1880), says that from Dunvegan they travelled northwest to the height of land between the Peace and Battle rivers; twenty-five per cent of the distance lay through woods of small poplar, spruce and black pine.

DUNVEGAN TO SMOKY RIVER.

Professor Macoun reports that Mr. Horetsky rode over the portage between Smoky river and Dunvegan, a distance of at least forty miles and he told him it was a beautiful prairie all the way. Professor Macoun says that as he proceeded up the river from the Smoky he could see that the left bank was a constant succession of grassy slopes with aspen copse and service berry thickets in the hollows. The right bank on the other hand was always wooded, the timber being aspen, white birch and spruce. The islands and points that formed the secondary bank were generally

8 EDWARD VII., A. 1908

covered with balsam poplar of a large size, but spruce, aspen and birch were in considerable quantities. H. J. Cambie (Dominion Government Pacific Report, 1880), says that the timber on the north bank is too small to be of value except for firewood and fencing.

NORTH HEART RIVER.

Southeast of the Peace along the North Heart river the poplar and spruce is of small size only three to twelve inches in diameter.

SMOKY RIVER.

In 1874 E. W. Jarvis made an exploration through a pass of the Rocky mountains and southeast to the Athabaska across the headwaters of the Smoky river and the numerous streams and rivers flowing into it, (Dominion Government Pacific Railway Report, 1874-75). Near the mountains he found the country recently burnt. The balance of the country they found to be composed in places of small black spruce, growing so close together that they could scarcely force a passage through them and in others covered with small pine of second growth. H. A. Conroy says that along the banks of the Little Smoky the spruce grows very large. From Smoky river to Sturgeon lake Mr. Cambie reports the timber of small size consisting of poplar, spruce, birch, willows and black pine in a few cases 9 to 12 inches in diameter. East of the Little Smoky river in the Prairie river country, Mr. Conroy says there are nice bluffs of timber, mixed, some spruce and some poplar, and along the Big Smoky he reports some very good spruce timber.

DUNVEGAN TO BATTLE RIVER.

Wm. Ogilvie (Senate Report, 1888) reports that the timber from Dunvegan to Battle river is thin and poor and in very few places he says could there be found much that would prove of any value. Here, as on the Athabaska, the timber on the upper part is not to be compared with that found on the lower. Mr. McConnell in (Pacific Railway report, 1880) says that here and there along White Mud river are clumps of aspen and willow, the balance being prairie.

BATTLE RIVER TO VERMILION.

North of this the timber improves. Mr. Ogilvie describes the country from Battle river to Vermilion as woods and swamp alternating with patches of prairie and open woods. Near Battle river he says many of the hill sides are bare or scrubby, but on some of the flats or moderate slopes the timber is of fair size. R. G. McConnell (Pacific Railway report, 1880) says that there is scarcely any prairie along Battle river.

From the reports of Professor Macoun (Senate Report, 1888) and Elihu Stewart (Senate Report, 1907) we see that there is some good timber along this part of the river probably north of Battle river. Professor Macoun says that north of Smoky river, on the right bank of the Peace, the country soon loses its prairie character and becomes wholly an aspen forest, which continues down to the delta of the Athabaska and Peace rivers. On the Peace river, especially on its islands, there are many large groves of spruce and poplar which attain extraordinary dimensions.

EXCELLENT POPLAR.

Mr. Stewart, twenty years later, speaks very highly of the poplar he saw in this part of the river, though whether poplar, however fine a quality, would ever be very valuable for commercial purposes, as he seems to think, is a matter of question. He says that below the junction of the Smoky they grow very clean and straight trees,

APPENDIX No. 2

not over a foot or fourteen inches, making excellent timber, as well as fencing and fuel. In some parts there are stretches of good spruce well adapted for lumbering purposes. There has so far been but little destruction from fire in this quarter, and there will be an ample supply of timber for local use, if not for export to the adjoining prairie regions. He followed the reading of the preceding extract from his report with the remark: 'I never saw as fine poplar as I saw there. A considerable number of poplars were over a foot, but a foot would be a fair average. I have seen poplar in all parts of the prairie country, but never saw any growing up as straight.' Mr. Stewart, replying to a question, said he thought it possible to use the poplar wood for commercial purposes. It is very good poplar. It will make pulp and where it is large enough it can be sawed. It makes excellent flooring. The white poplar in the north is of a better quality than the poplar in the Ottawa district and in the far west it is different. As to the extent of the forests, Mr. Stewart remarked that wherever there was a stream there would be a belt of timber.

W. F. Bredin explained that in the valley of the Peace river, the bottoms of the river, the islands—and there are large islands in the river—and the points are largely covered with a heavy growth of spruce which grows to a large size. The largest he had ever measured was four feet four inches in diameter. A tree of that kind would carry its trunk well up, clean of branches, forty or fifty feet. Of course that is an unusual size, but timber three feet in diameter is common on the hills and in the lower parts of the bottoms. There is no oak, but there is spruce, birch and poplar. The poplars grow to a large size. The cottonwood often grows to four feet in diameter and the poplar grows to a diameter of two feet.

LOON AND WABISKAW RIVERS.

East of this part of the Peace river lies the valley of the Loon and Wabiskaw rivers. R. G. McConnell travelled all through this country in 1887. He found travelling by canoe very precarious. It is a succession of swamps *brulés*, and spruce and poplar woods, sometimes dense. In places he found tamarack and banksian pine, but little or no timber of any value.

VERMILION.

At Vermilion, both north and south, Mr. Ogilvie described the country in 1888 as prairie bluff country. Professor Macoun (*Pac. Ry. Rep.* 1877-78) says that from the highest point reached near Vermilion as far as he could see the country was covered with a continuous aspen forest with here and there a group of spruce. Back from the river much of the country had been burnt over and the timber was either all gone or in various stages of decay.

LITTLE RED RIVER.

Below Vermilion between Little Red river and Rapid Bouille, he described the river as very wide, islands in every stage of development or decay being the chief characteristics of the river bed. All the islands were covered with immense balsam poplar while the aspen constituted the greater part of the general forest on the mainland.

VERMILION TO PEACE POINT.

Mr. Ogilvie says the country from Vermilion to Peace Point on the north side is generally heavily timbered, with occasional parts of open scrubby woods and small patches of prairie. On the south side the open woods and prairie are less frequent.

VERMILION RIVER TO LAKE ATHABASKA.

From Vermilion river to Lake Athabaska he says there is a great deal of first class spruce, much of it being the best he had seen in the country. The sandy and gravelly ridges here, as elsewhere, were covered with pitch-pine. There is also much poplar and cottonwood, generally small, mixed with a little white birch and a very little tamarack.

QUATRE FOURCHES RIVER.

On the Quatre Fourches river in the delta of the Peace, Professor Macoun (1888) says there is some very fine spruce, with groves of poplar and a few pitch-pine mixed through it.

LAKE ATHABASKA.

Of the good quality of the timber found at the delta of the Athabasca river we have already spoken.

SOUTH OF THE LAKE.

J. B. Tyrrell in 1893 described the country south of Lake Athabaska as covered with a light growth of small banksian pine. There were a few spruce and birch in the valleys of small streams and on a narrow strip along the lake. In 1892 Mr. Tyrrell travelled from the Churchill north to the country east of the lake.

EAST OF THE LAKE.

Approaching Wapata lake from the south he found the timber to improve. Wapus island in Wapata lake he found thickly wooded with spruce, birch, white poplar and a little larch, and near Black lake white spruce was seen for the first time since he had left the Churchill. Black river he also found fairly well wooded.

FORT CHIPEWYAN.

Around Fort Chipewyan on the north of the lake Professor Macoun reports the timber as generally small and nearly all spruce and pitch-pine; a small percentage of it only being fit for use as lumber. J. B. Tyrrell in 1893, said that back of the Fort between the rocky hills plenty of small timber for house building and firewood is found.

NORTH OF THE LAKE.

Along the north shore of the lake he says the chief varieties of timber observed as they passed along were spruce, white poplar and birch and with these, though of small size, the country was well covered.

BLACK LAKE AND NORTH.

The country for some way north of Black lake to Chipman lake is heavily timbered. It is a succession of dense spruce swamps, thickets and rocky hills. The timber is composed of small black spruce, banksian pine, larch and a few balsam poplars. The shores of Wolverine or Chipman lake are 'heavily and beautifully wooded with spruce and birch timber.'

APPENDIX No. 2

Beyond this the timber is poor. The Chipman river is scantily wooded with small banksian pine, spruce and birch. On Birch lake is a grove of large white spruce. At Selwyn lake the country is more or less generally wooded with small black spruce, but on some of the sandy tracts are orchard-like groves of birch.

SLAVE LAKE.

BELOW LAKE ATHABASKA.

At a distance of some twenty miles from Chipewyan says Mr. Stewart the land becomes higher and is covered with timber and considerable quantities of good spruce are seen up to 15 inches in diameter and of good height. The other varieties are poplar, birch, tamarack, and willow.

R. G. McConnell (Geol. Rep. 1887-88) says that the country in the vicinity of the rapids, 100 miles below Lake Athabaska, is covered with white spruce, banksian pine, and the rough and smooth-barked poplars. The MacKenzie river steamer was built here in the winter of 1887. The timber used in its construction was all obtained from the surrounding forest.

SMITH LANDING TO FORT SMITH.

From Smith Landing to Fort Smith Mr. Stewart says the timber is jackpine, some of which is quite large enough for railway ties. The timber on the heavier soil consists of black and white poplar, spruce, birch and willow of small size and of little value.

SALT RIVER.

Salt river, says Mr. McConnell, winds through flat wooded plains covered with spruce and aspen, but in parts are the salt plains.

SALT RIVER TO GREAT SLAVE LAKE.

Of the excellence of the forests from Salt river down there can be no doubt. As long ago as 1772 Samuel Hearne, the first white man to reach Great Slave lake, on his return journey from the mouth of the Coppermine, entered the mouth of the Slave river and went up it some distance before starting inland on his journey back to the Hudson bay. It is very interesting to note what Hearne at that distant date said: 'The woods around this river, particularly the pines and poplars, are the tallest and stoutest that I have seen in any part of North America. The birch also grows to a considerable size and some species of the willow are likewise tall; but none of them have any trunk like those in England.' On the island of the lake near the mouth of the river, Hearne saw great quantities of driftwood. He says, 'some of this wood is large enough to make masts for the largest ships that are built. The woods through which we were to pass were in many places so thick that it was necessary to cut a path before the women could pass with their sledges; and in other places so much of the woods had formerly been set on fire and burnt that we were frequently obliged to walk farther than we otherwise should have done, before we could find green brush enough to floor our tents.'

One hundred and fifteen years later R. G. McConnell (Geol. Rep., 1887-88) says that on both sides of the river are level plains which extend without any evident elevation, as far as the eye can reach, and support extensive forests of white spruce and banksian pine, mingled with larch and smooth and rough barked poplar. The spruce frequently attains a diameter of 18 inches and affords excellent timber.

Bishop Clut, O.M.I., (Senate Report, 1888) also says that from Fort Smith to Fort Resolution there is a great quantity of beautiful forest, white spruce or ordinary larch. Spruce from two or three feet in diameter is found. The birch of the country is very

hard and would make good furniture. It is from birch that they make traineaux, buggies, chairs and snowshoes.'

GREAT SLAVE LAKE.

HAY RIVER.

Hay river flows into the southwest part of Great Slave lake. Of the country around, Mr. McConnell (Geol. Rep., 1887-88), says, 'Grassy and partly wooded plains extend northwards from Peace river and skirt its southern shores. It is the northern limit of the prairie region. Near its mouth the country on both sides is thickly forested with banksian pine and white spruce to the Alexandra Falls.'

SOUTH OF THE LAKE.

The country from here east to the Slave river is known to be well wooded, but strange as it may seem, the country from Slave river east has never been explored since Samuel Hearne passed through it in 1772, one hundred and thirty-six years ago. Somewhere southeast of the lake Hearne spoke of a long narrow lake 'entirely surrounded with high land which produces a vast quantity of fir trees, but none of them grow to a great height in those parts. Their branches, however, spread wider than those of firs three times their height and thickness do in Europe, so that they resemble an apple tree in shape. They seem rich in tar as the wood of them will burn like a candle and emit as strong a smell and as much black smoke as the staves of an old tar barrel. The under woods were so thick in these parts as to render travelling through them very difficult.' Of the part of Great Slave lake where Hearne crossed it, he says, 'The point where we crossed it, is said to be the narrowest. It is full of islands most of which are clothed with fine, tall poplars, birch and pines, &c.'

NORTH OF THE LAKE.

The country to the north of Great Slave lake has been much more thoroughly examined.

PROVIDENCE TO FORT RAE.

R. G. McConnell (Geol. Rep., 1887-88) wintered at Fort Providence on the Mackenzie and made a winter journey northeast to Fort Rae, on the long arm of the lake that reaches out to the north. From Fort Providence to Birch lake, half the distance across, he crossed the Grand Brulé, the scene of a former destructive fire, wherein he says there were three wide prairies with the intervening timber belts. From here on he crossed first a well wooded country where some excellent spruce was seen, then a more scantily clad country with groves of spruce, poplar, birch and alder and from thence to Fort Rae a thick spruce forest.

MARTIN RIVER.

J. M. Bell (Geol. Rep., 1904) describes the country along the Martin river and chain of lakes emptying into the long northern arm of the lake as thickly wooded with aspen, balsam poplar, canoe-birch, white spruce and banksian pine.

YELLOWKNIFE RIVER.

The Yellowknife river flows into the eastern side of the long arm of the lake coming from a northern direction. Sir John Franklin and members of his party ascended and descended this river, as is related in his journeys of 1819-22. He says that this river flows between high rocky banks on which there is sufficient soil to

APPENDIX No. 2

support pines, birch and poplars, but in the upper stretches the country has a very barren aspect. From here to Fort Enterprise the country is much the same. Mr. Back (afterwards Sir George Back), one of his party on his winter journey back from Fort Enterprise, wrote that after passing Reindeer lake 'The scenery consisted of barren rocks and high hills, covered with lofty pine, birch and larch trees. There was a visible increase of wood, consisting of birch and larch, as we inclined to the southward.

FORT ENTERPRISE.

In his journal of August 19, 1820, Sir John Franklin states that they selected the site of their winter quarters known as Fort Enterprise. He says: 'The trees were numerous and of a far greater size than we had supposed them to be yesterday. Some of the pines being thirty or forty feet high and two feet in diameter at the root.' Near by was the winter river, whose banks, he says, were well clothed with pines. On the same day they unfortunately set fire to the woods. 'A fire was made on the south side of the river to inform the chief of our arrival, which, spreading before a strong wind, caught the whole wood and we were completely enveloped in a cloud of smoke for the three following days.' Their winter quarters were made from wood cut in the vicinity, though of the size of the logs no mention is made. From here to the Coppermine river the only trees were scattered dwarf pines.

Of the part of the lake where Samuel Hearne crossed it we have already spoken of his mention of the islands clothed with fine tall poplars.

EAST OF THE LAKE.

The eastern part of the lake approaches within twenty miles of the 'Barren Lands,' as the pines are said by Back to disappear along Artillery lake.

FORT RELIANCE.

The following is on account of the country around old Fort Reliance and north-east to the barren lands, as described by J. W. Tyrrell in 1901:—

'Fairchild Point (near old Fort Reliance), which is about ten miles in length, is well wooded with white spruce from 6 to 12 inches in diameter and is notable as being the source of timber in that locality.

The shores of Charlton harbour are sparingly wooded with small spruce and a few banksian pines. It might be noted here that on Fairchild point a few black poplars were observed, the last seen on our outward journey.

At Fort Reliance, here and there, are to be seen the charred remains of large stumps, indicating the apparent recent destruction of the original forest.

The largest young trees, which showed thirty-four to thirty-five years growth, were from 4 to 6 inches in diameter two feet from the ground, and were not of stunted appearance.

At the north end of Burr lake there is situated a nice grove of white spruce timber, containing trees of 10 to 12 inches diameter. It proved to be the last timber of any consequence met with before entering the barren lands, excepting some on the west shore of Artillery lake near Timber bay.

ARTILLERY LAKE.

On the western side of Artillery lake, about ten miles from the south end, the shore is quite well timbered with small spruce and they continue northerly, although thinly scattered, for a distance of twenty miles, eight miles farther north than the last grove on the east shore. There the woods cease entirely.'

MACKENZIE RIVER.

ENTRANCE TO MACKENZIE RIVER.

Elihu Stewart says that the land at the entrance to the Mackenzie river is low and covered with spruce and tamarack of small size. Islands covered with green timber are numerous and the appearance is suggestive of the lower St. Lawrence. The timber along the Mackenzie to Fort Simpson is smaller than that found along the Slave river but nevertheless it is of sufficient size in some cases for lumber.

FORT PROVIDENCE.

Sir John Franklin (Journey, 1819-22) says that around Fort Providence the surface of the hills is generally naked, but in the valleys between them a few spruce, aspen and birch grow.

Sir Alexander MacKenzie (1789) also speaks of the country north of the Mackenzie after leaving Slave lake as follows: 'He (an Indian) at the same time informed us that a river falls in from the north, which takes its rise in the Horn mountain, now in sight, which is the country of the Beaver Indians; and that he and his relations frequently meet on that river. He also added, that there were very extensive plains on both sides of it, which abound in buffaloes and moose deer.'

BEAVER RIVER.

R. G. McConnell (Geol. Survey Rep. 1887-88) says that from Fort Providence southwest along Beaver river to Lake Bis-tcho is a desolate looking plain scantily covered with spruce and tamarack. Lake Bis-tcho is surrounded by a flat country, wooded with spruce, birch and tamarack of fair size.

FORT SIMPSON.

James Anderson of Winnipeg left Fort Simpson in 1852 when eleven years old (Senate Report 1888). He says 'Round Fort Simpson itself, I remember the timber there was very large. It was fir, poplar and birch.' He calls the fir hemlock but no doubt means the spruce. Poplar and birch he says were the other varieties. He says that the fir was a very large kind. The men used to square the timber to about one foot square, for building their houses and the Fort itself was built of squared timber. He says the way he remembers the birch was, it was used to much in the making of snow-shoes and other things.

Mr. Stewart (1906) says there is a small sized saw-mill at Fort Simpson, not now running, in which lumber 12 inches in width was cut and used in buildings at this post. 'One cannot but be struck,' he says, 'with the vast quantity of spruce along the route traversed, (from Fort Providence to Fort Simpson) which is a little under size for lumber but would make excellent pulpwood.'

Before describing the timber of the Mackenzie Basin from the Great Slave river down, we will describe the valley of the Liard river.

LIARD RIVER.

The Liard river enters the Mackenzie river at Fort Simpson, just south of latitude 62°, coming in from the south-west. It and the Slave river have undoubtedly the best timber in the northwest.

NELSON RIVER.

A branch of the Liard extends away south and is called the Nelson. Wm. Ogilvie explored this whole region across to the Peace, coming out at Fort St. John. Across the height of land the timber is very poor.

APPENDIX No. 2

On the Nelson above the forks where the Sicannie chief branch flows in, it is heavily timbered. Mr. Ogilvie passed many extensive flats covered with beautiful spruce trees. The valley is quite wide and clothed with fine timber for a distance above the forks of about thirty miles.

Farther down above Fort Nelson there are many extensive areas of open woods which almost might be classed as prairie, no doubt the result of forest fires.

FORT NELSON.

Of Fort Nelson he says it is surrounded by dense, high forest, and as the clearing around it is only a few acres in extent, much of the sun's warmth is lost during the day. The surface is all heavily wooded and there are many very large trees both spruce and balsam poplar. He selected an average sized balsam poplar at Fort Nelson, cut it down and made the following measurements of it:—diameter at stump, exclusive of bark, 29 inches; at first limb, exclusive of bark, $17\frac{1}{2}$ inches; stump to first limb 90 feet; number of growing rings 145. The bark would add at least 4 inches to the diameter.

WRIGLEY.

The country about Wrigley he says is wooded. He noticed a spruce log near the post that was 20 inches in diameter.

Entering the valley of the Liard from the Mackenzie he says there is a good deal of fine large spruce, which would make better lumber than most of the spruce used in the settled part of the territories, but, as it is the Arctic water system it is practically out of reach. The balsam poplar, or as it is called here, cottonwood, is very plentiful and very large, trees nearly 4 feet in diameter being often seen, though between 2 or 3 feet is the average diameter of the trees. These two trees constitute the great mass of the forest. A few small white birches are occasionally seen and more frequently the aspen or poplar. There are also, sometimes, a few balsam pines on the top of sandy knolls.

A man who had explored the Liard told Mr. Stewart that he had never seen finer saw-log timber anywhere. He also said that good birch was found there which is highly prized by the Indians for bark for their canoes.

R. G. McConnell (Geol. Survey Rep., 1888-89), says that below Fort Liard the river is bordered in many places with wide alluvial flats, covered with tall straight cottonwood, and large spruce and canoe birch.

MACKENZIE BASIN.

MACKENZIE BASIN.

We have now come almost to the Arctic regions. Although, except in small quantities, the forests of the lower Mackenzie are not of great value commercially it is interesting to follow up what the explorers and others testify as to the remarkable height and diameter some of the trees attain, considering the extreme northern latitude in which they are found. On the Mackenzie itself the forest continues to within a comparatively short distance from the Arctic Ocean. The following extracts are from Sir John Richardson's travels in 1848:—

FOREST FIRES IN THE FAR NORTH.

'The agency of man is working a change in the aspect of the forest even in the thinly peopled north. The woods are wasted by extensive fires, kindled accidentally or intentionally, which spread with rapidity over a wide extent of country, and continue to burn until they are extinguished by heavy rains. These conflagrations

consume even the soil of the drier tracts, and the bare and whitened rocks testify for centuries to the havoc that has been made. A new growth of timber, however, sooner or later springs up; and the soil, when not wholly consumed, being saturated with alkali, gives birth to a thicket of aspen instead of the aboriginal spruce.

REMARKABLE SIZE OF THE FOREST.

The frozen sub-soil of the northern portions of the woodland country does not prevent the timber from attaining a good size, for the roots of the white spruce spread over the icy substratum as they would over smooth rock. As may be expected, however, the growth of trees is slow in the high latitudes. On the borders of Great Bear lake, 400 years are required to bring the stem of the white spruce to the thickness of a man's waist. When the tree is exposed to high winds, the fibres of the wood are spirally twisted; but in sheltered places, or in the midst of the forest, the grain is straight and the wood splits freely.

As has been already said, the general aspect of the forest does not alter in the descent of the Mackenzie. The white spruce continues to be the chief tree. In this quarter (speaking generally), it attains a girth of 4 or 5 feet, and a height of about 60 in a growth of from two to three hundred years, as shown by the annual layers of wood. One tree, cut down in a sheltered valley near Clark's Hill, south of Great Bear river, measured the unusual length of one hundred and twenty-two feet, but was comparatively slender. Most of the timber is twisted, particularly where the trees grow in exposed situations. The banksian pine was not traced to the north of Great Bear Lake river; but the black spruce, in a stunted form, is found on the borders of swamps as far as the woods extend.

GENERAL REMARKS.

MACKENZIE BASIN.

Mr. Stewart explained that spruce suitable for commercial purposes grows to the Arctic sea. He was astonished to find that the limit of tree growth extended as far north as it does. He thought it extended probably ten degrees, or nearly seven hundred miles farther north in this district than in Labrador. The different kinds of trees that we have in the Mackenzie basin include white spruce, black spruce, the larch or tamarack which is found as far north as the spruce, the jackpine and the balsam. Mr. Stewart did not see any balsam in the Arctic circle; but aspen, white poplar, balm of Gilead and birch are all found down as far as Fort Macpherson near the delta of the Mackenzie.

Mr. McConnell (Senate Report, 1888), says that you get jackpine in places as far north as Fort Good Hope. Although not growing very large some of the trees would be big enough for railway ties. He explained that the country is not forest continually like it is here (Ontario), but most of the country is open wood. Nearly all the muskegs and around the muskegs are covered with black spruce. Mr. McConnell agrees with other travellers of this region in saying that very little change in the character of the forest was observed in descending the Mackenzie, and with the exception of the banksian pine, which disappears south of Bear river, the same species as previously noticed by Richardson, are found from Great Slave lake to the mouth of Peel river.

HARDNESS OF THE WOOD IN THE NORTH.

Malcolm McLeod (Senate Report, 1888) says: 'As to the wood of that far north I would observe that it is remarkably hard. I have a pair of snow shoes of peculiar

APPENDIX No. 2

shape, made right and left of birch for frame, like iron in texture, and though perhaps about a hundred years old perfectly sound.'

FORT GOOD HOPE.

Mr. Stewart says that on an island near Fort Good Hope very good spruce timber is cut into lumber by whip-saws.

BELOW FORT GOOD HOPE.

Below this the timber seems to get poorer, although it improves again farther north. Mr. Stewart says that below Fort Good Hope the timber is smaller although some of it has been made into flooring and lumber is made from the timber there. There is a large supply of spruce suitable for pulp.

NORTHEAST OF FORT GOOD HOPE.

Northeast of Fort Good Hope, through a chain of lakes to the headwaters of the Iroquois river, R. MacFarlane (Canadian Record of Science, vol. IV.) says that the country appeared to be well timbered in every direction with pines, juniper, several species of willow, and a few small groves of poplar and birch.

OLD FORT GOOD HOPE.

Mr. McConnell (Geol. Rep., 1887-88) says that along this part of the Mackenzie below Fort Good Hope the banks are low, the bordering plains are covered with a scattered growth of willow, spruce and tamarack, with here and there patches of aspen on the drier ridges. The spruce along part of this reach presents a remarkably stunted and dwarfish appearance, but this is due more to the marshy character of the ground than to climatic severity, as the same tree, straight and well grown, was found much farther north. At old Fort Good Hope, where the river takes a sharp turn to the west-southwest, he says groves of white spruce were seen along this reach, containing trees measuring over 15 inches in diameter, but the average did not exceed 6 inches.

POINT SEPARATION.

At Point Separation, which lies between the junction of the Mackenzie and Peel rivers, and where Franklin and Richardson were camped, are two spruce trees, says Mr. Stewart, which were marked as lobstersticks at the time of their separation and in commemoration of that event. 'Both are still standing (1906), though one of them is dead. Judging from their appearance at a distance I would say that they are about 16 inches in diameter and 70 feet in height, and this nearly one hundred miles beyond the Arctic Circle. I have been very much interested in the tenacity of life shown in the growth of trees under the adverse conditions prevailing in this north country. Since crossing the Arctic Circle we have seen no vegetation but trees such as the spruce, birch, tamarack and willow are seen all the way.'

PEEL RIVER.

As they rounded Point Separation and ascended Peel river he says spruce lined the banks.

FORT MACPHERSON.

It attains a size of 12 to 16 inches and is used at Fort Macpherson not only for their log buildings, but it is also whip-sawed into lumber for general use, and the birch bark here is used by the Indians for their canoes. For a distance of a few miles

from the Peel the country is partially wooded with spruce, birch, balsam-poplar and willow, but after this the only timber is that found skirting the shores of the small streams on the way.

BELL RIVER.

A fringe of timber, mostly small spruce, lines the banks of the Bell, but apparently does not extend far back.

DELTA OF THE MACKENZIE.

Returning north again to the delta of the Mackenzie, Mr. McConnell (Senate Report, 1888) describes the spruce he saw as over two feet through. Sir John Richardson descended the delta to the ocean in 1848 and the following is his account of the timber:—

SIR JOHN RICHARDSON, 1848.

THE DELTA.

'Most of the islands constituting the delta of the Mackenzie are alluvial and many of the smaller ones are merely a ring of white spruce trees and willows on a sand or mud bank. Twenty-two miles below Point Separation the banks of the river and the numerous islands are well wooded. The balsam poplars rise to the height of 20 feet and the white spruce to 40 or 50 feet.

At the creek, which bounds Harrison island on the north, the valleys and borders of the river are well wooded, but the summits of the eminence present only scattered spruce firs, with stunted tips and widely spreading depressed lower branches. The canoe-birch is frequent, and the trees we measured were about 5 inches in diameter. The balsam poplar grows to the height of twenty feet. In latitude 68° 55' north the trees disappeared so suddenly that I could not but attribute their cessation to the influence of the sea-air. Beyond this line a few stunted spruces only were seen struggling for existence and some scrubby canoe-birches clinging to the bases of the hills.'

GREAT BEAR LAKE.

To the southeast of the region just described lies the Great Bear lake which empties into the Mackenzie river through the Great Bear river. The latter is described by J. M. Bell—Geological Survey Report 1904:—

GREAT BEAR RIVER.

'The clear waters of the Great Bear river join the Mackenzie through a deep wooded valley. For the first forty miles the banks are well wooded with white spruce, canoe birch, aspen and balsam poplar.

MOUNT CHARLES.

Mount Charles rises to a height of 1,500 feet on the left side of the river. In climbing the hill I was surprised at the size of the trees around its lower slope. White spruce of about 20 inches diameter were quite common as well as fine specimens of canoe-birch, balsam poplar and aspen.

At the lake the country is quite destitute of trees, as they have all been used for fuel by the Indians.'

APPENDIX No. 2

AGE OF TREES

As was formerly stated, Sir John Richardson says that around Great Bear lake 400 years are required to bring the stem of the white spruce to the thickness of a man's waist, and in some places where the tree is exposed to the high winds the fibres of the wood are spirally twisted.

KEITH BAY.

Between Keith bay and Smith bay J. M. Bell found a small lake well wooded with white spruce, willows and alders but none of them of great size. Here he saw the most northern specimen of white birch. The surrounding country was wooded in the valleys.

NORTHERN SHORE.

The whole northern shore of the lake he found to be particularly dreary and barren.

LIMESTONE POINT.

It was, he says, a pleasing change from the cheerless, gravelly, treeless shores, to reach Limestone Point thirty miles west of Fort Confidence, with its pronounced shoreline and white spruce in the bay.

FORT CONFIDENCE.

In a letter of Thomas Simpson to his father (says Malcolm McLeod, Senate Report 1888), he says that the wood at Fort Confidence had been found suitable for house and boat building. Dr. Bell says that the location of Fort Confidence was one of the few well wooded spots in Great Bear lake and the trees are fine specimens worthy of a more southern latitude.

DEASE RIVER.

Sir John Richardson in 1826 says that there were pine trees in clumps in the Dease river and the valley to the north was well wooded.

EAST SHORE.

West of Fort Confidence along the coast of Dease bay for some distance the deep bays are well wooded, but towards Cape McDonnell the land gets barren and continues so till the coast turns east again when the trees improve.

TAKAATCHO RIVER.

'Some forty-five miles east of Cape McDonnell,' says Dr. Bell, 'a good sized river enters, probably the Takaatcho. Near its mouth,' he says, 'we found great quantities of driftwood among which were some good sized trunks. I was rather surprised to see these, but learned afterwards that in the interior the valley of this river is well wooded.'

MACTAVISH BAY.

'All the eastern shore of MacTavish bay is wooded. In the valleys in the interior and around the bays and sheltered channels this timber may be of economic importance. White spruce is the prevailing forest tree, although canoe-birch is found as far north as Eda Travers bay and is sufficiently large in Klarondesk bay to permit of its bark being used for making canoes. Tamarack and both balsam poplar and aspen abound in Klarondesk bay, although not of any great size.'

CAMSELL RIVER

South of this, the eastern part of the lake, Dr. Bell describes the Camsell river and chain of lakes as all well wooded. At Lake Ray, banksian pine was noticed for the first time.

RIVERS OF ARCTIC BASIN.

There remains only to be described the rivers running into the Arctic Ocean. The first river of importance met with east of the Mackenzie is the Anderson river.

ANDERSON RIVER.

Mr. R. MacFarlane, chief factor Hudson's Bay company, was sent in 1857, by James Anderson to explore the Anderson river. The report of his trip was published in the 'Canadian Record of Science,' vol. iv.

CANOE LAKE.

At Canoe lake, the headwaters of the Iroquois river, he says the country is tolerably wooded in its vicinity. The banks of the Iroquois seem to be all wooded as he found the navigation impeded by immense quantities of driftwood and he says the ridges on both sides were well covered with pine and willow.

LOCKHART RIVER.

The country along the Lockhart river below the Iroquois he found better timbered.

On the banks of the Anderson below the Lockhart he found timber of medium size gradually disappearing as he went north.

ANDERSON RIVER.

On his return trip he proceeded up the Anderson from the Lockhart and found the banks well wooded. Further on near a succession of rapids he found the banks tolerably wooded. He says, 'The country along the Anderson was latterly very well wooded, and some goodly pines were seen. The tract of country embraced by a line drawn west from the borders of the woods on the Anderson to the Mackenzie, southward to the Peau de Lievre river (Hare Indian river), at Good Hope, is very well timbered.'

ROSS RIVER.

The banks of Ross river he says are partially timbered.

A chain of well wooded hills he says encircle Colville lake or more probably the large lake west of the lake marked Colville. The banks of Simpson lake he says are well timbered.

From here southwest towards the Hare Indian river he found the country well wooded. He says 'the timber consists of pine, juniper, fir, willow, and a few groves of poplar and birch. Some of the pines were of a large size. The belt of timber which at Fort Anderson extends for over thirty miles to the eastward, rapidly narrows and becomes a mere fringe along the Anderson river and disappears to the northward of the 69th parallel of latitude.'

APPENDIX No. 2

MACFARLANE RIVER.

Running parallel with the Anderson river is the MacFarlane or Wilmot Horton river. Mr. MacFarlane says that one or two intersecting affluents of the Wilmot Horton or MacFarlane river flow through valleys in which a few stunted spruce, birch and willows appear at intervals. On the banks of one of these, near its mouth, he observed a sheltered grove of spruce and willows of larger growth. They met with no more spruce to the eastward.

COPPERMINE RIVER.

Sir John Franklin (first journey, 1819-22), reached the upper part of the Coppermine river at Point lake. He found the 'valleys on its borders interspersed with clusters of spruce trees. On the borders of such of these lakes as communicate with the Coppermine river, there are a few groves of spruce trees, generally growing on accumulations of sand.'

RED ROCK LAKE.

Red Rock lake is in general narrow, its shelving banks are well clothed with wood, and even the hills, which attain an elevation of four hundred or five hundred feet, are ornamented half way up with stunted pines.

ROCK-NEST LAKE.

Rock-Nest lake (just north of the Red Rock lake). 'The only wood is the pine, which is twenty or thirty feet high, and about one foot in diameter.

FAIRY LAKE.

At Fairy lake the river flows between banks of sand thinly wooded, and as we advanced the barren hills approached the water's edge.

West of that part of the Coppermine river which is nearest to Great Bear lake Sir John Richardson in 1826 said that they met with wooded valleys and saw much wood in the valleys far to the west. From the height of land between Coppermine river and Great Bear lake they had an extensive view of a lower and well wooded country.

KENDALL RIVER.

In 1848 he writes of the same locality: 'At two we came to another branch of the Kendall, which runs through a ravine of red and spotted sandstone, under whose shelter there grew a remarkably fine grove of white spruces. The best grown tree measured 63 inches in circumference and did not taper perceptibly for twenty feet from its root. Its total height was from 40 to 50 feet. Other trees of equal girth tapered more, and one decayed trunk, which lay on the ground, looked to be considerably thicker.'

BLOODY FALLS.

Of the country above Bloody falls, on the Coppermine, he writes: 'In the existence of many scattered stumps of decayed spruce fir trees, and the total absence of young plants, one might be led to infer that of late years the climate has deteriorated and that the country was no longer capable of supporting trees so near the sea coast as it had formerly done. The largest tree in the clump in which we bivouacked had a circumference of 37 inches at the height of 4 feet from the ground. Its annual layers were very numerous and fine and indicated centuries of growth, but I was unable to reckon them.'

Samuel Hearne, the first white man to reach the Coppermine, says in the year 1771: 'Near the water's edge there is some wood, but not one tree grows on or near the top of the hills between which the river runs. There appears to have been formerly much greater quantity than there is at present; but the trees seem to have been set on fire some years ago and, in consequence, there are at present ten stick:lyi g on the ground for one green one which is growing beside them. The whole timber appears to have been even in its greatest prosperity of so crooked and dwarfed a growth as to render it of little use for any purpose but firewood.'

In another place he writes: 'The woods grow gradually thinner and smaller as you approach the sea, and the last little tuft of pines that I saw is about thirty miles from the mouth of the river, so that we meet with nothing between that spot and the seaside but barren hills and marshes.'

This ends the report as far as the wooded areas of the north are concerned. Even in the barren lands, however, isolated wooded areas are found, one of the most remarkable instances of which is the Ark-i-link river described in David T. Hanbury's book and which river is now called after Mr. Hanbury. The following is the account:—

HANBURY RIVER.

'The peculiarity of the Ark-i-link is that though so far north it is wooded on either bank, and in places one might say heavily timbered, spruce trees, with butts measuring $1\frac{1}{2}$ to 2 feet across, being by no means uncommon. It is a long way north of the limit of trees marked on the maps, and there is a large extent of country to the south of it destitute of trees.'

After a short walk on either side of the river one reaches the outer edge of the bush.

Having read over the preceding transcript of my evidence, I certify it correct.

R. E. YOUNG,
Superintendent of Railway Lands.

PROGRESS WITH AGRICULTURAL EXPERIMENTS.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

WEDNESDAY, April 1, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 a.m., Mr. McKenzie, Chairman, presiding.

The CHAIRMAN.—Dr. William Saunders, C.M.G., Director of Experimental Farms, is present and will address the Committee to-day. He will deal with a good many subjects, and I am sure that his remarks will, as usual, prove very interesting. The Committee is always pleased to listen to an address from Dr. Saunders, and I have now much pleasure in introducing him to you.

Dr. SAUNDERS.—It affords me much pleasure to respond to the invitation to address you and to lay before you some facts which have come under my notice in connection with the growing of crops in different parts of the Dominion.

The season of 1907 was one of unusual character, and the remarkable weather which prevailed all over the Dominion was the subject of much comment.

At the Central Experimental Farm at Ottawa, owing to the unusually wet and late spring, most crops were later sown than usual, all sorts of grain being from a week to ten days beyond the usual period. Further, after seeding had begun it was interrupted by unfavourable weather which delayed the completion of this important work. Sowings of barley were made at Ottawa on April 27 and 28, the sowing of wheat began on April 29, and oats on May 2 and 3.

ONTARIO.

The crops throughout the province of Ontario have, on the whole, been disappointing. The spring season generally was late and cool, and during the latter part of the growing period the weather was unusually dry; and while the wheat crop was nearly an average one, oats—the most important of the grain crops grown in this province—were very poor both as to yield and quality; and while the area in oats in Ontario was 200,000 acres more than in 1906, the crop was nearly 25 million bushels less. The straw also was shorter than usual. Hay and clover showed a decrease of nearly 800,000 tons. With the partial drying up of the pastures the yield of milk fell off and the exports of dairy products were lessened to the extent of about five million dollars.

QUEBEC.

The farmers in Quebec suffered from similar troubles. The yield of hay was very variable and on the whole unsatisfactory. The falling off in butter was very considerable both in Quebec and Ontario. Fortunately for the farmers, the prices of everything they had to sell were unusually high, and this has helped to make up for the short crops.

NOVA SCOTIA.

At Nappan, in Nova Scotia, the cold and wet weather at seeding time was more pronounced, and the earliest sowing of grain was on May 20. In many parts of the maritime provinces grain was not sown until early in June, and in consequence of frequent wet weather later in the season much of the hay crop suffered serious injury.

Nevertheless, the grain crops generally turned out fairly well, and the Nova Scotia apple crop was remarkably good, being estimated at two million dollars.

MANITOBA.

In Manitoba, spring work was also delayed by much cold and wet weather. At the Brandon Experimental Farm the first spring wheat was not sown until May 9, which was more than two weeks later than usual. Oats were not sown until May 20, and barley May 27.

SASKATCHEWAN.

At Indian Head, Saskatchewan, the first wheat sown was on May 6, the sowing of oats began on May 14, and that of barley a day or two later. On this farm the average date for the sowing of wheat for the past five years has been April 17. Thus in 1907 there was a loss of about three weeks in the early part of the growing period.

ALBERTA.

At Lacombe, in Northern Alberta, seeding began a little earlier. Wheat was sown on May 1, and oats and barley from May 4 to 10. Notwithstanding that the crops in this district had a little earlier start, the summer season was very short, and early frosts occurred before the grain was ripe which injured all the varieties of wheat, also many sorts of oats and barley, so much as to considerably lessen their weight per bushel and lowered their vitality so as to render them unsuitable for seed.

BRITISH COLUMBIA.

At Agassiz, in British Columbia, where grain is usually sown early, the first grain, owing to the prevalence of cold and wet weather, was not put in until April 18.

One of the most striking features connected with the weather in Canada, east of the Rocky mountains, was the unusual prevalence of cold and wet and the slow growth of the crops. Indeed at one time during the latter part of the growing season the temperature averaged so low that growth for a time almost ceased, and for a period of two to three weeks, when the grain is usually filling rapidly, there was scarcely any advancement perceptible towards maturity. It is said that below 42 F. wheat ceases to grow, and there must have been considerable periods during the months of August and September, 1907, when this low temperature was approached.

Nevertheless, the returns in many instances were encouraging. On the experimental plots at Ottawa, spring wheat gave an average of 31 bushels 39 pounds per acre, oats 76 bushels 5 pounds, and barley 38 bushels 20 pounds.

At Nappan, N.S., the plots of spring wheat gave 28 bushels 26 pounds per acre, oats 68 bushels 16 pounds, and barley 35 bushels.

At Brandon the varieties of wheat averaged 38 bushels 8 pounds per acre, barley 63 bushels 32 pounds, while the varieties of oats gave the extraordinary average crop of 114 bushels 24 pounds per acre.

At Indian Head, where in past years the wheat crops have been unusually heavy, the crops have this year been light. In 1906 the average yield of the wheat plots was 42 bushels 4 pounds per acre. In 1907 the average yield was 19 bushels 7 pounds, and all the varieties were more or less injured by frost. Barley and oats gave excellent returns, the barley averaging 57 bushels and the oats 110 bushels 20 pounds per acre.

At Lacombe, Alberta, the frost came earlier than at Indian Head, and injured all varieties more or less, and the later sorts were very deficient in weight and low in vitality. Nevertheless the fourteen varieties of spring wheat under trial gave an average of 21 bushels 51 pounds per acre, oats 86 bushels 31 pounds; the fifteen varieties of six-rowed barley gave 57 bushels 26 pounds per acre.

APPENDIX No. 2

The relative showing made by the earlier ripening spring wheat, as compared with the later sorts, is very remarkable, and emphasizes the value of these earlier maturing varieties, especially in an unfavourable season or in those districts subject to frost. At Lacombe the following results were obtained.

Wheat.	Yield per Acre.		Weight per Bushel.	Percentage of Germination.
	Bush.	Lbs.	Lbs.	
Late Ripening Sorts—				
Red Fife.....	9	..	38½	9
White Fife.....	13	..	37½	9
Earlier Sorts—				
Preston.....	29	..	49	65
Percy.....	34	..	52	67
Stanley.....	31	..	47	50
Huron.....	17	30	47	87

Showing that although these earlier varieties did not ripen early enough to escape injury from frost, they had made a long step towards getting ripe, as was shown in weight per bushel of the sample as harvested and the percentage of germination.

At Indian Head where the injury from frost was not so great these same varieties stood as follows:—

Wheat.	Yield per Acre.		Weight per Bushel.	Percentage of Germination.
	Bush.	Lbs.	Lbs.	
Red Fife.....	12	..	.....	.....
White Fife.....	17	20	49½	87
Preston.....	23	20	51½	96
Percy.....	21	40	52½	93
Stanley.....	19	40	51	90
Huron.....	21	..	51½	91

These figures show a great advancement of the earlier varieties over the later ones. These wheats were all sown at Indian Head on May 6, and at Lacombe on May 1 in plots alongside of each other and under the same conditions, so that there is every reason to believe that the differences shown in crop, weight per bushel and percentage of germination in favour of the early sorts are entirely due to their early ripening habits. Similar differences are also shown in the field crops. At Indian Head a field of Red Fife gave grain which weighed 54 pounds per bushel and 67 per cent germinated, while an adjoining field of Preston gave grain which weighed 62 pounds per bushel and 95 per cent of it germinated.

I have some samples here of these wheats as grown at Brandon. There is a sample of Preston (producing sample), and here is a sample of Red Fife (producing sample). There is one thing I would like to call the attention of the committee to and that is the variation which occurred in different parts of Manitoba, Saskatchewan and Alberta in the kind of weather experienced, so that here and there you find a farmer who has had a very good crop, while his neighbour within a few miles of him

had suffered from frost. I have a sample of Preston wheat which was sent to me by Mr. F. B. Johnson. His farm is near Moosejaw, Lytham Farm, he calls it. This wheat weighs 62½ pounds per bushel. While some parts of that district were considerably affected by frost, his grain seems to have escaped frost entirely.

While I am on this subject of the early ripening of wheat, let me state that I have brought with me a few circulars, prepared by our Cerealist, which were issued yesterday, in which the subject of the value of these wheats and their comparison with Red Fife is discussed. I shall be very glad to leave copies of this circular for the use of members of the committee.

You have probably noticed in the agricultural journals very great differences of opinion about these wheats. Some people are rather too extravagant in their praise, others are too extravagant in running them down, and occasionally both sides leave the truth away in the background. What we aim to do in this circular is to present to the farmers of the western country the facts in regard to these wheats, showing their relative advantages, so that they may be able to bring their own judgment to bear on this subject, and decide for themselves as to what sorts they will grow.

As showing that oats and barley are capable of resisting the injurious effects of frost much more successfully than wheat, the following figures are given of the crops at Indian Head:—

Oats.	Yield per Acre.		Weight per Bushel.	Percentage of Germination.
	Bush.	Lbs.	Lbs.	
Banner	122	32	39	88
Danish Island	123	8	40	73
Improved Ligowo.....	122	2	39½	93
Swedish Select.....	127	22	39½	90

I have a sample of Ligowo oats here. It was not produced at Indian Head but at Peace River, and I will refer to it later.

Barley—Six-rowed.	Yield per acre.		Weight per Bushel.	Percentage of Germination.
	Bush.	Lbs.	Lbs.	
Claude	65	30	50	99
Mensury.....	61	2	49½	97

Showing that these two varieties of barley which are among the common sorts grown in the northwest had a germination nearly perfect, while the oats ran from 73 to 90 per cent. The wheat suffered still more, thus indicating that of these three important varieties of grain, the barley is the least affected by frost, the oats rank second, and the wheats are the most easily injured of all.

APPENDIX No. 2

In the case of two-rowed barley the results were as follows:—

Barley—Two-rowed.	Yield per Acre.		Weight per Bushel.	Percentage of Germination.
	Bush.	Lbs.	Lbs.	
Invincible.....	54	28	49½	84
Danish Chevalier.....	58	16	47	68

At Lacombe the results obtained at the experimental farm with the same varieties will confirm this idea. The crops there were lower, the weight per bushel was lower and the percentage of germination considerably lower. This was due to the fact of frost being more severe there and coming somewhat earlier.

RESULTS AT LACOMBE, ALBERTA.

Oats.	Yield per Acre.		Weight per Bushel.	Percentage of Germination.
	Bush.	Lbs.	Lbs.	
Banner.....	92	22	35	40
Danish Island.....	107	22	30	53
Improved Ligowo.....	83	28	32	64
White Giant.....	95	10	32½	58
Barley—Six-rowed.				
Claude.....	60	..	42	95
Mensury.....	72	24	44	96
Barley—Two-rowed.				
Invincible...	37	24	42½	72
Danish Chevalier.....	32	24	42	82

These figures further confirm the opinion that frost inflicts its greatest injury on wheat.

With regard to Indian Head the frost did not this year come any earlier than usual, but the seeding was very late and the growing period unusually cool and wet. To show that the frost did not come earlier than usual, the following dates of the occurrence of the first injurious frost for the past six years are given:—

1902.....	September 12
1903.....	“ 5
1904.....	“ 10
1905.....	“ 12
1906.....	“ 11
1907.....	“ 12

These figures show how very regular frost is in its appearance in that part of the country, and, as a rule, frost, when deferred to nearly the middle of September, should give ample time, and would have given last year ample time, for the full ripening of the crop, but for the unfortunate occurrence of so much wet and cold

weather at the beginning of the season and extending more or less all the way through it

MANITOBA.

In the southern part of that province drought lessened the yield of wheat considerably. Nevertheless, the total yield of wheat in the whole province was nearly forty million bushels—it was between thirty-nine and forty million bushels—with an average of 14.22 bushels per acre.

Oats gave a total return of over forty-two million bushels, with an average yield of 34.8 bushels per acre.

Barley gave a total yield of over sixteen and a half million bushels, with an average of 25.7 bushels per acre.

Potatoes gave a good yield, over five million bushels in all from a little over 32,000 acres of land, an average of 157 bushels per acre.

Flax is fast becoming a more important crop. It occupies about 26,000 acres, giving 317,347 bushels, an average of 12.25 bushels per acre.

Saskatchewan will probably soon overtake Manitoba in wheat production. In 1907 the total crop was 27,691,601 bushels, with an average yield of 14.04 bushels per acre.

In oats the crop of Saskatchewan for 1907 was 23,324,903 bushels.

In barley the crop was 1,350,265 bushels.

With the large influx of population and the rapidly increasing acreage under cultivation, the output of grain from that province must shortly be very large.

The figures for Alberta are not yet available. Those for Saskatchewan have only been out two or three days, and the returns for Manitoba about two weeks. The general impression in regard to the crops of Alberta is that this province will no doubt show a considerable increase in winter wheat, also a marked increase in spring crops, but the exact figures cannot be given until the returns of the provincial government are published.

The total production of grains for the three northwest provinces has been estimated as follows:—

	Bushels.
Wheat.	70,000,000
Oats.	75,000,000
Barley.	15,000,000
	<hr/>
Total.	160,000,000

FEEDING OF PIGS ON FROZEN WHEAT.

In the Reports of the Experimental Farms for 1892 and 1893 Professor Jas. W. Robertson, who was then Agriculturist of the Central Experimental Farm, published the results of some tests carried on at the farm in the feeding of frozen wheat to swine to determine its value as a ration. I might say that the quantity of frozen wheat in the Northwest this year will probably be between twenty and thirty million bushels, a very large quantity of material which is exceedingly valuable for feed and the use of this grain for feeding purposes to swine can be made to return to the farmer a very good price, indeed, for the grain. It was found at the time when the experiments referred to were carried on in 1892 and 1893, that when frozen wheat, ground and soaked for 12 hours, was fed to pigs varying in weight from 60 to 100 pounds, that they put on flesh at the rate of about 1 pound for each 4 pounds of the frozen wheat consumed, which is about 15 pounds live weight for each bushel of wheat fed. It was also found that when skimmed milk was added to the ration, the quantity of grain required to produce each pound of gain was reduced; 7.91 pounds of skimmed milk being found equal to 1 pound of the frozen wheat.

APPENDIX No. 2

Since that time there has been no particular reason for repeating these experiments as there have not been since then till now any large quantities of frozen wheat seeking a market.

By Mr. Owen:

Q. In these experiments were the pigs allowed to run at large or were they penned up?

A. They were penned up at that time, also on the occasion of the recent experiments. Occasionally a late sown or a late maturing variety of wheat has been caught by frost and injured more or less, but no large quantity of injured wheat has at any time been thrown upon the market. During the 19 years which have elapsed since the establishment of the Experimental Farm at Indian Head no general injury such as that which occurred in 1907 has ever been experienced, and for the past 12 years the grain crops have been almost uniformly good, the highest yielding plots of wheat having averaged over 46 bushels per acre for the whole period.

Now, with so large a part of the crop of 1907 injured, the demand for information has been great as to the value of frozen wheat as a ration for feeding swine and steers. Early in the winter, as soon as a supply could be obtained, a carload of frozen wheat was brought down from Indian Head, one-half of which was No. 1 feed and the other half No. 2 feed—these are samples, Mr. Chairman, of the two qualities of frozen wheat (producing samples)—when a number of experiments were planned and put in operation with swine, steers and poultry. The experiments with swine which were carried on for about ten weeks are now completed and the results were written up by the Agriculturist several days ago and given to the press. The frozen wheat of both grades has been fed to some pens of swine without any admixture, to others with skimmed milk, and in other cases mixed with various other feeds such as oats, barley, corn and shorts. Where these mixtures have been used they have been made with two parts of frozen wheat and one part of the other variety of grain. The results are interesting and show good returns from the frozen grain used alone, also when mixed. The average return will bring the results up to about the same figures as those given for the experiments which were conducted in 1892. A bushel of the grain was sufficient to produce on the average about 15 lbs. live weight of pork. As pork commands a good price in different parts of the Northwest, one can easily see that this may be made a good outlet for quite a large part of this material. I might also say that it was a decidedly economical sort of grain to feed. No. 1 feed wheat cost 41½ cents per bushel at Indian Head. It was laid down here for \$1.06 per 100 lbs., or \$21.20 per ton. The No. 2 feed wheat cost 36½ cents as against 41½ cents for the No. 1, or \$19.60 per ton delivered in Ottawa. We have not found any other grain or feed which we think is quite as economical as the frozen wheat for the production of pork, when it can be obtained at prices such as those named.

By Mr. Martin (Wellington):

Q. Have you any idea which of the grades you tested in feeding hogs were the best, No. 1 or No. 2?

A. In one of our experiments where the hogs were fed on the unmixed frozen wheat, grade No. 2 gave a little better results than grade No. 1. One could not attribute that to the wheat, however, because it would be unreasonable to suppose that grade No. 2 is of higher quality than grade No. 1. It may perhaps be due to a little difference in the digestion of the pigs. The Chemist of the Experimental Farms, Mr. Frank T. Shutt, made analyses of both these varieties, and the results show that there is very little difference between No. 1 and No. 2 in their food value.

By Mr. Telford:

Q. What is the difference between frozen wheat and unfrozen wheat?

A. The experiments conducted have not included trials with sound wheat. The object in view in these experiments was to find out the actual feeding value of frozen wheat so that a way might be suggested whereby a profitable use might be made of this material. These experiments have covered quite a large series of pens. Mr. Grisdale, our Agriculturist, will, I believe, come before you shortly, and I would prefer that he should give you all the particulars connected with his own experiments. I am merely giving you the substance of them.

By Mr. Smith (Wentworth):

Q. Do you say that one bushel of feed wheat would produce 15 lbs. of pork?

A. Yes, 15 lbs. from a bushel, that is 1 lb. for every 4 lbs. of grain. Mr. Grisdale will give you the number of pigs that were fed in the several experiments. The number varied, I think, from four to ten pigs in a pen, and he had quite a large series of experiments going on. He has also carried on experiments with steers, but they are not quite completed yet. I think this week will about finish that work, so that he will probably be able to give you the particulars when he comes before you. The experiments with steers have not, I believe, been quite so satisfactory as with the swine. It took the steers a longer time to get accustomed to the change of food, and to get their stomachs in order to digest the material so as to build up flesh rapidly.

By Mr. Owen:

Q. Where are the experiments being made, at the Experimental Farm in Ottawa?

A. Yes, at the Central Experimental Farm here, and they have been going on since sometime in December, when we got this frozen wheat delivered.

Whilst speaking on the subject of wheat, it might be well to give you the results of a recent estimate of the Hungarian government in regard to the wheat crop of the world. The estimate for 1907 was 3,200 million bushels, or about 288 million bushels less than in 1906. On account of the shortage which has prevailed in so many parts of the world it is not at all likely that wheat will drop very much in price, not at any rate until after another harvest is got in, and even then it is not likely, because the consumption of wheat is increasing throughout the world and I think there is a good prospect of the present prices being maintained.

By Mr. Owen:

Q. Was not 1906 the greatest wheat year the world has ever seen, were there not more bushels grown in 1906 than in any previous year up to that time?

A. I do not think it was in 1906, but an earlier year. There was one year I know when the quantity was unusual, but I cannot recall at the moment what year that was.

It is astonishing how many countries there are engaged in this business of growing wheat, largely for the British market, as Britain is the principal buyer. In this effort the whole world joins, so that every month in the year the harvest is going on in certain countries. In January, Australia, New Zealand and Chili. In February and March, the East Indies and Upper Egypt. In April, Lower Egypt, Syria, Cyprus, Persia, Asia Minor, India, Mexico and Cuba. In May, Algeria, Central Asia, China, Japan, Morocco, Texas and Florida. In June, Turkey, Greece, Italy and a number of other European countries and some of the Southern States in the American Union. In July, we have Roumania, Bulgaria, Austro-Hungary, South of Russia, Germany, Switzerland, France, South of England and a number of states of the American Union. In August we have our own wheat harvest, beginning in the western part of Ontario. The crops in the Northwest of Canada are largely, mostly entirely, harvested during that month. In that month also are harvested the crops of Great Britain, Denmark and North and South Dakota. In September and October, we have Scotland, Sweden, Norway and the North of Russia. In November, Peru, South Africa and

APPENDIX No. 2

Argentina, whose harvest is continued into December when we also have the harvest in Burmah. Showing that every month in the year there are conditions prevailing in the wheat market brought about by the larger or smaller quantities produced in these different countries which, as soon as they are harvested, any surplus is shipped off to those part swere the supply is needed.

By Mr. Owen:

Q. Is France an exporter of wheat?

A. France is not an exporter of wheat to any extent.

Q. A small extent?

A. To a very small extent. She also imports a certain amount. I cannot from memory give the exact figures, but she does not export wheat largely. Argentina is the greatest competitor we have at present, both for wheat and for flax seed, wheat particularly, and the quantity of wheat produced there has exceeded what has been expected. Last year the harvest was exceptionally good.

Q. The United States has about 150 millions to export, has it not, from 100 to 150 millions?

A. Probably about 100 millions. Their exports are somewhat uncertain now by reason of the increased home consumption, owing to increase in population.

Q. They estimate there that 500 million bushels are needed for home consumption. All over that amount they export?

A. I think that is probably about correct.

Q. They have an average crop of about 650 million bushels. Sometimes the crop goes over 700 million bushels and sometimes it is less than 600 million bushels?

A. Yes, their average varies considerably. For several years past the United States have not been very large exporters. Last year the amount was larger than the year before.

PROGRESS AT THE LETHBRIDGE EXPERIMENTAL FARM.

I desire to report briefly in regard to the progress made on the new experimental farms. The experimental farm at Lethbridge was established last year, and consists of about 400 acres of land, about 100 acres being capable of irrigation, while the other 300 will be especially used for dry farming. We have been working during the year, and the area broken on the farm now amounts to about 155 acres, 47 on the irrigable part and the balance on the dry portion. We have planned to surround the 400 acres with trees and there is a strip of two rods wide broken up for the tree planting around the farm inside the fence, amounting to 14 acres in all. That is included in the 155 acres of land broken. Fifty-seven acres have been sown with winter grain and this is all looking, so the superintendent reports to me, at the present time in a very healthy condition.

To get the purest Turkey wheat which could be had, 60 bushels of hand selected seed was obtained from the Kansas Agricultural College where they have paid special attention to purifying this variety of grain. Part of this was Turkey Red No. 380, and part of it is a variety known as Kharkov. I might say that this Turkey Red and Kharkov have both been tested at the Central Farm. Flour was made from them and baked into bread and they both compare favourably with Red Fife. Eight acres of each of these two varieties of wheat have been sown alongside of the same area of the best Alberta grown Turkey Red which could be found, with the object of finding out how good the grain is that is being grown there, and how it will compare with the specially selected strains which have been obtained from Kansas. Another field of 28 acres has been sown from the imported seed from which it is proposed to draw supplies for distribution among the farmers throughout that section of country who may be anxious to get purer seed than they are now sowing.

Then to obtain data as to the best time for sowing winter wheat, plots of one-eighth of an acre each were sown at the middle and end of each month from August 15 to November 30.

To gain information as to the quantity of seed which will produce the best results, eight plots of one-eighth of an acre each were sown on September 3. The sowings were from one peck per acre up to two bushels per acre. Some of the farmers growing winter wheat in that part of the country claim that a peck of seed is plenty and that it gives you a better crop than two bushels. We are testing that point by having these different quantities grown sown alongside each other under the same conditions.

Then plots of 10 different varieties of winter wheat, such as are likely to be valuable in Alberta, have been sown side by side so that their relative earliness and productiveness could be compared.

Plots have also been sown with winter barley and winter rye to find out how these varieties of grain will succeed.

In some parts of that country the question of breaking for winter wheat as compared with backsetting is also one which is very warmly discussed, and arrangements have been made to test the relative value of these two methods of preparation for crop.

There are 30 acres on the dry portion and 41 on the irrigable land which are ready for spring crops. Clover, roots, vegetables, fruits, &c., will be planted on the field which has been broken and which has been left for the spring sowings, and special attention will be paid to alfalfa as a fodder plant from which good results are expected. Some very good results have been obtained in the Morman settlement near Raymond, also on the farm which was formerly occupied by our present superintendent of the Lethbridge Experimental Farm. He did remarkably well with fields of alfalfa about four miles out of Lethbridge. I also saw some fields near Raymond, when I was there two years ago, which were doing remarkably well. I noticed in a recent newspaper paragraph that the average crop of alfalfa for Colorado is given as something over four tons per acre for the whole state, indicating that it is a very much more prolific fodder plant than anything we at present have the command of in Canada. That, of course, can only be had where the season is favourable, and where three or four crops can be cut.

By Mr. Blain:

Q. How does that compare with the Canadian average?

A. The Canadian average for ordinary hay is 1:18 tons per acre for 1907. In 1906 it was 1:53, and the average for 1882 to 1907 was 1:47 tons per acre. Alfalfa as yet is not much grown.

It is proposed on the irrigated land to make careful determinations as to the amount of water used on each crop, also as to the best time in the season to use water for the different crops. There is a great deal of difference of opinion in regard to that. I think there is no doubt that farmers in that section of the country where they have water often use more of it than is good for the crop, on the principle, probably, that if you are paying for a thing you may as well use enough of it. But it is wise to get along with as little water as they possibly can. To determine that point all the water added to the fields at Lethbridge will be measured, so that the actual quantity used can be accurately determined.

Supplies of the necessary seeds, fruits, ornamental and forest trees have been forwarded to Lethbridge. The buildings erected during the year were a dwelling for the superintendent, a cottage for the men, a barn and stable, and a tool house.

At Lacombe, which is located in Northern Alberta, about 70 miles east of Edmonton, buildings have also been erected during the past year and the crops that are being produced are reported in this bulletin, No. 58 of the Experimental Farm Series (producing bulletin). This is an annual crop bulletin and copies of it are

APPENDIX No. 2

available to applicants. Particulars of the crops grown on all the experimental farms are recorded there. At Lacombe about 125 acres are now ready for crop to be sown during the coming season. A few plots were sown with winter wheats during the autumn, but it is not expected that winter wheat will succeed very well in that district. It will, however, have a fair and thorough test. A large quantity of forest trees will be planted, also fruit trees and small fruits. There will also be ornamental planting for windbreaks and hedges. It is expected that much of such work will be done during the coming season.

By Mr. MacLaren:

Q. Are they increasing the planting of trees in Alberta and Saskatchewan?

A. Yes.

Q. Are you going ahead with that kind of work?

A. I have no figures with me to show exactly what we are doing, but I can give you a summary which will be in substance correct. I think it is ten years ago since I published in the annual report of the experimental farms an account of what we had been doing up to that time in the Northwest in the way of stimulating tree growing and trying to arouse among the people a sentiment in favour of tree planting. Up to that time there was no provision made by the Department of the Interior for forestry work, but subsequently a forestry branch was established in that department, and a considerable appropriation provided which has enabled them to carry on a very useful work, giving to every farmer who made application from 500 to 5,000 trees, enough to make a good sized windbreak such as could be seen by any one travelling through the country where these tree clumps were located. The Department of the Interior requires notice from the applicant a year before the time the trees are to be put in, so that they can in the meantime send one of their officers to inspect the ground and see if it is in proper condition for planting, and if so the following spring the trees are forwarded. This useful work has not been allowed to interfere at all with the work which we have been doing. Our work has been done on a much smaller scale, we have sent mail packages of 100 trees to each farmer and that has given him a start in tree planting. Then we have introduced among those young trees sent out the Caragana or Siberian Pea, and some other ornamental shrubs so that by this means the farmer has been able to make his home more attractive by having a few trees and shrubs about his grounds such as he probably had around his home in the east or elsewhere before going to that western country.

By Mr. MacLaren:

Q. They have had fairly good success and the trees are not dying out?

A. Most of the farmers have had very good success. At the time I last reported on it, we had supplied in all about 12,600 farmers with these trees. We had also supplied about 14,000 with packages of tree seeds, the seeds being limited to the green ash and Manitoba maple, both of which are native to the country. From these packages of seeds the farmers have generally had in two years a lot of young trees to plant about their buildings and grounds. The efforts of the Forestry Department have, of course, overshadowed our own, on account of their magnitude. Still that has not lessened our efforts and the distribution has been kept up at about the same rate as in the previous twelve years, and every year there are more applications from farmers than we can possibly supply, showing that the work is appreciated by the people and that there is ample room for both organizations to carry on the work.

By Mr. Ratz:

Q. I see that in some instances they plant a lot of the Russian willow. Does the department supply those?

A. The Russian willow?

Q. Yes?

A. We have supplied in earlier years cuttings of the Russian willow. Is it the yellow-barked willow you are speaking of, the tree with a bright yellow bark?

Q. It has a dark bark. Up there it makes a splendid windbreak and grows very rapidly?

A. There are several varieties known as Russian willows. I do not think we have distributed any dark-barked willow, but we have distributed a golden-barked species which is a very rapid grower. We have not for the last four or five years sent out any of these, our attention having been devoted more particularly to the sending out of young trees. It often happens that the farmer does not take sufficient care of cuttings, and they are not so uniformly successful as the young trees which are sent out well rooted and generally two years old.

THE DISTRIBUTION OF SAMPLES OF SEED GRAIN.

I desire also to draw your attention to the efforts we have been continuing in regard to the improvement of seed grain by the distribution of packages among farmers all over the Dominion sent through the mail for that purpose. This distribution is an annual one. The announcement regarding it is usually made about the end of November. Farmers are notified through the press that applications can be made at any time up to the 15th of February for these sample packages, but it is not practicable to receive applications as a rule after that date, because by that time we have such a large accumulation of requests, generally from fifteen to twenty thousand or more, so that it is as much as we can do to get those off through the mail before seeding time begins.

Last year in carrying that arrangement out we distributed 42,175 samples, one sample to each applicant. Hence we have sent to over 40,000 homes throughout Canada a sample of one of these useful products during the past year. We are now busy trying to catch up to the big accumulation which has come in to us before the 15th of February, 1908. About 22,000 have already been sent out and there are probably 15,000 to 20,000 more to be distributed so that we shall be very busy at this work until seeding time.

The proportion of samples of each sort of grain sent out in 1907 was as follows:—

Oats.	13,679
Barley.	4,074
Wheat.	7,769
Peas.	623
Indian corn.	1,383
Potatoes.	14,647
Total.	42,175

By Mr. Lalor:

Q. What size are the packages of grain?

A. The packages of wheat and barley each weigh five lbs., enough for a 20th acre plot. The packages of oats weigh four lbs., sufficient also for a 20th acre plot. The corn is sent in three lb. packages, and those of peas and potatoes are the same weight. Thus there are three sizes—5 lbs. for the wheat and barley, 4 lbs. for the oats, and three lbs. for the other things sent out.

By Mr. Blain:

Q. Where is this grown?

A. Most of the wheat, barley and oats are from the branch experimental farms in the Northwest. This year our supply came chiefly from Brandon because the grain at Indian Head was touched with frost. We grow some of the grain here, not

APPENDIX No. 2

very much because we have not sufficient land. Three carloads were brought this year from Brandon and that was supplemented with such material as we could grow here. Potatoes are usually all grown here.

Q. Is the wheat grown at Brandon quite suitable to send to different parts of the province of Ontario?

A. Yes. In our experience it does very well. We have not found any disadvantage from change of climate or soil. The question of the modification of these different sorts of grain by the influence of climate on the crop has perhaps less weight with the expert grain grower than it has with the farmer; and there is a growing idea among those who have experimented most that a good sound variety of plump seed will succeed in almost any district where the soil is good, and climatic conditions favourable.

Q. It is all right for the farmer in Ontario to make an interchange of wheats with his brother farmer in the province of Manitoba or elsewhere in the Dominion of Canada?

A. We have found that this can be done quite safely in our own experience

Mr. BLAIN.—That is not generally understood, I think.

By Mr. Martin (Wellington):

Q. Would the reverse be as advantageous, that is to say, the farmer taking seed from Ontario to the west?

A. That has been done repeatedly. Scarcely a farmer goes to the northwest from Ontario who does not take some seed grain with him, and I have not heard any bad results from this except when he takes soft wheats, the introduction of which is likely to lessen the value of the wheat crop generally in such locality.

By Mr. MacLaren:

Q. Have they not had great difficulty in the west with wild mustard?

A. They have had a good deal of trouble in some localities.

Q. Are they overcoming the difficulty in any way?

A. The farmers there are beginning to fight the weeds now. They realize that they have got to fight them sooner or later in a very determined way if they are going to keep up their average crops.

Q. Do you succeed in sending out pure samples?

A. We have always cleaned all the grain sent out very thoroughly so that there is no possibility of any weed seeds going out to farmers in that way.

By Mr. Lalor:

Q. Some years ago I was informed that they were using a solution for getting rid of wild mustard. Has that been applied with any success?

A. To some extent it has. Sulphate of iron and sulphate of copper are the chemicals used. These are dissolved in water, put in a spraying apparatus and driven through the fields at a time when the wheat is perhaps six to eight inches high and the mustard has grown perhaps as high as the wheat or a little higher. This solution is then sprayed over those parts of the field where the mustard is most abundant. The solution does not do the wheat any harm, but kills the mustard. It is rather a laborious undertaking and does not commend itself to many farmers. If they are advised to give their fields a sprinkling in order to kill these weeds, a few may do it, but it has not been generally practised, although the results have been well written up in the agricultural journals, reports, bulletins, &c.

By Mr. MacLaren:

Q. What have you found to be the best system for killing the mustard plant, exterminating it altogether?

A. Pulling it. That is what we have had to do on the experimental farm here. It took us nearly ten years before we got quite rid of it. Farmers visiting us can still occasionally see a mustard plant, and in season we get frequent reminders if any of these plants are to be seen in flower. They frequently tell us that was a thing they had seen before but did not expect to find it on the experimental farm. I think we are pretty well rid of mustard now, but it was a very difficult thing to eradicate.

By Mr. Telford:

Q. What is the best cure for the Ox-eye daisy?

A. That is a biennial plant, which is not very difficult to get rid of. The first year from seed it makes a good start, the next year it blooms and then the plant dies. Knowing the life history it is easy to suggest a remedy. If you plough up the fields when most of the plants are in their first year's growth you get rid of the greater part of them and prevent the seed from forming the next year. Of course, one season will not eradicate such a strong growing plant, but a good rotation of crops will kill the daisy in a very short time.

By Mr. Smith (Oxford):

Q. What about the Sow thistle?

A. That is a very difficult weed to get rid of. It is enormously abundant in different parts of Quebec and a great many parts of Ontario too. It is a perennial plant with a strong and vigorous root system, so you have to thoroughly cultivate the ground to destroy it. Fallowing and growing hoed crops which will admit of the frequent use of the cultivator will generally give satisfactory results. Corn grown in hills so that the cultivator can be used in both directions will soon clean the land. If you are thorough in your cultivation you can, with such treatment, get rid of the greater part of that weed in one year.

By Mr. Telford:

Q. In rough land where you cannot cultivate what is the best method of getting rid of the Ox-eye daisy?

A. The best way would be to cut the hay, or whatever crop you have, before the daisy gets ripe.

Q. On rocky land, fit only for pasture, is where it is worse?

A. Yes. I know it is most difficult to eradicate because the plant is a strong grower. I do not know that you could do anything on land like that where you could not cut the crop, except cut it out with a hoe.

Q. Will salt kill it?

A. No, I do not think you could use anything for the Ox-eye daisy that would not destroy the grass as well. It is one of these weeds which would require, under such conditions, a good deal of labour to exterminate it. It is important that none of the flowers should be allowed to form seed.

EXPERIMENTS IN THE PEACE RIVER COUNTRY.

I desire to say also a few words about some experiments we have been trying during the past year in the Peace River country. Last spring some arrangements were made for carrying on trial plots of different sorts of farm crops in the Peace River district at Fort Vermilion, which is about 400 miles north from Edmonton in a straight line. This is a sample of oats which was grown there in 1907 (producing sample). The man who was conducting these experiments, Mr. Fred. Lawrence, could not get up to the country in time to sow his seed early, and in the autumn the weather was cold and backward, much the same as it was in most other parts of Alberta and Saskatchewan, and the crops were caught by frost before they were fully ripe. It was

APPENDIX No. 2

a cold season to begin with, and growth was slow and there was nothing got from the grain experiments this year which was satisfactory, for the reason that the frost affected all the crops. Here is a sample of wheat (producing sample) grown in 1906, which Mr. Lawrence sent down from there. This sample weighs 64 pounds to the bushel, and the variety, I believe, is the Ladoga wheat. In many localities on the Peace river grain is grown in considerable quantities, and usually it is said to ripen well. The Hudson Bay Company have a good sized roller mill at Vermilion, and the wheat they grind is produced in that district. From this mill the company is able to furnish a good deal of flour for their northern posts. It is quite evident, therefore, that wheat is grown there, and as a rule is said to produce good crops, but last season being an exceptional one we could not expect to have any great success. Mr. Lawrence, who was in charge of the experiments, left Edmonton for Vermilion on May 1, and it was about a fortnight or three weeks after that before he could get his seed in. Therefore, it was a late sowing. He sent us a monthly record of the climatic conditions. He was furnished with meteorological instruments and we have particulars of the sunshine, the temperature and the rainfall for last summer, which are very interesting. In July the amount of sunshine was 279 hours, whereas at Ottawa we had 235 hours. In August the sunshine was 278 hours, whereas in Ottawa it was 242 hours. Similarly an increase is shown in September. The records of the sunshine show how the length of day gives the crops there a great advantage. On some of the days in the middle of summer the length of sunshine was 15 hours and over, beginning very early in the morning and extending quite late into the evening. While we do not know exactly how much advantage results from these long hours of sunshine, there is no doubt they have an important influence on the early ripening of grain, and will doubtless be of great advantage to the future of that country.

By Mr. MacLaren:

Q. Will there be a time when we can grow grain largely in that country?

A. I hardly like to venture an opinion, I know so little about it. From the information we have been able to get it is evident that there are quite large stretches in many parts of the country where wheat can be grown, but the general conditions have rather impressed me with the idea that it would perhaps be better for mixed farming than for wheat growing. I think a very large part of the country will be favourable for settlement eventually. We have this encouraging fact that wheat has been grown there weighing 64 pounds to the bushel, and if it can be grown in one locality to such advantage there seems no good reason why it cannot be grown in others. Of course, the soil varies and the conditions vary in different districts, so that one may be more favourable for the growing of wheat than another, but from what we have been able to learn there seem to be large districts all through that part of north-west Canada fairly suitable for the production of wheat. Should these wheat areas prove insufficient to admit of much export trade, still if farmers can grow their own wheat in the smaller areas that are suitable for its cultivation, and raise cattle and produce dairy products in other districts, that will be a great help in settling that territory, because the farmers will be able to grow their own food as well as feed for their cattle without sending away for it.

I have brought photographs (producing photographs) to show you how pumpkins, squash and potatoes grow in that country. These were grown at Peace River crossing, about 300 miles southwest of Vermilion.

Q. If you could guarantee the growing of such crops it would be all right?

A. Yes, as far as they go these products are all right. They were brought down by Mr. Lawrence to Edmonton, where, as they were perishable, he had them photographed.

I think this is all I had arranged to bring before you at the present time, but I shall be glad to answer any questions that any of you gentlemen may desire to put to me.

By Mr. Lalor:

Q. In connection with samples applied for, are you able to supply all the applicants as a rule?

A. All those whose applications are in by February 15. Even if not received on that date, if the post office stamp shows that the application was mailed on the 15th it goes into our list and is supplied to the applicant.

By Mr. MacLaren:

Q. Would the Peace River country make a good dairying country, have they got a good supply of water and all that sort of thing, and are the winters severe?

A. In some places the water is scarce and difficult to get, but I have not been able to learn yet what varieties of cultivated grasses they can grow there. We sent seed of some of the best varieties to be tested last year, but the grasshoppers were said to be troublesome last year, and consumed the young growth.

Q. The experiments have not gone far enough yet?

A. It will require two or three years to get things established. It is to be regretted that we know so little about that country notwithstanding the number of people who have been there. No doubt we shall have fuller information before long.

By Mr. Knowles:

Q. You have not been up there yourself, have you, doctor.

A. No, I have not. I should like to go for some reasons, but it takes nearly all the summer to get there and return, and it would be difficult for me, with so much important work on my hands, to give that much time to one section of the country.

Having read over the preceding transcript of my evidence, I certify it correct.

WM. SAUNDERS,
Director of Dominion Experimental Farms.

CHEMICAL RESEARCH IN CANADIAN AGRICULTURE.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

WEDNESDAY, March 18, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock, a.m., the Chairman, Mr. McKenzie, presiding.

The CHAIRMAN.—We have with us to-day Mr. Frank T. Shutt, M.A., Chemist of the Experimental Farms, who will address the committee on various agricultural subjects that have engaged his attention.

Mr. SHUTT.—A period of two years has elapsed since I last had the honour of addressing this Committee, during this time the work of the Chemical Division of the Experimental Farms has progressed satisfactorily. Further information of a useful character has been obtained from pursuing certain investigations of a fundamental nature and which for many years past have been studied. I refer, for instance, to the problem of the economic improvement of soils and allied questions. We have also, in addition to the continuance of these researches, taken up many new problems in connection with Canadian agriculture, affecting one or other of its special branches, e.g., fruit-growing, dairying, &c. Some of these are still in progress, while many of them have already been put before the farming public in bulletin form or in our annual report. It will be my pleasure to-day to bring before you the salient points of some of the more important of these investigations, trusting you will find the account of general interest and value.

Before entering upon this account, I should like to say a word or two regarding a branch of our work that furnishes little if any matter for our publications, but yet is one of the greatest importance and value and which is very highly appreciated by our farmers. It is one that brings the Chemical Division into direct and immediate contact with the farming community—a most desirable matter. I refer to the answering of agricultural questions received by mail and the examination of samples of soils, feeding stuffs, waters, &c., sent in by the farmers. Our correspondence constantly increases, and my own time is largely occupied in dealing with it. The demands for chemical assistance in the way of analysis are far beyond what we can keep up with, though every effort is made in this direction. The rapid settlement that has gone on lately in our northwestern provinces and British Columbia, has added largely to our work in this connection. Every day the mails bring us more work of this character. To meet in some measure this increase of analytical work, a further assistant to the chemical staff was appointed last June. This, of course, has allowed us to extend our usefulness, but I doubt if we could keep pace with the growing demands with a staff of twice its present size. My object in mentioning this is merely to show that there is a very keen and growing appreciation on the part of our people for assistance of a chemical nature, and I think this should be highly gratifying to all concerned. It indicates to me that our chemical work for the past twenty years is bearing fruit and that our people are learning the value of chemical information as applied to practical agriculture.

PROBABLE VALUE OF PEAS AS A CROP FOR THE MAINTENANCE OF SOIL FERTILITY IN THE
NORTHWEST.

It may possibly surprise many of you to hear me speak of the desirability, the necessity, of carefully studying the effect of continuous grain growing on our north-western soils. Yet, from such investigations as we have been able to carry on, and from the experience gained in other parts of the world, I am led to say that it is a subject demanding our immediate and serious consideration. It is quite true that much of the soil over the wheat growing districts of Manitoba and Saskatchewan is to-day very rich, in many cases excessively rich, inducing a growth of straw at the expense of grain if there be an abundance of moisture in the soil. Nevertheless, we have undoubted evidence of the most reliable character that a soil does deteriorate under a system that calls simply for grain growing and summer-fallow, and there are not wanting farmers in our Northwest to-day who tell us that after 20 or 25 years of such practice that the yield is falling off. But apart from such testimony we have facts as revealed by chemical analysis and which cannot be gainsaid, that soils under such a system of farming are losing considerable amounts of humus and nitrogen in addition to the plant food removed and lost to the soil in selling the crop. All operations that tend to open up the soil—ploughing, harrowing, &c.—must result in the oxidation of humus and the loss of nitrogen. Summer-fallowing causes the loss of a larger amount of nitrogen than is removed in the grain of the following crop. This fact we established by our researches two or three years ago.

But you will say, summer fallowing is necessary, is indispensable. I believe it. It is necessary for conserving moisture for the succeeding crop, for destroying weeds, for making available plant food in the soil. Nevertheless it is a wasteful practice in so far as humus and nitrogen are concerned. Another and important feature in connection with this loss of humus, is that the fibre that binds and holds the soil is largely gone and as a result there is a considerable drifting and loss of surface soil under high winds. This is very pronounced in some districts where fallowing has been in vogue for a number of years.

Naturally clover, as a legume and a nitrogen gatherer would at once suggest itself as a crop to repair this waste, and for the past three or four years some farmers in the Northwest have made intelligent and persistent efforts with it, and in many instances they have been successful. Nevertheless, for several reasons, it has not proved altogether satisfactory, and we have been looking about for another legume to take its place, one that will make its growth in the season of seeding and furnish humus forming material and nitrogen. May not peas fulfil these requirements? It is a fairly quick growing annual, a nitrogen gatherer and one that will give a good yield if climatic conditions are at all favourable. I would suggest—the matter is still in the experimental stage—that in districts where the storing up of soil-moisture is not necessary the peas might be sown in the spring, and the growth would probably be sufficient to keep down the weeds. The crops would be ploughed under when the pods are beginning to set. In some districts it would be advisable to try a modification of this plan, say, to fallow the land for a month, till the middle of June, and then sow the peas. The crop would certainly make a considerable draft on the soil moisture at first, but this loss would be reduced as the peas grew and formed a more or less dense mat of foliage shading the land and protecting it from drying winds. Very probably in eight weeks from the time of sowing, the crop would be ready to turn under. In the following table I present the data from a crop of peas two months old.

APPENDIX No. 2

PEAS FROM CENTRAL EXPERIMENTAL FARM ORCHARD.

Sown, May 27, collected July 26.	Foliage per Acre.		Roots per Acre.	
	Tons.	Lbs.	Tons.	Lbs.
Yield per acre.....	12	1,013	1	1,132
Dry matter.....	..	3,376	..	472
Organic and volatile matter.....	..	3,010	..	412
Ash.....	..	366	..	60
Insoluble ash.....	..	119	..	37
Phosphoric acid.....	..	22	..	3
Potash.....	..	149	..	6
Nitrogen.....	..	119	..	10

You will notice that the root system is not extensive, nothing like it is in alfalfa for instance. But in the stems and leaves there are large amounts of humus-forming material and nitrogen. This crop furnished nitrogen at the rate of 130 lbs. per acre, an amount practically identical with many of the clovers. All this nitrogen has not been appropriated by the peas from the atmosphere, but most probably the greater part is from that source, say approximately 100 lbs. per acre. The amounts of phosphoric acid and potash have been drawn from the soil, but in the decay of the peas, subsequent to the turning under of the crop, they are rendered available for the grain of the succeeding season.

It is impossible to say as yet how far this proposition of sowing and turning under pease for keeping up the fertility of our Northwest soils may prove successful, but I think it well worthy of trial.

No soil, however rich, can be continually cropped with grain (without manure) without in time showing exhaustion. The most economic way to prevent this exhaustion is to occasionally have a legume crop, and especially is this true when the farmer does not produce manure. We have shown, indisputably, from field and laboratory experiments that the humus and nitrogen contents may be materially increased by this method of green manuring, and we have ample data to show the largely increased yields of all kinds of farm crops succeeding clover or other legume.

Mr. PERLEY.—Would it be necessary to turn under the peas to obtain this manurial value?

Mr. SHUTT.—Yes. The best time would be when about one-third of the crop has begun to set its pods. It could be rolled and disced and then ploughed under.

Mr. Martin (P.E.I.)—Would wheat ploughed under have the same effect?

Mr. SHUTT.—No, because wheat is not a nitrogen gatherer. Of course the ploughing under of wheat would, like any green crop, add to the soil's humus and improve it to some extent, but I do not think the plan an economical one, and certainly not so effective as using a legume. Buckwheat and rye are frequently employed in this way to add humus when the soil is too poor to grow clover.

Mr. SMITH (Oxford).—Does inoculation with cultures increase the ability of clover to obtain their nitrogen?

Mr. SHUTT.—It may, but inoculation is not generally necessary, as the germs or bacteria are widely present in our soils. Cultures are beneficial when the roots of the legume do not show nodules. Isolated cases have come under our notice where inoculation would be desirable, but there is no general necessity for the practice.

Q. How does the clover obtain this free nitrogen from the air?

Mr. SHUTT.—It is through the agency of certain germs or bacteria present in the soil which attach themselves to the roots of the legume. Nodules then form on the roots. These bacteria can appropriate the nitrogen gas in the soil, and pass it on to the host plant, where it is built up into the tissue of leaf, stem and root.

Q. What are cultures?

Mr. SHUTT.—They are preparations which furnish these nitrogen-appropriating bacteria.

Mr. WILMOT.—At what age would you plough down the clover?

Mr. SHUTT.—Preferably soon after it has begun to flower. I think two months' growth would give in most districts a large amount of material of high fertilizing value.

Mr. MARTIN (P.E.I.)—What value do you assign to such a crop of clover?

Mr. SHUTT.—It should be approximately the equivalent of a dressing of ten tons of ordinary barnyard manure per acre.

Mr. MARTIN, P.E.I.—How would the cost compare with the manure?

Mr. SHUTT.—It should be much cheaper than manure for it can be obtained from 10 to 12 lbs. of clover seed, while manure possibly is worth from \$1 to \$2 per ton at a low estimate.

Mr. SCHELL (Oxford).—Would the roots of the clover crop have as much manurial value as the foliage?

Mr. SHUTT.—No, not quite. Our results show about 90 lbs. of nitrogen in the foliage (per acre) to about 50 lbs. in the roots. Alfalfa contains a larger proportion than this in the roots, as it has a very extensive root system. Peas, as we have seen, has a much smaller proportion in its roots; its root system is not large.

Mr. MARTIN (P.E.I.)—In feeding a ton of clover hay, how much of its nitrogen is lost?

Mr. SHUTT.—Possibly with care 70 per cent of its nitrogen could be returned to the soil in the manure produced. The amount will vary somewhat according to the nature of the animal and the care taken to retain the liquid portion of the manure.

Q. Would it not be better then to feed the clover than to turn it under?

Mr. SHUTT.—Undoubtedly, if you have the cattle to feed it to and have the manure carefully looked after and put back on the land. This does not affect my proposition that clover is a cheap and effective manure, especially on farms where sufficient cattle are not kept to maintain fertility.

Q. On what basis do you make this comparison of manure and clover?

Mr. SHUTT.—Simply on the nitrogen-content of the two materials. We find by analysis that a fair crop of clover on an acre of land contains approximately as many pounds of nitrogen as will be found in ten tons of ordinary fresh barnyard manure.

Mr. BRODER.—There is the labour of putting the manure on the field?

Mr. SHUTT.—Yes, and of course there is the labour of sowing the clover seed and turning under the crop.

You must not think I am advocating this use of clover as a substitute for manure, but as supplementary to it. You must also remember that on many grain farms in the Northwest there is but little manure made.

APPENDIX No. 2

Q. I know farmers that sow clover with all their grain and plough under the clover in the fall?

Mr. SHUTT.—An excellent practice. In districts where the clover lives through the winter and when corn or potatoes are to follow, I would advise leaving the clover until the following spring, allowing one or two weeks growth, according to the season, and then ploughing under.

Mr. MARTIN, P.E.I.—I have heard it said that if a ton of clover hay were fed to a steer the manure would be worth \$6 a ton?

Mr. SHUTT.—Possibly so, I have not the figures by me. The calculation is made by assuming the plant food constituents in the manure are worth what we should have to pay for them in commercial fertilizers and assuming that approximately 80 per cent of the plant food in the clover is to be found in the manure. I think that the statement should read that the manure produced from feeding one ton of clover hay would be worth for its plant food about \$6.

Mr. PERLEY.—Is the nitrogen in the vines or in the roots of the legume?

Mr. SHUTT.—In both. In clover the proportion is about two-thirds in the vines and one-third in the roots. In alfalfa there is almost as much in the roots of a fully grown crop as in the foliage. In peas about one-tenth only in the roots.

Q. Where do the nodules on the roots come from, and how are they formed?

Mr. SHUTT.—The nodules are excrescences from the roots containing the nitrogen fixing bacteria. When the bacteria (which are present in the soil) attach themselves to the roots an irritation is set up and the roots form these nodules to inclose the bacteria.

Q. Can the legume absorb nitrogen through its leaves?

Mr. SHUTT.—No, not so far as we know. The absorption is by means of the bacteria in the nodules on the roots.

Q. If there are no nodules there is no appropriation of this nitrogen?

Mr. SHUTT.—Quite so, without the nodules there are no bacteria present (so far as we know) to absorb free nitrogen. Without them the clover can only use the combined nitrogen of the soil (nitrates) like other crops. The clover in such a case is not a nitrogen accumulator.

Q. What is your opinion about inoculation?

Mr. SHUTT.—I do not think it is generally necessary. We have found where there has been failure to obtain a good crop of clover that in the majority of cases the fault was with the soil rather than due to the absence of the nitrogen-fixing bacteria. The soil may require draining, it may be sour and need liming, it may be poor in humus and dry out too readily, it may be too heavy and in clods.

When it is thought that inoculation may prove beneficial one of the best plans is to obtain some surface soil from a field growing clover, broadcast it over the field that it is wished to inoculate at seeding time and harrow in, 300 lbs. per acre will be sufficient.

Mr. MEIGS.—How can you make clover grow on sandy loam?

Mr. SHUTT.—Nothing is better than a dressing of barnyard manure disced or harrowed into the soil. Supplement this with a coating of wood ashes, say 30 to 40 bushels per acre, also harrowed in.

If the soil is altogether too poor for clover, I would advise growing buckwheat or rye and turning them under while green. Then try clover the next year.

Q. If you have not good wood ashes?

Mr. SHUTT.—You can then use 300 lbs. basic slag and 150 lbs. muriate of potash. Broadcast and harrow in when seeding.

Mr. MARTIN (P.E.I.)—Do you say that your experiments have shown that summer fallowing is hard on the soil?

Mr. SHUTT.—Yes. It tends to the destruction of the vegetable matter of the soil and the loss of nitrogen. The amount of nitrogen lost in this way is greater than that removed in a grain crop.

Mr. MARTIN.—And you consider the remedy is in clover growing?

Mr. SHUTT.—When there is no manure, when a proper rotation of crops cannot be followed then deterioration of the soil must result unless there is occasionally a legume, clover or peas for instance, grown and turned under.

Under existing conditions summer-fallowing cannot be dispensed with, but we ought to minimize its evils as far as possible by some such means as I have advocated.

Q. Why do you consider fallowing indispensable?

Mr. SHUTT.—Because with continuous grain growing the fields become very weedy. If there is no hoed crop then there must be fallowing. Further, fallowing is necessary to conserve moisture for succeeding crops, a very important matter in some districts.

Mr. BRODER.—Would it not be better to clean the land with some crop?

Mr. SHUTT.—Yes, certainly. Roots or corn or potatoes are the crops we should recommend for this purpose.

Mr. SCHELL (Oxford).—Is it not true that nitrogen liberated by fallowing is assimilated by the following crop?

Mr. SHUTT.—That is quite true as regards the nitrates so formed, provided they are not leached away in the meantime. Much available nitrogen is prepared in this way and the benefit is to be observed in the crop following the fallow. Nevertheless, the fact remains that this advantage is accompanied by a serious loss of nitrogen to the soil, partly by denitrification, partly by leaching of nitrates.

Mr. SCHAFFNER.—We in Manitoba must fallow once at least every third year or we should have no crop. Are you going to give us a substitute for summer-fallowing?

Mr. SHUTT.—No, not altogether. I think so long as the farmers do not or cannot keep animals, so long as they cannot have a rotation of crops, so long as they grow grain and nothing else, there must be summer-fallowing. But could it not be modified according to some such plan as I have suggested—a combination of fallowing and soil enrichment by growing and turning under pease?

Mr. SCHELL (Oxford).—Why, do you think, they resort to this summer-fallowing in the Northwest?

Mr. SHUTT.—Simply to keep down the weeds and conserve moisture; it is not a question of liberation of plant food. If the season is favourable the larger number of the soils are rich enough at present to give good yields.

Q. What do you advise?

Mr. SHUTT.—I would suggest, in such districts as will not grow clover successfully, to cultivate the land until the middle of June and then sow peas. In two months' time the crop should be sufficiently advanced to plough under.

Hon. Mr. DOUGLAS.—We are not concerned about the deterioration of the soil. We have too much strength in the soil and we get too much straw.

Mr. SHUTT.—That is very true of some soils; they do not need enrichment. But soils cannot last for ever under such treatment, no matter how rich, and there are many soils now that show unmistakeably signs of deterioration.

APPENDIX No. 2

Hon. MR. DOUGLAS.—We got 40 bushels per acre last year from soil that had been cultivated for 26 years.

MR. SHUTT.—Undoubtedly there are some soils as yet over-rich in plant food, but that does not affect my contention respecting the soils of the Northwest in general.

MR. BARR.—Would it not be difficult to plough under peas?

MR. SHUTT.—The crop could be rolled and then disced.

MR. KNOWLES.—Could not the soil be ploughed a little deeper? In such a way could not the soil be kept fertile where it is of great depth?

MR. SHUTT.—To a certain extent deeper ploughing in such soils would obscure the deterioration I have spoken of. It would not, however, alter the facts of the case.

MR. TELFORD.—Will not roots and worms bring up the plant food?

MR. SHUTT.—Yes, to a limited extent, but there are no worms in the soil, generally speaking, of the Northwest.

MR. SCHAFFNER.—This matter of fallowing is of the greatest importance to the Northwest; do I understand you are arguing against it?

MR. SHUTT.—No, I am not arguing against it where it is necessary to conserve moisture. I do not think until there is more mixed farming that we can give up fallowing. But if we cannot abandon the system we can recognize the injury it may be doing and endeavour in some measure to lessen that injury. And this I think can be done in some parts in some such manner as I have suggested.

IMPROVEMENT OF MUCK SOILS.

A considerable amount of experimental work has been done with muck or peaty soils, both on our own farm at Ottawa and on farms in various parts of the Dominion. The reclamation of the soils is a very difficult problem and it is one not yet entirely solved. Some of these soils have yielded more or less readily to treatment; others have obstinately refused to improve though treated in various ways.

As you are aware, such soils are essentially vegetable organic matter. In some this organic matter is well decomposed, in others it is comparatively 'raw,' and in many instances is very acid. In some there may be considerable amounts of clay, and in others the mineral or rock matter may be present in traces only.

The first desideratum is through drainage. It does not seem desirable to lay tiles at the outset, but to take off the surface water by open ditches. This will allow the land to become more firm and compact by settling; it will also aerate the soil and sweeten it. Tile drainage may then be put in.

If the subsoil is not too deep to be reached by the plough, a certain admixture of it with the surface soil will be of benefit. Sometimes we can conveniently and at not too great a cost put on a coating of sand and clay and thus improve them, but unfortunately, circumstances do not often allow this method of improvement.

Wood ashes make an excellent fertilizer for such soils, because they furnish the mineral elements lacking in the muck, and at the same time correct the natural acidity of the muck. Frequently there is a deposit of marl in the neighbourhood, and this has proved an excellent amendment for muck soils. Gas lime can also be used to advantage for them.

In the place of wood ashes I would suggest basic slag and muriate of potash. Basic slag contains from 15 to 20 per cent phosphoric acid and a large percentage of free lime. I should advise say 500 lbs. of basic slag and 200 lbs. muriate of potash, harrowing in the mixture.

Further, at the outset a dressing of barnyard manure will be useful, and this probably for three reasons:

1. It supplies the young plant with immediately available food. In crude muck, though there is plenty of nitrogen, it is not in a condition that is assimilable to crops. There is practically no potash or lime or phosphoric acid in crude muck that can at once be utilized by crops. All these elements are furnished in the most desirable forms by barnyard manure.

2. Until muck has been well drained and aerated and sweetened it will be practically destitute of those microscopic forms of life that prepare the food in the soil for our farm crops. All fertile soils teem with this germ life. Barnyard manure introduces these germs, it inoculates the soil, as it were, with bacteria which will further decompose the muck and convert its nitrogen into nitrates.

3. Manure probably improves the physical condition of muck, making it better suited to the growth of crops.

Mr. BRODER.—You don't think there is any reclamation without drainage?

Mr. SHUTT.—Nothing can be done until you get rid of the free water. Drainage is essential for this purpose.

Q. Do you consider the nitrogen in muck as unavailable?

Mr. SHUTT.—Mucks differ somewhat in this respect; in some the vegetable matter is more decomposed than in others. There are certain mucks that can be taken direct from the bogs and used as a top dressing on soils with good effect, but they are exceptional. In the majority of cases the muck at the outset possesses very little, if any, available nitrogen.

Q. Why is this?

Mr. SHUTT.—The muck is acid or sour. Again it is full of water, to the exclusion of air. Under these conditions the nitrifying bacteria (which prepare the nitrogenous food for crops) cannot exist.

Mr. WILSON (Russell).—You mentioned Thomas phosphate. Is its phosphoric acid soluble?

Mr. SHUTT.—It is not immediately soluble in water, but becomes more or less quickly available for crop use in the soil. It is not so active a phosphatic fertilizer as superphosphate, but for certain soils—those that are sour, deficient in lime and muck soils—it is better, by reason of its alkaline character.

Q. How rich is it in phosphoric acid?

Mr. SHUTT.—It varies in composition. Usually the phosphoric acid lies between 15 per cent and 20 per cent. It should be bought on analysis.

Another point is its degree of fineness. The finer it is the more readily does its phosphoric acid become available. Information as to 'fineness' should be obtained before purchasing.

Q. Would it be better than bone-meal?

Mr. SHUTT.—Yes, for such soils as we are considering.

Mr. TELFORD.—What is the proper treatment of an orchard, as regards its soil?

Mr. SHUTT.—It would be impossible now to discuss such a subject at all fully; it would require probably two hours to present the matter in all its phases. One or two features might, however, be spoken of briefly:

1. To keep up fertility either manure must be applied or a green crop of some legume occasionally ploughed under. In addition it may be desirable to give a dressing of wood ashes, say 40 bushels per acre. Bone meal 300 lbs. and muriate of potash 100 lbs. per acre could be used instead of wood ashes.

APPENDIX No. 2

2. In localities where drought may prevail it would not be advisable to sow the clover or other 'cover' crop early in the season, for such a practice would lead to the drying out of the soil and the trees would suffer. Cultivation of the soil to conserve moisture is, under such circumstances, essential, and may be necessary from the opening of the season until July 1 or 15. The cover crop can be sown, and if the season is at all favourable there will be a good growth before the winter sets in.

This whole matter of orchard cultivation was fully dealt with before this committee about three years ago.

Mr. CHRISTIE.—How would it do to sow buckwheat in the orchard and then turn in the hogs and hens to eat it?

Mr. SHUTT.—I would never advise any such practice.

Mr. SCHELL.—You would sow clover?

Mr. SHUTT.—Yes, there is no better crop for cover purposes perhaps, but do not sow too early if the district is one subject to early drought.

ALKALI SOILS.

It is perhaps desirable that I should refer, briefly, to a bulletin we have just issued entitled 'Alkali Soils, their nature and reclamation.' In 1904 and again in 1906 I spent some time in the semi-arid districts of British Columbia and Alberta, studying their agricultural possibilities and, incidentally, the question of alkali—its occurrence and removal. The results of this work and of subsequent analyses of many samples of alkali soil have given us certain information which we felt sure would prove useful to those already settled, or about to settle, in areas where alkali occurs. Hence, this bulletin, which treats of the whole question in its various phases.

Mr. LEWIS.—Does alkali go very deep into the soil?

Mr. SHUTT.—Not necessarily. The depth to which it may be found will vary somewhat with the season of the year and with the rainfall. Usually it is confined to the first few inches, though it may extend to a depth of several feet.

Mr. JACKSON.—In the district between Winnipeg and Stony Mountain, 30 miles northeast of Winnipeg there is plenty of rain and yet alkali is found in spots all over that territory. How do you explain that?

Mr. SHUTT.—What is the precipitation?

Mr. JACKSON.—I don't know, but there is plenty of rain to raise crops.

Mr. SHUTT.—There is no doubt that the occurrence of alkali is due in the first place to insufficiency of rainfall. Secondly it may result from lack of drainage. Possibly this district is underlaid by an impervious hardpan which prevents drainage. The matter would have to be studied on the spot and certain analyses made. Further, some definite information is required regarding the rainfall of the district.

Mr. LEWIS.—To what is alkali attributable?

Mr. SHUTT.—Desintegration and decomposition of the rock matter of our soils is constantly, continually taking place. Soils are being formed just as soils are being worn out, as regards their soluble mineral constituents. These soluble mineral salts arise from the 'weathering' of the rock matter of the soil. This weathering takes place here as well as in semi-arid districts, but in the latter it accumulates, forming 'alkali,' whereas in humid districts, where there is plenty of rain, these salts are washed down and drained away. The formation of alkali is, as you see, therefore, due to certain climatic conditions.

Q. Why is it on the surface?

Mr. SHUTT.—Evaporation starts capillary action in the soil and this brings the solution of these salts to the surface; the escape or evaporation of the water that held them in solution leaves the salts (alkali) on or near the surface of the soil.

Q. Would deep ploughing help matters?

Mr. SHUTT.—Yes, very considerably. We advocate deep ploughing and frequent cultivation.

Mr. CRAWFORD.—What effect would manure have?

Mr. SHUTT.—It is very useful. May I read from the bulletin what I say on that point? I think the matter is dealt with there fairly fully.

Application of manure.—Heavy and repeated applications of manure—more especially horse manure—have been found of great value for alkali spots. This treatment is frequently entirely successful in reclaiming the soil in the course of two or three seasons and may be confidently recommended for trial in cases where the alkali content is not high.

‘Possibly the beneficial action of manure is in three directions: First, as furnishing immediately available food for the young plant. Thus, while the rootlets are in the most tender and susceptible stage they readily find nourishment, and the crop is forced along until it has gained sufficient robustness and vigour to withstand a certain amount of alkali. Secondly, the mixing of the manure with the soil must vastly improve the mechanical condition or texture of the latter, rendering it more mellow and permeable to water and allowing its more ready aeration—in fact, making the soil a more comfortable foraging ground for roots. And, lastly, while destroying capillarity in the surface soil it also acts partly as a surface mulch and thus serves very materially in preventing the accumulation of alkali.’

Mr. JACKSON (Selkirk).—I think you are right about the manure. In our district there is a farmer that had an area of 20 acres out of 160 that was affected by alkali and he has completely reclaimed it by the use of manure.

INFLUENCE OF SOIL MOISTURE ON THE QUALITY OF WHEAT.

We are studying in several of its phases a problem that is engaging the attention to-day of chemists in several parts of the world—the factors that influence the quality of wheat. Very briefly, I may bring before you certain results that we have obtained during the last two years respecting the cause of wheat softening or becoming more starchy when grown on recently cleared scrub land. This soft or piebald wheat is characteristic of newly broken scrub. This is well recognized in the northwest.

Mr. CRAWFORD.—You are not speaking of freshly broken prairie?

Mr. SHUTT.—No, I refer to newly broken scrub land. Soft or piebald wheat contains less protein or gluten than ‘hard’ wheat. This fact is brought out well by the following data, obtained from samples of wheat grown by Mr. Mooney, of Valley River, Manitoba, in 1905, on ‘breaking’ from scrub and on summer-fallow, respectively:—

COMPOSITION OF WHEATS—SEASON 1905.

	Protein. Per cent.
‘A’ wheat used as seed	11.11
‘B,’ product of ‘A’ on breaking	9.93
‘C,’ product of ‘A’ on summer fallow	12.62

(Calculated on the basis of 10 per cent water.)

APPENDIX No. 2

If you will examine these samples (exhibits them) you will notice that 'B' is a much softer wheat than either 'A' or 'C.' The summer-fallow wheat contains nearly three per cent more gluten than that from the breaking.

In the following year, 1906, we determined the moisture content of the two soils, summer-fallow and newly broken scrub, every fortnight through the growing season. We also analysed the wheat as grown on both areas.

The data for the moisture-content are tabulated as follows:—

WATER IN BREAKING AND SUMMER-FALLOW SOILS AT VALLEY RIVER, MAN., 1906.

	May 5.	May 15.	May 29.	June 22.	July 13.	Aug. 2.	Aug. 24.
	p. c.	p. c.	p. c.	p. c.	p. c.	p. c.	p. c.
Breaking..	32.96	36.49	33.45	30.49.	35.23	30.37	32.84
Summer fallow.....	22.45	23.39	23.39	21.70.	21.24	13.24	18.23

You will observe that throughout the whole growing season from the 1st of May till the end of August, the newly-broken scrub land contained more moisture than the fallowed land. This difference in moisture content amounts to 10 per cent or over on every date at which the samples were collected.

The analyses of the wheats grown on the two soils are as follows:—

COMPOSITION OF WHEATS—SERIES OF 1906.

	Protein. Per cent.
Wheat used as seed 'B'	9.95
'D,' product of 'B' on breaking.. . . .	10.01
'E,' product of 'B' on summer-fallow.	13.52

(Calculated on the basis of 10 per cent water.)

Again, the grain grown upon the newly broken scrub is softer (exhibits samples), containing 3½ per cent less gluten than the grain grown on the summer-fallow. ,

I wish to draw your attention to the fact that the softer grain is grown on the moister soil.

Further, we submitted both soils to analysis and found that the newly broken scrub land contained 21.54 per cent vegetable matter and .622 per cent nitrogen, while the fallowed land possessed 13.11 per cent vegetable matter and .38 per cent nitrogen.

My theory or explanation is that the conditions offered by the 'scrub' land, viz., the large amount of water present and the superabundance of available nitrogenuous food, prolonged the vegetative or growing period of the wheat, delaying maturity, with the result of softening the grain; a short, quick ripening period tends to the production of a glutinous grain. At least that is our position at present; it is possible that further work may alter our views on the subject.

Mr. CRAWFORD.—Why was the scrub land the more moist?

Mr. SHUTT.—For two reasons. In the first place it had received a very thorough working during the previous season. The land was broken in June and then cultivated at intervals to the end of the season. This gave it every opportunity to receive and retain moisture. Capillarity was destroyed and surface evaporation checked. On the other hand the 'summer-fallow' soil only received cultivation to keep down the weeds.

Secondly, you will have noticed that the scrub land is much the richer in vegetable matter, which undoubtedly increased the water-holding capacity of the soil.

Q. We find that ripening is earlier on the 'breaking' from prairie than on summer-fallow.

Mr. SHUTT.—Yes, I believe such is usually the case. My impression is that summer-fallowed soil is, as a rule, more moist than the freshly broken prairie soil. If this is the case, then we should expect the grain on the latter to ripen first. In this respect the 'breaking' from the prairies and scrub land may differ markedly.

The softer wheat will, I believe, be always found from the moister soil, but the deterioration (if such it may be called) may not be entirely due to the larger amount of nitrogenous food set free for its use. Both these factors may take a part in prolonging growth and delaying maturity.

Mr. JACKSON.—How do you account for the fact that wheat ripens earlier and is softer on scrub land than on summer-fallow?

Mr. SHUTT.—I cannot account for it. I am endeavouring to account for the facts as I found them in this investigation.

Mr. SCHELL (Oxford).—Don't you think that it is the excess of humus and the lack of silica that produces soft straw on scrub land?

Mr. SHUTT.—I am not prepared to say that softness in straw is due to lack of silica. We do know that excess of moisture in rich soils, i.e., soils well supplied with nitrogenous food, produces rank growth and that such growth is apt to lodge.

Q. You get soft wheat with a soft straw? If so, it is due to lack of silica.

Mr. SHUTT.—I have no data on that point.

Mr. LEWIS.—What is the difference between prairie soil and the scrub soil?

Mr. SHUTT.—The scrub soil, I believe, will be found in the majority of instances to be the richer in vegetable matter. It will probably be looser and lighter.

THE POTATO SCAB.

Mr. JACKSON (Selkirk).—How do you account for scab on potatoes?

Mr. SHUTT.—The scab is a fungus disease. The spores grow on the surface or skin of the potato and disfigure the tuber. It is most prevalent in soils that have been heavily dressed with fresh manure; for this reason manure should not be put in the furrows so as to come into contact with the sets. Nor should potatoes be planted on newly limed soil, an alkaline condition favours the development of scab.

Probably the best preventive is to soak the potatoes to be used as seed for two hours in a solution of formaldehyde of the strength of 8 ounces to 15 gallons water.

Mr. LEWIS.—You think an over abundance of manure encourages scab?

Mr. SHUTT.—Yes. That fact is well attested. I would advise manuring the previous crop. Potatoes after a clover crop are usually very clean.

Q. Does scab injure the potatoes as an article of food?

Mr. SHUTT.—Just in so far as it 'eats' into the potato. It is chiefly a surface disfigurement that can be cut out when preparing the potato for cooking. Of course, it means loss in the thicker peeling that must be removed.

Q. It does not affect the interior of the potato?

Mr. SHUTT.—The attack is from the outside and the injury only extends to the depth of the growth of the fungus.

APPENDIX No. 2

THE FEEDING VALUE OF FROZEN WHEAT.

Mr. TELFORD.—How does frozen wheat compare with sound wheat as to feeding value?

Mr. SHUTT.—We have analysed a large number of samples of frozen wheat lately, and invariably find that such wheat is characterized by a high nitrogen content, in other words, it contains a large proportion of nitrogeneous matter. Our investigations further show that there is a certain small proportion of this nitrogeneous matter that is not in the form of true gluten, and hence, of somewhat less feeding value than gluten. Judiciously fed, however, I think we shall find for certain classes of stock that frozen wheat is fully equal to sound wheat. Possibly the best results will be obtained when the finely ground wheat is mixed, say half and half, with bran or ground oats. It needs something to keep it from forming a glutinous ball in the stomach that would resist the action of the digestive fluids. Probably cooking, soaking or scalding may enhance its value.

This frozen wheat is extremely hard and horny. Even when ground to a fine powder, it may by reason of its hardness resist digestion, and a large part of it pass through the animal unattacked. Probably soaking would do away with this objectionable feature. Pigs, it appears, are better able to digest it than cows. It has, I believe, given excellent results in pork production, but for dairy cows it has not proved so satisfactory.

Q. How much protein does it contain? How does it compare with bran and gluten meal?

Mr. SHUTT.—The protein content of such samples of frozen wheat as we have analysed was between 12.0 per cent and 14.0 per cent; usually the so-called 'feed' wheats (which are this year seriously frosted) contain from 13 per cent to 15.5 per cent protein.

Q. The percentage of protein is of some importance?

Mr. SHUTT.—Certainly, protein is the constituent of greatest nutritive value in a feed. Practically, the value of a feed may be estimated from a knowledge of the percentages of protein and of fat.

Q. You think better results should be obtained from feeding the frozen wheat mixed than by itself?

Mr. SHUTT.—Yes; for several reasons, the chief of which is that it needs some loose light fodder or feeding stuff to prevent the gluten forming masses in the stomach which would not be thoroughly digested.

Mr. WILSON (Russell).—We have fed this wheat to steers, together with ensilage, but we did not get very good results. We crushed the wheat. The skin dried up and the hair came off.

Mr. SHUTT.—I am inclined to think that the steers got but little nutriment from the wheat and that their digestion was deranged.

Q. I mixed it with ensilage and thought the ration was well balanced.

Mr. SHUTT.—No, I fear not. Wheat is unlike barley and oats; its protein forms a sticky, glutinous ball in the stomach, which is not the case with the other cereals. It should be mixed with some other and more bulky dry feed.

Further, as I have said, the very hard character of this frozen wheat is against its ready digestion. I would suggest soaking.

Q. Gluten meal is a good feed?

Mr. SHUTT.—One of the very best. The best brands—there is a good deal of difference between the brands on the market—contain over 30 per cent protein. It is readily digested food and used judiciously with other and less concentrated feeding stuffs it is in the very first rank for dairy and beef stock.

Mr. MARTIN (Wellington).—Is there any value to weed seeds taken from the wheat in Manitoba?

FEEDING VALUE OF SCREENINGS.

Mr. SHUTT.—In my report for 1906 there is to be found a number of analyses of weed seeds as screened from wheat and obtained from the elevator at Port Arthur. We concluded that while some of these materials had a decided feeding value, others were comparatively worthless. I may insert some of the analyses here:—

ANALYSES OF SCREENINGS.

Name of Feed.	Particulars.	Moisture.	Protein.	Fat or Oil.	Carbo- hydrates.	Fibre.	Ash.
Wild buckwheat.....	J. G. King & Co., Port Arthur,						
	Ont.....	7.48	10.16	2.89	70.00	7.29	2.18
Small seeds cleaned from flax....	" "	4.41	18.78	24.48	33.27	9.51	9.55
Small seeds cleaned from wheat.	" "	7.62	15.50	9.64	54.86	17.21	5.17
Seeds, broken wheat, small oats, &c., ready for grinding (No. 23)	" "	8.54	14.12	7.75	56.40	8.36	4.83
Ground seeds obtained by grind- ing No. 23.....	" "	9.14	17.31	9.74	51.76	6.58	5.49
Ground feed mixture, 25% No. 23 and 75% barley.....	" "	9.75	13.19	5.27	60.54	7.60	3.68
Ground feed mixture, 25% No. 23 and 75% barley.....	" "	9.19	13.00	5.38	62.19	6.34	3.90
Ground feed mixture, 50% No. 23 and 50% barley.....	" "	9.90	12.94	5.14	60.63	7.49	3.90
Flax chaff.....	" "	7.68	6.06	4.15	62.55	13.88	5.68
Buckwheat chaff.....	" "	10.00	7.87	2.55	63.72	13.22	2.64
Fine broken stalk.....	" "	10.43	11.68	3.62	55.64	14.28	4.35
Wheat chaff.....	" "	6.25	5.31	2.49	45.80	27.50	12.65

You will notice that they differ widely among themselves in protein and fat. The sample 'small seeds cleaned from flax' is very high in both these valuable nutrients. Again, the sample 'flax chaff' is very low in protein.

Mr. CRAWFORD.—How does the wild buckwheat compare with wheat?

Mr. SHUTT.—Wild buckwheat contains between 2 per cent and 3 per cent less protein than wheat; it is much more fibrous than wheat. Its percentage of fibre is about 7.5, whereas in wheat the fibre is about 2.5 per cent.

The chaff from wild buckwheat is exceedingly poor stuff; it is low in protein and high in fibre.

Mr. JACKSON (Selkirk).—Can you give us any statement as to French weed seed?

Mr. SHUTT.—No, I cannot. We have not analysed it.

Mr. TELFORD.—What grain do you consider the best for cattle?

Mr. SHUTT.—There is no best grain. A mixture is better than any one grain. Variety of food is an important matter, for beasts as well as for man, and we should recognize this fact to a greater extent than is now done. Probably, if one were restricted to a single cereal it would be well to choose barley, stock feeding experiments point in that direction.

Q. Is it, then, the strongest grain?

Mr. SHUTT.—By no means. If the strongest grain were chosen as the only meal the animal's digestion would soon be deranged.

APPENDIX No. 2

EXAMINATION OF FEEDING STUFFS.

In accordance with our custom, many of the more prominent feeding stuffs upon the market have been analysed during the past year. We should have liked to present the analyses of all manufactured and milling products sold in Canada, but that has not been possible. Our examination, therefore, is not a complete one. I trust the time is not far distant when through one or other of the branches of the government service we shall have an annual analysis made of all manufactured feeds on the market. On this matter I have given you my views for a number of years past, so I will say very little further than to again emphasize the desirability of the comprehensive, systematic inspection and analysis of feeding stuffs. I consider it quite as necessary as the analysis of fertilizers; in fact, it is of greater importance, as more farmers buy feed than buy fertilizers.

I do not think there is much intentional fraud in this matter, though there is good evidence that very poor stuff is put on the market at times. Thus, we had a bran sent to us that contained about three per cent less protein and one-third more fibre than good bran. It contained oat hulls and other refuse. Then, again, take the by-products of the starch factories, gluten meal, gluten feed, &c. Some are excellent feeding stuffs, while other factories trade on the reputation of the honest men and sell an inferior material.

Our work in this connection is, I believe, very helpful to the farmer and will be continued until such time as the systematic inspection that I advocated is adopted. The analysis of these feeds submitted to us in 1907 will be given in the forthcoming report.

ROOTS AND SUGAR BEETS.

Large differences exist between the several varieties of roots as regards their dry-matter content and the richness of this dry matter in sugar. This matter I have spoken of at former sessions of this Committee, so that it will only be necessary to place on record the results obtained during the past season, together with averages from former years for the purpose of comparison.

Mangels.

Year.	Number of Varieties Analysed.	Dry Matter.	Sugar.
		p.c.	p.c.
1904.....	10	11.69	6.62
1905.....	17	10.04	4.67
1906.....	16	11.63	5.93
1907.....	10	12.64	7.55

From these results it is evident that the season at Ottawa last year was favourable to the growth of a good mangel rich in sugar. However, I must add that we had selected the ten best varieties to sow, the poorer ones, grown in former years, have been discarded from the list.

Carrots.

Year.	Variety Analysed.	Dry Matter.	Sugar.
		p.c.	p.c.
1905.....	11	10.25	2.52
1906.....	10	10.59	3.36
1907.....	6	10.31	3.01

8 EDWARD VII., A. 1908

The carrots of 1906 and 1907, it will be noticed, have practically the same composition.

Turnips.

Year.	Varieties Analysed.	Dry Matter.	Sugar.
		p. c.	p. c.
1905.....	20	10.09	1.10
1906.....	20	12.18	1.70
1907.....	14	10.13	1.10

The data for 1905 and 1907 are practically identical and decidedly lower than those for 1906.

Sugar Beets.

The sugar beets grown on the several experimental farms are analysed annually.

The varieties grown are those specially noted for a high sugar content, Vilmorin's Improved, Klein Wanzleben, Très Riche. The results of the past season, together with the averages since 1901, are presented in the following tables:—

Sugar Beets Grown on the Dominion Experimental Farms, 1907.

Variety.	Locality.	Percentage of Sugar in Juice.	Percentage of Solids in Juice.	Co-efficient of Purity.	Average Weight of One Root.	
					Lbs.	Ozs.
Vilmorin's Improved	Brandon, Man.....	16.75	19.57	85.6	1	4
"	Indian Head, Sask.....	17.09	20.49	83.4	1	3
"	C. E. F., Ottawa.....	16.49	18.46	89.3	1	2
"	Agassiz, B. C.....	18.86	20.87	90.3	1	3
"	Lacombe, Alta.....	13.39	17.29	77.4	1	9
Klein Wanzleben	Brandon, Man.....	17.86	21.13	84.5	1	4
"	Indian Head, Sask.....	15.03	18.60	80.8	1	2
"	C. E. F., Ottawa.....	14.67	18.11	81.0	1	4
"	Agassiz, B. C.....	17.65	20.26	87.1	1	7
"	Lacombe, Alta.....	13.93	17.94	77.6	1	5
Très Riche	Brandon, Man.....	16.33	19.17	85.4	1	2
"	Indian Head, Sask.....	15.65	19.00	82.3	1	3
"	C. E. F., Ottawa.....	15.16	18.06	83.9	1	11
"	Agassiz, B. C.....	16.43	18.86	87.1	1	4
"	Lacombe, Alta.....	12.72	16.69	76.2	1	8

Average Percentage of Sugar in Juice in Sugar Beets Grown on the Experimental Farms—1902-7.

Locality.	1902	1903	1904	1905	1906	1907
Nappan, N.S.....	15.87	15.33	14.41	16.52	17.08	.....
Ottawa, Ont.....	16.77	15.34	16.91	12.45	14.37	15.44
Brandon, Man.....	.....	11.36	16.62	11.00	15.50	17.00
Indian Head, Sask.....	15.15	16.54	15.24	14.94	14.91	15.92
Lacombe, Alta.....	.....	.....	.....	.....	.....	13.35
Agassiz, B.C.....	.....	17.44	8.10	17.32	14.23	17.65

APPENDIX No. 2

This is, on the whole, a very satisfactory showing. At Brandon, Man., and Agassiz, B.C., particularly rich roots were grown, while those from Indian Head, Sask., and Ottawa, Ont., were eminently suitable for factory purposes. The results from the beets grown on the newly established experimental farm at Lacombe, Alta., do not indicate either a very rich or very pure beet, but judgment as to the suitability of the district for growing sugar beets must be suspended until further data on the subject have been obtained. Unfortunately, early and repeated frosts in the autumn injured the sugar beets grown on the experimental farm, Nappan, N.S., last season, so that no results were obtained from this station.

INSECTICIDES AND FUNGICIDES.

New Forms of Kerosene Emulsions.

Between two and three years ago we discovered that flour could be used in the making of emulsions in the place of soap. Since that time we and many orchardists throughout the Dominion have used large quantities of such an emulsion made simply with flour, cold or hot water, and coal oil (kerosene), and found it eminently satisfactory for all the uses for which the ordinary kerosene emulsion is employed, e.g.: destruction of aphids, &c. The preparation, which is extremely simple, is as follows:—

For 11 per cent emulsion.—The requisite amount of coal oil (kerosene) is poured into the pail or barrel and flour added in the proportion of 8 ounces to 1 quart of coal oil; the mass thoroughly stirred and the water added—2 gallons for every quart of coal oil. The whole is then vigorously churned, say, for five minutes, by means of a pump and coarse nozzle or a wooden paddle or dasher as used in upright churns, and the emulsion is ready for use. The spray is smooth, easily atomized, and does not clog the nozzle.

Flour is everywhere obtainable; indeed, is to be found in every house. No heating of water is necessary, though the quantity of flour can be reduced when the flour is first scalded. As an emulsion for immediate use it is very highly spoken of by all who have used it, and in some orchards many barrels were prepared and sprayed last summer.

Bordeaux-Kerosene Emulsion with Flour.

We have extended this use of flour in the making of emulsions, and found that this material can be employed in the preparation of many fluids for both summer and winter use. Several of these sprays are described in my report for 1906, and, therefore, I need not enter upon any detailed account of them. But I brought to show you to-day one which I made more than ten months ago, for I believe it is a spray destined to become one of great importance in the fight against insect and fungus pests. It is a combination of Bordeaux mixture and kerosene emulsion. It is, therefore, a combined fungicide and insecticide. The sample I show you is ten months old and the stability of the emulsion is evident from the fact that there is not the slightest trace of the oil showing to-day. The formula is as follows:—

Bluestone.	lbs.	4
Lime.	"	4
Flour.	"	4
Kerosene.	gallons	4
Water.	"	36

To the diluted slaked lime the kerosene containing the flour is added and the whole emulsified for five minutes; the solution of bluestone (approximately one-half of the total volume) is then poured in and the whole well stirred.

The simplicity of preparation, the remarkable stability of the emulsion, the smoothness of the spray producing no clogging of the nozzle all lead to the conclusion that this Bordeaux-kerosene-flour emulsion will find a large field of employment and be of particular value in all cases where fungous disease and aphids require attention at one and the same time.

WELL WATERS FROM FARMS.

In this connection I have merely to say that the work of examination of water samples from farmers' wells has been continued.

The number of waters from Alberta, Saskatchewan and Manitoba increases as the country becomes settled. Quite a proportion of these northwestern waters, I regret to say, are strongly alkaline or saline in character, and from which a suitable supply for drinking purposes can only be obtained by distillation. Small household stills that can be used on the kitchen stoves are manufactured for this purpose. They are fairly cheap, easily managed and require very little attention, and I should strongly recommend their use in districts where the water is saline.

The barnyard well, with its polluted water, still exists, I am sorry to say, but we have reason to believe that it is being abandoned, though slowly, for a purer source. I find it necessary to condemn as quite unfit for use the larger number of waters drawn from barnyard wells. The well waters in many of our country villages are also seriously polluted. It seems, therefore, most desirable that the subject of pure water for our rural population should be constantly and prominently brought before our people.

Having read the foregoing transcript of my evidence, I certify the same to be correct.

FRANK T. SHUTT,
Chemist, Dominion Experimental Farms.

STOCK FEEDING EXPERIMENTS.

HOUSE OF COMMONS,
COMMITTEE ROOM No. 34.
FRIDAY, April 10, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock a.m. Mr. McKenzie, Chairman, presiding.

The CHAIRMAN.—I have much pleasure in introducing to the Committee Mr. J. H. Grisdale, Agriculturist, Experimental Farms, who will address us on stock feeding experiments.

Mr. GRISDALE.—Mr. Chairman and gentleman:—As you will see from the printed list of the subjects with which I propose to deal, I would like to take up this morning some experiments in stock feeding.

GENERAL REMARKS.

Before touching upon any particular experiment I want to devote two or three minutes to a brief summary of our findings during the last twenty years at the experimental farm along this line. We have been feeding cattle there in greater or lesser numbers for that length of time and have reached some conclusions which have also been backed up by experiments elsewhere—conclusions which are more or less commonly accepted by farmers, but which, so far at least as some farmers are concerned, do not seem to be considered by them when carrying on their feeding operations. I may say that we have, during the 20 years time, been able to feed under almost every condition as to price for stockers, price for beef or finished product, and price for feeds. In almost every case our experiments have left a profit, showing that the average farmer could, if he would follow the best lines, make beef feeding a profitable branch of agriculture, and one upon which he might count every year on a good return. There are, however, certain methods which it is absolutely necessary to follow, certain conditions to be observed, in order to make a success of it. Of course, the margin of return will not always be very large. The margin will be affected by what you have to pay for the stockers, by the cost of the feed and by the price you are able to obtain for the product when it is finished. Generally speaking, the price of the finished product is very largely influenced by the quality of the stocker which you get when you start. We have been experimenting for a number of years to determine, if possible, the relation which exists between the class of stocker one gets and the profits that one is likely to make from one's beef feeding operations. We have found that good stockers are the ones that give the best results. There is, however, a limit to the length one may go, and one must be careful not to overstep that limit. The better the quality of stocker bought, the higher the price paid; therefore, the higher must be the selling price in order to leave a margin of profit. There is a point beyond which the wise buyer will not go in paying for good stockers. If he can get one or two animals of extra superior quality out of a carload, on condition of paying a very high price, he may be tempted to pay an extra figure; but it does not follow that because he pays extra figures that he is going to get an extra figure when he sells. There is a limit in the price that you can pay for stockers, that is, you must not go too high in order to get an extra choice animal.

By Mr. Wilson (Lennox):

Q. What about age?

A. I am just going into that.

Q. And as to price?

A. The price is controlled for us or the farmer by the current market rate. We usually pay around about 4 cents for stockers or feeders. From $3\frac{1}{2}$ to $4\frac{1}{2}$ cents are the prices we find it possible to pay in order to come out with a margin of profit at the end of the year.

THE RIGHT AGE.

Now as to age, we have tried feeding yearlings, two-year olds, three-year olds and four-year olds. The four-year olds were given up after one trial. It does not pay to feed four-year olds unless you get them very thin and then it is very difficult to secure a good lot of them. Among three-year olds one can get good shaped animals that fatten well. If, at the time one buys them—that is at three years past—they are not in too high flesh one can feed them for several months and then have no difficulty in getting a high price the following spring, for the reason that they are large and will command the top price as export stock. Therefore, three-year olds are advisable for fattening purposes. If, however, one can get good, big two-year olds, sappy, shapy and beefy that is the kind of animal that makes the quickest gains, the cheapest gains, and commands the highest price in the spring. Yearlings also feed well. We find, however, that they will not fatten quite so easily and do not make such a fat carcass as do the older animals, and a further disadvantage is that one cannot profitably export them. They are so small that the exporters will not buy them and the feeders are, therefore, left at the mercy of the local buyers in this city or whatever city the man may be near who is feeding them. We have fattened year-olds and were then forced to sell to local buyers, although I may say that really good stuff, aged anywhere from thirteen to twenty-five or twenty-six months always commands a very good price locally. The carcass gives very nice cuts and is in good demand by the small household.

By Mr. Jackson (Elgin):

Q. Is any of the stock fed and finished on the farm exported?

A. It has been exported. For two or three years it has been sold and consumed here in Ottawa, but previous to that we exported. We have exported, I think, about one-half the stock that have been fitted since I came here, probably not quite that much.

Q. Of course, the price you get here for the stock is really not a good guide for the farmer to go by. The price you would get for cattle off the experimental farm from local butchers would be in excess of what the ordinary farmer could expect for that same class of stock when shipped to the British market?

A. No., I don't think so. Judging by local market quotations in Toronto and Montreal I do not see that we get a very much different price.

Q. The price you receive for your stock here is sometimes higher than a drover would get for his cattle in Toronto or Montreal intended for exportation?

A. Do you mean this year?

Q. I mean during the last three or four years?

A. I do not think so. I don't think I can agree with you there.

By Mr. Sproule:

Q. About what price per pound do you get?

A. This year the highest was $5\frac{1}{2}$ cents. Last year I think I got about the same price. It usually runs from 5 to $5\frac{1}{2}$. Sometimes it reaches 6, but that is very seldom.

APPENDIX No. 2

By Mr. Wilson (Lennox):

Q. What age do you consider the best beef?

A. Fattened off and finished at three years old, that is for the foreign market. If you get very nice, sappy yearlings you can finish at two years old and get extra choice beef, but it is not big enough for exporting.

Q. But the flavour is not so good?

A. I think so, but it is a matter of opinion. In my opinion it is just as good. We had some beef killed here in January. It was only eighteen months old, but it was extra nice in flavour.

By Mr. Henderson:

Q. Beef or veal?

A. Beef.

By Mr. Wilson (Lennox):

Q. How much did it weigh?

A. It weighed 1,200 lbs.

By Mr. Burrows:

Q. Do you mean live weight?

A. Yes.

By Mr. Henderson:

Q. I think the general opinion is that a young animal does not produce the quantity of beef that you can get from a larger animal. What is your opinion on that?

A. That is the general opinion. If you take an older animal you get a stronger, beefier flavour, but I think the taste of the average run of people is changing. They like a mild flavoured beef and you certainly can get that flavour from young stock. Now, the beef I mentioned as having been killed this last winter was sold on the Ottawa market, and the butcher who bought it, Mr. Slattery, assured me that he never had meat that took so well. His customers all wanted more of it.

THE SEASON FOR FEEDING.

By Mr. Burrows:

Q. How many months do you feed?

A. Do you mean the stock we have had in the past?

Q. Yes?

A. Anywhere from four to six months. We usually have fed that long. The season during which the feeding is done seems to be immaterial. We have fed in the winter, in the spring and all the summer, and we find that we can get just as good gains stall feeding one season as another. I don't know that that is of very much importance to the average farmer. The thing we have to demonstrate is that you can make just as good gains on steers tied up, or in small runs, in summer as you can in winter. We have fed them for several years now and have got good results in that way.

I will give you the details of our experiments later on.

HOUSING.

Now, as to housing. We have fed them loose and tied. We have had for them large roomy quarters and cramped quarters. We have found that allowing about 70 square feet per steer in a box stall, loose, is the method of housing that gives the

best results. We find that they will eat more than if tied, and they make better use of what they eat. A very important factor in connection with the housing is to have sufficient light, lots of ventilation, lots of air and comfortable quarters. We have tried experiments with faulty ventilation and good ventilation, and found that the former cost us money every time. This experiment was tried on purpose to see if the ventilation had any effect upon the economy of production of grain.

PREPARATION FOR FEEDING.

Now, as to the preparation for feeding. When the cattle come in off the grass good care is necessary in order to insure their keeping right on making gains. The best way we have found is to start them on rape. Have a bit of rape near the buildings and then turn them loose and let them pasture until it is covered with snow or until pretty well eaten off, gradually turning them over to ensilage, roots, straw and hay. Start them off on a very succulent ration, giving them as little hay and as much of this juicy feed as possible, but no meal, for quite a length of time. We have found it advisable not to give them meal until they have been in the stable three weeks, unless in the case of half-fed animals that it is desired to finish off for the Christmas or January markets.

MEALING THE STEERS.

We have found it advisable to start with a light meal. Bran, perhaps, is as good a meal as I know for starting. We have tried various meals and found that none of them will surpass this as a starter. After they have been on bran for a couple of weeks it is necessary to begin to give something heavier. The kind of meal to feed after bran is a matter of market conditions or of the preference of the man who is feeding. Some men can do better with one kind of feed than with another. It largely rests with the man who is feeding. He knows how the animals do when they are eating certain feeds, and he knows how to feed them. A good deal more depends upon this feature in feeding steers than one would think who is not familiar with that line of work.

By Mr. Sproule:

Q. Do you always feed them on hay for a ration of that kind or do you use straw?

A. We never give a steer more than about two or three pounds of hay a day. We give him straw mixed with the ensilage and roots.

By Mr. Wright (Renfrew):

Q. Do you cut your straw?

A. We feed our hay long, but the straw is cut and mixed with the ensilage and roots.

By Mr. Henderson:

Q. What meal ration do you prefer, corn?

A. Corn and gluten are the two meals that I like best. Corn, gluten and oil give the best satisfaction. Of course, you cannot feed oil meal pure in very large quantities.

By Mr. Burrows:

Q. What do you call gluten?

A. That is the by-product from a starch factory. They take the corn and extract the starch. This residue consists of the seed germ and some other internal parts of

APPENDIX No. 2

the corn from which the starch has been washed. The husk is not generally included in what is called gluten.

By Mr. Henderson:

Q. That, of course, can only be obtained in limited quantities?

A. I believe it is to be obtained all over Ontario, and it is also used very extensively in the maritime provinces. In the west I have never seen it.

By Mr. Lewis:

Q. What is the cost of it?

A. It varies according to the market conditions. It cost this year from \$29 to \$30 a ton. It did not cost us that much because we got it early in the season.

By Mr. Wright (Renfrew):

Q. Have you ever fed any refuse rice?

A. No.

By Mr. Gordon:

Q. What percentage of that gluten is digestible?

A. It is nearly all digestible and it is very rich in protein. I think this sample (exhibiting sample) contains about 34 or 35 per cent of protein.

Q. What percentage of corn would be digestible?

A. Corn also is practically all digestible. Corn, however, is not nearly so rich in protein. It probably contains 8 or 9 per cent of protein. Starch is removed from the corn then gluten rich in protein remains.

Q. The claim is set up that no less than 65 per cent of the corn is digestible. I wonder whether that is correct or not?

A. I am not prepared to say positively. In the feeding tables, as prepared by different experimental stations and generally accepted, the percentage of digestibility is given as somewhere around 90.

By Mr. Lewis:

Q. Which do you find the best out of the three meals?

A. I believe if I had to confine myself to one I would prefer oil cake, and then I would take gluten for second place. I mean the gluten as we have it here, not the gluten feed as it is sold in some parts. For instance, there is the 'Jersey Gluten' and two or three other brands; I would not take them. The gluten we are using and which is sold by the Edwardsburg Starch Company, is a most excellent feed.

By Mr. Sproule:

Q. What do you ordinarily pay for your meal?

A. For linseed or oil cake meal we pay from \$30 to \$32 per ton.

By Mr. Jackson (Elgin):

Q. Have you any idea of the total output?

A. No, I have not.

Q. It is scarcely a good thing to recommend, I mean it is impossible for the rank and file of the farmers to use?

A. It is very extensively used.

Q. We have nothing of that kind up in our country, we have none of these meals up there?

A. It is very extensively used in Ontario, Quebec and the maritime provinces. You are referring to Elgin county. Well, at Brantford there is a factory which turns out large quantities which, however, is not just as good as the sample I have here.

By Mr. Henderson:

Q. In the matter of cost, which is the most profitable of the three meals?

A. I believe that oil cake meal, if it can be got for about \$30 a ton, is the best.

By Mr. Burrows:

Q. Linseed oil meal?

A. Yes.

By Mr. Lewis:

Q. Where do you get that?

A. From the Dominion Linseed Oil Company.

Q. What is it made out of?

A. From flax.

The first experiments to which I wish to draw your attention is the feeding of well-bred in comparison with scrub cattle.

By Mr. Henderson:

Q. Short versus long feed steers is what you have been dealing with?

SHORT VERSUS LONG FEED STEERS.

A. Very well, I will take that first. In these experiments of short versus long feed we had two lots of steers of seven each. One lot we fed for 130 days and the other lot for 180 days, not quite two months difference. One lot, of course, had to be considerably fatter than the other when we put them in. The other lot was quite as good, but a good deal thinner. We fed them for the length of time that I have mentioned, and in the case of the long feed we found it cost us \$4.26 to make 100 pounds gain, while in the case of the short keep it cost us \$4.58, a little more expensive you see. Further it took a little bit more meal per day in the case of the short feed. We made a gain in the case of the long feed of 2.36 pounds per day; in the case of the short feed 2.08 pounds per day. The short feed lot being fatter when they started, were harder to induce to put on fat. The changing from grass to inside feeding is always a losing operation. There is usually one or two weeks where the cattle do not make any progress at all. If you take that off the short period it leaves a relatively lower rate of gain per day. The total cost of feeding those steers was \$12.22 per steer in the case of the short keep and \$20.95 per steer in the case of the long keep, which were fed a good deal longer time. The selling price was \$5.75 per 100 pounds for the long keep and \$5.50 per 100 pounds for the short keep. We realized \$12.69 profit on the short keep and \$18.23 net profit on the long keep.

By Mr. Wilson (Lennox):

Q. Was that on each animal?

A. Yes, on each animal.

By Mr. Telford:

Q. Did you count anything for labour?

A. No, that is money spent for feed and all expenses connected with it. No credit was given for manure, no charge was made for labour.

APPENDIX No. 2

By Mr. Schell (Oxford):

Q. Was any portion of the feed cut straw?

A. Yes.

By Mr. Barr:

Q. How long did the experiment last in the case of the long feed?

A. About six months.

Q. And in the case of the short feed?

A. About four months.

By Mr. Henderson:

Q. Do you consider the extra quantity of manure secured in the long feed as full compensation for the extra labour in feeding for the additional length of time?

A. The manure would, I think, day by day pretty nearly pay for the care whether it is a long or a short time. The advantage in feeding for a long time is this: That you can feed relatively more rough feed and a smaller amount of meal than you would in case of steers kept only for four months. That is, it would not cost any more for the long-keep steers for meal than it would in the case of the short-keep steers. The former, however, would consume more stuff that is produced on the farm such as ensilage, hay and straw, and so make a market for such material. Therein lies the advantage of the long feed in comparison with the short one.

FINISHING ON GRASS.

By Mr. Lewis:

Q. Did you experiment with finishing up on grass as the farmers of Ontario usually do?

A. No, we have not experimented along that line.

By Mr. Jackson (Elgin):

Q. If you do not experiment along that line the authorities of the farm are not carrying out the experiments as they should. As a matter of fact, fully 50 per cent of our export stock is finished on the grass and notwithstanding that, in all our experiments during the last 12 years there has not been one of that character?

A. Finishing on grass?

Q. Finishing on grass. It is the custom to let them run on the grass for two or three months and fully 50 per cent of our export stock is finished that way. It does seem to me that there should be experiments conducted along that line at the experimental farm?

A. That would be a good line of experiment. The reason it has not been tried with us is because we have not the grass to put the cattle on.

Q. Surely you could take a field and put 10 or 12 cattle on?

A. We have been carrying on extensive experiments in rotation of crops and soil cultivation. If we took a field for the purpose suggested by you we would have to break these experiments.

By Mr. MacLaren (Perth):

Q. It would be easy enough for you to get a field if you ask the minister?

A. I should be delighted to get another field.

By Mr. Jackson (Elgin):

Q. Fully 50 per cent of our export stock is finished on grass and we consider we get a profit out of our cattle by turning them out on our pasture fields during the summer. All through Western Ontario during the latter part of May, June, July and August you will find droves of cattle finishing on grass for the export market, which is practically where the profit comes in in the export trade?

A. We pasture more or less. You understand that we have a large herd of dairy cattle. We have 100 head of dairy cattle and we have to pasture them. We have not thought it advisable to pasture beef cattle for the reason that it is very commonly done by the farmer, and I think very commonly done at a loss. Unless he has rough land the man who is pasturing his cattle is getting a very small return from it.

Q. If you went into the question I think you would find it would be the other way?

A. I have gone into it not with beef cattle, but with dairy cattle.

Mr. MARTIN (Wellington).—There are very few cattle finished on grass in Wellington county; that is, the cattle we feed through the winter.

By Mr. Jackson (Elgin):

Q. The heaviest exportations of cattle from Canada and the United States take place during July, August and September?

A. You cannot export cattle that are finished on pasture in July. We do not get our cattle on to pasture until June and we cannot finish them in a month.

Q. I am speaking of Ontario?

A. Well, this district is in Ontario.

Q. I am speaking of the cattle producing part of Ontario, and of something that I know a little about. Our cattle are turned on to the grass the latter part of May and are taken off the pasture field during the period extending from the first week in July until September?

A. Well, we cannot make the climate here anything different from what it is?

Q. We want experiments that will assist us in all parts of Canada?

A. You would have to move this farm.

Q. No, I do not think that either?

A. If you wanted to get them off in the month of July you certainly cannot finish them on pasture in this district. There are a great number of cattle pastured here, but they are sold off in August or September; you cannot get them off pasture in July. In August and September there are a good number exported, but not in July.

Q. You are losing the plum of your experiments by not finishing cattle on pasture?

A. I don't agree with you there. I feel that many of our farmers are making a mistake in devoting too much of their land to pasturing cattle unless it is rough land. It is a matter of opinion, but that is my opinion.

By Mr. McIntyre (Strathcona):

Q. Have you any control of the experiments that are carried on at the other experimental farms?

A. No.

By Mr. Lewis:

Q. What are you basing your opinion on; you are making an absolute statement on what basis?

A. I base my opinion on the returns which are obtained.

Q. But you have not made any experiments?

APPENDIX No. 2

A. There are areas devoted to pasture here and elsewhere. If you take 100 acres of first-class land and put cattle on it you will get small returns compared with what you get from the same area cultivated and farmed; a very much smaller return relatively. Therefore, I think good land should not be pastured.

Q. You have not made any experiments?

A. I have made experiments. Pastured fields and cultivated fields were given similar treatment, and from the latter we got twice as much return as from the pastured fields.

Q. Did you take your labour into consideration.

A. We took the labour into consideration.

By Mr. Jackson (Elgin):

Q. You want to have such a system that you will have a regular flow of cattle going from this country practically all the year around. There are five months of summer during which there is no cheaper way of fattening cattle than by turning them on to the fields?

A. Do you mean that it is a cheaper way?

Q. We think it is a cheaper way of fattening cattle than feeding them in the stable?

A. But you won't get the same return from the land?

Q. That is a question that you have not tested and that I have?

A. I have tested it.

Q. I may say that I have tested.

A. I have tested also.

The CHAIRMAN.—I think we must stop this argument. You are going too far along the line of pasturing cattle and Mr. Grisdale has been drawn away from his subject.

Mr. HENDERSON.—What are we here for?

The CHAIRMAN.—Mr. Grisdale is dealing with feeding cattle in stables. If you want to discuss a contrary method of feeding we can take it up another time. Mr. Grisdale has been drawn away from the programme that he had mapped out.

Mr. LEWIS.—He is stating information here which will be spread broadcast over the country.

The CHAIRMAN.—The difficulty is that Mr. Jackson is making a speech and the professor is not getting on with his subject.

Mr. JACKSON (Elgin).—No, I am not making a speech.

Mr. WILSON (Lennox).—We are discussing the feeding of cattle, and if there is a difference of opinion between those two gentlemen, I think it is well to hear both sides.

Mr. LEWIS.—I think the professor should withdraw his statement and should conduct experiments in fattening cattle on grass in two or three fields. Then he can give us his opinion.

Mr. GRISDALE.—The opinion I expressed was that you could get more money off a given area of land by farming than by pasturing it. I decline to withdraw that statement unless it is the wish of the Committee.

By Mr. Telford:

Q. I think it will depend entirely upon the character of the land?

A. I referred to good land.

Q. If the land is cultivated?

A. That is what I meant.

Q. That is all right. I may say that in the country from which I come the greater number of cattle are fed in stables. A few are fed on grass, but the greater part are fed in stalls?

A. If it is a matter of poor land, that is the only way to utilize it without going to the expense of hiring a lot of men. In such a case it probably would be advantageous to pasture it, but if you take a 100-acre farm and turn it into pasture you will not get the nett returns from pasturing that land that you would if the farm were cultivated.

By Mr. Lewis:

Q. Taking fields in rotation, you re-invigorate them by pasturing them?

A. Yes, I am quite in favour of that. I always advocate pasturing one year in four or five.

OUTSIDE FEEDING.

By Mr. McIntyre (Strathcona):

Q. In the matter of feeding have you experimented at all in regard to temperature? In Alberta a great many people feed their cattle in the winter and leave the greater number of them absolutely in the open air, subject sometimes to the temperature of 25 and 30 degrees below zero. Others feed their cattle in stables which they take every precaution to see are kept perfectly warm. Have you any information as to the relative value of such methods?

A. Yes. Last winter we fed a bunch inside and a number outside, and the latter made just as good gains as the former. I might say further, that at the Brandon experimental farm this year we are feeding one bunch in a warm stable and another bunch outside in a bluff. The outside cattle looked quite as well, if not better, than those inside when I saw them two weeks ago.

By Mr. Wilson (Lennox):

Q. Do you put them under shelter at night?

A. No.

Q. Then you had better do away with stables?

A. That would be all right for beef cattle, but would not do for dairy cattle.

By Mr. MacLaren (Perth):

Q. At what temperature do you keep them?

A. The cattle inside?

Q. Yes?

A. At a temperature of about 40 or 45 degrees for beef cattle.

INFLUENCE OF GOOD BREEDING.

In the case of well bred versus the scrub cattle we find that it pays better to feed the well bred steer, but there is a certain limit, as I have already said, beyond which you must not go in paying to get good shapes. We find, as a rule, that well bred steers do not make much greater gains per day than do the poorly bred, and they will not put the gains on very much more cheaply. But when it comes to selling that is the time when the well-bred steers show up. We can always get anywhere from half a cent to 1½ cents more per pound for the well-bred, well-shaped, well-fed steer than for a scrub steer no matter how fat he is. Hence, so far as our experiments in that line go we are prepared to say that the farmer should pick out the first-class steer up to a certain limit.

APPENDIX No. 2

By Mr. Wilson (Lennox):

Q. Is there not a difference in the flavour of the two kinds of meat, the well-bred and the scrub?

A. I am not prepared to say.

Q. That is a question of some importance?

A. I don't think there is so much difference in flavour, but if you take a cut of porterhouse or sirloin steak from a well-bred well-shaped steer you get more lean meat better intermingled with fat than you do from a poorly bred, poorly-fed animal.

By Mr. McColl:

Q. It must be better and more tender meat?

A. I don't think that follows at all. I have never seen it in my own experience and I have never heard of any one making that claim.

Q. Is there any difference between different classes of Durhams or Holsteins in reference to the price and the class of meat?

A. When you buy?

Q. No, when you sell?

A. Yes, from $\frac{1}{2}$ cent up to $1\frac{1}{2}$ cents.

Q. In favour of which?

A. In favour of the well-bred beef animal.

Q. But distinguishing between different classes?

A. Jerseys, Guernseys and so on?

Q. No, just fat cattle?

A. Decidedly in favour of the well-bred beef animal—Shorthorn Herefords, Aberdeen, Angus or Galloways. All these breeds command equally high prices.

By Mr. Barr:

Q. Which would you recommend?

A. I am not here to distinguish between the beef breeds; I think they are all good. It is a matter, I think, which has never been settled. We have tried experiments in feeding the different brands, and I have seen them tried elsewhere, but I never found anything yet to show that one breed was better than another.

By Mr. Lewis:

Q. Do the Aberdeen Angus command a better price than the others?

A. I do not know that they do. They have taken the championship once or twice at Chicago.

Q. I mean in regard to selling?

A. No, I don't think they do. In the old country there is a cross between the White Shorthorn and the Aberdeen Angus called the Blue Greys which commands a premium of probably a shilling or two per cwt. That is the only difference that I have ever heard of made in the different breeds of cattle.

By Mr. Wright (Renfrew):

Q. What is the grade between the Shorthorn and the Aberdeen Angus?

A. A White Shorthorn bull and Aberdeen Angus or Galloway cows give Blue Greys. These Blue Greys might be called iron greys since the colour is due to an intermingling in equal quantities almost of white and black hair.

By Mr. Lewis:

Q. How do the Herefords class?

A. They are a very good class I think. The Herefords show up in one particular respect—they are the best grazing cattle we have. No one can dispute that.

By Mr. Barr:

Q. Are they not more tender than the others in wintering; do they not require more care?

A. I don't think they do so. I saw a herd of about 100 near Portage la Prairie. They were left out in the scrub practically all the time and they seemed to be quite husky when I saw them in March last. I think that is all I had intended to say about the scrub versus the good cattle.

FROZEN WHEAT FOR BEEF PRODUCTION.

The next point I wish to touch upon is the value of frozen wheat for feeding purposes. We got a carload, as Dr. Saunders told you a few days ago, from the west, and I have samples of that wheat here. We fed this wheat to steers for 70 days, and I will give you the particulars in a minute or two. There are samples here of the frozen wheat ground and unground. Here are samples of the ground wheats, No. 1 and No. 2 (holding up sample.)

By Mr. McIntyre (Strathcona):

Q. Do you know where that wheat was imported from?

A. It came from Indian Head.

By Mr. Lewis:

Q. What did it cost you?

A. Ninety-eight cents for No. 2 and \$1.06 for No. 1 landed here. Mr. Shutt gave me the composition, and I could give it to you, but I do not suppose you want that. We did not feed it pure to any class of steers. I have fed it pure to a lot of swine, but not steers; I have never found it satisfactory to feed any one pure grain like that to steers. Now, taking one lot of steers, which we will call lot B, they weighed on December 24, 730 pounds average. On March 3 their average weight was 881 pounds, so that there was a gain of 151 pounds in 70 days, or an average of 2:15 lbs. gain per day. The average daily ration was: corn ensilage, 40 pounds; clover hay, 3 pounds; oat straw, 5 pounds; crushed oats, 2 pounds, and frozen wheat No. 1, 3½ pounds. The cost of a pound of grain was 6:31 cents during that period, and the cost of the meal for that one pound of gain was 3:09 cents. Now, these figures are worth remembering, because upon them the point of the experiment hangs. Now, we will take lot C. Their average weight on December 24 was 834 pounds. On March 3 it had increased to 1,001 pounds, showing a gain of 167 pounds in 70 days. The daily rate of gain was 2:4 pounds. The average daily ration per head was: Ensilage, 45 pounds; oat straw, 6 pounds; clover hay, 3 pounds; bran, 3:3 pounds; frozen wheat, 2:2 pounds. There was less frozen wheat there you see. The cost of one pound of gain was 5:50 cents. The cost of meal per pound gain was 2:52 cents. You will notice that where the frozen wheat was decreased the cost of 1 lb. of gain was a little lower.

By an Honourable Member:

Q. What value do you put upon the ensilage?

A. \$2 a ton.

By Mr. Wilson:

Q. You say you paid \$1.06 for the No. 1 frozen wheat?

A. That is per 100 pounds. Of course, we ground the wheat. Later on I will give you a point on that. Now, as to lot D the weight on December 24 was 945 pounds. On March 3 it had increased to 1,090 pounds showing a gain in 70 days of

APPENDIX No. 2

145 pounds, the daily rate of gain being 2.07 pounds. We fed as a daily ration 44 pounds of corn ensilage, 3 pounds of hay, 6 pounds of oat straw, 2.66 pounds of bran, and 2.78 pounds of frozen wheat. Now, you will notice that the oats along with the wheat cost more than bran along with the wheat. The cost per pound of gain was 6.28. The cost of meal for one pound of gain was 2.85 cents. Now, we will take lot E. Their weight on December 24 was 1,068 pounds and finished on March 3 with a weight of 1,258 pounds, having made a gain of 190 pounds in the 70 days or a daily average rate of gain of 2.71 lbs. Their average daily rations was as follows: Corn ensilage, 50 pounds; straw, 6½ pounds; clover hay, 3 pounds; gluten, 2.15 pounds; bran 3.17 pounds. The cost of one pound of gain was 5.33 cents, and the cost of meal for one pound of gain, 2.41 cents. Now, the frozen wheat was up against a pretty hard proposition when it ran against gluten, because, as I have already told you, that is one of the best foods, possibly not as good as oil meal, but better than corn. The farmer should know, in my opinion, whether it will pay him to get frozen wheat rather than corn, gluten, or oil meal to feed his steers in addition to the crop grown on the farm.

By Mr. Lewis:

Q. What do you mean by the 2.41 cents; what does it mean actually?

A. That is the cost of the meal part of the feed required for one pound of gain. Take lot B where we used the largest amount of frozen wheat, viz., 3.5 pounds. The cost for one pound of gain was 6.31 cents.

By Mr. Wilson (Lennox):

Q. Can you give us the profits realized?

A. The profit has not been figured out yet because there are other experiments to be concluded.

Q. It looks rather high, 6.31 cents for a pound of gain?

A. That is cheap feeding.

Q. What would you sell those steers at per pound?

A. They are sold to go at 5½ cents per pound.

Q. Is that profitable?

A. Yes. I think it is quite evident that the honourable gentleman is not a cattle feeder.

By Mr. Telford:

Q. That increase will be on your beef here?

A. That will be on the live weight.

Q. There will be no reduction for offal, that is the selling price of the actual dressed beef?

A. We sold the cattle alive and there was no reduction for offal.

By Mr. Lewis:

Q. Where is the weight taken?

A. On the farm. We sell according to the weight on our own scales there. For the information of those who do not understand this beef feeding business I may say that on steers bought in the fall and sold in the spring you never expect to make a pound of beef for the price you sell it at; to do so would be a most exceptional condition. You sell at 5½ cents a pound live weight. You have put on the steer 300 pounds which probably cost you 6 or 7 cents a pound. To start with you got your steer at 4 cents a pound we will say. There will be about 1,000 pounds at 4 cents, which is \$40. Supposing you sell 1,300 pounds at 5½ cents a pound. That would be \$71.50; so there is a difference of \$31.50 between the price at which you buy and the selling price. You have \$31.50 to the good and your feed has cost you, say, \$7 a hundred

For the beef produced, which amounts to \$21. Deducting that from the \$31.50 it leaves you a margin of \$10.50.

By Mr. Wilson:

Q. You do not allow anything for labour?

A. Nor for the manure either. Labour is such a varying quantity and manure also that it is tacitly understood by experimenters the world over that both items shall be excluded.

By Mr. Lewis:

Q. That is a way of balancing things up?

A. That is the way we have of balancing things up.

By Mr. Wilson (Lennox):

Q. Labour would cost considerably more than formerly with wages at the present rate?

A. Wages would be more and manure would be worth more.

I want to say a word or two now about frozen wheat.

By Mr. Sproule:

Q. How do you find frozen wheat as a feed for pigs?

A. I am going to take that up in a few minutes. We find that for steers it has to be ground very fine otherwise it passes through the animals undigested. It is absolutely necessary for beef cattle, dairy cattle or horses that it shall be ground finely.

By Mr. Henderson:

Q. You are speaking now of frozen wheat?

A. Frozen wheat.

Q. Does that same principle apply to all kinds of grain for feed purposes; should it be ground fine?

A. No, I will not say it applies to all kinds of grain, but it had better be ground if you want to get the best results, but not to the same extent as in the case of frozen wheat. The kernels of frozen wheat, if you examine them, you will find are very hard. If they were soaked for a while it would overcome that hardness, but where fed dry, they go right into the stomach; they don't have time to soften, and are very difficult to digest. Therefore, these kernels if not ground, or if badly ground, pass right through the animal.

By Mr. Lewis:

Q. Do you grind it or roll it?

A. We grind it. You can see the way it is prepared from the samples here.

Q. Have you experimented with grain that is rolled, that is, crushed, but not ground?

A. I cannot say that we have, but I have seen it done.

Q. That is what they use on the ships. They make it as coarse as they can by crushing the grain?

A. Yes.

By Mr. Henderson:

Q. Your opinion is that the finer they get the wheat the better?

A. In the case of this wheat, not in all other cases.

APPENDIX No. 2

By Mr. Blain:

Q. Would you say that it would pay to bring frozen wheat to Ontario and feed it to cattle in competition with grain grown in the province?

A. This year I think it would at the prices we pay. The prices are so high for bran and other feeds that wheat costing anywhere around \$1, \$1.10 or \$1.15 is a good feed.

By Mr. Martin (Wellington):

Q. In feeding ensilage, clover hay and oat straw and your meals do you mix them all together?

A. Yes.

Q. Do you cut it up and mix it all together?

A. We don't mix the hay, but we take the ensilage and where we are feeding any roots we pulp them and mix them together with the straw, and on top of that when fed to the cattle we throw the meal.

Q. Do you dampen it?

A. No, there is enough moisture in the roots and ensilage.

By Mr. Lewis:

Q. Did you get the same results from frozen wheat as from unfrozen?

A. We have not made experiments to determine that.

Now, as to summer feeding. I think I have already discussed that pretty well with Mr. Jackson.

Mr. JACKSON (Elgin.)—I don't think you discussed it at all.

Mr. GRISDALE.—If you will get me the field I will be only too delighted to experiment in pasturing cattle.

Mr. JACKSON (Elgin.)—If the Chairman or Mr. Grisdale will show me where cattle intended for export are finished for six months of the Canadian year I will welcome the information. If they can show that they are finished in the stable I will alter my opinion.

Mr. MARTIN (Wellington.)—I can show you a man who has from 250 to 300 head that he finishes in the stable.

SUMMER FEEDING IN STABLE.

Mr. GRISDALE.—We took a bunch of steers three years ago, in April, put them in the stable and fed them until August 2, and they made quite as good gains during that period as similar steers fed during the winter, showing that in spite of the warm weather they did all right inside. They were fed exactly similar feeds as were fed cattle in winter, and made quite similar gains. For instance, they made a gain of 2.21 pounds per day although it cost a little more in that case, 6.73 cents, to make a pound of gain.

By Mr. Lewis:

Q. In what kind of place were they kept?

A. A very roomy place, our steer barn, a wooden building.

By Mr. Barr:

Q. Were they tied up?

A. No, they were loose. Have you been at our stables, Mr. Jackson?

By Mr. Jackson (Elgin):

Q. Yes. That gain was made in summer do you say?

A. They made 203 pounds from April 21 until July 23. I made a mistake in saying August before. That is for three months they made a little over 60 pounds a month.

By Mr. Wilson (Lennox):

Q. Did you try the same kind of experiment with cattle outside in the summer as you did with cattle in the cold weather?

A. We fed them outside, not on pasture, but in a small yard, and they made good gains.

Q. They made better gains than they did in the cold weather?

A. During the hot weather?

Q. Yes?

A. No, they did not make any better, but just as good.

By Mr. Lewis:

Q. Sixty pounds gain a month is quite an increase?

A. It is fair, about 2 pounds a day.

Q. Do they gain as much as 150 pounds in a month?

A. I have had them gain as much as 150 pounds in a month, but that is exceptional, and they won't do it continually. For instance, three weeks ago I had a steer which made a gain of 90 pounds in two weeks, and the next two weeks the gain was 50 pounds, so that the total gain for the month was 140 pounds. We get them once in a while to do that. One steer made a gain of over 100 pounds in three weeks. That was a remarkable steer in my opinion.

Q. What class of steer was that?

A. It was a shorthorn grade.

By Mr. Sproule:

Q. Do they make as good gains during the fly season?

A. This bunch to which I refer did. I could not see that it affected them very much.

Q. Are the flies troublesome down here?

A. Yes. There was a shed into which these steers could go and they were not exposed to the sun all the time.

Q. Am I correct in understanding you to say that you did not find much difference in the quality of the food between the worst frozen wheat and the best wheat?

A. We did not try the pure wheat because that injures the steers. We just took one variety and mixed it with oats or bran.

Q. What was it, the first or second?

A. No. 1

By Mr. McIntyre (Strathcona):

Q. What do you mean by the first grade of wheat as compared with the western grades?

A. There are the two samples.

Q. Quite so, but you understand we have grades in the west?

A. These were graded. They are No. 1 and No. 2 frozen wheat or feed wheat.

Q. Is that a commercial grade, No. 1 frozen?

A. I do not think it is a commercial grade.

Q. You bought it on grade?

A. Yes.

APPENDIX No. 2

BABY BEEF.

The subject we have been experimenting with for quite a number of years is the feeding of steers from birth to block. We have found it pays to get them to the block as quickly as we can. We have put them on the block at the age of 13 months, and also at two years, and the quicker they are placed in the butcher's hands the more profitable they are. We have taken similar steers and allowed them to run through on a light ration, giving them a little bit of meal the first winter, practically no meal the second winter, and finishing them off the third winter; and they have given us, as a rule, a very small margin indeed. For the man who has rough pasture and a lot of rough feed that is not a good way to do, but for the man who wishes to make beef out of the little bit of arable land he has, shoving the beef forward and getting it on the market as quickly as he can is the best way of making money. Practically the same thing applies here that was raised by Mr. Jackson as to the advisability of pasturing or stall feeding; keeping them inside or letting them run on rough land and using their product off the rough land. Our experiments show that where they are properly fed we were able to make a profit of from \$5 to \$25 on steers of from 13 to 18 or 20 months old. That was after paying for the steer and the cost of the feed. We have had quite a number of experiments along this line and it would be quite a long process to conduct you through the mazes thereof. However, that in brief is the result.

SWINE FEEDING.

Now, I come to the question of feeding pigs. In one bunch we had 29 brood sows and I will give you briefly the amount of feed consumed by them from December 1, 1907, until March 14, 1908. It cost us to feed those 29 sows during the 105 days \$135.99. We fed them 37,100 pounds of roots at \$2 per ton, 3,788 pounds of bran at \$22 per ton, 4,151 pounds of shorts at \$25 per ton, and 1,550 pounds of clover hay at \$7 per ton. During the first seven weeks, that is about 50 days, those sows cost us just 2½ cents per diem to feed showing that it is possible to carry brood sows through very cheaply even under such adverse conditions as we have at the farm. The last seven weeks or 50 days it cost us a little more because the sows were getting nearer the time for farrowing and they had to be in better shape for the litters. They have farrowed very largely now, I think about 20 of them, and in every case but one have given us good litters. That one gave only three or four. They are all strong and healthy notwithstanding the conditions at the experimental farm where we have a very poor piggery. However, we got the sows through the winter very cheaply; they are healthy and have given good litters.

By Mr. Sproule:

- Q. Did you wet your feed or steam it?
 A. No, it was fed dry.
 Q. Did you feed the hay dry too?
 A. We fed the hay in a rack, just as you would feed sheep.
 Q. Clover hay?
 A. Clover hay.
 Q. You would not feed timothy?
 A. We would not feed timothy, but we did feed some alfalfa.

By Mr. McColl:

- Q. Have you made any estimate of what it would take to keep a brood sow and have her raise two litters of pigs a year?
 A. We have estimated that it will cost, if you feed them as cheaply as you know how, from \$12 to \$15.

Q. I estimated \$15?

A. Under the system of feeding I have outlined, that we followed this last winter, it is going to cost us less than that, because in summer we put them on roots or green feed and they feed very cheaply indeed. In this way we get the best litters every time. Feeding them too heavily is a great mistake.

By Mr. Sproule:

Q. Are you going merely to feed them on roots?

A. On clover pastures to start with, and then roots afterwards. There is some little danger in having them on root pasture, however.

Q. What do you mean by root pasture?

A. Take part of a field of roots and fence it off with a bit of sod alongside of it and included in the pasture.

By Mr. McColl:

Q. Have you ever tried feeding them pumpkins?

A. Quite extensively, and they are certainly an excellent feed. We cook them and mix meal with them, and I don't think there is anything that will surpass them as a cheap fattening ration.

By Mr. Wright (Renfrew):

Q. Seeds and all?

A. Seeds and all, and they like the seeds best.

By Mr. McIntyre (Strathcona):

Q. What about artichokes?

A. They are capital feed for both fattening pigs and brood sows, that is for about a month in the fall and about two weeks in the spring. After that you must let them grow or you will have no crop next year. We made some very cheap gains with artichokes for two or three years running.

FROZEN WHEAT FOR FATTENING PIGS.

Now, as to frozen wheat, we fed it to pigs very extensively. Since swine are supposed to be particularly suited for making use of this sort of feed it was decided to give as thorough a test as possible. The results given below are quite incomplete, but will serve to indicate the high value of different grades of frozen wheat for pork production.

The hogs were divided into groups of 5 each and fed as follows:—

Lot 1—	Frozen wheat No. 1,	200 lbs. with shorts,	100 lbs.
" 2—	" No. 1,	200 "	" 100 "
" 3—	" No. 2,	200 " with corn,	100 "
" 4—	" No. 2,	200 " only.	
" 5—	" No. 2,	200 " "	
" 6—	" No. 2,	200 " with barley,	100 "
" 7—	" No. 1,	200 " with oats,	100 "
" 8—	" No. 1,	200 " "	100 "
" 9—	" No. 2,	200 " with skim milk,	3 lbs. daily per pig.
" 10—	" No. 1,	200 " only.	
" 11—	" No. 1,	200 " "	
" 12—	" No. 1,	100 " No. 2,	100 lbs. ; corn, 100 lbs.
" 13 }	Check lots both fed with the following ration :		
" 14 }			

500 lbs. shorts, 300 lbs. corn, 100 lbs. Imperial flour (coarse feeding flour), skim milk a pound per day per pig, root equal parts by weight with meal fed.

APPENDIX No. 2

All pigs were fed on these rations for 56 days, exclusive of 7 days allowed for change of ration. The pigs were weighed every Tuesday and careful notes made of results each week. The summary is as follows:—

Lot	gained at rate of	lbs. per day	per pig and required	3 9 lbs. meal for 1 lb. gain.
" 1	·76	"	"	"
" 2	·77	"	"	3·7 " 1 "
" 3	1·03	"	"	3·9 " 1 "
" 4	1·23	"	"	3·6 " 1 "
" 5	·71	"	"	3·8 " 1 "
" 6	·81	"	"	4·1 " 1 "
" 7	1·02	"	"	3·9 " 1 "
" 8	·66	"	"	3·9 " 1 "
" 9	·86	"	"	3·4 " 1 "
" 10	·94	"	"	4·1 " 1 "
" 11	·79	"	"	3·9 " 1 "
" 12	·94	"	"	4·7 " 1 "
" 13 }				
" 14 }	·92	"	"	3·2 " 1 "

The pigs enjoyed uniformly good health. The lots were fairly uniform in size except in cases where two lots were on the same ration, when one was a heavy lot and the other a light lot, as for instance, in lots 10 and 11, where pigs in lot 10 averaged at finish 203·2 lbs., and pigs in lot 11 averaged at finish 140·8 lbs. Weights are given below.

Average Weight per Pig in Lot in each case.

Lot	1—Weight to start.	99.1—To finish.	141·8
" 2—	"	76·0—	119·2
" 3—	"	118·2—	176·2
" 4—	"	140·0—	209·2
" 5—	"	85·0—	124·8
" 6—	"	104·1—	148·6
" 7—	"	112·1—	169·4
" 8—	"	74·2—	111·6
" 9—	"	99·0—	147·2
" 10—	"	150·4—	203·2
" 11—	"	96·3—	140·8
" 12—	"	124·8—	176·7
" 13—	"	108·6—	159·3
" 14—	"	83·8—	137·2

It will be observed that pigs on pure frozen wheat made excellent gains. It must be noted, however, that very careful feeding was necessary in lots where pure wheat was used. On averaging up the weak lot it will be found that gains cost on pure frozen wheat less than 4 cents per pound live weight. This compares very favourably with gains made on other feeds or mixtures. The wheat should be finely ground.

By Mr. Lewis:

Q. I understood you to say that too much frozen wheat would kill the little pigs, is that because the wheat was frozen?

A. It would not kill them but knock them off their feed. They would probably get stiff and would not go up to the trough and eat.

Q. Would that apply to ordinary wheat?

A. I think it would apply to any one grain, if you undertook to feed your pigs on it.

Q. It is not because the wheat is frozen?

A. No, I do not think it is.

By Mr. Sproule:

Q. Is the wheat equally valuable for the pigs up to the time they reach 75 or 76 pounds, as from that time on?

A. Our smallest pigs experimented with weighed 60 pounds each. We put them on that feed and they did as well as the bigger pigs.

By Mr. McColl:

Q. Did you ever find that a litter of 8 or 9 pigs seemed to be about even in size, a fairly even bunch, until they weighed 60 or 70 pounds. Then one or two would go up to 200 pounds and the others will weigh about 150 or 160 pounds?

A. Yes, very often.

Q. Did you notice that difference more particularly in testing the frozen wheat than with other feeds, or what is the reason for it?

A. I think there was a little more inclination that way when frozen wheat was fed. You will notice a little variation in the returns. Some pigs did very well. There was one that gained 120 pounds in the time the experiments lasted, about 100 days. No other pig gained over 100.

Q. When I was at the farm the man informed me there was one pig which weighed about 260 pounds. It had gone from about 111 up to 260?

Q. That is the pig I am talking about, that was a white pig. I don't know how to account for it. These pigs were fairly even in size, but this particular animal rushed ahead and made far better gains on exactly the same feed; and, strange to say, in the same bunch one went off his feed.

By Mr. Sproule:

Q. Have you found No. 1 and No. 2 feeds to be of exactly the same quality?

A. For pigs No. 2 seemed to be a little the better.

Q. My man tells me that No. 2 frozen wheat is scarcely worth feeding at all. The ordinary wheat, he thinks, is so far ahead of it as to pay for the difference in price?

A. We got good results.

By Mr. McColl:

Q. I understood to the contrary, that in frozen wheat, even in No. 2 there was a larger percentage of protein than in pure wheat, and it is better for feeding purposes?

A. It may be better for feeding pure, but for feeding purposes I prefer the other.

Q. The sound wheat?

A. The unfrozen wheat.

By Mr. Lewis:

Q. Some farmers prefer shorts to wheat?

A. Most of them do. I do myself.

Q. It is preferable?

A. Yes, but it is dearer.

Q. Is it?

A. You cannot get shorts here for less than \$27 a ton at present, and the lowest price last fall was \$24 or \$25.

Q. What is the difference in price between the feeds?

A. Wheat is about \$20 a ton. The other runs from \$25 to \$27 a ton.

By Mr. Sproule:

Q. I understood you to say that it takes about 4 pounds of feed to make one pound of pork?

A. Yes.

Q. That would be 1½ cents a pound?

A. No, very little more than \$1 a 100 pounds.

Q. At the rate you pay for your feed, \$25 a ton, it is 1½ cents?

A. Yes.

Q. That makes 5 cents?

A. Yes.

APPENDIX No. 2

Q. If you sell your pigs at \$4.45, \$4.60 or \$4.75, where is your profit?

A. Selling at 6 cents we make it pay.

Q. That is the price at which pigs have been running this winter?

A. I sold some pigs for 6 cents and 6½.

Q. That would bring it to \$4.50?

A. I sold them over a month ago for 5½. I think our markets are a little better than yours in the west.

Q. We were selling for \$4.40?

A. I have no doubt?

By Mr. McColl:

Q. I am buying frozen wheat, No. 1, at 66 cents a bushel. That means \$1.10 per hundred for the wheat. It costs 5 cents a hundred for grinding that wheat, which makes the price—

A. \$1.15.

Q. \$1.15 per 100?

A. Yes.

Q. Which is the cheapest feed you can procure at the present time?

A. Yes, it is the cheapest feed you can procure at the present time.

Mr. SPROULE.—Can you buy No. 1 frozen wheat for \$1.06 at your place?

Mr. McCOLL.—I bought some feed from the elevator there at 66 cents a bushel, taking it when I liked.

By Mr. Lalor:

Q. You cannot feed clover hay to pigs as well as sheep and cattle, can you?

A. Yes.

Q. Do they eat it up clean?

A. They will eat lots of it. The 29 brood sows that I have been speaking of ate about three-quarters of a ton in a couple or three months.

Q. Do you feed them from the rack, the same as you would sheep?

A. Yes. It is a very cheap and good feed, and they like it.

Q. It is a very unusual thing for the ordinary farmer to do?

A. I don't know. There are men that do this, I have seen a good many do it. It is a cheap and good way of feeding the sows, there is no better feed for them.

Q. You mean that it is a good feed for sows, but not for fattening?

A. Not for fattening. If intended for fattening, you mix it with meal and steam it. In the case of the brood sows we allowed them to pick it out themselves.

ROOTS FOR SWINE.

I have one more item to deal with, and then I have finished. That is as to the value of roots for pigs. As I said, in speaking about the sows, we have fed pigs on roots in the pasture. We just cut off a corner of the root field and turned the pigs in.

By Mr. Sproule:

Q. What kind of roots do you mean?

A. Different kinds, mangels, turnips, sugar beets and carrots. They would eat the mangels first, then the sugar beets, then the carrots and then the turnips; that was the order in which they took them, and that was one thing I wished to find out. There is one difficulty in connection with feeding them in a root field. They are apt to develop a little too much belly and they don't make as rapid gains as where you control the amount of roots fed; so while you save the cost of harvesting you lose in

the rate of gain and in the kind of product which you get. We compared root pasture with alfalfa and with red clover pasturing, and then we compared a lot in the barn which had no pasture at all but which received a certain amount of roots. We found that the pigs which we had on root pasture cost us \$3.82 a hundred. We estimated the roots at so many bushels per acre, and worked it up that way. Of course, the roots cost us less unharvested than when they were harvested. Fed in pens on roots the cost per 100 pounds of gain was \$4.23. When the pigs were fed with roots and meal in the pens the cost was \$3.09, and when fed with roots in the pasture the cost was \$3.82.

By Mr. Sproule:

Q. At what time of the year did you turn them on to the roots?

A. It was in September. When the pigs were fed on alfalfa pasture the cost was \$3.67, and on red clover pasture \$3.52. You will see, therefore, that feeding with roots and meal in the pen was the cheapest way of fattening them. We have found that to get quick and profitable returns from fattening pigs they must be kept in close quarters. If you give the animals a big run they get rid of a certain amount of their feed. Hence they are better in close quarters.

For breeding stock it is probably better, however, to give the pigs a run. We have had a bunch of young sows out all winter. They have done very well, but, of course, cost somewhat more to feed than would have been the case had they been inside.

By Mr. Wilson (Lennox):

Q. You did not house them at night?

A. They have cabins.

Q. The pigs would go in themselves?

A. Yes.

Q. You think they did as well as those that were kept inside?

A. Quite as well, if not better, but it cost a little more to feed them. We did not feed them for $2\frac{3}{4}$ cents a day.

Q. Tell us how much it cost?

A. They were growing sows and they cost us about 6 cents a day each.

Q. What did the others cost?

A. $2\frac{3}{4}$ cents to 5 cents.

Q. That is quite a difference?

A. Yes, quite a difference.

Q. The value of your tests would be greater if they were made with sows of the same age?

A. I have not made such an experiment this year, but two or three years ago we did that.

Q. You ought to tell us what the age was?

A. In the case of pigs of a similar age three years ago, the cost of increasing live weight was 6 cents a pound.

Q. That was pigs fed inside?

A. Yes. Pigs of the same age fed outside cost us 8 cents a pound.

Q. That is more than you said it cost you last winter?

A. But this is another experiment.

Q. I do not see why there should be such a difference?

A. I have seen pigs that it cost 10 cents a pound to put on weight. With others the cost was only 2 or 3 cents. I may say, however, in summing up inside versus outside winter feeding that it usually cost about 1 cent more per pound increase in live weight when fed outside rather than inside.

There is one other experiment to which I desire to refer. We fed pigs on milk, on sugar beets and on mangels. Where we fed them on meal and mangels the cost to

APPENDIX No. 2

produce 100 pounds live weight was \$6.20. That was in winter and winter feeding is always more expensive than summer feeding.

By Mr. Henderson:

Q. When you speak of sugar beets do you mean the ordinary beet which is grown in the garden for household consumption, or the beet which is cultivated for the purpose of making sugar?

A. I mean the best which is grown for the manufacture of sugar, the Danish Improved sugar beet.

By Mr. Lalor:

Q. If winter feeding is so expensive it would not be very profitable to the farmers to sell pork at 6 cents a pound or less?

A. In the experiments to which I am now alluding the cost of producing 100 pounds live weight was \$6.20 with mangels and with sugar beets \$5.05, showing that the sugar beet is very much better than the mangel.

By Mr. Sproule:

Q. What about turnips?

A. The pigs eat them with difficulty unless you pulp them.

Q. I mean pulped?

A. We find they are quite equal, if not superior, to the other roots when cooked or pulped.

By Mr. Wilson (Lennox):

Q. What do you estimate the cost of your roots at?

A. \$2 a ton for mangels, \$2.50 for sugar mangels, and \$3 for sugar beets. The sugar beets are really put a little too high in comparison with what they cost us to produce. We get 22 tons of mangels, 18 tons of sugar mangels and about 16 tons of sugar beets to the acre. Sometimes the yield is a little more, but very seldom less than that.

By Mr. Lalor:

Q. That is a very high estimate for the ordinary farmer, especially in sugar beets?

A. I don't know about the ordinary farmer; I am speaking of our crops for the last few years.

By Mr. Schell (Oxford):

Q. How many tons of turnips do you get?

A. Around 20.

By Mr. Wilson (Lennox):

Q. Now, tell us the kind of feed that makes the best pork?

A. The best pork in my experience is produced by equal parts of oats, peas and barley, about three pounds of skim milk and about as much roots. That is about the best pork I ever tried. You want to use about as much roots as you are feeding meal; that is, for every two pounds of meal or grain there should be two pounds of roots fed.

Q. There used to be an idea that pea fed pork was the best?

A. No, pea fed pork is apt to become very hard when it is cooked. I have tried different kinds of pork and I know that pea fed pork is too hard when cooked.

Q. Corn-fed pork is apt to be too soft, is it not?

A. I have seen corn fed pork of a very nice quality.

By Mr. McColl.

Q. I have had this experience with some young pigs, particularly those that came in the winter. They went along very well until they were about three or four weeks old when they took sick, suffered from scouring and died. What is the cause of that?

A. I cannot tell you. I would like very much to know myself. We have been trying to find out; in fact, I have been working for years on it. I think the scouring is due to some germ. I have thoroughly disinfected the pig pens every day, but did not always succeed in making a cure. Sometimes there was a cure, but I could not always tell how it was brought about. I have seen good results follow where we fed the little ones some pasteurized or warm milk with a little shorts mixed therein.

Q. Would the sickness be due to the milk of the sow being out of condition; that the sow suffered from over-feeding or lack of exercise?

A. It might, but at the farm we are very careful in feeding the sows and we know they get very wholesome food.

By Mr. Sproule:

Q. Do you give them dry feed or wet?

A. Wet.

Q. Do you put your milk in with the other feed?

A. Yes.

Q. Do you give them the milk sour?

A. No, sweet.

Q. Do you put it all in the same barrel?

A. No, we just mix it as we feed it. We mix it in a hand pail and it is prepared each time it is fed.

Q. You don't put it in a barrel?

A. No.

Q. Because if you did I would like to know what kind of pigs you would raise?

A. No, we don't let the milk sour?

By Mr. Henderson:

Q. Is it injurious to hogs to feed sour milk to them?

A. No, not to pigs that are advanced a bit or if you feed sour milk always. I imagine that if you started feeding sour milk and the little ones gradually became accustomed to it it would be all right. The trouble occurs when you feed sour milk one day and the next day feed sweet milk. If you are feeding pigs weighing 100 pounds or more it does not matter, the amount you give them is not sufficient to cause any trouble; but if the little pigs are getting a good deal of milk and one day you feed sour milk and the next day sweet milk, then there is going to be trouble sure.

By Mr. McColl:

Q. These steers that you finished at 13 months old, what weight would you get at that age?

A. The bunch we finished, that is the youngest of the bunch, at 13 months old weighed 925 lbs. live weight.

Q. And the twenty-months old?

A. They weighed between 1,100 and 1,200 lbs. In fact, some of them went over 1,200, and one lot at 22 months old weighed 1,300 lbs.

APPENDIX No. 2

Q. Then the three-year old steers, what do they weigh when finished?

A. Between about 1,300 and 1,500, sometimes 1,600 lbs. live weight.

By Mr. Sproule:

Q. You sold the cattle at from 5½ to 6 cents a pound?

A. We got somewhere around that last year. Of course, like other people we are subject to the market conditions.

Q. With us we sell at 5 cents a pound?

A. In the spring?

Q. Yes.

A. Then we are luckier than you are. We just get the market price, but I got a little better price than you last spring.

By Mr. Telford:

Q. What percentage would you get from the pigs?

A. Anywhere from 70 to 80 per cent. We don't expect to get less than 70; we very seldom get over 80. I have known it to go as high as 82.

Q. And what percentage from cattle?

A. That, of course, is a very variable quantity indeed. From well fed steers you ought to get about 60 per cent and from very well fed steers about 65 per cent.

By Mr. McIntyre (Strathcona):

Q. What is the value of barley, oats and roots for fattening pork?

A. What do you mean exactly?

Q. Supposing you were feeding the coarser grain with roots, would you indicate the value of fattening?

A. I would say that taking the average of pork prices those feeds are worth about 1 cent a pound for the meal and from \$2 to \$3 a ton for the roots.

Q. But my question is more particularly as to the suitability of using such feeds?

A. Whether to sell the grain or to use it for feeding?

Q. Quite so?

A. By all means use it for feeding for this reason: That you may expect to get anywhere from a cent to 1½ cents a pound for your grain if you put it through your pig. That is what you mean, isn't it?

Q. Yes?

Having read over the preceding transcript of my evidence, I testify the same to be correct.

J. H. GRISDALE,
Agriculturist.

HOUSING, BREEDING AND FEEDING OF POULTRY.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

THURSDAY, April 23, 1908

The Select Standing Committee on Agriculture and Colonization met at 11 o'clock a.m., the Chairman, Mr. McKenzie, presiding.

The CHAIRMAN.—I have pleasure in announcing to the Committee that Mr. A. G. Gilbert, who is in charge of the poultry at the Experimental Farm, will address us this morning on the subject of the breeding of poultry. The agenda paper, which will be distributed to the members of the Committee, contains the several matters which Mr. Gilbert will speak upon. I have much pleasure in introducing Mr. Gilbert to the Committee.

Mr. GILBERT.—Mr. Chairman and gentlemen: I have very much pleasure in appearing before you to-day because you have always taken a lively interest in the operations of the poultry department, and which department when properly managed is calculated to be of great profit to the farmers of this country. I intend this morning to bring to your attention such work as will be interesting to you and likely to result in practical benefit to our agriculturists. In so doing I know I shall receive your heartiest sympathy.

I beg to call your attention to the following subjects, all of which are immediately in connection with the work I am engaged in:—

1. Some noticeable developments in methods of housing, breeding and feeding of poultry.
2. What long experience has shown to be the most suitable varieties of poultry for the farmers of to-day, from the standpoints of eggs and flesh; also the best method of management, and for information in regard to which there is much inquiry.
3. A rapidly increasing interest, on the part of farmers, in the poultry branch of their farm work.
4. If time permits, some interesting features of the work of the past year.

WINTER POULTRY HOUSES.

First, we notice the great change that has taken place in the style of winter house. Not very many years ago the popular idea was that the winter house should have thick walls, with a window of rather small dimensions, facing south. The great object was to have a warm house, a result often secured with little consideration for ventilation, but which is now of first importance. The pendulum has swung the other way, and a house all cotton on the south side with a window in the centre, or a wooden house, but with a cotton frame, the latter 12 inches in depth, by width of the window—above and below the windows—seem to be the most popular types to-day. Some of these houses are built with a shed attachment for the fowls to find exercise in by searching for their whole grain food, which is scattered in the litter always to be found on the floor of a well-kept poultry house. But the shed attachment has

been found unnecessary, for, by making the roosting room a little larger, we have the same principle embraced. I have already stated that we move quickly in these years and the transition from comparatively old to modern methods has been very sudden and very rapid. I have different plans of these modern winter poultry houses, one or two of which, perhaps, the Committee will kindly allow to appear in my evidence.

By Mr. Owen:

Q. Do you use artificial heat?

A. Very little now. We have to use a certain amount for the purpose of comparison, but we are gradually getting out of the practice.

By Mr. Wilson (Lennox):

Q. What do you say those houses are built of?

A. Some of them frame with cotton instead of wood in their southern fronts and a window in the centre.

Q. They are less expensive?

A. Yes.

By Mr. Burrows:

Q. That cotton front is for ventilation purposes?

A. Yes.

Q. How do you keep your poultry from freezing?

A. There is a cotton frame which drops down in front of where the fowls roost at night, and they are so kept warm at that time. They also enjoy good ventilation, which is a most important thing. The whole object in our winter care of animals now is to give them fresh air and plenty of it. We find that we can do so and yet avoid any risk of the birds freezing.

By Mr. Blain:

Q. You say you are doing away with artificial heat. Is that because you are building your houses warmer?

A. I can hardly say we are building them warmer, but we are building them certainly to permit of better circulation of fresh air. At the same time we keep the fowls warm at night by this cotton frame which falls down in front of their roosting place.

VALUABLE EXPERIENCE AT A NORTHERN POINT.

I ask your Committee to bear in mind that although we and others who are in cold winter districts have found these cold winter house habitations fairly successful that they are yet on trial, and are receiving at our hands careful and thorough investigation. Our experience is most valuable, for we are in a northern position where the winters are cold enough to thoroughly test the worth of those different styles of winter houses. I think your Committee will admit the correctness of this statement, for on many occasions during the past winter we experienced 15 below zero of cold, and on several occasions 20, and once 32 below zero.

These experiments, as you can readily imagine, are observed with unusual interest by the poultry keepers of Manitoba, Alberta, Saskatchewan, &c. The people in these provinces say that the style of winter houses that will suit your cold winter conditions will likely suit ours. And it is also to be remembered that lumber is scarce and high in the provinces named. I found that out while attending poultry meetings

APPENDIX No. 2

in Manitoba and on visiting different points in Saskatchewan and Alberta a few years ago. I have received since that time scores of letters from settlers in those provinces asking my advice as to the style of house most suitable to their winter conditions. So it is most important to know what is best to advise.

I am of opinion that for the colder portions of Ontario and Quebec the style of house adopted by the directors of the Pembroke Poultry Yards of Canada, which are on an extensive scale at Pembroke, Ont., another northern point, would be most suitable. This company, which has a capital of \$40,000, have what they consider the latest and best in poultry houses, plant, &c. The style of house adopted by their shrewd management might be termed a compromise between the one extreme of entirely open front and the bottled-up method of housing the birds. Instead of two rooms there is only one, and this one room is made slightly larger than the roosting room with shed attachment. This style of house was first adopted by Mr. L. H. Baldwin, of Deer Park, Toronto, some years ago when he erected his large poultry plant in the locality named. Since then it has become much in vogue, presumably because cheap as well as compact. A description of one of the many apartments in the long row of buildings forming part of the plant of the Pembroke Poultry Yards Company will probably best convey an idea of an up to date application of this method. Each colony of fowls occupies one pen, 10 x 16 feet square. Above and below the window there is a frame covered with cotton, one foot deep by four broad. The air through these cotton openings is diffused through the pen without draft, while light and sunshine find their way through the window.

By Mr. Henderson:

Q. What kind of cotton do you use; the ordinary factory cotton?

A. The ordinary factory cotton selling at five or eight cents a yard.

Q. And just a single ply of it?

A. Yes, a single ply put in the frame above and below.

Q. I thought perhaps you might have two with a space of a few inches between them. That is the method employed in the small-pox hospital when they are set up in the fields?

A. That is a capital idea, especially for Manitoba where they have such extremely cold dips. We have never found it necessary to have such. One thickness has so far been found quite sufficient for us. The ventilation by the means I have described is considered most satisfactory.

By Mr. Wilson (Lennox):

Q. Did you give the size of the building which has the window in it?

A. 10 x 16. That is the size of one room and the window is four feet square.

By Mr. Henderson:

Q. How many chickens would you have in that?

A. We allow 6 or 7 square feet to each fowl. We generally allow as much room as possible, but not less than six feet.

By Mr. MacLaren (Perth):

Q. Do they lay eggs in these houses in the cold weather?

A. Yes.

Q. That is the principal part?

A. The Pembroke Company, I may be allowed to state, presumably invested their capital for business reasons and not for experimental purposes.

By Mr. Henderson:

Q. It is not much fun for the chickens to live in a cold climate?

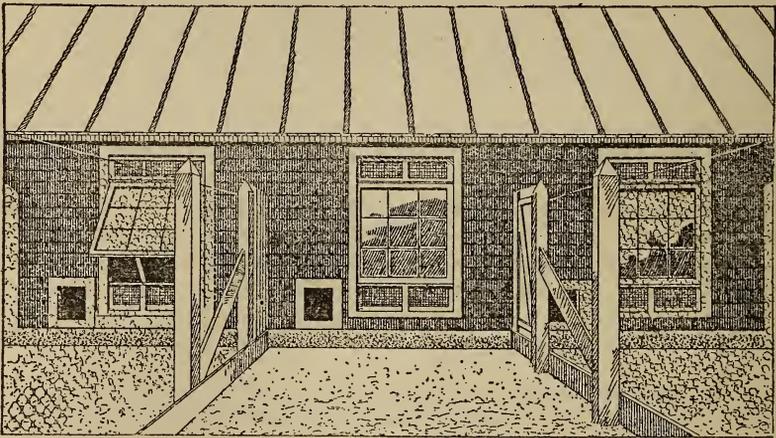
A. The point I wish to make is this: If the hens will lay in a cold winter season at Pembroke, Ont., they should also do so in an equally cold period in Manitoba, Alberta and Saskatchewan. It is the gaining of such experiences which makes experimental work of a similar nature, at our equally cold winter standpoint, important to the new settlers in the provinces named. I resume description of a room in the Pembroke buildings.

The floor of the pen in the hen house at Pembroke is cement and is covered with the usual quantity of litter. The ceiling is slatted, and above the slates, straw, to a depth of 12 inches, is placed for the purpose of absorbing moisture. The claim for this method is that the circulation of air through the cotton compartments and the absorption of moisture by the straw give perfect freedom from dampness, which is a most important object to gain.

By Mr. Clements:

Q. Have you a cotton roof as well as cotton sides?

A. No, just a cotton front. That is as far as we have yet gone in experimental work of this kind.

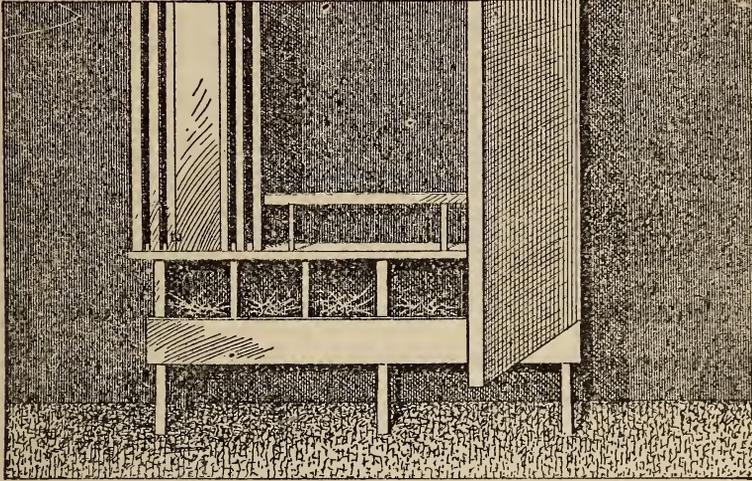


This illustration shows the cotton panels above and below the windows, at the plant of the Poultry Yards of Canada, Pembroke, Ont.

What I am sure will interest your Committee is the fact that during the coldest period of winter, I was assured there had been no moisture in any of the pens of the buildings. This result is attributed to the straw above ceiling and ventilation through the cotton frames. At the north end of the pen are the roosts, platform, and underneath the latter, the nests. In front of the roosting place there is a cotton-covered frame 6 x 8 feet. This frame swings to the wall, and is only used on very cold nights, for the purpose of keeping the fowls comfortable. The following illustration shows the cotton frame in front of roosting pen held partly open. It also shows

APPENDIX No. 2

the roosts, dropping board and nests underneath the latter. All are at the north end of the pen.



Showing cotton frame in front of roosting place, held partly open ; also showing roosts, dropping board and nests.

A four compartment hopper contains grit, oyster shells and charcoal. Whole grain is thrown on the litter on the floor. Drink water is regularly supplied, and from time to time meat and vegetables. In each pen to the left of the roosting place there is a small crated inclosure to hold two male birds for use during the breeding season. I was assured that the pens so arranged had given entire satisfaction. And what is most important, I was told that sick fowls had been rare. Such results, gained at so northern a position, are most important.

By Mr. Henderson:

Q. You have that character of pen at the farm?

A. Yes. We have been trying similar and other styles of houses with different sorts of fowls for some years past.

Q. Are you giving us your own experience or some other persons?

A. I am giving you a description of one of many up-to-date houses owned by a private company who have invested a large amount of capital. I prefer to, sometimes, take outside examples, because I find I am up against it when I am recommending to the farmers of the country improved methods of housing and management, and in this way: If I tell them what we have and what results we obtain. The farmers say: 'Oh, that is very well for you, you have the government at your back; you have the best facilities; the most improved buildings and everything else you desire. But what can we poor farmers do?' I do not take them in that way. I tell them of farmers who have made money out of their poultry, and I say: 'You are equally intelligent and can surely do likewise if you will only adopt similar means.' Again, all our experimental results are described from year to year in our reports.

By Mr. MacLaren (Perth):

Q. Where is this plant that you are speaking of?

A. Pembroke, Ont.

Q. Where the large capital is invested?

A. Yes.

By Mr. Armstrong:

Q. What success have they had? You spoke of the success they had experienced in the industry?

A. I am speaking of the success they have met with in the use of their new type of house rather than as a mercantile venture; however, in this I believe they have been fairly successful.

Q. Have they paid any dividends?

A. That I cannot answer.

By Mr. MacLaren (Perth):

Q. How long have they been in existence?

A. Three years.

By Mr. Armstrong:

Q. I understand you to be advocating the use of the same kind of pens?

A. Exactly. I am showing that by this style of pens the fowls have come through the winter in good health and without any sickness. The houses have also been free from dampness.

By Mr. Lewis:

Q. Have you a record of the eggs laid by hens kept in these cotton front houses during the different months?

A. Not by the Pembroke Company that I was speaking of. We have a record of the eggs laid by the fowls in our poultry department, also, the cost of each fowl and what it has made per year. We give that information in our reports; that is part of our work.

DIFFERENT METHODS OF FATTENING CHICKENS.

By Mr. Owen:

Q. Is this company engaged in any other business, or do they devote their whole time to the hennery?

A. They fatten a large number of poultry for shipment and sale in Montreal and other city markets, and I believe in so doing they have been fairly successful.

By Mr. MacLaren (Perth):

Q. Are they using the cramming system?

A. No, but they use the crate fattening system.

By Mr. Henderson:

Q. What kind of system?

A. The crate fattening system. That is the birds are put in crates.

APPENDIX No. 2

By Mr. Wilson (Lennox):

Q. They are not allowed to run around?

A. They are not allowed to run around, but are kept quiet and have as little exercise as possible.

Q. Is that done in the open air?

A. It is sometimes so done, again in a shed or large covered building.

Q. It would depend upon the time of the year somewhat, I suppose?

A. Operations of that kind generally begin when the chickens are most abundant in the fall of the year.

Q. Do not firms buy chickens now for the spring or early summer market?

A. Yes, but in limited numbers, as broilers. The most profitable practice is to obtain the chickens when they can be bought in the greatest number and at the cheapest price.

Q. The Pembroke firm do not produce their chickens then?

A. They raise chickens, yes; but they have found that by keeping pure-bred fowls of good quality that they can sell the progeny of these fowls for breeding purposes, at higher prices than they could obtain for them if fattened for table use.

By Mr. Lewis:

Q. In other words they buy stockers?

A. Yes, that is exactly what they do for fattening purposes; but they raise their own pure-bred birds of good quality to sell at a high price to those who wish to purchase a superior class of fowls for breeding purposes.

By Mr. Blain:

Q. Is the crate process of fattening the most successful, in your opinion?

A. The fattening by crate method is certainly effective when chickens of proper type and quality are used. Crammer or crate fattening is really the business of the party of the second part, who is the purchaser. But it is certainly the farmer who produces, in other words, who hatches and rears the chickens. He is the party of the first part. It is all important to the farmer, who desires to obtain a sale for his chickens, as quickly as he can, that he should begin with the right type of fowls which will give him the suitable chicks for market. Then he must feed his chicks regularly and house them carefully from time of hatching. If he does this he will find, at the age of three, three and a half or four months of age, they are fit for sale to customers for table use or to the parties who buy for fattening purposes. My work is more directly with the farmers. I have for many years reared chickens as outlined, which weighed at three months of age $3\frac{1}{2}$ and 4 pounds. And many farmers have told me that they have also done so. Chickens from the earliest stages of their life require to be fed regularly, generously and carefully if desired to be of first quality. Chickens which are allowed to pick up their own living never make the better quality of poultry. I wish to most emphatically put my experience of 25 years on record in relation to the above points. I hope I have made myself clear.

By Mr. Henderson:

Q. I understand you to say that fattening chickens in the natural way you get a better chicken?

A. I do not wish to be understood as belittling crate fattening, but my experience goes to show that if the chickens are not neglected and are given a limited run they will have a firmness of flesh which they do not get by either the crate fattening or the cramming systems. The crate fattening and the cramming system is a method of breaking down tissue by the enforced idleness of the bird. No chickens have

firmer, more juicy or more wholesome flesh than those which while well fed are allowed to have a certain amount of run and exercise. And the gain in weight will often be with the latter.

By Mr. Owen:

Q. Do not the crate fattened fowls bring the highest price in the market?

A. I did not intend to intrude my experience to such a length on your Committee, but I am glad that the members are taking an interest in this subject. Permit me to say that I frequently have had chickens which never saw crate or crammer and they discounted the crate fattened chicks every time. And farmers can have the same results if they take the trouble.

By Mr. MacLaren (Perth):

Q. When you talk of the market, do you mean the local market or the market for export? Generally crammed chickens or crate fattened chickens sell better for export?

A. If I had a good article I never found it hard to get a purchaser at a good price. Sometimes we meet a man who wants to get a good article for a second-class price, but he is going out of date with the inferior quality of poultry and other articles of food.

Q. I was anxious to know if the chickens fattened in the ordinary way and exported sell better than those which are fattened in crates and by the cramming system?

A. You cannot send too many chickens of superior quality to the British market. In all cases they will receive the highest value. Our aim should be to produce either for home market or export, eggs and poultry of the highest quality. And they will receive proper appreciation both at home and abroad.

By Mr. Owen:

Q. It is important that good care is taken in transportation. Sometimes they do not arrive in the British market in the very best condition. It is something like our butter and cheese; there is not the care taken in the transportation that there should be?

A. If the fowls are properly killed, their crops empty, and the flesh allowed to cool before being packed, which should be done before they reach the shippers' hands, there will be comparatively little difficulty. Cold storage facilities are now excellent.

By Mr. MacLaren (Perth):

Q. Have you had any complaints about chickens arriving in bad condition in the old country?

A. We have never sent any to the old country, but Professor Robertson has done so, and has been most successful. But there were one or two complaints he told me about, and upon inquiry it was found that the complaints were due to the birds being packed before they were cooled, before the animal heat was out of their bodies. Again, there might have been some food which had decomposed in their crops. However, all these are matters of detail. To put a superior class of poultry on the market in proper condition should not be a matter of any great difficulty at this date.

By Mr. Armstrong:

Q. Are you in charge of the chicken fattening stations?

A. No. Any experimental fattening I was connected with was done at our own farm, and we were successful on such occasions.

Q. Who has charge of the fattening stations?

APPENDIX No. 2

A. The stations at which the fattening by cramming and crate were carried on were under Professor Robertson and outside of my department altogether.

By Mr. Blain:

Q. Are they still continued?

A. No, I believe they are not.

Q. What was the result, were the experiments successful or unsuccessful?

A. I can speak feelingly of one result, when I was for two hours and a half under examination one morning three or four years ago by this Committee, as to the work of fattening stations with which I had no connection or control.

Q. What are the varieties of fowls that you would recommend?

A. Barred Plymouth Rocks, White Wyandottes, Buff and White Orpingtons, Dorkings, &c. I will come to that presently. If I have answered all the different questions asked satisfactorily I will proceed with my subject.

DIFFERENT CONDITIONS IN DIFFERENT PROVINCES.

At the Macdonald College, St. Anne de Bellevue, P.Q., the colony house system of keeping the winter house layers has been to a great extent adopted, and was found highly successful during the past two cold winters.

(Any of the foregoing style of houses would answer for Ontario or Quebec provinces, or, indeed, any of the cold winter provinces, should experimental trial prove them to be suitable.)

For Manitoba.

A Manitoba correspondent has an idea that the large quantities of straw in that province, and which in many cases go to waste, might be utilized to make comfortable and cheap poultry houses. Notwithstanding the high price of lumber, there are many poultry houses made of boards throughout the province. At a meeting in Winnipeg two years ago, a lady poultry keeper of Headingly, not far from Winnipeg, assured the audience that she had erected a new poultry house during the year previous of boards and had paid for it, out of the proceeds of her poultry, in one year.

Saskatchewan.

A correspondent at Sunny Plains, Sask., wrote me in reply to the question what style of house he considered most suitable for that province, as follows, dated February 20, 1907:—

‘I regret that I have not the means to try an experimental frame and sod house, combined. From what I have seen here of frame and sod houses for human habitation, I think a sod house can be made as warm as a frame one, in fact, warmer. A neighbouring settler here has a sod house which is the easiest one kept warm in the district, and which is also perfectly dry. I have been thinking that a sod poultry house might answer well if properly constructed to keep poultry in.’

In a later letter the same correspondent wrote, in relation to the sod made house: ‘Last winter showed us that when other buildings sweated, dripped and froze, the sod house was dry and fresh.’ A very important experience indeed in connection with this kind of house.

By Mr. Blain:

Q. Before you leave that question, did you ever experiment at the farm on the construction of houses with straw?

A. No, but I think that is a very important point. I have often thought that we ought to experiment with houses of that kind.

By Mr. Owen:

Q. Before you recommend them?

A. Yes

By Mr. Lewis:

Q. What kind of straw do they use in thatching?

A. I presume they use wheat straw or oat straw, but I have not had any experience in that connection.

Q. Have they had any experience at Pembroke of the straw roof in heavy rains?

A. I really cannot say, but I do not think so.

By Mr. MacLaren (Perth):

Q. It is not a straw roof you were talking about, but a straw ceiling. There is a roof over that straw ceiling?

A. Yes, a roof of metal of some light description.

By Mr. Lewis:

Q. If there were boards or shingling over a house made of straw, how would you secure the ventilation?

A. It would be secured by means of a cotton frame in front, as I have described. Late methods do away with tubes and pipes and holes, in this and that corner, by the simple and effective plan of having a cotton frame in front, which frame gives a thorough diffusion of air without draught.

Q. Not by a tube up through the top?

A. No. That style of ventilation has been found non-effective and has gone out of date.

Q. Do the sod houses decay and disintegrate and tumble down eventually?

A. As to that I have had no experience. I prefer to give you facts which are within my own knowledge. This correspondent says, in reference to the sod made house, that it kept dry. He says that when other places were wet and dripping the sod house was comparatively dry and comfortable, and that is an important point.

By Mr. Owen:

Q. When I was a young man I was quite a hen fancier and I built many hen houses. I got the best results from one that I built in a corner of the hay mow and covered it over with hay?

A. That was on the very same principle that poultry houses are being built now.

Q. There were several tons of hay on top of that hen house, and we had plenty of fresh eggs all the winter?

A. People to-day are imitating that very same principle. It has been proven that a proper circulation of air does not mean coolness, but a great many people mistake draught for circulation and a good system of ventilation. It is not.

British Columbia.

A skilled poultry keeper of many years experience in this province says that the poultry house question, as far as British Columbia is concerned, is simply one of sheds to protect the fowls from the rains of winter, and secure a dry roosting place at night. This is to a great extent correct. In the colder districts of this province the cotton front house would doubtless prove suitable. But genial winter conditions prevail in this province. I may, however, remark that egg and poultry values are as high, at times higher, than in our eastern part of the Dominion. So much for the changes which have taken place in the manner of housing our fowls.

APPENDIX No. 2

IMPORTANT CHANGE IN THE SYSTEM OF BREEDING OUR BIRDS.

An important change in the manner of breeding our birds is made by the introduction of trap nests. In January, 1904, the work of building up prolific egg laying strains of fowls was commenced. There are two methods by which this purpose may be accomplished. One is by 'observation' of the birds, and the other by 'trap nests.' The latter method was adopted as likely to prove most correct. I have here a trap nest (exhibiting model). The manner of operating the trap nets, affixed to one of its legs. On entering a nest to lay the hen involuntarily releases a hinged door which falls and closes the exit and also prevents another fowl from making her way into the nest. After the hen in the nest has laid she is released by the attendant, who notes her number and marks it on a card conveniently situated in each pen. A complete history of each individual hen is so secured. By this means the good layers are distinguished from the poor ones. The best layers are selected to breed from, the others are discarded. By breeding only from the best layers, in the course of a few years, prolific egg laying strains of fowls are built up. Not only that, but the best market types are secured as well. This combined result is of the greatest importance, for we obtain by such selection from Barred Plymouth Rocks, White Wyandottes, Buff or White Orpingtons, Dorkings, &c., really dual purpose fowls; birds that are good for both eggs and flesh, money makers from both standpoints. And further, by selecting the chickens from these selected layers—while young—in one of the new pattern winter houses I have been describing, we build up hardy winter laying strains of fowls as well as prolific egg laying ones. Surely, this is most satisfactory progress; this obtaining by systematic and careful selection—as compared with former haphazard methods—strains of fowls which are better layers, better market types and hardier in every way. Now, Professor Gowell, of the Orono Experimental Station, Maine, 10 years ago found that some fowls laid only seven, nine, twelve or fifteen eggs a year. They were simply living on the others. He discarded them and went on breeding from his best layers and now he has fowls which lay 180 and 200 eggs per year. You will find these facts stated in a bulletin which he has published.

By Mr. Lewis:

Q. What fowls were those?

A. Barred Plymouth Rocks. The same is being now done with White Wyandottes.

TRAP NESTS AND FARMERS.

By Mr. Owen:

Q. The trap nest you speak of would be rather an inconvenient one for the average farmer. He would have to have some one there all the time to take note of the fowls?

A. That is exactly the point that was raised in this Committee when I brought the matter up some three years ago. The farmer should not, as a rule, have more hens than he can properly—and that means profitably—attend to. He should not, under any circumstances, have more than 100 at the outside, and a few choice fowls to select from. I believe you will see at no distant date the provincial government establish poultry stations for the direct benefit of the farmer. These stations will do the work of trap nest selection, and the eggs, or the stock, from these selected hens will be sold directly to the farmers. Probably county or township councils may take the matter up if the greater body does not.

By Mr. Lewis:

Q. On the principle of fish breeding establishments?

A. Yes, exactly. I believe it would be a good work to have this done at our branch experimental farms. But I am not an executive officer, and do not presume

to predict. Such action, however, would be in the direct interests of the farmer. I appreciate the point that the farmer cannot properly attend to trap nests himself, for he has very little time in which to do so. If there was a will, however, a way might be found.

By Mr. Clements:

Q. In regard to this system of houses of which you have been speaking. In the district from which I come a great many farmers have comparatively little to do in the winter season, and they go in for raising chickens. It is an occupation they could not undertake in the spring or the summer, because they would not have time to make it very profitable. From my own observations I doubt very much whether they could get the same results from these new pattern houses as they do from their well warmed and ventilated buildings?

A. I appreciate the point. It is that they cannot afford to carry on the experimental work in trying different patterns of houses, that we are paid to do.

Q. Exactly?

A. Of course, we are doing experimental work, and it is my duty to bring before you the results of my experiments from year to year as they progress. Little alteration is required in any old style house. So far as I can speak, and I do not think the results secured will be contradicted, we have found that the cotton front house is a great improvement on former methods of housing; the hens are kept in these houses much healthier and they lay as well.

Q. I think you will agree with me that the winter season is the profitable time for the production of eggs and not the summer?

A. Certainly. Professor Robertson has found, and he so stated at a public meeting, that fowls in the colony houses at the Macdonald College laid during winter more eggs than by any other system. The eggs from those hens were sold in the Montreal market at 50 and 55 cents a dozen, I was informed by Mr. Elford, the poultry manager and instructor.

By Mr. Owen:

Q. You have talked a great deal about cotton. Is there more virtue in the cotton fabric than in any other?

A. No.

Q. There is no virtue in the cotton to produce eggs?

A. Not at all. It is only a means of diffusing air. Of course, the best market types of fowls should be selected. The combination of good layer and market type is of the greatest importance. We obtain from selecting, say for instance, Banded Plymouth Rocks or Orpingtons, birds that will put on flesh of good quality and at the same time be prolific egg layers. By careful and systematic selection it will thus be seen that the farmer will obtain better results than he can by any other way.

By Mr. Lewis:

Q. Are the progeny of those fowls which lay a large number of eggs great egg producers?

A. Yes, we have good and bad strains of milch cow and good and bad strains of fowls. We select the best specimens from all standpoints and by breeding from them only build up, in poultry, prolific layers and the best market types.

QUALITY OF EGGS.

By Mr. MacLaren (Perth):

Q. At different seasons of the year you have different qualities of eggs. In what months of the year do you think fowls produce the best eggs?

APPENDIX No. 2

A. I think the months of November, December, January, February and March give us the best eggs.

Q. The quality of the egg is better then than in the summer?

A. Yes. The ordinary fowls are better handled then, because carefully fed. When they get outside they pick up decayed vegetable and animal matter and the quality of the egg deteriorates.

By Mr. Armstrong:

Q. Which is the best month of the year in which to buy eggs to store?

A. If you can be sure that the eggs put into storage or into preservative liquid, are fresh, I think the summer months are the best time. I was going to say, however, you can get them cheapest, but unless you are sure it is strictly fresh, a cheap egg may be a very dear one.

Q. The months of July and August are not very safe to begin storing?

A. No, for the reason that eggs of a reliable character are then so hard to get. In this connection a change has taken place in the summer price of eggs. At one time eggs in summer could be bought at from 10 to 12 cents a dozen. Now you cannot get reliable eggs under 25 and 30 cents a dozen at a leading establishment.

By Mr. Henderson:

Q. What is the reason for that?

A. That is what I desire to show. In order to secure reliable eggs during the summer season there should be a guarantee not only that the eggs are strictly fresh, but that the hens which laid them were cleanly fed. It takes effort and care to place such guaranteed eggs on sale.

Q. Yes, but 300 miles west of Ottawa, during the summer you can get strictly new laid eggs at 15 cents a dozen?

A. And in this city not many years ago eggs were sold at 8 and 10 cents a dozen.

Q. You say that in Ottawa the price used to be 10 cents a dozen and now it has risen to 25 cents. There must be some unnatural reason why the price should be 25 cents here and 15 cents 300 miles west of Ottawa?

A. I will endeavour to show you the reason.

Q. Do you not think it is owing to the manner in which the eggs are purchased, in one case it is for cash and in the other case three months' credit is given?

A. That may certainly be an influence. But this is an age where people demand pure food. The pure food quest is a reality. There is a call for strictly new laid eggs of good flavour and quality by people who must have them even at increased cost. Let me cite an instance. One early summer day about two years ago I was met by the junior partner of the well known grocery firm of Bate & Co., of this city. He said: 'Can you give me a regular supply of strictly new laid eggs of good flavour. We have a class of customers who will have no other kind of article and we are bound to get such for them if at all possible.' I replied: 'I can give you a limited number, but you will not pay me what they are worth.' 'What are they worth?' he asked. 'Twenty cents per dozen,' I answered. He at once said 'I will give you twenty-five cents for all the guaranteed eggs of the freshness and quality I mentioned that you can give me.' Here the producer was approached by the purchaser and a higher price offered than asked. I explained to Mr. Bate that we might not be able to give him many eggs from the farm, as we usually induced our hens to moult early, but that I might be able to procure the quality of goods he desired from people I could trust. He said, 'As long as you can guarantee the eggs, I am satisfied.' I certainly got the quality of eggs he desired and in some cases had them put up in card boxes holding one dozen, with this printed guarantee on the box cover: 'Eggdale Poultry Farm. Strictly New Laid Eggs. These eggs are guaranteed to be non-fertilized and to have

been laid by cleanly fed and well kept hens. Selected for and sold only by Messrs. Bate & Co.' You can see boxes of a similar kind in Messrs. Bryson, Graham & Co.'s grocery, also of this city, and at other large establishments.

Q. How old should an egg be before you would cease to call it strictly new laid?

A. Six days.

Q. You can get any amount of eggs in the country that are only three days old?

A. And of good quality?

Q. Yes?

A. Not of as good quality as the guaranteed eggs?

Q. Yes, every bit as good quality as the Ottawa egg?

A. I am not speaking of Ottawa alone, but of the very districts to which you are referring. I have had eggs sent from Putnam, Ont. They were selected eggs and 25 cents a dozen were paid for them all last summer.

Q. Well, to my mind when an egg that has been fertilized is six days old it is partly decayed?

A. But such eggs as I mean are not fertilized eggs. The summer market eggs should be non-fertilized. These eggs to which I have been referring are guaranteed non-fertilized as well. There is not the slightest doubt about the correctness of the point raised by the honourable gentleman; if the egg is fertilized and put away in a warm place during a warm month in summer, the germ is likely to make such progress that when its development is arrested a certain amount of decomposition is liable to occur. Let me further explain as to the importance of knowing how the hens are fed which lay the eggs you eat.

In conversation with a gentleman as to the quality of eggs, he said: 'It is a most important question. In the district from which I come the people have the habit of taking the backs off the privies every spring time.'

Q. Is that the practice in Ottawa?

A. I hope not, but I am afraid it is, in many districts. This gentleman said: 'The fowls eat heartily of that stimulating but nauseating feed. The eggs laid by the fowls drift into the cities and towns and are sold for whatever price they will bring.' And I have been informed of similar practices elsewhere. Therefore, I say that the guaranteed egg is the most desirable to obtain in summer. It requires extra care in feeding, handling and getting the eggs to the market quickly, and this extra effort which means more money is one reason why the price of the selected summer egg is so high.

By Mr. MacLaren (Perth):

Q. The quality of the feed is doubtless a factor in obtaining flavour?

A. Undoubtedly.

Q. The great difficulty is then to buy eggs of desirable quality. Our only safeguard is really to find the man who feeds his hens properly and takes precautions to secure the flavour of the eggs. He should certainly be encouraged by getting a high price. The bad fellow is encouraged as well as the good fellow under ordinary conditions?

A. You would be astonished, if I told you the number of farmers that are getting on to this 'selected' egg trade. The selling of selected eggs is now a profitable part of poultry keeping. I am safe in making this statement. You have only to ask some of these leading grocers to find out the truth of what I say.

Q. I believe it is so, but the great object is to educate the producers so as to sell none but eggs of the best quality?

A. Exactly. In order to get the selected egg, extra effort, care and handling are necessary, and they all mean just so much more cost. I now beg to call your attention to improved methods of feeding.

APPENDIX No. 2

By Mr. Armstrong:

Q. Before you leave that subject. The farmers have to keep their eggs for a few days before they can get them to market. What is the best means of preserving these eggs in proper condition. I mean on the ordinary farm, where they have not cold storage or other facilities, so as to get them on the market in the best possible shape?

A. If the eggs are non-fertilized—that is the point which Mr. Henderson raised, and it is a most important one—if they be so and are placed in a cool, sweet smelling cellar they will keep well for a certain number of days.

Q. For six days?

A. Yes, for five or six days if the necessary precautions are taken.

I speak now of changes in the methods of feeding.

CHANGES IN THE METHODS OF FEEDING.

Certain radical changes have been introduced in the method of feeding our birds. These changes followed the introduction of the 'hopper system,' and I have brought a hopper for your inspection. By the old way the food was given to the fowls. By the new way the birds help themselves to the food, be it whole or ground grains, grit or oyster shells, all of which are contained in one or more hoppers. The hoppers are really feeding troughs divided into compartments. From the hoppers—which are usually hung on the wall—the hens help themselves to their food whenever they feel inclined to do so. It is much the same method as the old one of keeping the food before the birds all the time. In my report of last year I have summarized some of the statements for and against the hopper system, made by those who have used them, as follows:—

For.—Because labour saving; preventing waste or fouling of food; allowing each bird opportunity to obtain what food it desires; convenient and economical in use.

Against.—For the reason that birds of the heavy breeds are apt to eat too much, and, as a result, are disinclined to exercise; not economical; fowls are not likely to go to roost with their crops as full as desirable; fowls scratch or pick out the grain from the hoppers; when fed outdoors prevents foraging, &c.

For chickens the open trough form of hopper, holding both ground and whole grain, has been found convenient and beneficial. I think it is safe to say that the hopper system of feeding has come to stay.

The foregoing, gentlemen, are some of the changes that have taken place in recent years in the manner outlined. All denote steps forward in the march of progress. Whether all, or only a certain number of these changes will be found permanent, remains for experience to decide.

By Mr. Lewis:

Q. Is this hopper for fattening purposes?

A. Not for fattening purposes, but for the ordinary keeping of poultry.

Q. How much does a hopper cost, say one holding a gallon?

A. I suppose you could get a hopper like the one I have brought with me for 75 cents, that is the price which is marked on it, but the farmer can make his hoppers very cheaply. This is only one style, and there are many different styles.

By Mr. Henderson:

Q. I thought you preferred keeping the hen active. If so, why gather the feed and place it in a dish where it can get its full supply at once without moving about?

A. I answered that question fully in last year's report. It is an important point, and I explained the apparent inconsistency by saying that the exercising of the fowls

now a days is not considered of equal importance to variety in rations or the fresh air and the absence of dampness which existed to a greater or less extent in the old-fashioned poultry houses.

CARE OF BREEDING STOCK.

Q. Just one more question which is connected with this branch of the subject. Do the hens lay more freely when the male bird is allowed to associate with them or not? By which method do you get the best results?

A. It does not seem to make any difference. My own practice was, as I have explained frequently in my reports, to keep the male birds away from the hens which we feed and gently stimulate to lay in winter. I was at a largely attended meeting in Sussex, N.B., a few years ago when one of the audience asked what I thought had caused the sudden death of a fine male bird. I asked if he had kept the bird with his laying stock. He replied 'yes.' I then explained that he had probably been feeding his fowls generously in order to make them lay and he had probably overfed the cockerel, which had most likely died of apoplexy, the usual consequence of over-feeding. For that reason I kept away the male birds from our breeding hens. Another difficulty is that the male birds become over fat and in the spring time are no good as breeders. Another point. The germs are apt to be weakly in the spring time, and a small percentage of chickens the result.

Q. I am speaking of a very poor laying strain?

A. It really does not matter.

THE FEEDING OF MEAT.

By Mr. Cléments:

Q. Regarding the matter of exercise, I have in mind a very successful poultry man in my district who makes a good many hundreds of dollars each year out of his poultry. He is very successful, at least he considers that he is from his standpoint, and I want to know if you approve of his methods. He hangs in his building a number of pig's livers and lights and other offal, at a certain distance from the ground in order to give the poultry exercise in getting at it. Do you approve of feeding such a form of meat to fowls?

A. Yes, when fed in that way fowls are not so likely to take too much as if they were deprived of meat for some time and then given it in liberal quantity, when they are apt to over gorge themselves.

Q. This man claims that livers and lights are one of the best foods that he can possibly feed to his chickens. If deprived of that, what do you offer as a substitute?

A. I would substitute some of the preparations of meat which are made by the large manufacturing concerns and sold at from 4 to 5 cents a pound, such as beef scrap.

By Mr. Lewis:

Q. Is it better to feed meat cooked or raw?

A. It depends upon the manner of feeding. If the livers, &c., have been fed raw, do not change; if fed cooked, do not give it raw, or diarrhœa may result.

By Mr. MacLaren (Perth):

Q. Should it be cooked in all cases?

A. I prefer its use when cooked, but it really does not matter. The principal point is to give the fowls meat in some shape.

APPENDIX No. 2

I now call your attention to my second subdivision, and it is a most important one, viz. :—

WHAT EXPERIENCE HAS SHOWN TO BE THE BEST VARIETIES OF FOWLS FOR FARMERS, FROM THE STANDPOINTS OF EGGS AND FLESH.

I make no apology for bringing this phase of poultry keeping to the notice of your Committee, because I have continuous and numerous inquiries for such information from all parts of the Dominion—especially from the newer western provinces, which are being so rapidly settled. That such information is appreciated, in the shape of evidence given before this Committee, and does good is shown by the following letter which I beg to submit to your attention.

‘BRIDGEWATER, March 11, 1908.

‘Mr. A. G. GILBERT.

‘DEAR SIR,—I have at present one of your books of evidence given before the Select Standing Committee, on farm and poultry breeding, and as I keep about 30 hens, I want to ask you to send me the latest evidence on poultry—the one I have is 1904—or any information you can give me. I have taken great pleasure in reading the evidence. I have learned a lot from it. I have kept hens but did not know how to have eggs in the winter, but since having your evidence I have had plenty of eggs, this winter, since the last of November. The pullets commenced to lay the last of November. I am keeping account of the eggs they lay in each month.’

There is direct proof of practical results from the evidence which I have given before your Committee. Nothing could be more satisfactory, I am sure, than to find such practical results.

KNOWLEDGE OF POULTRY KEEPING NECESSARY TO SUCCESS.

It is well to understand at the outset that poultry keeping cannot be made profitable without a knowledge of how to make it so. The letter I have read shows this. No matter whether poultry keeping is carried on by joint stock companies, amateurs, or farmers, a certain knowledge of breed, feed and management is absolutely necessary. The farmer, beyond doubt, is the most favourably situated as to making his poultry pay. As I have said in one of my reports. ‘It is essentially his business. He has already a certain knowledge of live stock, in the majority of cases of poultry keeping. His stock may not be pure, or his poultry house of the latest or best pattern. But these are obstacles which can quickly and cheaply be removed. He has the grain, the green food and other essentials in abundance, in many cases almost in the shape of waste.’

HOW MANY FOWLS SHOULD A FARMER KEEP?

But despite this it should ever be remembered that to the farmer his poultry is only one of many branches of his farm work. It would certainly be misleading him to advise him to keep more fowls or hatch out more chickens than he can properly—which means profitably—handle. From 100 to 150 hens is all that I would advise the ordinary farmer to keep. And he should be able to hatch and rear from 100 to 150 chickens. If he has help from his family a greater number may be hatched and raised. I wish to emphasize what I have said before, that the great bulk of our supply of poultry and eggs must inevitably come from you farmers. And that supply will not come from the few farmers with a large number of hens each, but rather from the many farmers with a few hens each. Should a farmer, however, desire to make a specialty of poultry in combination with fruit growing or dairying, there is no reason why he should not profitably do so.

By Mr. Schell (Oxford):

Q. In feeding grains is it advisable to throw it amongst cut straw or litter so as to compel the hens to scratch in order to find the food?

A. That seems to be less material nowadays than it was heretofore, because by this hopper system of feeding the hens help themselves. I am reminded of another experience which I have noted in last year's report, viz., that fowls are disinclined to exercise in cold weather.

By Mr. Henderson:

Q. I am afraid you have gone back on your theories of some four or five years ago?

A. I am afraid I have if changes in methods necessitate my changing with them.

Q. I have been instructing the women in my county in your methods and your ideas about not allowing the cockerels to run with laying hens, giving the hens lots of exercise, and all that sort of thing, and now I shall have to go back and tell them differently?

A. No, I would not like you to do so, because old methods are not entirely abandoned, but improved upon. A moderate amount of exercise is beneficial, but it is quite possible to have too much of even a good thing.

KEEPING TURKEYS.

By Mr. Blain:

Q. Do you raise any turkeys at the experimental farm?

A. No.

Q. Why not?

A. We have not room, to begin with. We have only two acres, but I should like to have 20. But I presume it is not convenient to give us the latter space.

Q. But the turkey industry is a very profitable one?

A. Yes, I am aware of that.

By Mr. Telford:

Q. What quantity of land should 50 hens have in the summer time?

A. I would allow them one-eighth of an acre, if I could. For a free run, do you mean?

Q. Yes?

A. And when confined inside they should be allowed no less than six or seven square feet of floor space each.

Q. Is this mentioned in the evidence which you are going to give us?

A. I think it is. I think all these points are included in the evidence which I have prepared for this morning.

By Mr. Clements:

Q. You have never raised any turkeys on the farm at all?

A. No. We cannot successfully raise turkeys on limited ground. These birds are foragers.

By Mr. Henderson:

Q. They are wanderers?

A. Yes.

Q. You need several acres for them?

A. They are really foragers.

APPENDIX No. 2

BEST FOWLS FOR THE FARMER.

To continue my address, let me say that the best sort of fowls for the farmer, indeed for any poultry keeper who desires to make money from both eggs and flesh, are Barred Plymouth Rocks, White Wyandottes, Buff or White Orpingtons, Dorkings, for the reason that all these varieties are good for both eggs and flesh. They are as nearly the dual purpose fowls as we have in poultry, affording the farmer opportunity to make money by the eggs laid by them and then by their chickens, which are of the most approved market type.

HENS SHOULD LAY IN WINTER.

By Mr. Lewis:

Q. You stated that you would give us the average number of eggs produced by this Pembroke Company during the different months of the year?

A. You must have misunderstood me, I did not get such details from them.

Q. I wanted the information for the different months?

A. The results in egg laying are a matter of management. Well managed fowls lay best in winter.

Q. Do you mean to say that fowls produce more eggs in winter than in summer?

A. Yes.

Q. By their proper management?

A. Yes. By proper methods hens will lay better in the winter season, when the price for eggs is higher than in summer.

By Mr. Clements:

Q. That is the general conclusion?

A. That is the general conclusion. In my evidence and reports for, I am almost afraid to say how long, I have made that point pretty plain, as many of the older members of the Committee may remember.

Should eggs only be desired, any variety of the Leghorn or Minorca groups, or Andalusian breed, will be found excellent egg layers.

VARIETIES KEPT AT THE FARM.

On our poultry division of the experimental farm we have at present the following branches, viz., Barred and White Plymouth Rocks, Buff and White Orpingtons, White Wyandottes, Silver Grey Dorkings, Black Minorcas, White Leghorns and Faverolles. When we have spare eggs to sell from these varieties we do so at \$1 per setting, the purchaser paying express charges. The eggs are packed in a conveniently designed box which insures their safe carriage.

STRAINS IMPORTANT.

Care should be taken in buying eggs for hatching of either the above named varieties, to ascertain that they are from good egg laying strains, for there are good and bad egg laying strains of fowls, as are there good and bad strains of milch cows. I have already shown the importance to the farmer of a trap nest selected strain of fowls from both market type and egg-producing standpoints. An important matter in connection with the possibilities of large margins of profits to be made from the trap nest proved prolific layers and improved market type of fowls, is worth consideration at this point. If, as many farmer correspondents to the agricultural press have stated, they can make satisfactory margins of profit from the hens of the present day which lay from 60 to 90 eggs per year (this number is a fair average of the number of eggs

laid by the present day fowls), how much more satisfactory will that margin of profit be when their fowls lay double the number of eggs per year and are still better market types?

WHY NOT NAME OTHER VARIETIES.

It may be said that there are varieties—other than those named—which are also excellent layers and market types. Why not name them? I reply, because they are not in such great numbers throughout the country as the varieties I have named, and in consequence, are neither so well known, or easy to procure. The Barred Plymouth variety beyond doubt is held in the greatest number by the farmers of the country to-day, and deservedly so. I have always given them first place on account of their merits as egg and flesh producers. Farmers can readily purchase at a cheap price from one another Barred Plymouth Rock eggs or stock, while other varieties are comparatively scarce and held at higher prices. The starting of the farmer, or, other poultry keeper right is a matter of very great importance. This, I am sure, you will readily admit.

THE PROPER FEEDING OF POULTRY.

Experience of many years in the feeding of poultry by the writer, and that of many correspondents warrant him in coming to the conclusion that the greatest drawback to successful winter egg production throughout the country is lack of variety in the composition and manner of feeding the rations. Experience has made it very plain to me that variety in the composition of rations is as important as the rations themselves. The following rules in relation to the proper feeding of poultry will be found beneficial:—

Variety in composition of rations is necessary to successful winter egg laying and health of birds. Feed regularly. Where there is variety in rations and a constant supply of grit, broken oyster shells or other form of lime, roots or green food, and pure drink, there is not likely to be egg eating or feather picking.

That pullets will do well on rations, which, if fed in same quantity to old hens of the Asiatic or American breeds, will end fatally.

That the long continued feeding of one kind of grain, or, of other food is likely to lead to ailment of some kind.

A Suitable Winter Ration.

The following has been found an effective winter egg-producing ration in our poultry department for several years:—

Morning.—Wheat, sometimes buckwheat, in proportion of 8 to 10 pounds to 100 fowls. Scatter in the litter on the floor or house or scratching shed attachment.

Eleven a.m.—Steamed lawn clippings, or clover hay, three or four times per week.

Noon.—If found necessary, oats in proportion of 5 pounds to 100 hens. Scatter in the litter on the floor to keep the fowls busy.

Afternoon.—Mash, composed of such ground grains as are in most abundance. Feed in quantity of 3 or 4 ounces to each fowl. When mixing the mash add a small teaspoonful of salt, and another of black pepper, or ground ginger. Occasionally mix boiled potatoes or turnips in the mash.

Cut green bone or other form of meat should be given in the proportion of one pound to 15 fowls, three or four times per week in lieu of the steamed lawn clippings, clover hay or noon ration.

(Should the hopper system of feeding be adopted the same ground or whole grain can be put in the hopper.)

I again emphasize that it is requisite in any system of feeding that for the good health of the fowls and to prevent egg eating and feather picking the rations should be varied and regularly fed.

APPENDIX No. 2

Grit, mangels, turnips or other form of vegetable food should be in regular supply.

TO WHOM TO SELL THE EGGS.

If the above or a similar ration is fed, the laying stock housed in one of the cotton front houses described, and they are supplied with the requisite grit, broken oyster shells or old plaster to supply lime, green food and pure drink water, there will probably be an egg supply to dispose of. And to whom? That is a question I am frequently asked by correspondents. The following letters are from well known firms who are egg buyers in Montreal. I may say I had written to these dealers in order to be able to give authentic and indisputable figures, over their own signatures:—

MONTREAL, Thursday January 9, 1908.

Mr. A. G. GILBERT, Poultry Manager,
Dominion of Canada Central Experimental Farm,
Ottawa, Ont.

DEAR SIR,—We are pleased to give you the information respecting the prices which we have paid during this season for strictly new laid eggs, as requested within yours of the 6th instant, as follows:—

1907, September, 25 cents per dozen, f.o.b. Montreal.

1907, October 1 to 14, 30 cents per dozen, f.o.b. Montreal.

1907, October 14 to 18, 33 cents per dozen, f.o.b. Montreal.

1907, October 18 to 30, 40 cents per dozen, f.o.b. Montreal.

1907, November to December 20, 50 cents per dozen, f.o.b. Montreal.

1907, December 20 to 24, 45 cents per dozen, f.o.b. Montreal.

1907, December 24 to January, 1908, to date, 40 cents per dozen, f.o.b. Montreal.

Trusting that the foregoing will meet your requirements, we thank you for your good wishes and extend you ours for a happy and prosperous New Year.

Yours very truly,

GEORGE GRAHAM.

MONTREAL, January 11, 1908.

A. G. GILBERT, Esq.,
Central Experimental Farm,
Ottawa.

DEAR SIR,—Your favour of the 7th inst., came duly to hand and I have pleasure in giving you what information I can, *re* eggs.

During nearly all November and throughout December, I paid 50 cents for the best new laid eggs. Since the first of the year I am only paying 40 cents, owing to the increased quantity coming in and the comparatively low price of cold storage stock. Whether the price, 40 cents, will hold all through this month will depend greatly on the weather and the quantity of eggs that are sent in.

If it is not too late, I desire to wish you a prosperous and happy New Year.

Respectfully yours,

WALTER PAUL.

MONTREAL, January 11, 1908.

Mr. A. G. GILBERT,
Poultry Manager, Experimental Farm,
Ottawa, Ont.

DEAR SIR,—In answer to yours of the 7th. During the month of December we paid from 40 cents to 45 cents per dozen for new laid eggs, and this week we have been paying 40 cents per dozen delivered Montreal. We always pay according to the

8 EDWARD VII., A. 1908

demand in the market, and will keep prices up as long as possible until the supplies get more plentiful. We do not guarantee prices for more than one week at a time at this season of the year. We are open for a few shipments weekly from any of your farmers that have strictly new laid eggs to dispose of, and, as I said before, will pay the highest market prices going in the city.

Yours truly,

HENRY GATEHOUSE.

I have no letter from Messrs. Westgate and Lewis, of McGill College Avenue, Montreal, but I met Mr. Westgate not many weeks ago at the Macdonald College, where he was addressing the students attending the poultry course, and he told them that the prices paid by their firm were much the same as those I have just quoted. He also made the statement that for the superior quality of poultry from 10 to 15 cents and sometimes 20 cents per pound, according to season, were paid. The earlier birds getting the best prices. He said, what I know to be unfortunately too true, that far too much poultry of inferior quality and type were sent to them. Much of the poultry received by their firm from the country were improperly killed, carelessly plucked and badly packed. Poultry came to them with their crops filled, or, partially filled with food which decomposed and ruined the carcass of the bird. Poultry, before being killed, should be fasted for 24 or 36 hours, and should not be drawn. The better quality of poultry and strictly fresh eggs would always command good prices when it reached the proper markets.

PROPER FOOD AND TREATMENT FOR YOUNG CHICKENS.

So much for eggs and poultry. We now consider the best way of treating the chickens. Whether hatched by hens or incubators, experience of many years has proved that the farmer who uses either means will get best results by having his chickens out in the first two weeks of May. In one of my reports it has been shown where the wives of farmers have used incubators and brooders with great success. In the case of the hen-hatched chickens the latter were permitted to remain in their nest for twenty-four or thirty-six hours, when with the mother hen they were placed in a slatted coop on the grass outside. The coop was so arranged that it could be securely closed at night, while ventilation was secured. Through the slats the chicks could run on the grass outside, while the hen remained inside. On the floor of coop was dry earth to the depth of two inches. On taking the mother hen from her nest she was given food and water. She had been probably thirty-six hours on the nest, bringing out her chickens and deserved the attention. Apart from this she would be more likely to brood the chickens contentedly, after being fed, than if hungry or thirsty. How important it is to have early chicks carefully brooded is well known to all experienced breeders.

First day.—Little or no food is required. Towards end of the day a few stale bread crumbs may be fed.

Second day.—Stale bread soaked in milk and squeezed dry may be given in small quantity. Feed a little at a time and leave none on the platform. A little hard-boiled egg finely cut up may be added with benefit. Continue this for a day or two and add granulated oatmeal; finely crushed wheat may be given at this time.

Continue the stale bread soaked in milk and granulated oatmeal for ten days, when finely crushed corn may be added to the foregoing with advantage. After 14 days give whole wheat in small quantity at first.

As the chicks grow older they should be given a mash composed of stale bread, shorts, cornmeal, ground meat, &c. Finely cut bone or meat will be found a great incentive to growth at this stage.

On the chickens becoming eight weeks of age their rations may be dropped to three per day. Care should be taken that they are generously fed at last ration. For

APPENDIX No. 2

drink give skimmed milk and water. When fully feathered the mothers of the hen-hatched chickens should be removed from them. The chickens will be found to return to their coops as usual, and they are allowed to remain in them until removed to more commodious quarters in colony houses. On the incubator-hatched chickens becoming too large for the brooders they should be removed to colony houses.

A FATTENING RATION.

Should the farmer desire to specially fatten his chickens before sale, or shipment, his simplest and speediest plan is to put his birds at $3\frac{1}{2}$, 4 or $4\frac{1}{2}$ months of age, in slatted coops or crates divided into compartments to hold one, or a number of birds up to four. These coops should have V-shaped feeding troughs in front. The following fattening ration has been found most effective in our poultry department, viz. :—

Two parts finely ground oats.

One part finely ground barley.

One part ordinarily ground cornmeal.

After 15th day add beef suet in proportion of one ounce to every four birds. Mix with skim-milk. If the milk is made near the boiling point the tallow, which should be chopped fine, will be melted by it when poured on the ground grains. Or, the tallow may be melted in the hot milk. The birds should be fed all they will eat twice a day. Carefully collect all uneaten food. Leave none to turn sour, and feed none in that condition.

Care should be taken to free the birds from vermin before cooping. This may be done by rubbing sulphur well into the feathers, or by one of the lice-extermimating powders.

Pens and premises should be kept scrupulously clean.

Grit and water should be supplied regularly. Three weeks should be sufficient to fatten the birds satisfactorily.

THE MOULTING PERIOD.

Many inquiries are received from time to time as to the proper treatment of fowls during the moulting period, at which time of every year—preferably during the summer months—the fowls should shed their old coat of feathers, which in the course of time are replaced by a new one. It is best to have the moulting period in the summer months. The summer moult usually lasts from eight to ten weeks. Mr. James Shackleton, a well known authority, contends that by feeding specially prepared rations this period may be shortened. The following treatment has been successful in our department for several years. During the early part of July—after the breeding season is over—the fowls were placed on half the usual quantity of rations for 15 or 20 days. The effect of this treatment was the stoppage of egg production and the loosening of the old feathers. At the end of 15 or 20 days the full rations were resumed. A little linseed meal may be added to the mash with benefit on the resumption of full rations. Before the beginning of operations to bring on the moult the cock birds were removed from the breeding pens and placed in compartments by themselves. The hens were then allowed to run in small fields where they could find insect life, clover, grass, &c. For description of 'full rations' see formula of winter egg producing ration on a following page. In the breeding of fowls during moult care should be observed that they do not become too fat. The fowls are more apt to become over-fat, from too generous feeding during the moult than after they have got over it and recommenced laying. It may be interesting to note that in relation to the annual moult that experience of many years has shown :—

1. That yearling hens usually moult earlier and easier than older ones.
2. That moulting is more gradual in some cases than others.

3. That the progeny from parent stock which have moulted during summer, in the majority of cases, have usually moulted at the same period.

4. That moulting hens are much benefited by a run in a field where clover, grass and insect life may be found.

5. That where moulting fowls are confined to limited quarters that meat in some form and green food should be regularly supplied.

The foregoing information, if followed, will be found of great service to the farmers of the country and this, I a sure, is what your Committee desires. It has direct bearing on the production of eggs and market poultry.

INCREASED INTEREST IN POULTRY KEEPING.

I now proceed to briefly bring to your attention my third point, viz.: 'The great and rapidly developing interest that is being taken, principally, I am warranted in saying, by farmers in their poultry branch of farm work.' I have a publication issued by the Provincial Department of Agriculture for 1907 entitled 'Crops and Live Stock of Ontario.' It is issued annually. It has for years quoted the opinions of farmer correspondents at different points of the province on the value of poultry as a branch of farm work. In the report of last year there are the opinions of 53 correspondents given. Of this number 50 reports speak favourably—some very strongly—of poultry as a paying department of the farms, two are unfavourable and one non-committal. As instances of the favourable comments you will, I am sure, allow me to quote the farmer correspondent at Harwick, Kent, who says 'Poultry are the best paying thing on the farm, but they take careful looking after.' Again, the report from Sydenham, Grey, says: 'Poultry are selling high. In fact, the economically kept poultry farm is the best money maker just now, the cost of equipment being taken into consideration.' The report from Minto, Wellington county, says: 'Good, well-bred poultry, if properly attended to, will give their owner a clear profit of \$1 per hen. We get \$4 a piece for Bronze turkey cockerels and \$3 for pullets, and so on.' The point I wish to make is this, that eight or nine years ago there would be only four or five favourable reports as against perhaps 45 or 50 unfavourable ones. I claim this change in opinion shows increased interest in and appreciation of the poultry branch of farm work as a money maker. Another instance of increasing interest in poultry keeping is, I think, fairly shown by the great increase in the number of letters received in our Poultry Division, particularly in recent years. For instance, in 1900 the letters received by the Poultry Department numbered 1,590, while the report for 1906 gives the number as 5,098, and report for 1907 now being prepared will, I am sure, show larger figures.

SOME DETAILS OF EXPERIMENTAL WORK.

As to my last sub-head, I briefly refer to some interesting features of the experimental work of the past year. I may state that the good results of breeding from the best layers have been satisfactorily shown in several instances. I give only one or two, as fuller details of results will be given in our annual report.

One is the case of a pen of White Wyandotte pullets which showed an average each of 62½ eggs per year in their first year. In their second year as hens they showed an average of 81 eggs each per year.

The progeny from the above White Wyandotte fowls showed in their first year, as pullets, an average of 65 eggs each per year, a slight increase only. But in their second year, when hens, they showed an average of 104 eggs each, a marked improvement.

Correspondents who have purchased eggs from trap-nested selected stock express their satisfaction at the improved laying qualities of the birds hatched from these eggs.

As to the cotton front, results, in fertility of eggs, as shown by testing on the sixth or seventh day, after being put in incubators, is in favour of this cotton front

APPENDIX No. 2

style of house as compared with results from a partially warmed house. One instance: In 98 eggs laid by Buff Orpington pullets in a cotton front house, on being tested, only 8 were found unfertile. In the case of 38 eggs laid by Barred Plymouth Rock pullets, in a partially warmed house, when tested no less than 28 eggs were found unfertile.

INFORMATION AS TO TURKEYS, GEESE AND DUCKS.

HOW THEY SHOULD BE MANAGED, FED AND BRED.

TURKEYS—HOW TO REAR, KILL, PLUCK, DRESS AND PACK THEM.

It is of first importance that our farmers breed the largest, best and hardiest birds. Climatic conditions, in the greater part of Canada, are favourable to the breeding of a large number of turkeys, indeed of all kinds of poultry. There are six varieties of turkeys, viz.:—Bronze, Narragansett, White, Black, Buff and Slate. Of these the Bronze are the largest and heaviest. The standard weights of this variety are:—

Cock.	36 pounds.	Hen.	20 pounds.
Cockerel.	25 “	Pullet.	16 “

The first requisite in successful breeding is strong, vigorous parent stock. Inbreeding should be avoided. It is admissible to use a good male two years, but not so to use a young male and pullets of the same family. Young hens weighing 15 to 18 pounds, and older ones of 18 to 20 pounds weight, are the best layers, and make the best mothers. One male with 10 or 12 hens is a good mating.

Some turkey hens lay more eggs than others. Eighteen to twenty-four eggs from each hen should be satisfactory. The turkey hen makes the best mother, although some breeders give the first seven eggs to a common hen. The objection to the latter is that she is apt to drag the young pullets too much about.

Twenty-five young birds are all that the turkey mother can keep dry and warm.

It is of first importance to keep the young birds in dry quarters. Great care is necessary in rearing them until they ‘shoot the red,’ (get wattles, &c.). It must be borne in mind that young turkeys before ‘shooting the red,’ are the most tender of all feathered fowl, and afterwards the hardiest.

Too early setting is not advisable in this latitude. Where the winters are milder and spring earlier it is different.

After hatching, the youngsters and their mother should be put in comfortable, dry quarters. Give a grass run if possible. The coop should be roomy, and so conveniently situated that mother and brood can easily be driven into it, in case of rain. Care should be taken that mother and brood do not get into the grass while wet with the morning dew. It is important to remember this. It is also well to remember that experienced breeders have traced the death of many young birds, in their early handling of them, to damp quarters, lice and indigestion, the latter probably from eating uncooked food. Unclean, carelessly mixed and uncooked food has been the cause of death in the case of many young and tender birds. The mortality among young turkeys, from one end of the country to the other, is far too great and is principally caused by neglect of the points outlined above.

PROPER RATIONS.

For the first few days feed on stale bread soaked in milk and squeezed dry. Mix with hard-boiled eggs and onions, both chopped finely. Curd or a sort of cheese made from sour milk may also be given.

Later on feed on granulated oatmeal, rolled oats, or a mash made of stale bread, onion tops, oatmeal, cornmeal or middlings, the whole mixed with skim-milk. The

milk should be boiled and a little black pepper dusted into it, before putting it into the mash.

For the first five or six weeks feed four times daily. Afterwards three times.

At the time of 'putting on the red,' uncooked food should not be fed. At this period the young birds are likely to eat ravenously, but on no account should they be allowed to gorge themselves. After becoming fully feathered they require nothing but hard grain.

Turkeys are fond of roaming, and often wander away from headquarters. In this way many are killed by weasels, skunks and other enemies.

A good plan is to feed the hens and their broods grain every evening, and so accustom them to coming home. This, of course, when the young birds have reached the proper age.

TO FATTEN.

Birds may be fattened as in the case of chickens while running outside, or by being penned up and specially fed. Success has attended the fattening of turkeys in many instances, by the forcing method. But with the right breed in the first instance, care and proper food, there should be no difficulty in obtaining the desired flesh development.

KILLING.

The birds intended for shipment to Great Britain are killed in the same manner as chickens, by dislocation of the neck. Care is necessary in having this properly done, as the following note of warning from a London poultry purchasing firm to an Australian agent, shows:—

'Having purchased the several consignments of frozen poultry which you have had on show in the exhibition, I have written you our opinion of same. A, the quality very good; B, trussing very good; C, packing well done; D, killing may be capable of being very much improved on, as the necks of the birds are invariably very much discoloured, and appear almost unsaleable through this. I would suggest bleeding at the mouth, and not so much force used in dislocating the neck. I consider there is a good market here for your poultry, if you can send it, say, to arrive in England continuously from January to June.'

It is not likely that bleeding at the mouth will be adopted by those firms who ship in large numbers. But if this manner of killing is adopted, it should be done as advised in the case of chickens killed in that way, viz., by the cutting of the roof of the mouth, at base of the brain, with a narrow sharp knife, lengthwise and across. If the roof of the mouth is pierced at the base of the brain, death is said to be instantaneous and painless.

PLUCKING AND DRESSING.

This should be done as outlined in a previous page in the case of chickens. In plucking, which should begin immediately after dislocation of the neck and be very carefully done, feathers should be left on the neck for three inches.

PACKING.

Instructions as to packing issued by the Commissioner of Agriculture and Dairying, are as follows:—

Every bird should be wrapped neatly in paper, the head with a quantity of thick paper to absorb any blood. The birds should be packed with their backs down and heads to one side.

Twelve to twenty-four birds should be packed in a case. The case should be packed quite full, so as to prevent birds knocking about inside, during transit or in cold storage.

APPENDIX No. 2

The case recommended is six feet long by twenty inches wide, and from seven to eleven inches deep. Top, bottom and sides are made of half-inch lumber, with a strengthening piece in centre, one-half inch thick.

The cocks and hens should be packed in separate cases.

The weights of the birds and their sex should be marked on the left-hand corner of both ends of the case.

A quantity of clean straw or wood pulp should be put on the bottom of the case and on top of contents, with wrapping paper between the birds and packing material, to prevent any possibility of injury.

SHIPPING BIRDS IN FEATHER.

In shipping birds in feather the following directions should be followed:—

Kill birds by cutting in roof of mouth as described in previous page.

Before being packed the birds should be thoroughly cooled. Pack in air-tight barrels.

In packing, the heads of the birds should be on the middle of their backs. The barrels should be marked so as to describe contents.

DUCKS.

	Lbs.		Lbs.
Pekin Drake.....	8	Pekin Duck.....	7
Young Drake.....	7	Young Duck.....	6
Aylesbury Drake.....	9	Aylesbury Duck.....	8
Young Drake.....	9	Young Duck.....	7
Rouen Drake.....	9	Rouen Duck.....	8
Young Drake.....	8	Young Duck.....	7

Early in the season three to five ducks are allowed to a drake. Later in the season when running outside, eight or twelve. The drake should not be over two years of age.

Ducks lay from 100 to 140 eggs in a season. The eggs take twenty-eight days to hatch. Duck eggs are hatched by hens or ducks. They hatch well by incubator.

RATIONS.

For first three or four days, mash of cornmeal, a little hard-boiled egg chopped fine, ground wheat or oats, or granulated oatmeal, the whole being mixed with boiling milk. The young birds are very fond of cabbage, lettuce or clover, which should be chopped fine and may be mixed in mash. Make mash crumbly. Skim-milk for drink.

Later on a mash may be made of cornmeal, bran and oatmeal, with chopped green stuff, and mixed with skim-milk boiled.

Feed the young ducks five times per day. Keep them in dry quarters, out of the hot sun and supply water in limited quantity in shallow dishes, so as to prevent them ducking into it.

After three or four weeks reduce the rations to four per diem. As the ducklings grow the rations may be added to by house-waste, ground bone, beef scraps or cooked meat. Small pieces of charcoal are aids to digestion.

FATTENING.

To fatten, feed on ground grain, meal, beef scraps, &c., made into a mash. Barley meal is excellent in the soft food. Nothing should be fed that will give the flesh a bad flavour.

In nine weeks the ducklings should weigh four and a half pounds each and are ready for market. They should be marketed before the pin feathers begin to grow, which is likely to occur after ninth week.

KILLING AND PICKING.

Ducks are best killed by cutting into base of brain at roof of the mouth. Before killing the feet of the birds should be caught in a loop with head hanging downwards. Immediately after being killed the picking (dry) should be done. Care should be taken to prevent injury of any kind to the carcass.

GEESE.

The best known breeds of geese, and their weights, are as follows:—

	Lbs.		Lbs.
Toulouse Gander.....	25	Young Gander.....	20
Toulouse Goose.....	23	Young Goose.....	18
Emden Gander.....	25	Young Gander.....	20
Emden Goose.....	25	Young Goose.....	18

Mating.—One gander to three females. Mate with large vigorous birds.

Management.—In spring make large comfortable nests. In most cases two clutches of eggs are laid, sometimes three. Collect the eggs soon after being laid, as they are easily chilled.

Hatching.—Some breeders who hatch geese on a large scale use incubators. Mrs. Wolcott, Napoleon, Ohio, in *Ducks and Geese*, published by the *Reliable Poultry Journal*, Quincy, Ill., says: 'I incubate their first laying with chicken hens, and frequently let "old mother goose" care for her second hatch. Be sure to have the hens, chosen for sitters, free from lice. Sprinkle the eggs with warm water twice during the last week. Oftener in dry hot weather will do no harm. Remove each gosling from the nest as it hatches, for they are easily mashed. Keep them in a flannel cloth in a basket in a good warm place until all are hatched.'

Sometimes the goslings have to be helped out of the shells.

RATIONS.

For first three days.—Cornmeal mixed with hard-boiled eggs, chopped fine, a pinch of black pepper and a handful of sand. After three days discontinue the eggs, and give bread soaked in skim or sweet milk, oatmeal, or broken rice boiled until soft, outer leaves of cabbage, onion tops, and all the grass they can eat. Keep the young birds from water, but give it to them in liberal quantities to drink. The same authority recommends as a fattening ration a liberal supply of barley meal and cornmeal, soaked in buttermilk. A grass run is indispensable. This according to Mr. C. L. Darlington, Lloyd, N.Y.

KILLING, PLUCKING AND DRESSING.

For local market, the goslings should be ready in twelve to fourteen weeks, and should be of large size at the end of 16 weeks.

They should be killed by bleeding in the roof of the mouth, and all feathers taken off except on wing tips. For shipment and local market the geese are not drawn.

No birds less than nine pounds each should be shipped to the English market. They should be packed ten in a case.

NOTES.

Goose eggs hatch in thirty to thirty-four days.

Some breeders assert that the worth of the feathers from a bird should nearly pay half the cost of its feed for one year.

APPENDIX No. 2

I submit with pleasure to your committee the foregoing subjects which directly affect up-to-date poultry keeping.

Mr. LEWIS moved a vote of thanks to Mr. Gilbert.

Mr. HENDERSON.—That is seconded all round. I have always taken a great deal of interest in Mr. Gilbert's addresses. They contain a great deal of useful information.

Motion put and carried.

The CHAIRMAN.—Mr. Gilbert, I have much pleasure in tendering you the thanks of this Committee for your able address.

Mr. GILBERT.—I thank you for your vote of thanks, and for the interest in the subject which you have displayed. I desire also, gentlemen, to thank you for the expressed intention of printing a larger number of copies of my evidence than usual, because the demand for information in relation to poultry keeping is very great. That interest is shown not only by the letter which I read this morning, but by other letters of a similar character which are constantly coming in. I am sure the farmers of the country will appreciate any effort you may make on their behalf.

Having read over the foregoing transcript of my evidence, I testify the same to be correct.

A. G. GILBERT,
Manager, Poultry Division, Central Experimental Farm.

GROWING OF FOREST TREES IN PLANTATIONS—FRUIT CULTURE.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

THURSDAY, May 7, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock, a.m., Mr. McKenzie, Chairman, presiding.

The CHAIRMAN.—We have arranged this morning for an address by Mr. W. T. Macoun, Horticulturist at the Central Experimental Farm, on 'The Growing of Forest Trees in Plantations, at the Central Experimental Farm, Ottawa; and Fruit Culture.' I have very much pleasure in introducing Mr. Macoun to the Committee.

Mr. MACOUN.—Mr. Chairman and gentlemen. I have not had very long notice of the meeting of this Committee, as I believe it was through a change in your plans that I was called here to-day, but I hope that I have sufficient material available to engross your attention during the sitting. We are very much interested in our work, and having been connected with the farm now for more than twenty years, it gives us quite a fund of information to draw upon. Therefore, I think we should have no trouble this morning in spending the time profitably.

It is now two years since I appeared before this Committee, and it might, perhaps, be well to tell you a little about my department at the farm. My title at the farm is Horticulturist and Curator of the Arboretum and Botanic garden, and my branch of horticulture naturally divides itself into three departments: The first relating to fruits and vegetables; the second to our forestry experiments, and the third to the Arboretum and Botanic garden on the farm.

I hope to speak most of the time this morning on our experiments with forest trees for farms, but I would like to run briefly over the third branch of our work referred to. That is the Arboretum and Botanic garden, which occupies about 65 acres of land. In this garden we have over 3,000 species and varieties of trees and shrubs, and over 2,000 species and varieties of herbaceous perennials. The object of this botanic garden is to collect there all the plants we can, and find out which will succeed best in this country and which are the most ornamental, also other information regarding rate of growth, flowering period, and so on, so that we may be able to give the farmers of this country definite information as to the best kinds of trees for them to plant around their homes to improve their properties. I may say we have published a great deal of information in regard to this, and I think it has been very useful to the farmers.

By Mr. Pickup:

Q. Where is this botanic garden situated?

A. It is on the southeast side of the Central Experimental Farm, and consists of 65 acres.

EXPERIMENTS WITH FOREST TREES AT THE CENTRAL EXPERIMENTAL FARM, OTTAWA.

The third department to which I would like to devote most of the time this morning, although I may refer to fruits and vegetables later on, is that relating to forest trees. It seems to me that the more information we can get before the

farmers in regard to planting forest trees on the farm the better, because unfortunately the farmer has had a great deal to do in the past in cutting down trees in clearing his property; and the revulsion of feeling in regard to trees has not yet taken place, speaking generally, among the farmers. That is, the farmer still regards the tree to a large extent as his enemy; but the younger men and the grandsons are gradually waking up to the fact that it would be important for them to have on the farm a good belt of trees or a good block of trees from which they could draw fuel and wood for other purposes. Fortunately there are still blocks of trees on a great many farms, but on many others there are not. At the Central Experimental Farm, something over twenty years ago, Dr. Saunders, looking ahead, felt that it was very important for us to have on the farm belts of trees of different kinds where we could demonstrate to farmers the rate of growth of different forest trees by taking measurements and also getting information as to the best way for farmers to plant trees either mixed or in blocks by themselves, the best distances apart, and so on. So in the autumn of 1887 the first planting was done and at the conclusion of most of the planting in the fall of 1894 we had a belt of trees about one and three-quarter miles long. Along the western boundary 165 feet wide and along the northern boundary 65 feet wide. In this forest belt, which occupies about 21 acres, we have growing now about 23,000 trees. The forest trees are arranged in different ways. Some of them are planted 10 x 10 feet apart, others 10 x 5 feet apart, others 5 x 5 feet apart, and others only 2½ feet apart, the object being to find out which was the most satisfactory distance to plant. Then the trees are arranged in different ways. For instance, in some places we have solid blocks of white pine, in other places solid blocks of tamarack, in other places solid blocks of black walnut and butternut, in other places solid blocks of ash, and in other places the trees are mixed so as to have different kinds growing together. We have in all about 60 kinds of trees under test in these belts.

By Mr. Sinclair:

Q. Are they all native trees?

A. Not all native. There are some of the hardier exotic trees, but most of them are native trees. We have had, as I say, about 20 years' experience with forest trees and I should like to tell you a little about how they have behaved.

BEST DISTANCE APART TO PLANT TREES.

We have found that by the planting of trees 10 x 10 feet apart it is necessary to cultivate them too long for it to be a profitable undertaking. At that distance apart, unless they are cultivated, the trees make very slow growth for a long time and, therefore, it would not be wise for the farmer to plant them at that distance. We found that in order to get the best results it was necessary to cultivate about 8 years after those trees had been planted 10 x 10 feet apart, that is before they began to meet and smother the weeds and grasses. We found that by planting trees 5 x 5 feet apart we could stop the cultivation in from four to five years, depending upon the kind of tree; and we believe that for the farmer, trees planted about 4 x 4 feet apart, or at the most 5 x 5 feet apart, would be the most satisfactory distance, because at that distance trees would meet in three or four years. We have found too, that planted 5 x 5 feet apart, the branches of the trees began to die much quicker at the bottom, which is very important because you can easily understand that the branches start from practically the centre of the tree, and after they are left on for say 10, 15 or 20 years the knot in the tree comes right through, and as a result your timber is too knotty. But by having them close so that the earlier branches die off in the early history of your plantation it makes a clean trunk and clean wood. That is very important in growing these trees, and that is effected by having the trees closer than 10 feet apart, say 4 or 5 feet apart.

APPENDIX No. 2

BEST SIZE OF TREE TO PLANT.

Q. What age are these trees when planted?

A. We find the most satisfactory tree to plant is from 9 to 24 inches, not more than 2 feet. We have planted trees from 9 inches up to 8 or 10 feet.

Q. After four or five years' growth to what size would they attain?

A. After the second year they will make from 2 or 2½ to 3 feet or more of growth a year, depending upon the kind of tree.

By Mr. Blain:

Q. Is that the size of tree you would recommend the farmer to plant on his farm?

A. Yes, about 2 feet.

Q. Two feet high?

A. Two feet high. If only planting one row of trees he would, perhaps, need to be very careful, and if only 9 inches, the trees would be hidden by grass and that sort of thing. If putting out only a single row it would be better to plant the trees a little taller than 2 feet.

Q. I may say that in western Ontario they plant a great many trees 10 feet, and they do very well?

A. You are speaking more of avenue trees?

Q. Yes?

A. I am speaking of trees for timber purposes at the present time.

By Mr. Martin (Wellington):

Q. If you were to plant a tree a foot high and another two feet high or three feet high, what would be the difference in their height in say three years' time?

A. I believe that the tree one foot high, providing it has had good cultivation, will be as tall as the three foot tree, because the taller the tree the longer it takes for it to become established, for the reason that the larger the tree the more the roots are injured in taking it up and the longer it takes to get established. So you can easily understand the expense would be light in planting a forest plantation by getting these little trees which can be purchased very cheaply.

Q. If they are to go in a row it is necessary to have them nearly all of the same size?

A. For a wind break it does not matter so much, although it is well to start them out as nearly alike as possible.

RATE OF GROWTH OF FOREST TREES.

We have published in our reports from time to time the height and diameter of the different trees in these belts. We annually take the measurements of the trees. The diameter is taken 4 feet 6 inches from the ground, and then we take the total height each year so that we can tell how much the tree increases in height and diameter. It might interest you to know just the height of a few of them. For instance, taking the white pine which was planted in the spring of 1889 when 8 to 10 inches in height and 5 x 5 feet apart they are now 31 feet 8 inches in height. The last record I have here is that for the fall of 1906.

By Mr. Pickup:

Q. What is the diameter of that tree?

A. The diameter of that tree, this white pine, is 4½ inches, 4 feet 6 inches from the ground.

Q. We can beat that in Nova Scotia?

A. Yes, I think you can beat that in Nova Scotia.

Q. In 30 years they are 9 inches in diameter?

A. Trees both on the eastern coast and the western coast will grow much more rapidly than they do in the central part of the country. The moisture in the air seems to be favourable to their growing and they grow much faster. But, as I have already explained, our work is principally for the two provinces of Ontario and Quebec. Now white pine planted 10 x 10 feet apart is 30 feet 9 inches in height, compared with 31 feet 8 inches of the white pine planted 5 x 5 feet apart. This is the average of a number of years. Several individual trees were measured each year and then we took the average. The diameter of trees planted 10 x 10 feet apart is practically 7 inches. The reason of that is that the trees get more light and having more light make more branches, and the more leaves they have the greater growth they make. But the difficulty in regard to these trees is that the branches are not yet dead at the bottom. These big branches are growing out now from the base of the trees and that timber will be very knotty for a long time.

Then in the case of the white ash, which is a very valuable tree in the province of Ontario, the trees planted 5 x 5 feet apart at 4 feet 6 inches above the ground have a diameter of 2½ inches, and the height of the tree is 29 feet 3 inches. Planted 10 x 10 feet apart the diameter is 4 inches, 4 feet 6 inches above the ground and the height of the tree is 30 feet 7 inches. The white ash is a very valuable tree for a farmer and it would pay him well to grow that species in his plantation.

The following table showing the growth of a number of species of trees, with other notes regarding them, is submitted:—

Growth of Trees in Forest Belts at Central Experimental Farm.

Name.	Year Planted.	Years Planted.	Height or Age when Planted.	Distance.	Soil.	Height, 1906.		Diameter, 4 ft. 6 ins. from Ground, 1906.
						Ft.	Ins.	
White Pine. ...	1889	18	8 to 10 inches	5 x 5 ft.	Light sandy loam with gravel...	31	8	4 1/2
"	1889	18	8 to 10 "	10 x 10 ft.	"	30	9	6 3/4
Scotch Pine. ...	1888	19	18 inches	5 x 5 ft.	Low sandy loam with gravel...	29	5	2 3/4
"	1886	19	18 "	10 x 10 ft.	"	28	3	5 1/2
"	1887	20	9 "	3 x 3 ft.	Light sandy loam with gravel...	31	8	3 3/4
Norway Spruce..	1889	18	18 "	5 x 5 ft.	Poor, light sandy loam....	23	1	3 1/4
"	1889	18	18 "	10 x 10 ft.	Light sandy loam	27	11	5 1/2
"	1888	19	15 "	5 x 10 ft. mxd.	Clay loam	35	8	6 3/4
"	1888	19	15 "	5 x 10 ft. mxd.	Light sandy soil	33	..	5 1/2
"	1888	19	15 "	5 x 10 ft. mxd.	Gravelly soil	37	2	6 1/4
European Larch.	1888	19	2 feet.....	5 x 5 ft.	Low sandy loam	33	11	4 1/4
"	1888	19	2 "	10 x 10 ft.	"	33	..	5 1/4
Canoe Birch ...	1889	18	3 years.....	5 x 5 ft.	Light sandy loam	35	4	4 1/4
"	1889	18	3 "	10 x 10 ft.	"	37	8	5 1/2
White Ash.	1889	18	3 "	5 x 5 ft.	Black muck.	29	3	2 3/4
"	1889	18	3 "	10 x 10 ft.	Light sandy loam....	30	7	4
White Spruce...	1888	19	15 inches	5 x 10 ft. mxd.	Gravelly soil.	34	6	6
"	1889	18	15 "	5 x 5 ft.	Poor sandy soil	17	4	2 3/4
"	1889	18	15 "	10 x 10 ft.	"	20	8	4

INFLUENCE OF FOREST TREES ON ONE ANOTHER.

Then we have got a good deal of interesting information from our mixed plantation where different trees are growing, information that will be useful to the farmer to show him what kind he should avoid planting. I have taken notes which I should like to give you in regard to a number of these trees showing how they have suffered under shade; where they have been able to hold their own or where they have suffered

APPENDIX No. 2

and died. These notes are taken from a mixed belt of trees planted in 1894. 'The Austrian pine does not stand the shade well and in some instances it has been killed outright when shaded by other trees, although it is quite a strong growing tree.

The Scotch pine also suffers badly in shade. In some instances the trees have been killed outright, and where not killed the leader is destroyed and the tree made very weak.

White pine stands shade a little better than Scotch pine, retaining its leader when the Scotch pine does not.

Douglas fir is much weakened by shade, but retains its leader.

The Norway spruce stands the shade better than any of the pines.

The Rocky Mountain blue spruce, or Colorado spruce, stands the shade about as well as the Norway spruce, but does not stand as much chance of developing as the Norway, as it grows so slowly.

The American *Arbor-vitæ* or cedar, which forms our great cedar swamps in Ontario and Quebec, stands the shade very well, but in dense shade makes very little growth.

The tamarack pushes up rapidly and is holding its own, but as the foliage is comparatively thin it does not hurt other trees.

The American elm has reached the greatest height and is towering above most other trees. It has made a good straight trunk. This and the box elder, or Manitoba maple, should do well together. The dense shade of the box elder should force an upward growth of the elm and the elm be able to hold its own on account of its rapid growth.

The red and white ash and box elder.—These are almost as tall as the American elm and are still holding their own. The dense shade of the box elder is what has done most to injure the pines. The Manitoba maple, or box elder, makes a very dense shade, and if put into a plantation it will crowd out almost everything else that grows less rapidly than it does.

The black ash is little more than half the height of the white ash.

In another belt of trees planted in 1888 notes on other trees were made.

European white birch are the tallest trees, but these are now dying and some are dead. In about 18 to 19 years the European white birch dies at Ottawa.

By Mr. Sinclair:

Q. Does that differ from our own white birch?

A. Yes, it is different from our own white birch.

By Mr. Martin (P.E.I.):

Q. Is the American elm the soft elm?

A. Yes, it is the soft elm, the common elm.

White oak.—Some trees have been killed by the shade, but they appear to stand it fairly well, as trees are alive which are much shaded, although they are making little growth.

Black walnut.—In the warmer soils this has shot up tall and straight and is among the leading trees, but many were overshadowed before they got ahead and have been killed or are barely alive.

Red oak has shot up well and is one of the leading trees.

Rock elm has done well.

Norway maple has shot up well and is one of the leading trees.

Hard maple, although slender, is shooting up now and is holding its own.

Red maple, side by side with Norway maple, is affected about the same by shade, and is about equal in height. Norway maple is, if anything, leading and is the more vigorous tree.

White spruce.—Although this stands shade well it has got behind and is not a leading tree, that is where it is mixed with other kinds.
American mountain ash stands shade well.

By Mr. Christie:

Q. Did you say that black walnut would not do well when shaded by other trees?

A. It has not done well here.

Q. I have got about fifteen in Red Maple Woods, and I think they are doing better than those out in the clearing?

A. They are not over-topped by the other trees, are they?

Q. They are right in the midst of red maple timber?

A. Is there a canopy of foliage overhead?

Q. Yes?

A. Then our experience has been different. We have found that the black walnut, providing it will grow as fast as the other trees, will hold its own. Once it gets underneath other trees, it does not. Of course, your maple woods might not be very dense.

Q. They are the ordinary woods?

A. Very often in a maple wood there are little glades or open places, and those are the places where the black walnut should do well, and if planted on an even footing with young maple, black walnut should hold its own, but planted under large trees it would not stand much chance. From our experience we should suggest to the farmers that they should plant the trees which will look after themselves best and quickest. We should say that there should be a foundation of evergreens in the plantation, which would have the effect of crowding out the branches of the deciduous tree, and the three best evergreens we have found for this purpose are the white pine, the Scotch pine, and the Norway spruce. These are all very rapid growing trees, they will hold their own well in the race with the other deciduous trees, and having dense foliage they will crowd out the side branches of the latter, and in that way make cleaner timber than if they were not there. Then among these he should plant for early use the white birch, the American elm and the tamarack or the European larch. These make very rapid growth in the first 20 years, and on account of their thin foliage they do not destroy the pines and hard maple which should also be in the plantation, and the result is they may be cut out in 20 or 25 years for fuel, if necessary, leaving the plantation for the other trees. Then he should have white ash, hard maple and red oak, and a few white oak and black walnut. All these trees, by the proper mixture of them, will grow well together and the farmer will soon have a large supply of fuel and also wood for other purposes on the farm. The trees which are to remain longest should be about 10 feet apart with the others between.

Q. Taking the Norway spruce, how would you plant it?

A. In a mixed plantation on a farm the Norway spruce would not be less than 10 feet apart, because the farmer will want his other kinds between them. Even for a single row of trees 10 to 12 feet apart is a very good distance.

Q. We have planted some and they have grown up but are dying. I think they were planted too close?

A. We have a row at the farm of Norway spruce. They are planted 10 feet apart, but my intention is to remove every other tree in a short time and have them 20 feet apart. That will mean that they will be far apart for quite a number of years. My idea is to leave them until they interlace and then cut them out.

By Mr. Sinclair:

Q. Will the black walnut thrive in Nova Scotia?

A. I don't think it will very well. We have found that it needs a very warm soil. It might thrive in the Annapolis valley in Nova Scotia, but here in Ottawa we

APPENDIX No. 2

find that on the heavier soils it won't thrive at all. It needs to be on a warm soil, although in western Ontario it grows well in the bottom lands. But here you have got to get a warmer soil or the tree is pretty nearly at a standstill. The farther north you go and the cooler it is the slower progress the tree makes.

By Mr. Wright (Renfrew):

Q. Is the walnut growing here?

A. Yes, our trees have been bearing fruit for quite a number of years.

Q. We have one in Renfrew growing on a clay soil?

A. We have a plantation on clay soil, or at least some on clay soil that are doing fairly well; but on cold sandy soil the trees are practically at a standstill, they don't make more than an inch or so of growth yearly. On a warm sandy soil they do very well and on a well drained clay soil they also do well, but not so well as on a warm sandy and gravelly soil. We find that the farther north the tree grows from its native place the warmer the soil has to be. We all know how the hard maple starts to climb the hillside to get into the sunshine. As you go north you find the hard maple, and other trees, gradually climb the hillsides where they get the light and heat

LEAF BLIGHT OF HORSE CHESTNUT—PEAR BLIGHT—APPLE SPOT.

By Mr. Blain:

Q. In western Ontario a large number of horse chestnut trees are dying off. Have you been experimenting or making inquiries as to the cause?

A. We have looked into that trouble and it is caused by a leaf disease called *Phyllosticta sphaeropsoides*, but no spray has been satisfactory in checking it up to the present time, although Bordeaux mixture is recommended. The pear blight is another disease difficult to control, which is practically impossible to eradicate unless all the diseased parts are cut out, and that is an almost impracticable method. The pear blight has reduced the California pear orchards, I understand, nearly one-half, if not more, during the last few years since the disease was introduced there, and our fruit growers in Ontario know what a terrible thing it is. The difficulty is that it is a bacterial disease. It enters through the flowers and tender buds and once it gets in you cannot get it out with any spray. The only plan, as I say, is to keep cutting out the diseased parts, and even then unless everybody else adopts the practice the disease spreads very rapidly.

By Mr. Christie:

Q. Does not the horse chestnut do better in a warm climate?

A. Yes.

Q. In the northern part of our county they do not succeed, but in the southern half they do splendidly?

A. You will not see very many horse chestnuts about Ottawa. We have tried them over and over again. They will live for a number of years and then gradually get stunted. I do not think there are very many chestnuts about Ottawa. There are one or two, I think, on Kent street, but as a rule they do not succeed in this district.

By Mr. Pickup:

Q. You say that the only remedy for the disease you spoke of which communicates itself to other trees is to cut out the parts affected. Does the same thing apply to spots on apples?

A. No.

Q. Would it be necessary for all to spray, right through the district in the case of spots on apples?

A. It is necessary, but not so necessary as in the case of blight; it does not carry so rapidly. The bacteria of the blight are so small they carry very much more rapidly than the spot. The spores of the spot are small too, but they do not spread so rapidly.

Q. But still the disease does spread?

A. Oh, yes, it does spread.

Q. From one orchard to the other?

A. Yes, because the birds will carry the spores on their feet from one orchard to another. The wind will also blow them.

PARTS OF THE FARM SUITABLE FOR FOREST PLANTATIONS.

The parts of a farm which I think are most suitable for such planting as I have been describing, and such as we have carried on here, are the hillsides and rocky places; and there is no reason why, if a farmer is interested in the subject, he should not be able to cover these places with first-class wood in a comparatively short time. When one considers that white pine will reach a height of over 30 feet in nineteen years, and that red oak, ash, Scotch pine, Norway spruce, tamarack and all these trees will reach about the same height in the same period, it shows how soon one could have a fine plantation; and by putting in some elm and white birch, if there is no fuel on the farm, a man could have a lot of fuel in the way of birch and elm and red oak, even in a comparatively short time, because, in our experience, red oak will grow almost as fast as pine.

By Mr. Blain:

Q. Are any of the farmers in Ontario appropriating any portion of their land to that purpose to any considerable extent?

A. The Ontario Department of Agriculture now has a forestry station at Guelph and is prepared, I understand, to furnish these forest trees to the farmers for their plantation. I hope that a certain number of farmers—I do not know just how many—are taking advantage of this offer and planting trees. The difficulty, of course, with the farmer is that he is very short of help and it is next to impossible, at least he thinks it is, for him to start a plantation; that is really the great difficulty. It is difficult for a government to do all the work and as a result this operation cannot be pushed as rapidly as it should be.

By Mr. Sinclair:

Q. Does the Ontario Government furnish these trees free?

A. I don't think they furnish them free, but practically so. I understand the applicant pays the cost of transportation. That is all.

By Mr. Christie:

Q. In the county of Durham trees have been planted on sand hills, is that the work of the Ontario government?

A. Yes. The government has established plantations in that county, and I think in Essex also. I know they have done it in the southwestern peninsula and also near Brighton, in Durham county.

By Mr. Wright (Renfrew):

Q. What are they planting there, white pine?

A. White pine largely, and I think they are also putting out some black locust and European larch which grows rapidly, and some Scotch pine, I think, also.

APPENDIX No. 2

HOW TO PROPAGATE PINES AND OTHER EVERGREENS FROM THE SEED.

By Mr. Sinclair:

Q. Can you propagate pine from cones?

A. Yes. The method of propagating the pine from cones is somewhat as follows: It is really very simple, but the seed bed must be looked after pretty thoroughly or you will lose the little pines. The seeds ripen in the autumn and if you are not in a timber district you have to climb the trees to get the cones. If you are in a timber district where the trees are being cut down in the early winter you can go there and collect the cones. It takes about one bushel of cones to make a pound of seed.

By Mr. Caldwell:

Q. Are any efforts being made to gather the cones here?

A. Practically none, I understand.

Q. In my own locality some young men are making a business of gathering the cones and selling the seed to the United States. The other day when I was home they told me they had extracted some \$1,600 worth of pine seed, all of which was shipped to the United States. Americans are coming over here and making a regular business of buying our pine seed, seemingly for export and not for local use. Doubtless this is more a provincial matter than it is one affecting the Dominion, but it would seem that there is something wrong in not giving the matter attention ourselves. I am sure they have collected thousands of dollars worth each year in our district?

A. And not only that, but some European houses have sent agents over, or employed agents in this country to ship seeds to Europe, especially Germany. That country has had agents in British Columbia looking for seeds of the Douglas fir. I think, they have also got a certain amount of pine seed from Ontario.

By Mr. Sinclair:

Q. Has any attempt been made to cultivate the Douglas fir in Ontario?

A. Not on a large scale. Douglas fir is doing very well at the Central Experimental Farm here. We have trees there now that are nearly 30 feet in height.

To return to the question of pine seed. The seeds are gathered in the cones and taken to a dry warm room, and in a very short time, a few weeks, the cones will open and the seed then drops out. That is screened and then becomes available. The seed is kept dry during the winter and in the spring is sown broadcast on the surface of the soil in little beds that are made just as you would prepare a garden for putting in the small vegetable and flower seeds. Usually the beds are about the width of this table, about 4 feet wide, and 10 or 12 feet in length, and they are surrounded by boards about 6 or 8 inches high, so as to keep them under control. A little sand is sifted over the seeds which are lying on the surface of the soil, but there is practically no depth of soil put over them. After seeding, the soil is beaten down with the back of a spade, or other tool, and the bed covered with a lath frame or with boards so as to keep the bed dark until the seeds germinate, which will be in a comparatively short time. After they germinate they are covered with lath frames so as to make a half shade. The laths are the width of themselves apart on the frame and the frame is raised about a foot off the bed. The difficulty is that if you have not any shade these little pines will scald as soon as they come up in our climate. Some bore holes in the boards surrounding the bed for better circulation of air, as good circulation is important. In parts of Nova Scotia, New Brunswick and Prince Edward Island they come up readily and thrive well without protection. In our climate the air is so dry they scald off in the bright sunshine and we have to put those laths over them so as to give them a half shade and moist conditions. Then they germinate in a short time. For the first season and part of the second it is necessary to keep the laths on. On cloudy

days the laths are taken off so as to give the pines as much light as possible. At the beginning of the third season the pines which are only two or three inches high, perhaps three or four, are taken out and put in plantations, four or five inches apart each way, or on a farm they might be set out in rows two feet apart and four or five inches in the rows so that they could be cultivated with a horse. They stay there one or two years. When they are four years old, by which time they are 8 to 10 inches high, they are ready for planting and from that time on they will grow very rapidly, making from two to three feet of growth in a year, and they will soon become quite large trees.

By Mr. Lewis:

Q. Does what you say apply to cedar as well as to pine?

A. Yes, to cedar and spruce.

TIME OF PLANTING FOREST TREES—CARE REQUIRED.

By Mr. Caldwell:

Q. Do you experience any trouble in transplanting pines?

A. No, but they have to be treated carefully.

By Mr. Lewis:

Q. Would you take pines from the open for transplanting?

A. They do not transplant so readily as nursery grown trees, because they have very few roots. Out in the open, as a rule, they have a hard struggle to exist, because there is much rank vegetation around them. The difficulty is that having such few roots it is harder for the tree to start. Of course, you can do it, but it must be borne in mind that the roots of pine trees must never be exposed to the sun, for even two or three minutes of sunshine may cause them to dry up very rapidly, and once the gum of trees like pine or spruce dries, it is really the end of them.

Q. What time ought you to transplant?

A. Just as early in the spring as the soil is in good condition.

Q. Ought you to do it twice a year?

A. In some magazines and periodicals it has been stated that the best time to plant evergreens is in the month of August, I don't know whether that is what you refer to, or midsummer. That recommendation has, I believe, been largely due to the advertising of persons who have evergreens for sale. The middle of summer is a comparatively slack time for the business of selling trees. The evergreens can be planted at almost any season of the year, provided you don't let the roots get dry. It has been advertised that the most successful time is in the middle of summer, but it is not so. The middle of summer is a very difficult time to transplant.

By Mr. Sinclair:

Q. Is the tree not healthier and stronger in the middle of summer when the buds are on it?

A. Yes, it is apparently so, but the difficulty is this: In the middle of summer when you transplant there is such a tremendous evaporation or transpiration of moisture going on from the top. The air is so dry and the sun so strong that if you transplant the tree then, unless the work is done very carefully the surplus moisture will be evaporated from the top.

Q. I have known spruce trees planted in Nova Scotia in July that succeeded very well. Some farmers who planted them have thought it a very suitable season?

A. Yes, they do very well there. As I have already said, the Atlantic coast is much more favourable to evergreens than the central part of Canada for the reason that the

APPENDIX No. 2

air is much moister and trees will stand transplanting there when they will not stand it in the interior of the country at all on account of the dry winds and the bright sun. We recommend the planting of evergreens as early in the spring as the ground is fit, or they can be transplanted with success in the autumn. We have found, however, that in our climate planting in the fall was not as satisfactory as planting in the spring.

By Mr. Lewis:

Q. What I was referring to was this: It is presumed there are two periods of growth in the year for evergreens and one for deciduous trees. Is there anything in that?

A. That is not correct. Evergreens start to grow almost at the same time as other trees, or just about the same time, in the spring and go right ahead until they stop growing. They grow very rapidly when they start and then they stop and shed their leaves just about the same time as other trees, although we don't notice it. If you go out in September or October you will find the ground literally covered with leaves. They shed a certain portion of their leaves every year and are very much like other trees in that respect.

Q. With reference to pine seed have you to keep it away from the frost?

A. No, provided it is dry it is all right. It is not necessary to keep it away, it won't be injured by frost.

By Mr. Wright (Renfrew):

Q. How is the red cedar propagated? It seems to be quite different from any other cedar?

A. The red cedar is really a juniper. That is why the seed is so different. If you examine the seed you will find it is the same kind of seed as the low-growing juniper with the little round berry. The seeds of red cedars should be planted before they get very dry. It is better to plant them in the fall before they get too dry.

By Mr. Kennedy:

Q. Have you grown any British Columbia hemlock or spruce?

A. We have some little ones at the farm that have been sent from British Columbia, but the hemlocks have not done very well.

Q. Have you anything called the Yew?

A. The Japanese yew is the most satisfactory variety to grow in this country.

Q. There is a native yew in British Columbia?

A. Yes.

By Mr. Pickup:

Q. Is the hackmatack the same species as the juniper?

A. No. It is the same as the tamarack.

By Mr. Sinclair:

Q. Is the juniper a species of larch?

A. No, it is quite distinct. The juniper is a low-growing bush with different habits and different in appearance.

By Mr. Kennedy:

Q. There used to be a lot of junipers on this very ground before it was broken for the site of the Parliament Buildings?

A. Yes, and on the road going to Aylmer you will see a lot of them growing on the rocky soil.

By Mr. Lewis:

Q. Are they hard to transplant?

A. When they are small they can be transplanted quite easily.

Q. I would like to ask a question with reference to the transplanting of young cedar trees. In the county of Bruce you go into the woods and you find little cedars growing there. It is generally mossy and you will pull up a little tree with a bunch of moss, and when you transplant it it does not seem to grow?

A. The roots are all spread on the surface, and there are very few roots comparatively.

Q. What is the best way to make those trees grow? Supposing I plant them out in the pasture field where they do grow sometimes?

A. The first essential when you remove a tree is to wrap the roots around with a wet piece of sacking or keep them wet in some way.

Q. I have turned the hose on and kept the roots moist and adopted every precaution?

A. After you plant them leave a mulch of leaves on the surface, if you like, but don't use any manure, because that may burn them. Use anything that will keep the ground cool and moist. Keeping the surface soil loose with a hoe is necessary unless the ground is mulched.

Q. Would too much water hurt them?

A. Yes, too much water will hurt them.

Q. I turned the hose on them?

A. You perhaps used too much water.

By the Chairman:

Q. When you pull out a cedar and bring up quite a bunch of stuff with it, should you plant it just in that way, or should you shake it off so as to keep the soil about the roots?

A. I would do the latter. That is the way I would do. If you take a big piece of moss and put that in with the roots it prevents the soil from getting to the roots. The moss or turf may all dry out and the roots dry also.

By Mr. Lewis:

Q. I have taken out a bunch of stuff as big as my head, but still the tree did not live?

A. That is the trouble. If you do not keep the roots in close contact with the soil they will dry out. If you dig a tree which is growing in soil and not in moss keep the soil attached if possible.

Q. When is the proper time to take the seed of the cedar?

A. Late in the fall. Place it in a dry room and it will dry out and then plant the first thing in the spring.

Q. No matter how dry it may be?

A. Yes.

Q. Will a beech nut break itself if you plant in soil?

A. A good plan often is to put them in a shallow heap in the fall with three or four inches of soil over them. In the winter the frost will crack them and then they are planted the first thing in the spring, an inch or two deep.

Q. What about the horse chestnut?

A. The same thing holds good.

Q. Would you put them in a dry room?

A. No. You must not let these nuts dry.

Q. In the case of the black walnut, if you cut the top root when transplanting, will it grow?

A. Oh, yes, it will grow well.

APPENDIX No. 2

I have some matter prepared relating to the importance of farmers improving their home grounds or the surroundings of their houses, with information regarding the preparation of the soil, grading and making a lawn, and laying it out with a few ornamental trees, shrubs and herbaceous plants. That comes in in connection with our botanic garden work, and I should like very much to include the matter in my evidence, if agreeable to you, because I think more information should be given to farmers upon the improvement of their homes. They sadly need it in this country; that you all know. I will be very glad to answer any questions in regard to it, but I think as we have been talking so much of forest trees it would be well to include that matter with the planting of forest belts, so as to make the subject as complete as possible.

THE IMPROVEMENT OF THE HOME GROUNDS.

To those who appreciate and who have been accustomed to attractive surroundings, many a farmer's house seems a cheerless place indeed. Exposed to the summer's sun and to the winter's blast, with rarely a tree, shrub or climber to break the uninteresting outline of its four walls, without a lawn or flower garden to separate it from the fields, it is the farmer's abode; but should we dignify it by the name of home when it is contrasted with other farmer's homes where fine trees give their refreshing shade in summer and check the cold winds in winter; where the green lawn slopes away to the roadway or separates the home grounds from the fields; and flowering shrubs, flower beds, and borders enliven the scene and make the farmer and his wife and children truly feel that 'there is no place like home.' With the easy and rapid means of transportation which we now enjoy in Canada, few farmers' sons and daughters are unable to visit some of our cities and towns during their early years. Is it any wonder that in many cases when they return home and contrast their home surroundings with those they have seen they become dissatisfied and long for a brighter place to live? And while it is true that lack of homelike surroundings is not the only reason why boys and girls leave the farm when they get an opportunity, it does, without doubt, influence them in making their decision.

There are two main reasons, we think, why farmers do not improve their home surroundings, namely, through lack of desire, and because they think they have not time. There is a third reason which might also be given, namely, want of knowledge, but information is now so easily obtained that there is little excuse on that score. How is it possible to instil a desire in farmers to make their homes more attractive? If they would only realize that their children would appreciate it and would be more likely to remain on the farm, the desire would surely come. Once the desire came, time would be found to do the work.

Making the Lawn.—The soil around the dwelling usually dries up in the spring before the fields, as the house is, as a rule, built on a slight elevation, hence work could be begun several days before there was any temptation to go to the fields. A lawn should be the first object in view, as once the extent of the grounds were defined by the grass, the further development could be gradual. A well-kept lawn is also much more attractive than flower beds in rough ground, and once the lawn has been made the farmer's wife and family will be able to render valuable assistance with the trees, shrubs and flower beds.

A large lawn will probably be neglected by the average farmer, hence the area which is to be devoted to grass should be well considered. If possible, there should be a lawn in front and at one side of the house. A lawn fifty feet wide in front makes a very good approach to a house, and if convenient this should be carried the same width along the side. More lawn would be better, but there should not be less. The less grass is cut up by roads and paths, the more effective it is, hence the paths should be arranged with a view to leaving as large a plot of unbroken lawn as possible. In order that the grass may look green most of the summer, there should be a good depth

of soil. If the soil is shallow the grass will be affected by droughts and will be brown when it should be green, hence the importance of thorough preparation. The better the soil is prepared the better the grass will grow. When the ground chosen for the lawn has been staked out and all surface stones and rubbish removed, it should be given a heavy dressing of rotted manure, and if the soil is poor it might be possible to apply some loads of good soil with manure. There is no danger of making the soil too rich. When this is done the soil should be given a deep ploughing, and then be thoroughly pulverized. A scraper will probably be necessary to grade up the ground before the final harrowing. Now comes the time when the whole household can assist. In order that the lawn should be a creditable one the surface soil should be brought into as fine condition as possible. All stones should be removed, both small and great; the clumps of soil should be broken up, pieces of sod buried where the grass will not grow again, and all holes filled up with soil. For the best effect in front, there should be a continuous, gentle, downward slope from the house to the outer edge of the proposed lawn, and this can be obtained by a judicious use of the shovel, rake and eye. No pains should be spared to make the surface of the soil smooth. Paths, and if necessary, a roadway, may now be cut out, but as the edges will no doubt be trodden on before the lawn is formed, we should advise making them about a foot narrower than they will eventually be, so that they may be cut to a desired width when a good sward has been formed. The soil is now ready for the seed, and it may be said here that the earlier in the spring the seed is sown after the soil is in condition, the better the results will be. After all the preparatory work which has been done, the prospects of a good lawn should not be marred by sowing poor seed. A few cents extra for the best seed will be repaid many times over by the results. We should not advise buying lawn mixtures. The best lawn grass is Kentucky blue grass or June grass, and this is what should be bought. As it takes some time for a thick sod to form, weeds are liable to be troublesome at first, hence a little white clover is a good thing to sow with the grass seed. This will take the place of weeds and help to thicken up the lawn. There is no danger of using too much grass seed. Three bushels per acre of seed that has a high percentage of germinating power will make a good lawn, but double that quantity is often used. White clover may be mixed with the grass seed at the rate of about ten pounds per acre. If the lawn is to occupy, say, an area of 100 by 50 feet, it would only take about six or seven pounds of grass seed and about a pound of clover seed. It should be sown broadcast and then raked in. If the seed is sown early in the spring, the soil need not be rolled after seeding, but if there is danger of the soils drying out before the seed germinates, it should be rolled with a light roller to bring the moisture to the surface and hasten the germination of the seed. If there are children about it will be necessary to define the border of the lawn in some way at first. A wire is a good thing for this purpose, but if this cannot be obtained binding twine will answer the purpose. It is necessary to have something continuous, like wire or twine, as children easily forget, and a few stakes will not stop them. The grass seed will usually germinate in a few days and grow thriftily, but the grass should not be cut the first time until it is long enough to be cut with the scythe, as if cut too soon it may be injured by the sun or dragged out of the soil. Weeds should, however, be cut off with the scythe in order that the grass may get a good chance to thicken. In order to keep a lawn in good condition, one should have a lawn mower, for once a lawn is established it will be so much appreciated that there will be a pride in making it look well.

Planting the Home Grounds.—While it would probably not be possible in many cases to do all the necessary planting of trees, shrubs and vines the first season, a beginning should be made, even though it be with a vine or two or a few shrubs and trees. Sometimes planting is put off from year to year because it is thought that there will not be time to do all that is in our mind, whereas, if a beginning were made and a little done each year it would be surprising how soon there would be a change in the appearance of the home surroundings.

APPENDIX No. 2

There is nothing which improves a place so quickly as vines, and there is an advantage in beginning with them, as they can be procured and planted by almost any member of the household who is old enough to know how to plant anything. Three of the best climbers are three of our commonest wild plants, namely, the Wild Clematis or Virgin's Bower, Climbing Bitter-sweet, and Virginian Creeper. If these vines are not growing somewhere on the farm, one should be able to recall where he has seen them growing wild, and they can usually be obtained without cost. For a veranda we prefer the Virgin's Bower, as it has attractive foliage and flowers, and is not troubled with insects, and hence the veranda is kept cleaner, and one can sit out with comfort. The Climbing Bitter-sweet is also a very clean vine, and it is not affected with insects either. It has bright green leaves and although the flowers are insignificant its highly coloured fruit, which remains on the plant most of the winter, makes it quite attractive at that season of the year. It is a very strong grower and will soon add much to the appearance of the place. The third climber, and one which is perhaps more often used than either of the others, is the Virginian Creeper. As is well known, this is a rapid grower and will cover a veranda in a short time, and in the autumn is very attractive on account of its highly coloured foliage. This vine is, however, much troubled with a little hopping insect called a thrip, which is so destructive to the foliage that many of the leaves wither, and often during the latter part of the summer the vine is quite disfigured.

This is a very difficult insect to control, and because of this we prefer keeping this vine more in the background, where its luxuriant growth in the early part of the summer and its brightly tinted foliage in autumn may be seen from the distance. There is a self-fastening variety of Virginian Creeper which will cling tightly to a wall, and this is very useful for the side of the house or unsightly outhouses. In the warmer parts of the province of Ontario the Japanese or Boston Ivy is one of the best plants for covering walls. There are other climbers with more beautiful flowers than any of those mentioned, but they are not so hardy. Among the best of these are the Crimson Rambler rose, the flowers of which are a gorgeous sight in summer; the Scarlet Trumpet Honeysuckle, and the large flowering varieties of Clematis.

Climbing plants should be dug up with as many roots as possible, but instead of trying to save all the plant, only about two feet or less of the wood should be left on, the rest being cut away. If this is done the plant will grow much more thriftily than if a long piece of wood is left. The earlier in the spring the planting is done the more growth there will be, but if planting is neglected at the proper time we should not hesitate to dig up a plant even when it was in leaf, as if the roots are not allowed to become dry before planting and the soil is moist it will be almost sure to grow, although it should be well cut back when planted. If the soil close to the house is not very good, it should be removed to a depth of about eighteen inches and for about two feet in width where the climbers are to be planted, and replaced with good soil. The strong growth which is made when this is done will well repay any trouble which is taken. As the planting is done close to the house, there should not be much disturbance of the surrounding soil, which, we are taking it for granted, is seeded down with lawn grass. In planting, the roots should be well buried beneath the surface of the soil and the latter pressed against them. There is no danger in planting the Virgin's Bower, Climbing Bitter-sweet and Virginian Creeper too deep. They are better planted a little on the deep side, as they root readily along the stem and will be in moister soil. We have discussed climbers at some length as they are so easily obtained, will make such an improvement in a short time, and can be planted by almost any member of the family, and hence will be more likely to be planted than trees and shrubs, some of which may have to be ordered from a nursery. If the vines are cut back from time to time they can be kept well under control.

It is a mistake to plant trees too close to a house, as when they grow up they prevent a free circulation of air, and sometimes make the house too dark. Some of our native trees are among the best for planting, and there is no tree which in time will

give such character to the farm home as the American elm. As it is a rapid grower and reaches a great size it should not be planted within fifty feet or more of the house, and should be placed in such a position that when it grows up it will not shade too much of the lawn. Elms look well when skirting a roadway, and an avenue made of these trees is a fine sight, but even one or two will show up well. They have an advantage over the hard maple in that they may be pruned up when necessary without losing their graceful appearance. Other large growing trees which may be used with good effect, but which are too large for a small lawn, are the hard maple, Norway maple, red oak, white, red and Scotch pines, and the Norway spruce. They may be grouped at the rear of the house and back of the lawn, and will form an excellent background if planted in a clump, and will make a splendid windbreak both in winter and summer.

For shade and ornament on the lawn and near the house, smaller growing trees and shrubs may be used to advantage. There are many to choose from, but a few only will be mentioned, all of which are easy to get and are among the most ornamental. One of the most useful of the smaller growing trees is the European Mountain ash or Rowan tree. This is a hardy, rapid growing, symmetrical tree and is attractive in flower, foliage and fruit. It looks best when the branches are left on near the ground.

Cut-leaved Birch.—While this tree is a little more expensive than some of the others, it is so graceful and ornamental that one will never tire admiring it. It is very hardy and a quick grower.

Crab Apple.—There is no tree more suitable for a farmer's lawn, or for any lawn, for that matter, than a well shaped crab apple tree, the wealth of sweet scented flowers in the spring and the highly coloured fruit in late summer or autumn making it very ornamental, and the fruit being always in demand for preserving and jelly making by the thrifty housewife.

Among ornamental shrubs, the following will give bloom for most of the summer, among the earliest flowering being the Spiræas, which begin to bloom early in May, and become a mass of white flowers. Two of the most satisfactory are *Spiræa Van Houttei* and *Spiræa arguta*. As these are under five feet in height they may be planted near the house and look well if several are grouped together. Following the Spiræas are the Lilacs. There has been such a marked improvement in Lilacs during the past few years that the old-fashioned kind is now surpassed by many of the newer ones, which vary much in colour and have both single and double flowers; but even if these cannot be obtained there is no more popular shrub which blooms in the spring than the common lilac, and it should not be difficult to get some from friends. Then, there is the Tartarian Bush Honeysuckle, a hardy shrub, and a very free bloomer, which grows to about ten to fifteen feet in height. This also blooms in May. Some of the best shrubs which bloom in June are the common Mock Orange or Philadelphus, and the large flowering species which blooms a little later; the Snow-ball and the High-bush Cranberry, the latter being a native species which is not appreciated as much as it deserves, as the leaves, flowers, and fruit are all ornamental. The fruit remains on the bush most of the winter, and brightens up the ground in winter very much. A shrub or small tree not often planted, but a very desirable one, is the Japanese or Tree Lilac. This has white flowers, and grows to a height of fifteen or twenty feet, and although it does not begin to bloom so young as the common lilac, it is well worth planting. It blooms from the last of June to early in July. The last shrub which we shall mention is the large-flowered Hydrangea (*Hydrangea paniculata grandiflora*). This blooms during the months of August and September, and the immense panicles of flowers must be familiar to every one. In order to succeed best the Hydrangea needs plenty of moisture and should be pruned back severely in the spring.

When planting either the trees or shrubs mentioned, or others, the breaking or dividing up of the lawn should be avoided as much as possible, as the planting and the lawn itself are much more effective when the trees and shrubs are set towards the corners, at one side, or at the rear of the lawn, and it is better to group them as much

APPENDIX No. 2

as possible, instead of having them dotted here and there, without any apparent relationship to each other.

Unfortunately, a hedge is a rare sight on a farm, and yet there is nothing which defines the limits of the home grounds as well as a hedge. A hedge is more effective along the side or back of a lawn than in front, as a hedge in front of the house lessens the effectiveness of a nice approach to it. A hedge should be planted far enough back from the edge of the lawn to leave room for a wide flower border between it and the lawn. If a narrow border is left it will probably get narrower from year to year as the grass grows, and in time there will be little left. We should advise setting the hedge far enough back so that there will be at least six feet in width for a border. The *Arbor-vitæ* or white cedar makes the most satisfactory hedge, and young trees can often be obtained near the farm. The best satisfaction is obtained from planting young trees about two feet in height, and it is important to get them with living branches to the ground, as unless the branches come to the ground the hedge will look ragged. As the *Arbor-vitæ* throws out roots readily along the branches, it may be planted deeper than some other trees, and hence if it is not possible to get them with branches to the ground they may be planted deep enough to bring them down. Although the *Arbor-vitæ* will succeed in most soils, it does best in good loamy ground, and we should advise a thorough preparation of it before planting. The trees may be planted in a single row about 18 inches apart, and the earlier in the spring they are set the better the results will be. As the trees will probably be uneven in height if dug up in the fields or woods, they may be made the same height by cutting back the tallest ones after planting. Nursery grown trees are to be preferred when they can be obtained.

For large grounds the Norway spruce makes an excellent hedge, being a rapid grower and presenting a fine appearance. The young trees should not be set so close as the *Arbor-vitæ*, three feet apart being near enough. The hedge will not be formed quite so quickly set at this distance, but it will be more permanent. The Buckthorns make excellent hedges, and if an evergreen hedge is not desired the Cathartic and Alder Buckthorn are good substitutes. The soil should be kept well cultivated about a hedge during the growing season to get the best results.

How to Transplant a Tree or Shrub.—When trees die after planting it is usually due to carelessness in transplanting. Some kinds of trees transplant much easier than others, and some of those that are planted more commonly than others, such as the hard maple and American elm, are among the easiest to transplant, hence one is likely to become careless. Trees and shrubs should be dug as carefully as possible so as to retain a large proportion of the roots. The more roots there are the surer one is of getting the tree to live. The roots should not be allowed to become dry from the time of digging until the trees are in the ground again. They may be prevented from drying in transit by protecting them with wet moss or wet sacking. If the roots of evergreens, especially pines, become dry even for a short time the trees are almost sure to die. A hole should be dug large enough so that the roots may be spread out and not crowded or doubled up, and deep enough so that the tree or shrub when planted will be from one to two inches deeper than it was in the woods or nursery. By planting a little deeper than it was before, provision will be made for a little heaving which often takes place the first winter, but too deep planting is almost as bad as planting too shallow. It is important to have the tree at least as deep as it was before and, as stated, best to have it a little deeper. The soil when thrown out of the hole should be put in two separate heaps, the surface or good soil in one and the subsoil in another. If the soil is all poor, to get the best results sufficient good soil should be brought to fill the hole. The tree is now placed in an upright position and the good soil is thrown or sifted in at first about the roots of the tree. As it is important for the soil to come in close contact with the roots it should be pressed against the tree with the foot, when thrown in. If there is not enough good soil available to fill the hole the poorer soil

may be placed on top of the good. Manure should not be put in the hole with the soil as it may burn the roots and make the soil so loose that it will dry out easily. Better apply the manure to the surface of the ground in the autumn and dig in the shortest of it the following spring into the surface soil. After planting, the tree or shrub should be headed in well, the amount of heading in depending upon the amount of roots. If a large proportion of the roots are cut off a large proportion of the top should be removed, otherwise the large leaf surface will transpire so much moisture that the tree will dry up before the roots begin to take in more. This is why shade trees are cut back so severely when planted, but it is not necessary to reduce the trees to mere poles as is too frequently done, causing a bad crotch in the tree later on where the stub dies back and where rot sets in.

Evergreens are not headed back like deciduous trees as it would disfigure them too much and they have usually a fair supply of roots.

Before leaving the tree the surface soil should be loosened again so as to leave a thin mulch of loose soil on top which will prevent the moisture evaporating from the soil as rapidly as it would do if it were left hard. The surface soil should be kept loose throughout the summer and the best growth will be obtained by keeping a circle of from two to three feet or more in diameter around the tree free of grass, where the soil will be kept loose and the rain and air find a ready entrance. If trees and shrubs are transplanted with care they should usually live. Early in the spring is the best time to transplant most kinds of trees and shrubs, evergreens included. Evergreens may be transplanted in summer, but greater precaution must be taken to do it successfully, and we do not recommend it. Both evergreens and deciduous trees may also be planted in the autumn successfully, but on the whole they do not do so well as if planted in the spring.

The Flower Garden.—One frequently sees, both in city and country, crude flower beds, made by raising mounds of soil a few feet from the house and filled with any odds and ends of plants which may have happened to be in the house all winter, with the addition, perhaps, of a few others bought on the market in spring. Sometimes such beds produce quite a little bloom during the summer months, but situated, as they often are, in a dooryard with little or no attempt at improving the appearance of it, they lack attractiveness when compared with flower beds in or beside a well-kept lawn, where with the trees and shrubs they form part of the home-like picture which we should like every farmer to feel he can make about his own home.

There is no class of flowers more suited to country gardens than the hardy herbaceous perennials, for once these are established they will remain for many years, and are truly a perennial source of pleasure to even those who are not enthusiastic about flowers. If a farmer were to depend upon annuals for his flowers every year he might some years neglect sowing the seed and thus be without a good supply, whereas if there is a border well stocked with perennials he is certain to have flowers. Bulbs, also, especially tulips and narcissus, should be planted, as these likewise will remain for a long time. It is a border such as previously mentioned which should furnish bloom from early in the spring to late in the autumn. As many perennials do not need to be moved for a long time, it is important in preparing a border to have soil which will furnish abundant plant food to them, as sometimes when plants increase in size and the border is filled with them it is difficult to dig in manure. There should be good, rich loamy soil, which will not bake, to a depth of twelve inches or more in the border, and a heavy dressing of well rotted manure turned under to add still more fertility to it. The surface soil should be thoroughly broken up and levelled with the rake, but the soil should not be raised much above the level of the lawn. A great mistake is often made in raising beds high, as they dry out much easier in summer than if left but little above the surrounding level. As the whole border should be occupied with flowers, and as it may take several years to get enough perennials to fill it, some plan must be adopted to get bloom in the meantime. We know of no other flower which

APPENDIX No. 2

will make so gorgeous a show for as little outlay as the annual poppies, the Shirley varieties being among the best of them. The seed of these may be sown thinly over the border in early spring, and for about six weeks of the summer there will be a brilliant show. The annual poppies re-seed themselves, and once they go to seed in the border a supply of them is assured from year to year. The seed of Iceland and Oriental perennial poppies may also be sown in the same way as the annual ones. The Iceland poppies will bloom in the autumn if seed is sown early in the spring, but the Oriental poppies do not bloom until the second season. Once the latter are thoroughly established they will furnish abundant bloom during the month of May. While the poppies multiply rapidly and if left to themselves would occupy most of the border, they may be treated as weeds when not wanted, and are very easy to kill.

Some other good hardy annuals, the seed of which could be sown the first year, and every year for that matter, are Phlox Drummondii, Verbenas, Asters, Candytuft, Zinnias, all of which are very effective. Once, however, there is a border to put things into, it will not take long to get a good collection of perennials if we so desire. Friends will be only too glad to give away pieces from large clumps and there are few but could afford to buy some plants each year. There are quite a number of good perennials which can be grown readily from seed, among which are the Aquilegias or Columbines, the Larkspurs, Campanulas, Coreopsis, Gaillardia, Forget-me-not, and Hollyhocks. Foxgloves and Canterbury Bells are also hardy biennials which are raised readily from seed. Among the most desirable perennials are the Irises or Flags, of which there is a very large number of varieties, of many shades of colour. If the proper varieties are obtained, beginning with the Orris Root (*Iris florentina*), and ending with the Japanese Iris, there will be bloom for more than six weeks. The hardy perennial Phlox can also be obtained in great variety, and these will furnish bloom in mid and late summer. Some of the lilies should be planted, as these have a beauty all their own. Of these, *Lilium speciosum* should not be omitted, as it furnishes bloom during the month of September, when many other flowers are past. The Bleeding Heart, though an old-fashioned perennial, is very desirable. There are some very fine hardy herbaceous Spiræas, some of the finest being *Spiræa Aruncus* or Goat's Beard, *Spiræa Ulmaris* or Meadow Sweet, and *Spiræa Venusta*. Paeonies may now be had in great variety, and should not be omitted from the farmer's garden. We should, however, advise planting them in a clump by themselves, as owing to their great spread of foliage they may crowd out the other kinds. A place should be found for the Rudbeckia Golden Glow, as it is such a showy plant, but as it spreads so rapidly it is best planted by itself, and looks well in a corner where it is allowed to form a large clump.

In planting perennials, the height to which each grows should be learned, if possible, and the taller ones put in the back of the border, so that they will not hide the lower growing varieties, and also because the taller look best at the back. Somewhere near the front of the house there should be a good sized flower bed, the soil of which may be prepared the same as for the border. There is nothing more satisfactory for a bed of this kind than geraniums, a bed all of a crimson or scarlet variety being the most effective. Fine, strong plants can usually be obtained at very reasonable prices in most of the market towns.

Bulbs are very satisfactory for the farmer's garden—tulips, narcissus and hyacinths being the most suitable. Before the geraniums are set out in the spring the bed may be occupied with tulips, which will make a fine show during the early part of May, and may be dug up when it is time to plant the geraniums and ripened off gradually, after which they may be stored in a dry place until September, when the best bulbs should again be planted. It is, however, in the border between the clumps of perennials that bulbs give the greatest satisfaction with the least trouble. Here hardy narcissus may be left for a number of years, and will give an increasing number of flowers each year, and, as they begin to bloom in April, will give flowers when they are more appreciated than later on when so many kinds are in bloom. Tulips may

also be left for a number of years in the same place, if they are in well drained soil, but will need lifting from time to time if they multiply too fast, the large bulbs being re-planted and given more room, and the small ones planted in a less prominent place and left until they reach blooming size. Hyacinths do not always give such good satisfaction outside as tulips and narcissus, but are very desirable as they are so beautiful and have such a delightful perfume. Bulbs should be planted in September or early in October to get the best results. The price of them is so reasonable, when one takes into consideration how much they brighten up the lawn and border in spring, that no place should be without them.

Of annual climbing plants with attractive flowers, two of the most satisfactory are sweet peas and nasturtiums, and a few cents worth will give an abundance of bloom from July until frost. To have the greatest success with sweet peas the seed should be sown in rich soil as soon as it is dry enough in the spring to work, the reason being that sweet peas require an abundance of moisture, and if sown early the roots have time to get well down where moisture is always plentiful before the hot weather comes. Sweet peas also do best in full sunshine. The climbing nasturtiums will be found more satisfactory than the dwarf varieties. Unlike sweet peas, nasturtiums bloom best in rather poor soil, and seed should not be planted until danger of frost is almost past, as the nasturtium is a tender plant.

It is easy to grow the flowers above mentioned, and they can be obtained with such a small outlay that it must be only lack of desire and supposed lack of time which are the reasons for so few flowers being grown around the farm home. For the sake of our families, and for the good influence which it is sure eventually to bear on our own lives, let us force the desire upon ourselves and begin this spring to make our country homes more attractive, and if we make ourselves desire to do the work it will be done and we shall never regret it.

EXPERIMENTS IN FRUIT CULTURE AT THE CENTRAL EXPERIMENTAL FARM, OTTAWA.

With regard to fruits and vegetables, we have quite a large area, over 40 acres, devoted to these crops, and it has been our policy in the past to try and conduct experiments in that area which will be of the greatest interest to horticulturists throughout Canada. We not only plan experiments ourselves, but we ask the co-operation of fruit growers throughout the country, to secure suggestions as to the lines of work they think it will be well for us to carry on at the farm and which will be of the greatest interest to them. As a result we have carried on there during the last twenty years a great number of experiments in fruit culture. The results of these experiments have been published in bulletins which have been issued by the department, and also in the annual reports. For instance, one line of work which we have carried on in fruit culture has been the testing of varieties. We have tested between six and seven hundred named varieties of apples alone, and the value of this work you can readily understand when I say that in sections of eastern, central and northern Ontario and the provinces of Quebec, most of New Brunswick and in some parts of Nova Scotia, it is not possible to grow some of the winter apples that they grow, for instance, in western Ontario. Thousands of dollars have been expended in these parts of Canada in previous years in trying to grow these varieties which it was really impossible to grow. The farmers were, however, ignorant of the fact, and the result has been that thousands of dollars have been expended on trees which were not suitable for the sections of country where they were planted.

By Mr. Blain:

Q. What are those varieties?

A. I might mention Northern Spy, Baldwin, King and Greening. Those are the kinds that I have in mind. There is a vast territory extending, say from the city of Kingston east to New Brunswick and north to as far as you wish to go in Ontario,

APPENDIX No. 2

where these kinds do not succeed well. As I say, there was no very reliable information available and much money was spent in testing those apples, and different kinds of pears, plums and cherries that we find from experience it is not possible to grow.

By Mr. Martin (P.E.I.):

Q. What varieties would you recommend for growing in the maritime provinces?

A. I did not propose to discuss the varieties of fruits this morning, but I may say offhand the varieties that have proved best in the past in the most favoured parts of Nova Scotia are the Gravenstein, Blenheim, Ribston, Greening, Baldwin, Northern Spy, Golden Russett and the Roxbury Russett or Nonpareil. The Stark is also doing well.

Q. What about the Baxter?

A. The Baxter is doing well in Prince Edward Island. It is one of the most profitable apples grown in that province, but in the Annapolis valley, Nova Scotia, they would be considered a rather coarse apple. I make that statement without any reflection upon Prince Edward Island, which is more or less like parts of New Brunswick and Nova Scotia, where the best winter apples are more uncertain than they are in the Annapolis valley and most favourable sections.

Q. New Brunswick is very much colder than the cold parts of Prince Edward Island?

A. I am speaking of some parts of New Brunswick with which I am familiar, the lower part of the St. John valley. On Prince Edward Island they can grow the Northern Spy and the King with good success, but they are finding that it is more profitable for them to grow the hardier kinds of winter apples, such as we grow here, like the Baxter, for instance, the Wealthy, which is a winter apple there, the Wolf River, the Golden Russet and a few other kinds. They find it is more profitable to grow those varieties and others than the more tender kinds, because they will stand better the climatic changes.

By Mr. Sinclair:

Q. Can you account for the fact that the Gravenstein appears to be disappearing in the Annapolis valley?

A. There are two or three reasons for that. One reason is, that during the time when the Gravenstein apple is in season there is a great glut of fruit on the English market, and the result is that fruit growers are going more into the cultivation of varieties that keep longer and are easier handled. Another reason is there has been a so-called disease affecting the Gravenstein in Nova Scotia called the Collar Rot. From investigations I have made I believe this disease is more of a physiological injury than a disease caused by the late growing of the Gravenstein. In parts of Nova Scotia the fruit growers grow very large quantities of Gravensteins, but they are allowed to grow too late, in my judgment, and the result is when there is a very severe frost in the late autumn the bark separates from the tree very near the ground. We find in the case of our young trees if there is a late growth the bark will separate from the tree near the ground owing to the freezing and thawing of the sap. In that way the tree suffers and very often dies. That has been overcome now I think by stopping cultivation a little earlier in the season. On sod ground it has not been so injurious, where the trees stop growth earlier.

Another line of work has been the testing of different methods of cultivation, grafting, spraying and so forth.

APPLES ORIGINATED AT THE CENTRAL EXPERIMENTAL FARM.

Then we have been originating a great many varieties of apples, not the apples which Dr. Saunders has told you about, for the Canadian northwest, because our work is not meant to lie in the far west; but we are originating apples especially for the

provinces of Ontario and Quebec. Our department is supposed to be confined to the provinces of Ontario and Quebec, although our correspondence covers the whole Dominion. We get almost as many letters, I think, from British Columbia as from any other province outside of Ontario and Quebec. We are working for a hardy winter apple of fair size, fine appearance and good quality. We are anxious to get apples which will compare in quality with the Northern Spy, the King, the Greening and other varieties. All of you know, I am sure, that these apples originated in the United States. The Northern Spy originated there, also the Baldwin, King, Greening, and practically all of our best winter apples. The reason they originated in the adjoining republic is not because Canada cannot produce a winter apple. The reason is that the United States was further advanced in the early part of the nineteenth century than Canada was. Nurseries were established in that country and these apples were found out and propagated by the nurserymen and sold to farmers and fruit growers in not only the United States but also in Canada, and as a result we have them. But the difficulty is that these apples succeed only over a comparatively limited area in Canada. In Ontario they succeed, say from Kingston west and south to the Great Lakes and Georgian Bay. But taking the great central part of Ontario, from 20 to 30 miles north of Kingston, the northern parts of Ontario, all eastern Ontario, all of the province of Quebec, the province of New Brunswick, and certain parts of the provinces of Nova Scotia and Prince Edward Island, we have not got really a hardy winter apple that will compare with these best varieties in quality. But there is no reason, in my judgment, why we should not have them, and we are working with that end in view.

To show you how parentage influence offspring I might say that about 1890 we got a lot of seed from the northern part of Russia thinking that it would be good stock for us to work upon in getting hardy trees. We grew 3,000 seedlings of apples alone from that stock, and out of that number we have only four that would compare favourably with our best named summer and autumn apples in this country, the reason being that the majority of the Russian apples are either summer kinds or else kinds that would be quite inferior to Canadian. The offspring of these Russian apples has therefore, on the whole not proved to be fruits which were fit for Canada. So we started in 1898 sowing the seed of our best apples which fruited at Ottawa, mostly of the harder kinds, including Northern Spy, because we have had it fruit here, the McIntosh Red, the Fameuse, the Wealthy, the Golden Russet and a number of other kinds. We sowed the seed of these and we have got some very good seedlings, and we expect many more promising ones in the future. We have about 2,000 of these seedlings of apples alone, and about 200 of them have fruited. Of this number fully 25 per cent have been apples that we could not discard because we thought they were so promising that they would probably fill some want in apple culture in some parts of the country. For instance, we have seedlings of the McIntosh, seedlings of the Wealthy, seedlings of the Scott's Winter, which is one of the hardiest winter apples we have, and seedlings of the Northern Spy, which I think will take a place in time with our best apples and will also mature at a season when we have not got good kinds. In addition to these we have seedlings of crossed apples. For instance, we crossed the McIntosh, which is one of our best early winter apples, with the Northern Spy, which is another good winter apple, with the idea of getting a hardy, later keeping apple, and the results will soon be known. Crosses between other varieties have already fruited, and there are some promising apples among them.

VARIETIES OF APPLES TO PLANT IN BEST APPLE DISTRICTS OF ONTARIO.

By Mr. Christie:

Q. In setting out an orchard what varieties of apples would you recommend the farmer to put out? I have in mind a farmer who contemplates devoting 50 acres to apple orchard next spring, and the locality is 15 miles north of Lake Ontario?

APPENDIX No. 2

A. This is one of the best apple districts. He should not plant a very large number of varieties, but enough to make the season long. For instance, it is wise, in my opinion, to plant more than one or two kinds where we have the limited amount of help that we have now, so as to extend for a longer time the picking season so that we can utilize the help we have, although too large a number is worse than too few, as we have too many kinds on the market. There are the Wealthy, the Alexander, Blenheim and McIntosh for the season up to early winter, leaving out the earlier good sorts such as Astrachan, Duchess and Gravenstein. Then for winter kinds, Greening, King and Hubbardston, Northern Spy, Baldwin and Stark.

By Mr. Caldwell:

Q. Would you put the Greening before the Spy?

A. The Greening comes earlier in the season.

By Mr. Kennedy:

Q. What about the Grimes Golden?

A. It is a fairly profitable apple in some parts of the country. It is sometimes not very handsome in appearance, as unless very clean it has a sort of russety surface which shows on account of the apple being of light colour.

By Mr. Caldwell:

Q. Do you consider the Spy as the best apple we have?

A. I consider it the best apple we have, but it takes a long time to come into bearing.

Q. It is a slow bearer?

A. A slow bearer. Does the Baldwin, Mr. Christie, succeed well with you?

Mr. CHRISTIE.—Very well, but the best growing apple is the Ben Davis.

A. We have hesitated to recommend the Ben Davis. It has proved one of the most profitable apples in past years, but we do not consider it will be a very profitable apple in the future, and for that reason we have not recommended the planting of the Ben Davis. We know that the farmers grow it any way and it is far better to recommend the planting of a larger proportion of the better trees, and a small proportion of the Ben Davis, if any.

DISTANCE APART TO PLANT APPLE TREES; SOIL; CULTIVATION.

By Mr. Lewis:

Q. At what distance apart should they be planted in your judgment?

A. About 33 feet apart over the best parts of Ontario, but for eastern Ontario what we recommend is this: Planting permanent trees 36 feet apart each way and having trees like the Wealthy and the Duchess between them with an additional row. This makes the trees when planted 18 feet apart each way. By that plan you can grow trees from 18 to 20 years by which time you have got a very profitable return from the Wealthy and Duchess and then they can be cut out.

Q. Those do not live as long as the permanent trees?

A. They do not live as long.

Q. What about cultivation while growing?

A. We find it pays well to cultivate, but in some soils, where there is lots of moisture, you will sometimes get good results in sod. Unfortunately it is not the rule that one gets good results. A great many farmers and fruit growers have allowed their orchards to remain in sod, and the result last year was that owing to the dry season the crop of apples was one of the worst that was ever shipped out of Canada,

for the reason that the apples were small. If the orchards had been cultivated as they should have been, the apples would have been of much better size.

Q. You are referring to the sod when you say that it was one of the worst crops we ever had?

A. Yes, that was the result owing to the orchards being in sod. The colour of the apples, however, is a little better than in cultivated ground.

By Mr. Pickup:

Q. And they last better?

A. And they last better, if picked in good time.

By Mr. Lewis:

Q. Does not the sod strengthen the growth of the tree?

A. If there is no hay taken off the soil is little exhausted by the grass, but not improved unless there is clover or other leguminous plants growing there. There is no plant food removed from the soil by the grass being there; it goes back as the grass rots. But what happens is this: There is a tremendous evaporation from the grass in summer. Take a season like last year when we wanted all the rain that we could get. That grass was preventing the rain from getting into the soil, and it was also transpiring a great amount of moisture from the leaves, and as a result the fruit suffered.

Q. What class of soil is the best for the apples of which you have been speaking?

A. We prefer a heavy sandy loam soil well drained.

Q. My reason for asking that is that in the section from which I come in the county of Huron the best apples seem to grow on sandy soil. Around the township of Goderich there is a good deal of land that is considered to be worth very little and there they have the best orchards?

A. It is like everything else, the further north you go in the apple districts the warmer the soil must be and the better drained. Of course, Lake Huron is not what you would call a northern district, although it is fairly well north. In certain sections of Ontario they grow good apples on clay soil. In Eastern Ontario you could not attempt to grow apples for any length of time on the clay soil. The warmer soils are these poorer soils you spoke of and that is why the trees do better. Farther south the trees do well in clay soil, because the climate is warmer, and they will succeed better. The farther north you go the warmer the soil must be, and in this district we find that a gravelly sub-soil is the best.

Q. What is the best apple growing county in Canada?

A. I would not like to say that.

Q. I think we have 15,000 more apple trees in the county of Huron than in any other county?

A. Each district has its own advantages and I should not like to say which is the best. For instance, in the extreme east, in the Annapolis valley, the people have the advantage of being near the sea-board and can ship their apples in better condition than can the growers in the interior of the country. There it takes a longer time to go to the sea-board, and they do not get the same advantage though they might produce as good apples. Each district has its advantages and disadvantages and the growers are gradually learning how to profit from local conditions. In connection with our work in raising seedlings and cross-bred apples, I would like to give you some idea of the kind of work we do in keeping the record of them. I have already stated that out of 3,000 Russian seedlings only four were propagated which are likely to be useful in the central part of Canada. The others which we have will probably be useful in the Northwest. In the case of the other seedlings, of which about 25 per cent are proving really desirable apples, we keep a record of them all. This is the kind of card upon which the record is entered (exhibiting card.) When the fruit

APPENDIX No. 2

is harvested in the orchard I bring samples into my office. I have these cards and I tear them off the book so that I can keep a record of them alphabetically. This card gives the record of McIntosh seedling, row 22.

By Mr. Wright (Renfrew):

Q. Is that the record of one tree?

A. That is the record of one tree. This is what it says:—

EXAMPLE OF DESCRIPTIVE RECORD KEPT OF APPLES ORIGINATED AT THE CENTRAL EXPERIMENTAL FARM.

Apples. McIntosh seedling, R. 22, T. 2.

Fruit: Below medium to medium in size; roundish; cavity open, shallow to medium; stem medium length, moderately stout; basin narrow, medium depth, wrinkled; calyx closed; colour pale greenish-yellow greenish about cavity, washed with dark crimson; dots few, small, indistinct; bloom bluish; skin moderately thick, tough; flesh white, crispy, juicy; core medium, open; flavour subacid, pleasant, not high, Fameuse-like; quality good; season probably November to January.

Propagate some of this. If a better keeper than Fameuse or McIntosh may be useful. Resembles both McIntosh and Fameuse in outside appearance. Flesh and flavour markedly Fameuse-like.

This information is taken from my 1907 notes. This year when that tree fruits I will take out this card and compare my notes of 1907 with my notes of 1908, and if they will compare favourably I will mark down in a corner underneath 'confirmed.' Or if there are some changes to be made I make the change on the card. Thus we have a fairly accurate record of the fruit.

By Mr. Lewis:

Q. Do you distribute any seedlings?

A. We have been very conservative about recommending new kinds for this reason: Take a tree like that it may look well as a seedling grown from the seed, yet if we were to graft it on another tree it is just possible it might prove a weak grower, might be subject to sunscald or blight or something of that kind. Therefore, we prefer to wait until we graft scions on the roots of another tree and the tree grows and fruits. We have distributed a few of these to people interested in experiments, but we do not believe in recommending our seedlings or other new varieties for general planting before they are fully tested. There are a great many varieties of apples on the market already and we do not want to distribute anything that might be of a doubtful character.

Q. Does your branch cover small fruits too?

A. Yes, raspberries, currants, gooseberries, strawberries and vegetables.

Q. Do you distribute any of those?

A. We have distributed some, especially to northern sections, but we do not as a rule do so unless they cannot be obtained readily from nurserymen, for the reason, as you can easily understand, that the nurserymen would soon be opposed to that kind of thing and we do not wish to injure their business. We distributed some seedling currants this spring because they were new and we wanted to have them tested in a few places.

Q. Is it easier to propagate those small fruits from seed?

A. It is easier to propagate them from cuttings; that is, currants and gooseberries.

Q. But you can propagate from seed?

A. Yes, but they do not come true; each seed produces a different kind of plant. For instance, this McIntosh seedling which I have been referring to. You will notice

that it resembles the McIntosh and Fameuse somewhat in appearance. We find that although each seed produces a different variety yet it will often resemble the parent more or less. The McIntosh was a seedling of the Fameuse and we find that some of the McIntosh seedlings resemble the Fameuse or the McIntosh to a greater or less extent; the seedlings of the Wealthy resemble the Wealthy and so on; but none of them are identical; they are all different.

By Mr. Christie:

Q. Would you recommend a farmer living five miles from the railway to put out a fall apple?

A. Are you speaking of a farmer's orchard or the orchard of a man who is making apple growing a speciality?

By Mr. Christie:

Q. Let me give you a buyer's experience. A buyer told me he would rather give a dollar a barrel for a fall apple that was grown within a mile of a railway station than 50 cents for one that had to be drawn five miles?

A. There is a good deal in that?

By Mr. Caldwell:

Q. In our part of the country summer and fall apples are grown. They have found difficulty in growing the Northern Spy and the result is we have not yet produced a good winter apple in the district?

A. There are places where men are making a speciality of winter kinds. Other growers make nearly as much money from growing summer and fall apples and shipping them to the old country and the Northwest as they can out of winter apples, that is if they ship them properly.

By Mr. Christie:

Q. The buyer to whom I referred states that drawing apples five miles injures them greatly?

A. It does injure summer apples; they have to be handled much more carefully than the others. If you are speaking of a man who is a farmer as well as fruit grower I should not recommend him to plant the earlier varieties. The Wealthy comes in late enough any way and will keep until November in some parts of Ontario. The Stark is a profitable winter variety.

Q. Is that a shy bearer too?

A. No, a very heavy bearer.

If there are any other questions upon which you would like information I shall be glad to reply. There is much more material in connection with our department that I can give you if there is any special phase of the work that you would like me to speak upon. Let me repeat again that this question of raising Canadian apples is a very hopeful one. Just to give you an idea of the Canadian apples that we have. There is the Fameuse, for instance, considered by some to be the best apple of its season in the world. There is the McIntosh, a seedling of the Fameuse, which a great many people think is better than the Fameuse. These are both Canadian apples. There is the Baxter apple, which Mr. Martin spoke of, which originated near Brockville. It is one of the handsomest apples that we have. It lacks flavour and is rather coarse in flesh, but it sells well in the Old Country. It looks so much like the King that it has been taken for that variety. The Baxter will keep well on into the winter. Those are three Canadian apples. Then we have a Canadian apple which is a cross between the Northern Spy and the Wagener the Ontario. It is proving profitable to some growers and is very much like the Spy.

APPENDIX No. 2

By Mr. Schell (Oxford):

Q. The wood of that tree is very poor?

A. The tree is not a very good grower it is true, but this tree can be used as a filler between other trees; it bears earlier. It shows bruises sooner than the Spy.

Q. I should think it would be a mistake to advertise it?

A. We do not recommend it very much for growing. These are some of our Canadian apples and there are and will be others. Take the two that are of about equal quality, the McIntosh and Fameuse, and there is no reason why we should not get some as good which will keep longer. We are getting now apples which are nearly equal in quality to those varieties and as handsome in appearance. We believe that Canada can produce just as good apples as any other place in the world.

By Mr. Lewis.

Q. You say that the seed of an apple will not produce fruit of the same quality as the parent tree?

A. No.

Q. That is invariably the case?

A. Invariably the case.

Q. If you want an orchard of Northern Spy how do you produce them?

A. In order to produce an orchard of Spy it is necessary to take wood of a previous season's growth. These are called scions. You take scions of perhaps that length or longer (illustrating) off the tree and they are cut down afterwards. First of all we believe in taking them from the heaviest bearing trees. We have been carrying on experiments for years at the experimental farm and we find that some trees of the same variety will bear from two to three times as much fruit in a given time as others of the same age. So we believe in taking our scions from the trees which have had the best records just the same as you would select your calves from cows of the best record or poultry men would take eggs from hens of the best record from which to hatch their chickens. We find that apple trees have individuality in just the same way, and so we take these scions or cuttings from the trees that have the best record. These are taken in the fall or winter and are stored in leaves or moss until about the month of February. Then you take the little roots which you have dug in the fall and graft these scions on the roots. The process is described in detail in one of my reports, and I will be very glad to insert it in this evidence.

PROPAGATION BY GRAFTING AND BUDDING.

When a good variety has been originated, more trees of it are usually wanted, and the process of increasing the number is called propagation. Plants which come true from seed, are, as a rule, increased by growing them from the seed; but as a variety of apple cannot be reproduced in that way, other methods must be adopted, and recourse is had to grafting and budding. There are other methods of propagation, but these are what are usually adopted in this country. In grafting the apple, the name scion is given to a cutting of wood of the variety that it is desired to propagate. The stock is the tree or portion of the tree, be it young or old, that the scion is to be, or it, united with. As it is only through the stock that the scion can produce the sap which nourishes it, at least for a time, the former must be furnished with roots.

Stocks.—Some kinds of fruits may be grafted successfully on others which are closely related to them botanically, such as the pear on the quince; but there is nothing so satisfactory to graft the apple on as the apple, and, under certain circumstances, the crab apple.

Although the stock and scions are united by the process called grafting, both of them retain almost entirely their individual characteristics. The stock does, however, modify the vigour and fruitfulness of the variety grafted on it. If a variety is grafted

on a dwarf or slower growing tree than itself the result is that the stock tends to dwarf it, as a sufficient quantity of crude sap does not pass through it to maintain the natural vigour of the top; and as a lessening in vigour tends to the development of fruit buds, this kind of stock is often used for the purpose of inducing fruitfulness in a variety and for dwarfing the tree. The Paradise stock of Europe is an example of this kind of stock. There is, however, often such a difference in the growth of the stock and the variety grafted on it that the result is not satisfactory. It is quite possible that the stock may have the effect of making the tree hardier, as if growth is checked the wood may ripen better; although the results obtained by top-grafting 92 varieties at the Central Experimental Farm on hardy stocks showed that there was not a sufficient increase in the hardiness of tender varieties to enable them to withstand a test winter. In top-grafting trees, great care should be taken that the stock is a vigorous growing variety, as, if it is not, the union may be bad, or the top outgrow it and the tree will become top heavy and finally break down. While good results have been obtained by top-grafting on crab apple stock, it is not very satisfactory and should not be used unless in exceptional cases, as the union is often bad or the grafted part outgrows the scion. Some of the best varieties for stock on which to top-graft are McMahan, Hibernial and Haas, and Tolman in the best apple districts.

Dwarf or slow-growing stocks are not recommended for use in any but the coldest parts of the country; although experiments with Paradise and Doucin stocks have shown that good results can be obtained with some varieties by their use in the best apple districts, at least for a time. The stocks used in root grafting and budding in the districts where the best apples can be raised successfully are usually obtained from apple seeds which are procured at cider mills or anywhere else where they can be got easily and in large quantities, and no pains are taken to learn what varieties produced the seeds. Stocks grown from this kind of seed, while quite satisfactory as a rule, are not desirable in the coldest parts of the country where root-killing is liable to occur, as individual trees vary much in hardiness, and one might graft a hardy variety on a tender stock without knowing it. At Ottawa, what stocks are required for root-grafting are usually grown from seeds of the Martha and other hardy vigorous crabs. Seeds from the hardest varieties of both apples and crab apples are more likely to produce hardy stocks than if seeds were obtained promiscuously.

For the very coldest parts of Canada where the apple can be grown at all, the berried crab, *Pyrus baccata*, will probably make the most satisfactory stock for root-grafting or budding. It is perfectly hardy at Indian Head, N.W.T., where the winters are very severe, having endured the climate there. The seeds from which the stocks are to be grown for root-grafting or budding should be treated in the manner already described under the heading 'Seedling Varieties.' It is important to cultivate the young trees thoroughly the first season if it is desired to use them for root-grafting during the following winter. Only the strongest should be used for this purpose, and the others left to grow for another season, when they may be used for budding, if propagation is done that way, or for root-grafting as before. They will not be large enough for budding the first season. If it is known that a hardy variety is growing on its own roots, hardy stocks may be obtained if pieces of the roots are cut off and scions grafted on them.

There are many of the best apples which will not succeed in certain parts of Ontario and Quebec when grown in the ordinary way, as they are either root-killed, or sun-scalded so badly that they die from the effect of it. Experiments conducted at the Central Experiment Farm go to prove that by top-grafting these varieties on hardy stocks some will grow well and produce fruit of fine appearance and quality for a time, but when a test winter comes they succumb. To obtain these stocks it is necessary, first of all, to have hardy roots. This may be effected to a large extent by raising seedlings from the very hardest apples or crab apples. A variety is then grafted or budded on them, which forms a straight, clean trunk which does not sun-scald, and on this variety is top-grafted the kind that does not succeed when grown

APPENDIX No. 2

in the ordinary way. The surest way, however, of obtaining hardy stocks is to grow the hardy varieties on their own roots as explained in the paragraph on root-grafting.

SCIONS.

As much of the success in grafting depends on the condition and quality of the scions, too much stress cannot be laid on the importance of having them of the best quality and in the best condition at the time of grafting.

Scions may be cut any time after the wood is well ripened in the autumn and before the buds begin to swell in the spring. The best time, however, is in the autumn, as they may then be kept in the condition desired, although scions which are not kept in good condition all winter are not as good as those cut from the tree early in spring and grafted at once.

If they are cut in cold weather, in winter, there is less sap in the scions at the time, and thus the chance of their drying up is greater than if they were cut in the autumn. One cannot tell very well, either, in winter, whether the young wood has been injured or not. Scions should be cut from healthy, bearing trees. The wood of old trees is liable to be diseased, and if diseased wood is used it is likely to produce a diseased tree when grafted. Scions should also be cut from the most productive trees. Occasionally, one or more trees of a variety will produce more and heavier crops than the others. If scions are taken from these trees, the probability is that a larger proportion of the grafted trees will produce crops like the trees from which the scions were taken than they otherwise would. The scions should be cut from the wood of the current season's growth, as older wood is not satisfactory. The buds should be well developed and the wood thoroughly ripened. It is not wise to use the water sprouts or young shoots which spring from the main branches or trunk for this purpose. They may not be thoroughly ripened, and it is also possible that sprouting propensities may be thus more developed in the grafted trees. The entire season's growth may be cut off and packed away until required for grafting, when it should be cut into pieces from four to six inches in length having three well developed buds.

Scions may be kept in good condition in moss, saw-dust, sand, or forest leaves. The last named are found very satisfactory at Ottawa. These materials should be slightly moist, but not wet; the object being to keep the scions fresh and plump without there being any danger of their rotting. They should be kept in a cool cellar which is not too dry, and should remain dormant until ready for use.

Root-Grafting.—The cheapest and one of the best methods of propagating apples, especially in Canada, is by root-grafting. The strongest of the young stocks which have been grown in the manner already described are heeled in during the autumn in a cool cellar in moist sand. Grafting may be done any time during the winter, but it is usually not started until January or February.

At Ottawa, the best success has been obtained when grafting was done early in February. By grafting early the wound has time to callus well before the grafts are planted out, which is important. Whip or tongue-grafting is the method usually employed. As only the root is required, the trunk and branches are cut off and thrown away. As there is but little advantage in using the whole root, it may be divided into several pieces, much depending on its size. Each piece should be at least four inches long. A smooth, sloping cut upwards, about two inches long, is made across the main part of the root most suited to receive the scion. The scion is prepared by cutting off a piece of the wood procured for the purpose in the autumn from four to six inches long and with about three well developed buds on it; a smooth, sloping cut downwards and across it is now made of about the same length as that already made on the stock. Clefts are now made in the sloping surface of both scion and stock, in the former, upwards; and in the latter, downwards. They are then joined together by forcing the tongue of the scion into the cleft of the stock. The inner bark or cambium, of both scion and stock should be in contact with one another on

at least one side of the graft, as it is at this point of contact where the union begins to take place. In order to ensure a speedy and successful union, waxed cotton thread is wound tightly around to hold the parts together. Amateurs are also advised to rub grafting wax all over where the two parts are joined, as with this treatment success is likely to be more certain.

The operation having been completed, the grafts are packed away in moss or sawdust until spring. They are then planted out in nursery rows about three feet apart and one foot apart in the rows, the point of union being about three inches below the surface of the soil. The ground should then be kept thoroughly cultivated throughout the season. Some varieties of apples throw out roots quite readily from the scion and after a time they thus become practically on their own roots. If it is desired to have a variety on its own roots, a scion from eight to twelve inches long may be used and the graft planted deep in the nursery row, only leaving one bud of the scion above the surface of the ground. Roots will then be thrown out on the scion, and when the tree is dug the stock may be cut away, and the tree will then be on its own roots. Or, on the other hand, a piece of root from a tree of the same variety as the scion may be used as the stock.

Crown-grafting. Crown-grafting is usually done on young stocks in the nursery row in the spring. The trees are cut at or just beneath the surface of the soil at the crown or collar. A sloping cleft is then made in the side of the crown, and a scion, cut wedge-shape at the lower end, is inserted in the cleft. The same precautions should be observed as in root-grafting, of having the inner bark of both stock and scion touching on at least one side. The grafted part should then be well covered with grafting wax, in order to exclude the air. The trees usually make a strong growth when grafted in this way, but as the work has to be done in April before growth begins it is often inconvenient to do it at that busy season of the year.

Top-grafting. Where there are trees which produce poor or unprofitable fruit they may be made to bear good fruit by top-grafting other varieties upon them. If it is desired to grow a variety which, when grown in the ordinary way, proves a failure, on account of root-killing or sun-scalding, it is possible to grow it successfully by top-grafting. Varieties which ordinarily take a long time to come into bearing will fruit much sooner when top-grafted. These are some of the most important results which may be obtained by this method.

Up to the present time in Canada, top-grafting has usually been done on old or bearing trees which produce poor fruit, and as very satisfactory results have been obtained, this practice will continue to be popular.

The work is done in the spring before growth begins, but it is possible to graft successfully even when the trees are coming into leaf, provided the scion is quite dormant, but the chances of success are much lessened if it is done late. As the shock to a large tree would be very great if all or nearly all of the branches on which the leaves develop were cut off the first season, from three to four years should be devoted to removing the top of the tree. If, however, a large number of scions are inserted, the top may be changed in less time, but, as a rule, it is not wise to do it in less than three years. Furthermore, a too severe pruning at one time will cause a large number of shoots to grow on the tree, and considerable labour will be involved in removing them if many trees are grafted. Cleft-grafting is usually adopted in top-working trees, it being a simple and satisfactory method.

The branches to be grafted should not exceed an inch and a half or two inches in diameter. If they are larger it is so long before the stub heals over that disease may get in. It is possible, however, to graft larger branches by putting in more scions. The top-grafting of a large tree should be done with a view to having the new top as symmetrical as possible, and great care should be taken in selecting the branches to be grafted upon. After the branch is sawn off, it is cleft by means of a mallet and strong knife to the depth of an inch and a half to two inches. It is held open to receive the scion by driving a wedge into it. Scions for use in top-grafting

APPENDIX No. 2

are cut from dormant wood which has been kept in good condition in the manner already described, or from wood taken from the tree before the buds swell in the spring. They should have about three strong buds and be cut wedge-shape at the base, one side, however, being a little thicker than the other. Two scions are now inserted in the cleft of the stub, with the wide side of the edge on the outside, and thrust down until the lowest bud is almost on a line with the edge of the stub. The inner bark of both scion and stub should meet at some point, so that the union will take place readily, and this is more easily effected if the scion is given a slightly outward slope when inserted. When the wedge has been withdrawn from the cleft the advantage of having the wedge-shaped end of the scion thicker on one side will be apparent, as it will be held much more tightly than if both sides were the same. If the scion is not a tight fit all along, there is something wrong in the way it has been cut or the stub has been cleft. The cut parts should now be covered with grafting wax to exclude the air and hold the scion in place. Cotton is also sometimes wrapped around the wax in order to more effectively hold the scion in place. If both of the scions grafted on a stub should grow, the weaker one should be removed after the other is well united and the surface of the stub at least partially healed over.

It is often desirable to top-graft young trees, and this may be done very readily. The main branches are cut back to within a short distance of the trunk, and the scions grafted on, either by cleft or whip-grafting. The closer the grafted part is to the trunk, the better, as the tree will be stronger than if the union occurred further out on the limb, since the growth of graft and scion may not be equal. It is well, however, to have one bud left on the stub so that in case the grafting is not successful a new shoot can readily start. Otherwise the stub may die back to the trunk. It is possible to cut off the whole top of the tree and graft successfully on the main trunk, when the tree is young, but unless one is sure that the union will be perfect and the top not outgrow the stock, it is better not to run the risk of losing the tree. Furthermore, if the whole top is cut off there will be such a growth the first season that the scions are liable to get broken off. In top-grafting a young tree that has been planted from three to five years, it is better to take two seasons to do the work, as the results will, as a rule, be more satisfactory.

It is necessary to examine the grafted trees during the summer and remove any young shoots from the stocks which are interfering with the scions. It is not wise however, especially when the tree has been cut back severely for grafting, to remove all the shoots until the grafts have grown considerably and furnish a good leaf surface. In the chapter on stocks, reference was made to the top-grafting of tender varieties on hardy stocks, in order to make the former hardier. The trees should be double worked as described there, planted out in the orchard, and when large enough, which will be in two or three years, top-grafted with the tender sorts.

In 1896, trees of McMahan, Gideon, Haas and Hibernial apples were planted in the orchards at the Central Experimental Farm. These are all very hardy, strong-growing varieties, which do not sunscald at Ottawa and which are fine, straight-trunked trees. They were grafted on hardy roots. In 1898 the work of top-grafting these with varieties that are not perfectly hardy was begun, and continued until 92 kinds had been tested. These included: Baldwin, Belle de Boskoop, Benoni, Domine, Early Harvest, Esopus, Spitzenburg, Fallawater, Keswick Codlin, King of Tompkins Co., Mother, Newtown Pippin, Northern Spy, Ontario, Rhode Island Greening, Roma Beauty, Sutton Beauty, Wagener, Winesap and York Imperial. Few of these varieties can be grown successfully at Ottawa as standard trees. Top-grafted, they endured several winters, but the severe winter of 1903-4 killed practically all of them, thus demonstrating the inability of hardy stocks to make tender varieties hardy enough to withstand test winters. The following experience had warranted the hope that the results would have been otherwise:—

In 1891, a tree of Duchess and two trees of Wealthy were top-grafted with Northern Spy, which will not live at Ottawa when grown as a standard tree. All of these

grafted in 1897. The grafts on Duchess produced fruit in 1897 and 1899, and those on Wealthy in 1897 and 1898. The wood of the Northern Spy appeared quite hardy until the winter of 1903-4, when this variety was killed, while the stocks on which it was grafted remained alive.

Budding.—Although grafting is a much more common method of propagating apples than budding, the latter has some advantages over the former and can also be done at a time when grafting could not be performed successfully.

The best season for budding the apple is in late summer, some time during August being the best time for Ontario and Quebec. Young stocks of the first or second season's growth from seed are generally used. The process of budding adopted for apples consists of inserting a bud with very little or no wood, under the bark of the stock and on the surface of its wood. It is called shield-budding.

Budding is best performed when there is still sufficient sap beneath the bark to permit of the latter being easily raised with a knife. On the other hand, if the work is done when the tree is still growing vigorously the bud is liable to be 'drowned out,' or, in other words, forced out by reason of too much sap and growth of the stock.

The stock which is to receive the bud should be at least three-eighths of an inch in diameter near the ground. The lower leaves are rubbed off to a height of five or six inches to enable the bud to work more freely. A perpendicular cut is now made in the stock as near the ground as possible from an inch to an inch and a half long and preferably on the north side of the tree, as the bud will not be so readily dried out by the sun on that side. The cut should only extend through the bark. Another cut should now be made across the top of the perpendicular one. The two cuts when made will appear thus:— T

The buds are cut from well developed or nearly mature shoots of the current season's growth of the variety it is desired to propagate. Before the buds are removed the leaves should be cut off the shoots; a piece of the petiole or leaf stem is left, however, by which the bud may be handled after it has been removed. A very sharp, thin-bladed knife is necessary in removing the bud. Knives are specially made for this purpose. The bud is cut off the shoot downwards or upwards, whichever is most convenient, the general practice, however, is to cut upwards. The length of the piece removed with the bud should be about one inch long, and the cut surface smooth. It should be quite thin, as but little of the wood is taken with the bud. The buds or twigs should be kept where they will not dry out while the work of budding is going on. The bud is inserted under the bark by raising the latter with the blade of the knife or the part of the budding knife made for that purpose. The bud is then pushed down and under the bark with the fingers, and finally the piece of leaf stalk which was left when it was removed from the twig is pressed with the blade of the knife to bring the bud into the proper position. The bark on each side of the bud, which should now be under the bark of the stock will hold it in position. In order to bring the bud and stock into close contact and prevent the former from drying up before the union takes place, they should be tied together with raffia or some soft string, taking care not to cover the bud with it. The bud should unite with the stock in two or three weeks, and after that time the string should be cut, as otherwise the bud may be injured. If the proper season has been chosen for the work the bud should remain dormant until spring. If it starts in the autumn it may be killed during the winter. In the following spring the stock should be cut off just above the bud, which will cause all the strength of the stock to be directed into the bud and produce rapid growth, four feet and more not being an exceptional growth for the first season.

Budding is now a very popular method of propagating apples. The first season's growth is greater than from the root-grafted trees and there is a large proportion of straight-trunked trees by this method. If it is desired also to prevent trees from becoming on their own roots, budding is preferable, as trees propagated in this way

APPENDIX No. 2

may be planted so that the stock is just at the surface of the soil and all roots are thrown from it.

TOOLS AND APPLIANCES USED IN PRUNING AND GRAFTING.

While grafting implements and appliances are numerous, the work can be done with a few, and as it is not often convenient for the farmer or fruit grower to get a large outfit, only the really necessary things are mentioned. These are:—A sharp, fine-toothed handsaw, to be used for sawing off large limbs, or for making the stubs on trees to be top-grafted. Unless in the hands of a careful man, a saw with one edge is better than one with two, as the upper one is liable to tear the wood above.

A strong pruning knife for cutting the smaller limbs; for smoothing the wounds made by the saw or pruning shears; for trimming off torn edges of branches, and for pruning roots of young trees when planting.

A budding knife, with a thin steel blade, for removing buds, having an ivory handle which is made thin at the end and is used for raising the bark.

A grafting knife, which is used in top-grafting trees. Home-made grafting knives can be easily made. A strong, sharp blade is the chief requisite.

Pruning shears, which are intermediate in their uses between the saw and the pruning knife. They are used for cutting off branches which are too large for the latter and too small to need the saw; for rough pruning and for cutting scions.

A wedge and mallet are also necessary in top-grafting large trees.

Raffia is one of the best tying materials. It is very strong and very pliable and is particularly useful for bandaging when budding.

Cotton yarn, which is used for tying root grafts, is one of the most satisfactory materials for the purpose. The size known as No. 18 knitting cotton is the best. It is bought in balls, which should be soaked for a few minutes in melted grafting wax before using. The yarn may also be drawn through melted wax, which ensures it all being thoroughly soaked, and is, perhaps, on this account preferable to soaking the ball.

There are many kinds of grafting wax recommended, but it is unnecessary to enumerate them all. One of the cheapest and best is that recommended in *The Horticulturist's Rule Book* under the name 'Reliable Wax,' the receipt of which is as follows:—

'Reliable Wax.—Resin, 4 parts, by weight; beeswax, 2 parts; tallow, 1 part. Melt together and pour into a pail of cold water. Then grease the hands and pull the wax until it is nearly white. One of the best waxes for either indoor or outdoor use.' This should be heated before using if too hard.

The principal value of grafting wax is to exclude air from the wound, and thus prevent the wood from drying before a union takes place. A good grafting wax should not crack when on the tree, else the air will reach the wound and the wax prove of little value. Many materials may be used instead of grafting wax for this purpose, one of the simplest being a mixture of clay and cow dung, but grafting wax is much to be preferred. Strips of cotton are often used, especially in top-grafting and crown-grafting, for wrapping around the wound after the wax has been applied, for the purpose of helping to exclude the air, and also to assist in holding the scion in position until the union takes place. This cotton is unnecessary if good grafting wax is used; but if a very valuable variety is grafted it is safer to use the cotton, as when the growth of the scion is rapid, there is a chance of its getting broken off during the first season before it is thoroughly united with the stock. Large wounds on trees should be covered with some material that will protect the cut surface from the weather, prevent disease from setting in, and which will not peel off easily. A good dressing of lead paint is probably the best material to use for this purpose. Grafting wax may be used on smaller branches.

THE NURSERY.

Although, as a rule, it will be the most convenient plan to buy trees from the professional nurseryman, yet he who propagates apple trees by root-grafting, crown-grafting, or budding, for his own use, should have a nursery in which to grow them until they are ready for the orchard. A good sandy loam soil, which does not bake and is well drained, is best suited for this purpose, and will grow the strong, healthy trees which are desired. The ground should be thoroughly prepared and the young trees planted about 12 inches apart, in rows from $2\frac{1}{2}$ to 3 feet apart. Cultivation should be thorough up to about the middle of July, when it should cease, as in colder climates, especially, it is very desirable that the wood ripen well, and late cultivation would encourage late growth. It will be necessary the first year the grafted or budded trees are growing in the nursery to go over them carefully and cut out any shoots which may be coming from the stock, and also to reduce the graft to one stem should more develop. If any side branches grow, however, they should be left intact. In small nurseries it is sometimes advisable to tie the young trees to stakes the first season. This will make them straighter and will help to keep them from being broken. These trees may be planted in the orchard the following spring if one-year-old trees are to be used. By the end of the second year or the beginning of the third, after the branches have been pruned to the proper height and the tops shaped, the trees will be in the best condition for planting in the orchard.

In nurseries in the colder districts the wood of yearling and sometimes two-year-old trees will kill back in winter. Unless injured wood is cut back to healthy wood in the spring, the trees are liable to become black-hearted. The practice with the best nurserymen in the north is to cut yearling trees back to near the ground in spring, thus ensuring a healthy trunk and a strong growth for that season.

Q. Do you use any wax?

A. We use wax, but it is not absolutely necessary. The advantage of the wax is that it will keep out the air and enable the wood to heal quicker around the edges; it prevents the wood from drying out around the edges. Then we place our roots in moss, say from the 1st March until this time of the year. By that time they are what we call calloused, that is, an excrescence has grown out around the wounded part and it has begun to heal over. When you put the roots into the ground it does not take very long to complete the healing process and at the end of the first season the wood is knitted together and you have a growth of 12 or 18 inches or more depending on the strength of the soil in your particular district, perhaps it may be 2 feet in some places. We had a growth in one year of about 5 or 6 feet of plums and cherries when grafted in the open.

By Mr. Schell (Oxford):

Q. Do the nurserymen graft their trees in that way?

A. Yes, that is one method employed by the nurserymen. There is another method called budding. It is done in the latter part of the summer. Where that is done the little trees are grown in rows in the nursery. A slit is made in the bark near the ground and a bud inserted and then it is tied with a piece of string. The tree and bud will knit together and the latter remains dormant until the next spring. Then it will shoot up and make a strong growth. The top is cut off in the early part of the season and you have the young trees from the bud.

By Mr. Blain:

Q. Is there anything new in the way of grafting?

A. In the grafting of apples?

Q. Yes?

APPENDIX No. 2

A. One line of work that we have been investigating a little is the best stocks on which to top graft; for instance, the Northern Spy. Although, as I said, we cannot grow the Northern Spy here for a great many years, we can grow it for a certain time. In the province of Ontario there have been a great many inferior varieties of apples planted during past years and fruit growers now are beginning to ask themselves: 'What can we do with these?' We naturally find that they would like to top graft the Northern Spy upon them because that variety, when the tree comes into bearing, is one of the most profitable and surest paying apples that we have. But, unfortunately, some stocks are too slow growing for the Northern Spy, and as a result, in our own experience, we find that after a few years the top of the Northern Spy, which is a very strong grower, retains its characteristics, and if you top graft the Northern Spy upon a poor grower, in a few years it will outgrow that stock and then, perhaps, there comes a big storm and the whole top breaks off. We have been trying to find out what are the best stocks on which to top graft the Northern Spy so that those who have those stocks can use them to the best advantage.

By Mr. Blain:

Q. Is there more grafting in the apple tree line than there was a few years ago or less?

A. I believe, on the whole, perhaps there is less, although there may be more in certain sections. I believe there is more top grafting in the best apple districts, but in the colder parts of the country there is more planting because the growers now know the hardy kinds to plant. Before, they thought that by top grafting the tender kinds on the crab stocks they had, because there were a great many crab apple trees planted, they would succeed better in that way; but our experience on the farm goes to show that the top grafting of tender kinds on hardy stocks does not perceptibly increase the hardiness of the tender kinds. We have tried about 90 varieties of the tender kinds, but they were killed out in a severe winter although top grafted on hardy stocks. Our experience was that the hardiness was not increased. We have found that the Tolman Sweet and McMahan White are very good stocks for the Northern Spy. It is also said to do well on the Ben Davis. We have been sending out letters lately and getting information from fruit growers throughout the country as to what stocks they have found to be the best for the Northern Spy, because if we knew that it would be a very good thing indeed. As a general rule it may be said that strong growing stocks are best for Northern Spy.

By Mr. Sinclair:

Q. Has any system been devised by which people could be sure when they buy Northern Spy from the dealer that they are getting the right variety? Is it possible that there could be some system of inspection at the nurseries so that the people would be protected in some way from the bogus varieties that are placed on the market? It seems to me that is the greatest trouble in the province of Nova Scotia, that people buy these trees from some nurserymen and grow them and wait for a number of years only to find out that they are no good?

A. There is a movement on foot to try and get an Act passed to compel the nurserymen to guarantee the trees true to name, but there are a great many difficulties in the way. It is very difficult for a nurseryman to be absolutely sure, where he has a large gang of men at work, that his trees are all perfectly true to name. I think that on the whole our nurserymen are now sending out trees true to name. Very often trees are bought in large lots. Perhaps they have not been sold by nurserymen direct to those who are going to plant them, but are handled by irresponsible individuals who very often will change the names of trees with the result that the trees they are sending out are not true to name. My advice would be to order direct from the

nurseryman, and in that way I believe you would get in nearly every case trees true to name. The matter is being looked into now, but it is a very difficult thing to pass any Act whereby the nurseryman would be compelled to guarantee his trees. Most of our nurserymen now, I hope all of them, are trying to send out their trees true to name.

By Mr. Pickup:

Q. You would have to depend upon the reputation of the nurseryman, I suppose?

A. Yes. What I think would be a good line for the nurseryman to follow would be this: It seems to me he could arrange to have a certain number of trees for sale, which he would guarantee, for a higher price. He might have a special department where he might have a limited number of these higher priced trees, and I believe there are men who would rather buy those trees.

HOW TO CROSS VARIETIES OF FRUITS.

By Mr. Pickup:

Q. In crossing two different varieties what method do you pursue?

A. In crossing two different varieties we decide first of all on the kinds of fruits that we would like to use as parents. Those that have the greatest number of good points are usually chosen because, as a rule, we have found that the offsprings will combine most of the characteristics of the parents in some way or other. We will say that we would like to have a tree with a vigorous habit of growth. Just before the flowers open we take a little pair of tweezers, open the flowers and cut away the male organs or anthers. Then we apply the pollen which we have gathered from another tree to the female organs of the tree we are going to make the female parent, and the flowers of which we have already worked upon. The pollen is rubbed over the stigma with the finger, and then in order to prevent bees from bringing other pollen there the cluster of flowers worked upon is covered with a paper bag for a few days until the fruit is set. After the fruit is set a gauze bag is put on so that we are able to protect the fruit from any one who might break it off. That gauze bag is left over it until the fruit ripens. When the fruit ripens it is taken off, the seeds extracted and planted the same autumn. We find it is much preferable to plant apple seeds, either of crosses or seedlings, in the autumn, because they are softened during the winter and start very quickly in the spring. If they are planted in the fall in seed beds they will germinate by spring.

By Mr. Wright (Renfrew):

Q. When do you plant plum seeds?

A. Just as soon as the fruit is ripe. If sown when the stone becomes really dry it won't germinate at all. Cherries, plums and peaches should be planted as soon as they are ripe before the kernel becomes dry. You could not get even butternut or walnut to germinate after it has been dry all the winter.

By Mr. Lewis:

Q. If the stone is in the fruit will it do the same?

A. If the fruit or pulp remains on it that keeps it moist longer.

By Mr. Wright (Renfrew):

Q. You could not do that with the plum?

A. Plum pulp dries very quickly. It is different with an apple. Our apple seedlings are coming up now very quickly, that is the ones we planted last fall, so you

APPENDIX No. 2

see how early they will start. If we planted the seed now it would lie in the ground all summer and not germinate.

Q. In the case of plums do you take the seed out of the pulp?

A. Sometimes we do. It depends usually upon whether we have time or not.

Q. And do you cover it right over with soil?

A. Yes, cover it right over with soil about one inch in depth.

Q. At one time we had in the Ottawa valley plums of a very fine quality, but nowadays we hardly see any at all?

A. That is due to blight. The correct name is Spot or Blight of the Native Plums (*Cladosporium carpophilum*.)

Q. Was that due to bringing across that Russian plum, or some other variety, and experimenting with it so that we lost our own native type?

A. No, that is not the reason. Their disappearance is the effect of disease which has spread all through the wild plum in this district. It can be prevented by spraying with Bordeaux mixture. We have an example of the benefit of that in the case of Mr. Carstesen, a grower at Billing's Bridge, who has 400 plum trees. I understand he sprays thoroughly with Bordeaux mixture and although the trees on the fence rows are useless, the rest of his trees are quite good.

Q. Is it true that by experimenting with a Japanese plum we ruined our own fruit?

A. No, it had no effect on our own fruit at all.

Q. That is the common statement?

A. There is nothing in it at all.

By Mr. Pickup:

Q. Some fruit trees blossom out and never produce any fruit. What would be the reason of that?

A. There are two or three reasons for that. For instance, cherries in this district—

Q. These are apple trees?

A. There are two or three reasons. The principal reason is that it has been found that some apple trees are self-sterile—that is, they are sterile if pollenized by their own pollen and it is necessary to have other trees that will furnish the pollen.

Q. I noticed in this orchard a few trees that will produce apples, but the balance have never produced?

A. Yet they bloom.

Q. Yes, they blossom very freely?

A. That is probably the reason.

Q. The idea would be to plant some other tree?

A. Yes.

POLLINATION OF APPLES.

It is now known that the cause of the unproductiveness of some varieties of apples when planted in large blocks by themselves is often due to either complete or partial self-sterility of the blossoms. It has also been found that varieties self-sterile in themselves will, if planted near each other, be cross-fertilized, if the two varieties bloom at the same time, and fruit will set on both kinds. As it has been found that a variety which is self-sterile in one locality is not necessarily so in another, it is impossible to give an accurate or complete list of those which are self-sterile and those which fertilize themselves. The relative blossoming periods of the different varieties of apples, however, are fairly regular in the provinces of Ontario and Quebec, and by planting those kinds which bloom about the same time it is not absolutely necessary to know whether a variety is self-sterile or not. For five years observations on the dates of blossoming of varieties of apples were made by persons in various

parts of Canada for the horticultural division of the Central Experimental Farm. The data thus accumulated have been compiled and it is now possible to give the following list of apples, divided into three groups, according to the average time of blooming. While this division may not hold good in all parts of Canada, it will be found to be fairly correct on the whole.

EARLY GROUP.

Antonovka, Duchess, Early Harvest, Fameuse, Gravenstein, Gideon, Haas, Hurlbut, Longfield, Patten Greening, Red Astrachan, Scott Winter, Shiawassee, Tetofsky, Wagener, Scarlet Pippin—16 varieties.

MEDIUM GROUP.

Alexander, Baldwin, Baxter, Ben Davis, Blenheim Pippin, Canada Baldwin, Esopus (Spitzenburg), Fallawater, Fall Jenetting, Gano, Golden Russet (American), Hubbardston, Jonathan, Keswick, King, McIntosh, McMahan, Magog, Maiden Blush, Malinda, Mann, Newtown, Pippin, Peach, Pewaukee, Pomme Grise, Primate, Louise, Greening, Roxbury, St. Lawrence, Salome, Stark, Swaar, Swayzie, Wealthy, Winter St. Lawrence, Wolf River, Yellow Transparent, Ontario, Ribston, Colvert, Brockville, (Beauty)—42 varieties.

LATE GROUP.

Blue Pearmain, Cranberry Pippin, Grimes, Lawver, Northern Spy, Roseau, Tolman, Wallbridge, Westfield (Seek-no-Further), Yellow Bellflower—10 varieties.

For instance, the Northern Spy is a late bloomer and it has been found that wherever that tree is planted in solid blocks it does not bear nearly as well.

By Mr. Lewis:

Q. Would you advise planting late winter fruits or summer fruits next to each other?

A. You put the kinds together that bloom at the same time. We have got together records for five years containing information obtained from fruit growers all over the country giving the kinds of fruit which bloomed at the same time in each district. By means of this information, if you were going to put out an orchard we could tell you the varieties that bloom at the same time and those which do not—that is the early bloomers, the bloomers of mid season and the bloomers of late season.

Q. In the case of those that bloom at the same time would you put them alternately?

A. One row would pollenize perhaps three or four other rows. It is not necessary to put every other row of the same kind, although if there were an equal number of trees of each sort it could be done.

By Mr. Caldwell:

Q. Would that have any effect on the fruit?

A. It has no effect on the fruit. It affects the seedlings from the seeds in the fruit. If you raised seedlings from that fruit you would have the parentage showing in the offspring. For instance, in the case of seedlings at the farm. Some of them we did not know the parentage of, but we kept a record of the trees growing near the trees from which we got the seed, and we can now often surmise what the male parent was by the fruit of the seedling.

APPENDIX No. 2

On motion of Mr. Lewis, seconded by Mr. Pickup, Mr. Macoun was thanked for his address.

Having read over the foregoing transcript of my evidence, I testify the same to be correct

W. T. MACOUN,
Horticulturist.

THE EVIDENCE

PART II.

AGRICULTURE AND COLONIZATION

CANADIAN IMMIGRATION.

HOUSE OF COMMONS,

COMMITTEE ROOM, No. 62,

Wednesday, April 29, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock, a.m., Mr. McKenzie, chairman, presiding.

THE CHAIRMAN.—As you will notice by the motion read from the minutes, it was decided at the last meeting that Mr. W. D. Scott, Superintendent of Immigration, be summoned to appear before the committee at its present meeting for examination on the subject of immigration into Canada. I am sorry that Mr. Monk, at whose instance Mr. Scott was summoned, is unable to be present to-day. This will necessitate, perhaps, some change in the arrangement made. Had Mr. Monk been able to be present he would have conducted Mr. Scott's examination. Now in view of his absence there is a difference of opinion amongst the committee as to what should be done. Some members have suggested that we should postpone this meeting and ask Mr. Scott to attend on a subsequent occasion; others think that it would be better to proceed with the examination of Mr. Scott to-day, when it is possible that the information desired by Mr. Monk may be brought out. By adopting the latter course we may save the time of Mr. Scott and also that of the committee.

MR. SPROULE.—I think it would be better to proceed, allowing Mr. Scott to make a statement in regard to immigration and then any members desirous of examining him can do so.

THE CHAIRMAN—Very well then, we will ask Mr. Scott to proceed with his address.

MR. SCOTT.—The work of the Immigration Branch, possibly more than any other department of the government, is of such a character that frequent changes in the methods of procedure are necessary to secure the most satisfactory results. Hundreds of propositions are yearly placed before the department showing how Canada may be prominently brought before the countries whose climatic conditions promise a suitable class of settlers for the Dominion and on the department rests the responsibility for sifting all propositions, putting into operation such as deemed worthy of trial and rejecting those of whose ultimate success there appears to be doubt.

METHODS EMPLOYED.

The principal methods adopted at the present time for bringing Canada's claims prominently before the emigrating population of suitable countries is by payment of bonuses to steamship booking agents, payment of bonuses to sub-agents in the United States, advertising in the press, distribution of literature, lecturing tours of farm delegates, display of Canadian products in government offices, booking agents offices and in moving wagons or motor cars, and lastly by maintaining at the most advantageous points offices in charge of salaried agents whose duties are to keep Canada's claims to the forefront and make every effort to secure suitable settlers.

OBJECT IN PAYING BONUSES.

In no branch of the immigration propaganda has more interest been evinced than in that of the payment of bonuses. Criticism of the method has been frequent and varied, but the fact that for forty years in one form or another the system has been followed leads to the belief that in the eyes of those responsible for the administration of the department satisfactory results have followed from money so expended.

The object in paying bonuses on the continent and in the British Isles is to secure the co-operation of the booking agents in directing to Canada the classes of settlers desired. The booking agents distribute immense quantities of literature, advertise extensively in the press, have suitable displays of Canadian produce in their office windows, and in general carry on the same work in each of the towns and villages in which they reside as would a salaried immigration agent if he were stationed there. It is urged by some that as selling tickets is the agent's business he would endeavour to do so even if no bonus were allowed, but it must be remembered that the booking agents selling tickets to Canada are the same parties who sell tickets to Australia, New Zealand, South Africa, South America and the United States, and if there were no financial inducement for him to give Canada the preference he might not do so, in fact, except for the bonus paid by the Canadian government it would be more in his interest to sell a ticket to some country situated in the southern hemisphere as his steamship commission would be larger. Even with the assistance of the British booking agents Canada has now a strong competitor in Western Australia which country arranges for assisted passages at £7, to agriculturists possessing £100, or over, and a fare of £13, for suitable immigrants not possessing that amount.

The department is constantly in communication with over 1,800 booking agents in the British Isles, and frequently when some of them consider that the regulations in regard to classes wanted are being too strictly enforced, cite the cases of other countries who pay the bonus without such strict regard to the occupation followed and other qualifications. As a mistaken idea exists in many quarters that a bonus is paid on all the immigrants arriving in the country it is interesting to note what the actual figures are.

NUMBER OF IMMIGRANTS ON WHOM BONUS PAID.

Fiscal Year.	Immigrants Arriving.	Immigrants on whom bonus was paid.
1904-5.....	146,266	28,836
1905-6.....	189,064	33,680
1906-7 (9 months).....	124,667	14,094
1907-8 (9 months).....	235,328	20,492

During the period above mentioned there were paid in bonuses \$433,159, but part of that amount was for immigrants arriving in other years before those given.

It is also worthy of note that the United States, for years looked upon as a land or promise by emigrants of the United Kingdom and Continental Europe, while in 1900-1 receiving over four times as many from the British Isles as did Canada last year, had over 7,000 less British immigrants than did the Dominion. The figures are as follows:—

APPENDIX No. 2

IMMIGRATION FROM THE BRITISH ISLES.

Period.	To Canada.	To U.S.A.
July 1, 1900 to June 30, 1901.....	11,810	45,546
" 1901 " 1902.....	17,259	46,036
" 1902 " 1903.....	41,792	68,947
" 1903 " 1904.....	50,374	87,590
" 1904 " 1905.....	65,359	137,134
" 1905 " 1906.....	86,796	102,193
" 1906 " 1907.....	120,779	113,567

Not only does the payment of bonus to booking agents induce them to make exertions to secure the classes desired for Canada, but it puts the department in a position to impress strongly upon them the classes not wanted, and the times when for various reasons it is undesirable for large numbers to arrive. If a booking agent is discovered sending persons unsuited for the country or in other manner departing from the policy of the department in carrying on his Canadian business, his attention is drawn to the fact and his refusal to change his methods is followed by drastic measures which soon remove the cause of complaint. In this regard can be quoted three recent cases. One of the largest booking agencies in the British Isles persisted during the past winter, when work was scarce here in advertising for 2,000 labourers for Canada, and, in spite of the protests of the department, refused to cease such practice. They were removed from the bonus list and representations made to the British authorities which caused the cancellation of their booking license.

Another organization sent to Canada an undesirable family which it was found necessary to return to the old country. The organization was made to pay all expenses incurred. An organization sent a number of immigrants to Oshawa, who in the fall of the year were thrown out of employment. The organization was charged with and has paid the cost of the transportation of their people to a point where work was available.

By Mr. Wilson (Lennox):

Q. Would you mind telling us how many persons they sent away and how much it cost them?

A. I have not the figures here.

Q. Have you the information at your office?

A. Yes, I have it at my office.

A statement is sometimes made that a Canadian bonus is paid on immigrants proceeding to the United States. No bonus is paid on any immigrants except those who state that they intend to take up their residence in Canada, and whose intended and past occupations bring them within the bonus class. Any immigrant who having declared Canada as his destination and who later desires to remove to the United States must appear before the American authorities to receive permission to do so. This department obtains monthly from the American authorities a list of all immigrants who apply for admission to the states within one year of their arrival in Canada. This list is checked name by name with the list on whom bonus is paid, and in all cases where the bonus has been paid and the immigrant afterwards proceeded to the United States, the bonus is deducted from the next payment made to the agent selling the ticket. While the number who proceed to the United States averages almost 10,000 per year for the last five years, the great bulk of such persons is made up of those whom (on account of their occupation, past or intended) no bonus has been paid. While mechanics may have a better chance of success across the border, the

opportunities for remunerative employment for domestic servants, farm or railway labourers, is as good, if not better, in Canada than anywhere else on the American continent; and consequently only a small percentage of those of such occupations leave Canada after arrival. During the past year where 15,677 went to the United States only 1,212 were those on whom bonus had been paid. The system of checking those going to the United States upon whom bonus is paid is so complete that no danger exists of money being thus wrongfully expended.

By Mr. Sproule:

Q. Was that money paid in bonus upon persons who went to the United States deducted from the next payment to these booking agents?

A. Yes, from the agent's next account.

Q. How do you allot that among the agents sending them out, how do you keep your accounts in that regard so as to insure that they are correct?

A. It will take some time to explain that. If you will allow me to go on reading my statement I will show you the forms we use, afterwards.

The State of Virginia at present carries on an immigration propaganda in Belgium from which country Canada has in the past secured some very desirable settlers. In its printed literature the Virginian authorities compare the advantage offered by their state with those offered by Canada. Some of the noticeable passages are :

'The price paid to the Virginia farmer is higher than that paid to the farmer in western Canada for his products. The winter climate is very mild and winter lambs are very easily raised and are far superior to those raised in the north and known as "hot house lambs," also the cost of raising them is far less.

'An enormous number of persons who are not able to stand the rigorous climate of Canada and of the northern states have come to Virginia and found there health and prosperity.'

From these extracts it will be seen that Canada has at least one competitor in Belgium, and as already stated, Australia is also a competitor, in the British Isles, so that the assistance of booking agents will be seen to be of great value in presenting the claims of the Dominion to intending emigrants. Visits are paid by our agents to the offices of the booking agents and I quote as samples of reports the three following:—

'Mr. Henry Courtier, 44 Aberdeen Walk, Scarborough, is agent for all the Canadian companies, also American and South African, being the only steamship agent in town. He does a rural and city business. The character of his advertising is newspaper, bill-posting and distribution of literature. Mr. Courtier is a very good agent; he has an emigration office down town, and also one at his private house where has large bills displayed outside, and his wife thoroughly understands the business as well as he does himself. They have the same complaint that the other agents have that they could have done far more business if they could have got the emigrants away when they wanted to go, though their business is better than last year, with a prospect of a better business still. They make a better display than a great many of the other agents of posters with reference to emigration.

(Sgd.) L. BURNETT,

Canadian Government Agent.'

July 5, 1907.'

'Messrs. Chapple & Son, Ilminster, are agents for all Canadian lines. They do a rural business and the character of their advertising is extremely good. They are a good enterprising firm who do a lot of advertising both on the premises and by

APPENDIX No. 2

sending circulars to the surrounding districts, the result being that they have got quite a lot of passengers both last year and this.

(Sgd.) H. M. MURRAY,
Canadian Government Agent.

'Mr. R. Richards, 30 Bridge St., Newton, Montg., is agent for Allan, Dominion, White Star and Cunard steamship companies. He does a rural and city business. Mr. Richards drives around the country a good deal and takes opportunity to deliver bills and pamphlets, posts bills. He is an elderly but energetic man. Been agent for thirty years and well known. Once paid a visit to Canada and being able to speak from personal experience helps him in emigration work in which he evidently takes a keen interest. Receiving good reports from those sent out. Good agent.

(Sgd.) G. E. MITCHELL,
Canadian Government Agent.

CHILD BONUSSES.

In 1867 an arrangement was made whereby certain philanthropic societies in the British Isles were to receive a bonus of \$2 per capita on children under 18 years of age emigrated to Canada who had not been inmates of workhouses, reformatories, industrial schools, penitentiaries, prisons or other public institutions of a like character. This arrangement is still in force in its original form, the bonuses so paid amounting in the past seven years to \$22,180. It will thus be seen that 11,090 children of the classes specified have been settled in Canada during the period mentioned, and, generally speaking, have been very successful and satisfactory as was shown by the fact that the private institutions who attend to the placing of them, yearly receive thousands of applications more than they are able to fill. These children before leaving the old country are inspected by a Canadian government official who certifies that they are a desirable class, and any to whom he objects would not be allowed to come. This inspection is, of course, in addition to the usual medical and civil examination which all immigrants must undergo upon arrival at a Canadian ocean port.

ICELANDIC BONUSSES.

Until 1900 the work of the Immigration Department had been carried on in Iceland by sending agents to that country to point out the advantages of Canada as a country to which to emigrate. It was found that the cost of transportation was a serious difficulty in securing for Canada as many Icelanders as desired, and in 1900 by an arrangement with the steamship companies the adult fare was reduced £1 and half tickets reduced to 10s., the department paying those amounts as a bonus to the steamship companies bringing Icelandic immigrants to Canada.

In the early days, agents endeavoured as far as possible to get Icelanders residing in the country to advance amounts, either in cash or by promissory notes, such advance being used to bring friends of theirs from Iceland. This is no longer handled by the department, although numbers of prepaid tickets are still forwarded by residents of Canada to their friends in Iceland.

CONTINENTAL BONUSSES.

Bonuses to continental booking agents were established in 1882, and in 1889 it was decided to discontinue the practice. But Sir Charles Tupper, High Commissioner, expressed his disapproval of this course so strongly, that the order discontinuing such payments was countermanded, and all bonuses paid which had been earned during the period intervening between the first and second decisions. In 1893 Sir Charles Tupper again expressed himself as being strongly in favour of continuing the bonuses. In

8 EDWARD VII., A. 1908

1895, the question of paying a bonus on immigrants coming to eastern, as well as to western Canada was introduced, but it was decided that as the land in eastern Canada was under the jurisdiction of the provincial governments, the department should leave the question of bonuses to provincial parliaments.

In 1897, the High Commissioner recommended more prompt payment of British bonuses and the continuance of the \$5 continental bonus.

In 1899 an agreement was entered into with the North Atlantic Trading Company, by which they were to receive a bonus on all immigrants to Canada of the farming or domestic service class from certain specified countries in which they were to carry on an active propaganda. From time to time alterations were made in this contract, but generally speaking the bonus was £1 per head, and the countries affected, Russia, Germany, Austria-Hungary, Norway, Sweden, Denmark and Switzerland.

This contract was terminated on November 30, 1906, and on March 1, 1907, the department commenced to pay to certain selected continental booking agents a bonus of 10s. on adults and 5s. on those between one and 18 years of age who came to Canada to engage in farm work or railway construction work, and who had been for at least one year one of the following classes, viz., farmers, farm labourers, gardeners, stablemen, carters, railway surface men, navvies or miners. This bonus was also paid on domestic servants.

On February 1, 1908, this bonus was increased to £1 on adults and 10s. on those between one and 18 years of age, the same classes as those paid on in the former arrangement.

By Mr. Sproule:

Q. When you speak of continental bonuses, to what countries do you refer?

A. The countries on the continent covered by the order in council at present are Norway, Sweden, Denmark, Holland, Germany, Austria-Hungary, Russia, France, Belgium and Switzerland.

By Mr. Wilson (Lennox):

Q. Can you give us any reason for that increase of bonus on immigrants between one and 18 years of age?

A. I could not. I simply got instructions to increase the bonus.

By Mr. Burrows:

Q. The last order in council gave a bonus to immigrants from more countries than were included in the North Atlantic Trading Company contract?

A. No, I think not. I think they are the same.

By Mr. Wilson (Lennox):

Q. I think you had one or two more countries in the contract with the North Atlantic Trading Company?

Q. It was changed at one time. Servia and Northern Italy were at one time covered by the contract.

Q. Changes would not be made under the contract with the company?

A. I could not say as to that; I know that changes were made.

By Mr. Sproule:

Q. You have referred to steamship agents and booking agents, what distinction do you draw between the two?

A. They are the same. They are men who sell tickets on commission.

Q. They are one and the same thing?

A. One and the same thing.

APPENDIX No. 2

By Mr. Wilson (Lennox):

Q. Here is the arrangement under the contract with the North Atlantic Trading Company (handing document to witness). See which countries are left out?

A. There is only one that is left out apparently, that is Luxembourg. That is the only one that I see.

BRITISH BONUSES.

On September 27, 1890, the government passed an order in council providing:—

1. To pay a limited amount, not exceeding in any case \$50, to the class of 'return men' not exceeding fifty to Europe, towards recouping their expenses on sufficient proof furnished of success in bringing immigrants to Canada.

2. To pay a bonus to steamship agents in the United Kingdom, of \$5 for each adult settler on land, of 18 years of age and over, on certificates of 'booking' and shipping such settler to Manitoba, the Northwest Territories or British Columbia, and on certificate of a Dominion Lands agent, to be furnished as proof of such settler.

3. To pay a bonus of \$10 to each homesteader, the head of a family, and \$5 for each member of such family at the adult age of 18 years and over, with an additional \$5 to any such member of a family who may within 6 months of arrival in Canada become a homesteader, on settlement on land in Manitoba, the Northwest Territories or British Columbia, on proof being furnished of such settlement by the certificate of a Dominion Land agent.

While this arrangement was in force, numerous communications were received at the department from the High Commissioner and others, recommending that the regulations be altered so that the bonuses to the booking agents would be payable when the immigrant arrived in Canada, instead of when he took up land. It was finally agreed to pay a bonus to booking agents of \$1.75 on adults and half that amount on children from the British Isles arriving in Winnipeg. This system remained in force until April 1, 1906, with the exception that in later years it applied to immigrants to eastern as well as western Canada, and that it was allowed only on those coming to the country to engage in farm work or domestic service. It was found that while this system secured the cooperation of the booking agents, still the bonus was paid on numbers who leaving the farm drifted into other occupations for which their past experience fitted them and were thus lost to the agricultural communities. With the object of securing as large a percentage as possible of those who would remain on the farms, it was decided to limit the classes from which intending farmers could be drawn on whom the bonus would be paid. By doing this, while the incentive to the booking agent would be to secure the classes for which the department is catering, still as the class from which he could draw would be so much curtailed, his earnings would be decreased if the bonus remained at the same rate. To encourage the booking agents and secure their hearty cooperation, the bonus was consequently raised on April 1, 1906, to £1 on adults and 10s. on those between one and 18 years of age who came to Canada to farm and who in the British Isles had had at least one year's experience as farmers, farm labourers, gardeners, stablemen, carters, railway sectionmen, navvies or miners. The bonus was also payable on domestic servants.

By Mr. Wilson (Lennox):

Q. Were all these classes specified on April 1, 1896?

A. Those are the classes that were specified in April, 1906.

Q. Not 1896?

A. In 1906 the bonus was increased, but the occupations were changed.

Q. That covers other classes besides farmers or farm labourers?

A. Farmers and farm labourers.

Q. Stablemen and gardeners?

A. Gardeners, stablemen, carters, railway sectionmen, navvies or miners who have had one year's experience in farming in the old country and who declare their intention of following that occupation in Canada.

By Mr. Sproule:

- Q. The bonus was paid on men who declared their intention of going on a farm?
 A. Provided they have had one year's farming experience in the old country.

By Mr. Wilson (Lennox):

- Q. Or provided they say so.
 A. We take it that they tell the truth.

By Mr. Wright (Renfrew):

- Q. And they must be British subjects?
 A. I am speaking of the British bonuses now.

By Mr. Wilson (Lennox):

Q. If natives of another country living in Britain wanted to come to this country, provided they have been following these occupations would the booking agent not get the bonuses on them?

- A. Yes, if they were British subjects by naturalization.
 Q. But not if they were not British subjects by naturalization?
 A. No.

By Mr. Sproule:

Q. Do you not pay a bonus to booking agents in other countries for the same classes of immigrants?

A. Only to the booking agent living in the country where the immigrant was born or residing. That is to say, we would not pay a bonus on a German immigrant to a booking agent living in Belgium.

Q. No, but you would pay a bonus to a booking agent living in say Norway, Sweden or Denmark.

A. We would pay a bonus to the booking agent in Norway on a Norwegian, to the booking agent in Sweden on a Swede, to the booking agent in Austria-Hungary on an Austrian or a Hungarian.

Q. On the same principle that you would pay it to—

A. To a British booking agent. The immigrant and the booking agent must be of the same country. For instance, at Antwerp, we will say, a great many emigrants pass through. They come from Austria-Hungary, Germany and other countries. Now the booking agent in Antwerp, even though he sold the tickets and the men belonged to the right classes, would not get a commission because the immigrant would not belong to the country of the booking agent.

By Mr. Wilson (Lennox):

Q. He might arrange for the payment with the booking agents living in those other countries from which the immigrants come, that is the booking agent at Antwerp might do that?

A. I suppose he might.

Q. So that a bonus would be paid upon them?—A. I suppose he might.

Q. I don't see how you could help that?

A. But the immigrant has left his country long before that.

APPENDIX No. 2

By Mr. Sproule:

Q. You say that a booking agent who booked a passenger belonging to one of these classes, or one who expressed his intention of going upon the land no matter what his previous occupation had been, would be entitled to a bonus on that man?

A. The immigrant must first sign a statement that he has been of the farming class for at least one year in Great Britain or on the continent.

Q. When was that provision introduced?

A. We have had it in force for some time, I think since 1906.

Q. Here is the mystery to me. I have had some experience with these immigrants and I have been told by them that they were given to understand they would have some special advantage by saying they intended to go on the land in Canada when they reached here. When you question these men, as I did some three or four of them that I had working for me at different times, they admitted they had never been a month or a day on the land. Yet they came out here representing that they were farmers and were going on a farm?

A. Have you got the names of those men and the ships they came out in? If so I can tell you whether bonuses were paid on them or not.

Q. I can easily get their names as soon as I return home because I employed them.

A. If you have the names of the men and the ships they came out in I can tell you what they said at the ocean ports?

Mr. SPROULE.—They represented themselves as farmers.

By Mr. McIntyre (Strathcona):

Q. Has the immigrant any means of knowing that a bonus is paid on him?

A. No, none whatever.

Q. He certainly does not know whether that man will be accepted?

A. No.

Q. The booking agent cannot tell that?

A. No.

PAYMENT OF BONUSES TO BOOKING AGENTS.

By Mr. Blain:

Q. That is a very important question and I want to understand it. How does the booking agent put his bill into the government?

A. I was just going to show you. I have got a ship's manifest here and will show you how the whole thing is done from start to finish. I have here a manifest of the SS. *Victorian* of the Allan Line which arrived at Halifax on March 20 of this year. Now, this manifest is prepared according to law by the purser of the steamer. It gives the number of the passenger's ticket, his name, his age, states whether the passenger is a male or a female, gives a list of the children under 14 years of age, whether they can read or write, whether the passenger is married or single, states their profession or calling, the country of birth and the place of ultimate destination of passengers, excepting the tourists and returned Canadians who are so described. When the steamship arrives in Canada, according to law, the master of the ship must deliver to the immigration agent this manifest of the people on board, which has been filled out at sea, and in regard to it declares as follows: 'I certify that the above is a correct description of the SS. *Victorian* and a correct list of the passengers on board the same at the time of her departure from Liverpool, and that all the particulars therein mentioned are true.'

Q. May I ask are there any particulars about the passenger as to whether he has been a resident on the land for 12 months prior to this?

A. On the face of them?

Q. Yes?

A. No, but I will come to that later on. Now that manifest is handed to the immigration agent at the port of landing. This particular manifest was handed to the agent at Halifax. These people are landed from the ship and placed in a building where nobody has any communication with them at all and are medically examined. After undergoing a medical examination they have to pass a civil examination, and it is upon that examination that we pay the bonus. Now, in the case of this particular bonus—

By Mr. Sproule:

Q. What is the civil examination?

A. The examination made by our own officers, by the immigration agent and his assistants at the ocean ports.

Q. At the ocean port?

A. Yes. The examination by the immigration agent of the immigrants individually and separately at the port of debarkation.

By Mr. Wilson (Lennox):

Q. I see according to the agent's report that your inspector examines the immigrants in batches of hundreds at a time?

A. I cannot help that. I am telling you what actually takes place.

By Mr. Sproule:

Q. What ought to take place?

A. What I am saying is what actually takes place. Every immigrant is individually examined both medically and civilly.

By Mr. Barr:

Q. That is a very important point. You say they are examined separately, whereas the agent in his report says they are examined in numbers?

A. They are examined in numbers, yes. Every ship is examined by itself.

Q. Every ship?

A. Yes. This particular ship had 838 passengers on board.

By Mr. Herron:

Q. Give us the length of time which is occupied by this examination, have you any information in regard to that?

A. Well, this particular ship, the *Victorian*, sailed from Liverpool on March 13 and arrived at Halifax on the 20th at 11.55 a.m. The passengers started to land at 12.5. There were 39 saloon passengers, 359 second cabin passengers, and 440 steerage passengers or a total of 838. The second-class passengers were medically examined by Dr. Hawkins. The examination began at 1.25 p.m., and was completed at 2.30 p.m. The civil examination of the second-class passengers was made by Messrs. Barnstead and Blackadar.

By Mr. Sproule:

Q. How many second-class passengers were there?

A. 359.

Q. And the medical officer examined that number in an hour and five minutes?

A. In one hour and five minutes.

Mr. SPROULE.—That would be a great examination.

Mr. BARR.—That is an impossibility?

APPENDIX No. 2

A. The civil examination was begun at 1.25 p.m., and was completed at 3 p.m.

Q. That is one hour and three-quarters?

A. Yes.

Q. And the number was how many?

A. 359.

By Mr. Herron:

Q. They could do no more than merely walk by in that length of time?

A. The steerage passengers were examined by the same medical officer who begun that work at 4.15 p.m. and completed it at 5.40 p.m.

By Mr. McIntyre (Strathcona):

Q. There is a good deal of discussion regarding this method of examination. Is it not true that the man upon whom no bonus is paid passes the civil examination in a moment?

A. Yes, in a moment.

Q. But the man on whom the bonus is claimed must stop and be examined particularly?

A. That is right.

Q. Every person upon whom the bonus is claimed must have a special certificate made out by your examining officer?

A. Yes.

Q. But the man upon whom no bonus is claimed is allowed to walk down the plank without interference?

A. Yes.

Mr. WILSON (Lennox).—I would like, Mr. Chairman, the witness to tell us why a man on whom a bonus is paid should be examined more carefully than one upon whom no bonus is paid. I think we are all equally interested in the class of immigrants coming to this country, whether the bonus is paid on them or not.

The CHAIRMAN.—In one sense at least.

Mr. WILSON (Lennox).—It is not a matter of \$5, but whether the immigrant will make a good citizen or a bad citizen. I would like to have my question answered.

The WITNESS.—I did not hear the question.

Q. Very well, I will repeat it, apparently it is not of much importance. I want to know why a more particular examination should be made of a man upon whom a bonus is paid as to health?

A. There is no difference in the examination as to health.

Q. Why should there be a more careful examination of that man than of the man upon whom no bonus is paid?

A. As far as his health goes, there is no difference.

Q. Dr. McIntyre says there are two different examinations, as I understand it?

A. Dr. McIntyre is talking about the civil examination. You are talking about the medical examination.

Mr. McINTYRE (Strathcona).—My point was this. I made the statement that there were two checks upon the immigrant upon whom a bonus was paid—that there was a certificate issued in regard to them by the booking agent, and a certificate issued by the inspector on this side.

Mr. BARR.—Before going any further we want to know how many of these immigrants bonuses were paid and upon how many they were not, also how many seconds it takes to pass each immigrant?

The WITNESS.—I have that information here.

By Mr. Wilson (Lennox):

Q. Let us settle the question as to who undergoes the examination; the man upon whom the bonus is paid or the man upon whom no bonus is paid. I understand Mr. Scott to say that there is no difference in the examination?

A. There is no difference in the medical examination.

Mr. MCINTYRE (Strathcona).—I made no such statement that there was a difference in the medical examination. The examination to which I referred is the civil examination.

By Mr. Barr:

Q. What we want to know is just how many immigrants came out on this ship and what time was occupied in their examination?

A. I was explaining that when I was switched off. I have told you that the medical examination of the steerage passengers was begun at 4.15 p.m. and completed at 5.40 p.m.. The civil examination of the steerage passengers was begun by Messrs. Barnstead and Blackadar at 4.15 p.m. and completed at 6 p.m. One steerage passenger for Canada was detained and three for the United States. The C.P.R. passengers left on a special at 8.45 p.m. and the I.C.R. and G.T.R. passengers on a special at 9.45 p.m. A number also left by the I.C.R. regular train.

By Mr. Blain:

Q. On how many of those were bonuses paid?

A. If you will just excuse me one moment. This particular ship, as I have already said, had 838 passengers on board. They were first medically inspected and afterwards civilly examined. Upon inspection 505 were classed as immigrants for Canada and 78 for the United States, 208 were returned Canadians, 8 were tourists, and 39 saloon passengers who were not examined. Following our usual practice neither tourists, return Canadians, those going to the United States or first class passengers were included in our immigration proper. In other words there were 838 passengers on board, and of that number 505 were classed as immigrants. Of these immigrants, 29 were Austrians, 2 Bohemians, 4 Hungarians, 14 Belgians, 34 Dutch, 8 French, 2 Germans, 331 English, 1 Welsh, 18 Scotch, 3 Irish, 9 Russian Hebrews, 2 Polish Hebrews, 1 Japanese, 1 Austrian Pole, 37 Russians, 1 Swiss, 3 Danes, 1 Swede, 1 Armenian, 1 Syrian and 2 who had been citizens of the United States.

On this ship British bonuses were claimed upon 55 men, 22 women and 23 children. According to information secured by the inspectors at the ocean port, the bonus was allowable and has been paid upon 41 men, 14 women and 13 children, leaving 14 men, 8 women and 10 children disallowed, because from the information obtained by the port agent it did not appear that they did come within the proper bonus classes.

The total British bonus claims paid on this ship amounted to £61. 10s.

Continental bonus was claimed on 37 men, 9 women, and 3 children, and was allowed on 31 men and 5 women, amounting to £36, leaving 6 men, 4 women and 3 children claimed on but disallowed.

SYSTEM OF CHECKING BONUS CLAIMS.

Now, speaking of the bonus claims, we will take the first one that we come to. Michael Sullivan appears on line 14, page 6 of the manifest. His ticket number which is taken by the purser is given as 7365; age, 26; occupation, farmer; nationality, Irish; and destination, Calgary. When Michael Sullivan purchased his ticket he filed an application which gives his name, his age, his address in the old country, how long he was engaged as a farmer, when and where his last occupation prior to sailing, and how long so engaged, whether he was a British subject by birth or naturalization, his

APPENDIX No. 2

intended occupation in Canada and the boat that he intended to sail in. That application is signed by the immigrant himself. The booking agent sends that to the head office here in Ottawa and on it he says, 'I, the undersigned booking agent, have to-day sold ticket 7,365 to the party or parties mentioned in this application and believe that the statements made therein are true and correct.' That is signed by J. Barter & Sons, of Cork. Now, when this boat arrives the purser hands to the immigration agent a manifest of all the passengers on the vessel. Neither the immigration agent nor the purser have seen the application; that has been sent direct by the booking agent to the head office here. The immigrant arrives in Canada and is first medically inspected, and then goes before our immigrant agent and is civilly examined by him. On that occasion Michael Sullivan gave his age as 26, stated that he was a farmer and had been engaged all his life at that occupation, he intended to farm in Canada and was going to Calgary to farm, was Irish by birth, and had never been in Canada before. I may say that the immigrant, in addition to the questions that appear on the manifest, is asked the question if he has ever been in Canada before and if he intends to remain in Canada or is simply passing through. If he has been in Canada before he is classed as a returned Canadian; if he intends to simply pass through Canada he is classed as a tourist.

By Mr. Sproule:

Q. I asked the question earlier if the booking agent did not know that he was getting a bonus. I understand both yourself and Dr. McIntyre to say that he did know?

A. Which, the immigrant?

Q. No, the booking agent. If that booking agent got a certificate filled in in the same manner as you say and had complied strictly with the regulations as to the class upon which a bonus is payable, would he not then know that he was going to get a bonus on the immigrant?

A. The bonus will be given provided the immigrant is the proper class and passes inspection at the ocean port. I have already given you a statement of the number on which bonuses were paid on this particular ship.

BONUS CLAIMS OF AGENTS DISALLOWED.

By Mr. Wilson (Lennox):

Q. It is not an uncommon thing to disallow bonuses, because the agents put in all the claims they can?

A. We don't pay the claims unless they are properly due.

Q. It is not an uncommon thing to dock them?

A. No. I have a statement here and you can see that hundreds of claims are made that are not allowed. A great many of them were of the domestic class.

By Mr. McIntyre (Strathcona):

Q. Then the booking agent does not know and cannot tell what bonuses will be paid?

A. No.

By Mr. Wilson (Lennox):

Q. That does not follow at all. The booking agent is furnished with a copy of the order in council showing the class under which bonuses are paid?

A. No, he is not.

Q. What arrangement then do you have with the booking agent who is employed to get immigrants?

A. A circular was sent to the booking agents in the Old Country.

Q. Will you read it?

A. Certainly. (Reads.):

IMMIGRATION BRANCH, DEPARTMENT OF INTERIOR.

Ottawa, Canada, November 15, 1906.

Circular to Steamship Booking Agents in the United Kingdom.

'Sir,—This circular takes the place of my circular of March 20 last, and I beg to inform you that the following rules will come into effect respecting tickets sold to emigrants arriving in Canada on and after the 1st January, 1907.

'(1). Bonus will be paid provided the regulations of the department are complied with, upon tickets to Canada sold to British subjects, whose occupation in the United Kingdom has been for at least one year, one of the following, viz.: Farmers, farm labourers, gardeners, stablemen, carters, railway surfacemen, navvies or miners, who have signified their intention of following farming or railway construction work in Canada; and female domestic servants.

'(2). Bonus is only payable on emigrants landing at Canadian ports, excepting those landing at Portland, Maine, during winter.

'(3). The bonus will be £1 on each person of prescribed classes, 18 years of age or over, and 10 shillings on those between 1 and 18 years of age. No bonus on infants, tourists, returning Canadians, prepaid tickets, or persons of other occupation than one of the above named, or on persons mentally or physically unfit. To obtain bonus on saloon passengers it is necessary to obtain the certificate of one of the accredited agents of the department in the United Kingdom.

'(4). In order to enable the department to pay bonus it will be necessary to have the evidence that it is due supplied on the prescribed form.

'(5). No bonuses will be paid to the head offices of steamship or railway lines.

'(6). No bonus will be paid to booking agents misrepresenting the conditions in Canada, or whose advertising does not meet with the approval of the Immigration Department.

'(7). Payment will be made monthly, and accompanying the cheque in each case, which will be issued at the Canadian Government office in London, Eng., two statements will be sent to the payee, one giving the name, age and ticket number in each case of the passengers on whom bonus is allowed; and the other giving name and particulars of passengers on whom bonus is not allowed, stating also the reasons for such disallowance.

'(8). A supply of blank forms for use under this system has already been sent to the line for which you act as agent, and from whom you may obtain a supply. The agents are particularly requested to refrain from sending any claims on persons not fully coming within the requirements as to occupation, &c. If the head of a family comes out in advance of his family, bonus may be claimed later on the members of the family when tickets are purchased for them, the bonus being allowed in the meantime on head of family alone. Booking agents should secure and retain the home address of the emigrant or his friends.

'To insure the payment of bonus, in respect of passengers of the classes above mentioned landed in Canada, a certificate may be secured from one of the accredited agents of the department in Great Britain or Ireland, as per form on emigrant's application ticket. The persons entitled to sign this ticket are as follows:—

'J. Bruce Walker, Asst. Superintendent of Emigration, 11 and 12 Charing Cross, London, W.C.

APPENDIX No. 2

'A. F. Jury, Canadian Government Agent, Old Castle Building, Preeson's Row, Liverpool.

'G. H. Mitchell, Canadian Government Agent, Newton Chambers, 43 Cannon Street, Birmingham.

'H. M. Murray, Canadian Government Agent, Exeter.

'John Webster, Canadian Government Agent, 35 and 37 St. Enoch Square, Glasgow.

'Ed. O'Kelly, Canadian Government Agent, 17 Victoria Street, Belfast.

'And any others who may hereafter be appointed for that purpose.

'Your obedient servant,

'W. D. SCOTT,

'*Superintendent of Immigration.*'

In addition I issued a supplementary circular as follows:

'IMMIGRATION BRANCH, DEPARTMENT OF THE INTERIOR.

SUPPLEMENTARY CIRCULAR.

'OTTAWA, November 15, 1906.

'*To Booking Agents in the United Kingdom:*

'It is the desire of the Immigration Department of Canada to have the most friendly relations with the booking agents of the United Kingdom. With a view to preventing misunderstanding it is deemed desirable to set forth in plain terms the purpose of the government of Canada in pursuing an active immigration policy, and the reasons governing it in the conduct of that policy.

'The bonus to booking agents of one pound on adults, and ten shillings on children between one and eighteen, is given to make it worth while for the booking agent to use his best exertions in securing for Canada the particular classes of people upon whom the bonus is paid.

'In a country with a population of nearly fifty millions, such as the United Kingdom, which has no new territory for occupation, there must necessarily be a large yearly increase of population, which must either find an outlet or add to the congestion of the great cities. Every year there is a very large movement of people from the United Kingdom to North America. For a long time the larger part of this yearly movement went to the United States and a very small part to Canada. That which went to the United States was lost to the Empire; the part which went to Canada aided in building up the Empire.

'It is not the expectation of the government of Canada to increase unduly the outflow of people from the United Kingdom, but it is its desire to turn to the benefit of the Empire in Canada a greater proportion of the natural and necessary annual outflow from the mother country.

'The Canadian government in confining the bonus to emigrants of certain callings has selected those callings which may fairly be expected to fit people for the opportunities existing in Canada. By making special exertions to secure these classes for Canada, the booking agents will be doing their best for the emigrants themselves, for Canada and for the Empire.

'It is believed that, although the classes particularly desired by Canada might find a field for employment at home, the removal each year of some part of the natural increase there will leave room and opportunity for others who would, under other circumstances, be crowded out of these advantages.

'The classes of people on whom bonus is paid by the Canadian government are expected, by reason of their experience at home, to find scope for their abilities in the occupation of the vacant lands of Canada, in employment upon the lands now occupied

and cultivated, or in the railway development now in progress. And while it is not asserted that people of other callings or conditions of life should not come to Canada, or may not find a career open to them in this country, it is desired to have it well understood that the government of Canada assumes no responsibility with respect to any other immigration than that of the classes mentioned as eligible for bonus payment. It is not asserted that the farmer or farm labourer is necessarily a more desirable citizen than any other, but it is a simple fact that the demand in Canada is for people to occupy the as yet vacant lands of the country, to aid in the cultivation of those already occupied, and also to assist in providing additional transportation facilities. This it is which justifies the government in assuming the expense of immigration effort. To go beyond the attempt to meet these requirements would be to use the money of certain classes of Canadian taxpayers for the purpose of securing competitors against them in their several callings, for which they would naturally hold the government to account.

‘For these reasons booking agents will be good enough to understand that the present large bonus is only offered to secure the fullest compliance with its conditions and they must expect the officials of the Immigration Branch to look strictly into every bonus claim made, not as showing any lack of faith in the booking agents, or as discriminating against any class of people, but simply as a matter of business to make sure that money is not being paid except on the due fulfilment of conditions that have the sanction of all classes of the Canadian people, who, in fact, are paying the money.

‘In the circular of March 20 last, announcing the payment of £1 bonus, it was required that the person eligible by reason of his calling should be then employed at that calling and had been so employed for at least one year. This condition is altered in the new circular forwarded herewith so that the requirement is now that the person shall have been in such employment for at least one year, without special regard as to when that was, and the list of questions to be answered by the emigrant when applying for ticket has been altered accordingly.

‘In the circular of March 20, bonus was restricted to persons of certain classes therein mentioned, who signified their intention of following farming in Canada. This provision has been amended by adding ‘or railway construction work’ so that whether the immediate intention is that of following farming or securing employment in railway construction work the person is eligible for bonus.

‘These changes enlarge the number of people upon whom bonus may properly be paid, but as they enlarge the number and to that degree are to the advantage of the booking agent, so the officials of the department may be expected to hold more closely to the express terms of the circular issued and to the intent which its terms express.

‘It is important that the provisions of the Canadian Immigration Act of last session, prohibiting the landing in Canada of certain classes of people, should be carefully studied, (copy herewith) so that the booking agent will understand thoroughly that for his own credit and the advantage of his business he will not book people of these classes. They are liable to be returned to the place from whence they came at the expense of the steamship company. This liability exists for two years after their landing in Canada. It will be noticed that the following classes of people are prohibited from landing and are subject to deportation within two years:—Feeble minded, idiotic, insane, or who have been insane within five years, afflicted with any loathsome, contagious or infectious disease; anyone who is a pauper, who is destitute, who is a professional beggar or vagrant, or who is likely to become a public charge, any prostitute or person who lives by the proceeds of prostitution, or any convicted criminal. Persons who are deaf and dumb, blind or infirm may be admitted if accompanied by members of the family who will be responsible for their support and safekeeping. Unless so accompanied, they are subject to deportation.

APPENDIX No. 2

'Bonuses are only payable on passengers travelling by lines which land at Canadian ports or at Portland, Maine, during winter, and only on persons who are British subjects.

'In the past it has been found necessary on occasions to discontinue business relations with booking agencies for various reasons, such as presentation of improper claims, booking of undesirables, the special booking of artisans under contract, and improper advertising. It is hoped that no difficulties of this kind will arise in future; but as the Immigration Department is a part of the public business of Canada, it is necessary that its work and connections should be kept clear of misunderstandings of every kind. The department would prefer not to have relations with any agency with which it might find itself at cross purposes, and whose actions might subject its work to misrepresentation.

'In the past it has not been the practice of the department to pay bonus on first class passengers. This has not been because such payment was contrary to the intent of the bonus system, if such passengers were of the classes listed for bonus, but because first class passengers are not subject to inspection on arrival in Canada, and therefore the department had no means of checking the propriety of the payments. If, however, booking agents will avail themselves of the provision contained in the circular herewith, which is the same as was contained in the circular of March 20, 1906, by securing a certificate from one of the accredited agents of the department in the United Kingdom, as therein provided, the bonus will be paid, but not otherwise.

'The provision for granting certificates in the United Kingdom by emigration agents to insure payment of bonus is permissive and not compulsory. If such a certificate is granted in proper form the Immigration Department will not question the payment of the bonus. If such a certificate is not secured, then the payment of the bonus must depend upon the examination by the immigration officer at the port of landing. It is because of the necessity of inspection at port of landing that it has been found necessary to restrict payment of bonuses on emigrant passengers to those landing at Canadian ports, with the exception of those landing at Portland, Maine, during winter.

'Previous to issue of circular of March 20, 1906, there was some discrimination in bonuses paid under certain circumstances, but with the coming into effect of that circular, the terms of which are repeated in the accompanying circular, all booking agencies were placed on an equal footing, the same bonus being paid under the same conditions in all cases. It is the desire of the Immigration Department to deal quite fairly with all booking agencies, the result aimed at being to secure desirable emigrants for Canada up to the yearly requirements of the country.

'It is not in the interest of the individual emigrant that he should remove to Canada unless there is reasonable prospect of his success there. The arrival of any large number of immigrants to this country who are unfitted for the conditions here, must necessarily react against the continuance of the emigration movement. In spite of the fact that his failure to succeed is due to personal causes, the unsuccessful man will blame the country, and complain to his friends at home, thereby deterring them from coming out, and the efforts of the Immigration Department will be discredited with the people of Canada who will therefore withdraw their support from these efforts. The men wanted in Canada are those who will do well, who are recognized in the United Kingdom as being fit, but who are looking for the wider opportunities of the new country, not to be found at home. The efforts of the Canadian Immigration Department are not directed towards those who are merely looking for a place where they may live, but towards those who, while they are able to live under present conditions in the United Kingdom, are on the lookout to better their position in life.

'It is suggested that booking agents take for future reference, the home address of the emigrant upon whom bonus is to be claimed and also that of some of his relatives remaining at home.

'It is the desire of the Immigration Department that its work in the United Kingdom shall be carried on in co-operation with the licensed booking agencies. So far as possible, literature and sample products will be supplied to booking agents on application, and our salaried agents are instructed to reply promptly to all communications received from booking agents, and to give all proper information, and all the assistance in their power to the legitimate booking of passengers of the classes upon which bonuses may be paid.

'In the past, some booking agents have been in the habit of sending in bonus claims on persons who intended to follow mechanical pursuits in Canada, and on others who had never engaged in any of the specified occupations, or who had less than one year's experience in such occupations. Kindly see that in future you make claims only on British subjects, who have had at least one year's experience in one of the specified occupations, and who come to Canada to engage either in agricultural pursuits or railway construction, and on female domestic servants. By pursuing such a course, the work of this office will be materially lessened, and the just claims consequently more promptly attended to. You are also requested to see that every blank space in emigrant's application for ticket is properly filled

'The Department should be notified at once in all cases where an emigrant transfers his passage from the boat on which he originally books. The name and date of sailing of the vessel upon which he first booked should be given, as well as that of the ship to which he has been transferred.

'All communications with regard to the non-payment of any claim made should be sent direct to me. In every case the name, age, and contract ticket number of the emigrant, with the name of the vessel, and date of its sailing should be carefully given. In any case where the Canadian government finds it necessary to deport any immigrant within 12 months of his arrival in Canada because of criminal tendency, disease or other cause, or where the immigrant has left Canada for the United States within that period, the bonus paid upon him will be deducted from the account of the agent to whom it was paid.

'W. D. SCOTT,

'*Superintendent of Immigration.*'

My Mr. Sproule:

Q. If the booking agent has these circulars and sends an immigrant forward in compliance with them does he not naturally reach the presumption that he is going to get a bonus on that immigrant?

A. If the immigrant upon examination is found to be physically and mentally sound.

Q. But admitting that?

A. Yes.

By Mr. Wilson (Lennox).

Q. Then he knows he is going to get a bonus. Therefore, you do not adhere to the statement you made before that the booking agent does not know?

A. The booking agent does not know that he is going to get the bonus.

Q. Not if he complies with the law?

A. If he complies with the law he does get the bonus, but he does not know that.

Q. Do you not give him the bonus to stimulate his efforts?

A. To stimulate his efforts with respect to the right class of people.

Q. If he has no assurance that he is going to get a bonus it is no stimulus to him.

APPENDIX No. 2

By Mr. Smith (Nanaimo):

Q. Supposing the immigrant complied with the conditions at Liverpool but on landing in Canada did not pass the medical examination, would the bonus be paid?

A. No.

By Mr. Wilson (Lennox):

Q. If the immigrant had been a farmer in the old country for a year and stated that he was going on the land in Canada would not the booking agent get a bonus?

A. Providing the immigrant was found to be physically fit.

By Mr. Barr:

Q. It has been proven beyond a doubt that the booking agent gets a bonus if the man arrives in Canada?

A. And passes the inspection.

By Mr. McIntyre (Strathcona):

Q. Is it not true that a majority of those who classify themselves as domestic servants in the office of the booking agent refuse to acknowledge that occupation when they come before the Canadian inspectors?

A. A great many of them.

By Mr. Wright (Renfrew):

Q. As I understand you, on board the *Virginian* there were a certain number of immigrants for whom the booking agent thought he was going to get a bonus?

A. Yes.

Q. But there were a certain number that failed to pass the examination?

A. Yes, when the ship arrived at Halifax.

By Mr. Herron:

Q. I would like to know if the examination which the Superintendent of Immigration has described with respect to immigrants on the *Virginian* is a fair example of the character of examination made of immigrants arriving in Canada?

A. I simply went upstairs to the clerk to let me have a manifest and I suppose he gave me the first one that he picked up. There was no selection made.

Q. Is there a medical examination of the immigrants made only when they arrive in Canada?

A. No, they are examined at the ocean port before they leave by the medical officer of the Board of Trade.

Q. If it is the same medical examination as when they arrive in Canada I do not think it amounts to very much?

A. I cannot say what the character of the examination is over there.

By Mr. Blain: .

Q. I have here two printed applications that have to be signed by the intending immigrant. One reads: 'Emigrant's application for ticket. Name. Age. Address. Occupation. How long engaged in such occupation.' Those are the first few lines of the application. I notice that a change was made and a different application is now signed by the intending immigrant?

A. Yes.

Q. It reads, 'Emigrant's application for ticket. Name. Age. Address. How long engaged as farmer, farm labourer, miner, stableman, gardener, carter, railway surfaceman, navvie or miner.' That is an addition. When was that change made?

A. As I explained in the circular which I have just read, in April, 1906.

Q. Why was that change made?

A. Because we limited the occupations. We ask for certain classes of people in the circular—farmers, farm labourers, gardeners, stablemen and so on. Prior to that it was not necessary that the man should be of any of these occupations. He might be a clerk in a dry goods store and come out to Canada and say, 'I am going on a farm in this country,' and we paid a bonus on him.

By Mr. Wilson (Lennox):

Q. That was up to 1906?

A. Up to 1906 that was always the practice. Then we limited the number of classes but we increased the bonus.

FORMS OF CERTIFICATES.

By Mr. Blain:

Q. A statement was made in the House the other day that a different certificate was signed by those on whom the bonus was to be paid from that signed by the emigrant upon whom no bonus was to be paid?

A. That is not correct.

Q. Then my friend Mr. McIntyre was decidedly wrong in his statement?

A. To explain the practice I showed you two forms. One is the form signed by the immigrant and the other is the form filled in upon the immigrant's arrival here.

Q. Then a change was made in the application to be signed by the immigrant. The change is what I have stated, and that is before the booking agent and before the immigrant when he steps up to get his ticket?

A. Yes.

Q. Before that the immigrant did not write under what class he was to come. Now he writes that he belongs to one of the following classes—farmer, farm labourer, gardener, stableman, railway surfaceman, carter, navvie or miner. The emigrant understands that?

A. The emigrant does not understand that, because he does not know what he has signed for. The emigrant does not know what that is and there is nothing on the face of the application to tell him?

Q. He knows what he is signing for?

A. He is signing an application for a ticket.

Q. That makes it all the worse I think?

A. Signing an application for a ticket?

Q. Because the booking agent has the emigrant's answers to his questions in his hands?

A. Certainly.

Q. Now you have said that a change was made and you have given the reasons. Here I have another set of applications?

A. These are not applications.

Q. Well, I have another set of forms?

A. They are filled out by the agent at the ocean port.

Q. And signed by whom?

A. Signed by the receiving agent, the agent who examines the immigrant.

Q. Is it not signed by the immigrant?

A. No.

Q. In any case?

A. No.

Q. Whether a bonus is paid for him or not?

A. No.

APPENDIX No. 2

Q. It is not signed by the immigrant?

A. It is filled out by the agent or his clerk.

Q. The only signature signed by the immigrant—

A. Is to the application for his ticket.

Q. This form in my hands is the one that the farm labourer is questioned upon?

A. He is asked those questions set out therein.

Q. A man who is not a farm labourer, is he questioned as to this also?

A. No, he is simply asked his name, occupation and destination.

Q. Here is the other form: 'Occupation prior to sailing. How long so engaged. How long engaged as farmer, farm labourer, gardener, stableman, carter, railway surfaceman, navvie or miner.' Does the immigrant have to sign this?

A. No.

Q. Is this another certificate then?

A. That is when the immigrant is being questioned. If upon asking him his occupation the immigrant says he is a farm labourer the agent fills one of these out.

Q. Now, Dr. McIntyre stated in the House: 'My informant is the Commissioner of Immigration. When the farmer lands in this country he himself need have no knowledge of whether that booking agent is receiving a bonus or not. When he comes to the Canadian side of the water he is received by the inspector, who asks him whether he is a farmer or a farm labourer, and if he comes under these classes a different certificate is made out.' I want to find out is that correct?

A. That is the certificate that you read from.

Q. A different certificate to what?

A. To the application for ticket he signed in the old country.

Q. Would you call that a certificate?

A. Yes.

Q. A different certificate. The fact is that the immigrant does not sign any application but the one?

A. He signs one application.

Q. And if a man does not come under these headings, 'farmer, farm labourer, gardener, stableman, carter, railway surfaceman, navvie or miner,' is there any record of him taken at all?

A. None, except on the manifest.

Q. This form is not filled out?

A. No, if he is not a farmer.

Q. It is not filled out at all?

A. No, further than that the purser of the ship or our agent at the ocean port does not know that the application for ticket has ever been signed at all. The booking agent sends his claims to me direct. The information contained in the form filled on this side is obtained by the agent, who does not know that the claim has been made at all.

Q. I did not suggest that, but I am very glad to have the explanation. Now, when these 300 passengers—we will take 300 for the purpose of illustration—come out and the medical examiner commences to examine them does he take these certificates with him?

A. The medical examiner has nothing to do with these certificates.

Q. Who has?

A. The agent who makes the civil examination.

Q. Does he take the certificate of each immigrant with him and go over each?

A. The immigrants come up to the desk and he examines them.

Q. How does he find out who are farm labourers?

A. By asking the question.

Q. He must ask the question from these certificates?

A. No.

Q. Then what does he get it out of?

A. Out of his head.

Q. He must use these certificates for every man that comes up?

A. No.

A. Well, I cannot see any other way?

A. We will take the first name on this manifest. The first man whose name appears there is named Thomas Adams. He was 35 years of age, he could read and write, he was a farm labourer, he was born in England, had transportation over the C. P. R. and was going to Manitou, Manitoba. After he had been medically examined that man goes before the civil examiner. He has a card, without a name on it, which simply says his name will be found on line one, page one, of the manifest.

Q. Who gives him the card?

A. The purser of the ship before he lands. It is the only quick means of identifying the 838 passengers on the ship—speaking, for example, of the number that was on the *Virginian*. If the officer had to look individually over the whole of the names it would be very difficult for him. However, a card is furnished to him and the officer turns to the manifest and finds his name. He asks the immigrant whether he can read and write and what his occupation was in England. The immigrant tells him that he is a farm labourer and then he will take a form and fill it out.

Q. Supposing he said he was a plumber or an engineer?

A. The immigration officer would not fill out one of these forms. There would simply be the information on the face of the manifest.

By Mr. Adamson:

Q. Would you consider the second form to which Mr. Blain has referred to be a certificate or not?

A. That is the evidence upon which we pay the bonus, and it was the evidence upon which the bonus on 32 persons on this ship were disallowed.

By Mr. Sproule:

Q. I understood Mr. Scott to read from the circular of instructions issued to booking agents that a party might set forth these facts in his application for his ticket and then if the statements were in strict compliance with the regulations the party holding that or the duplicate would be entitled to collect the bonus?

A. No, you misunderstood me. In the case of first class passengers we do not examine them at ocean ports excepting persons of foreign birth who may be in first class compartments. The arrangement we have with the steamship companies is that we let the first class passengers go without inspection if the officers on the ship produce for inspection any foreigners who are in first class compartments. First class passengers speaking English are not examined by the immigration officers, but some of the booking agents in the Old Country claim that they should be allowed a bonus upon the first class passengers. In reply to that we said: 'We do not examine them, we do not know what their occupation is, and we cannot verify your statement.' We said to the agents: 'We will put a certificate on the bottom of the bonus claim which reads 'I have to-day examined the party or parties above mentioned and believe that the particulars given are in accordance with the facts. I consider that the parties are physically and mentally sound, that they belong to one of the classes prescribed by the Canadian regulations and that they are in all respects desirable persons for Canada. If that booking agent had an immigrant before one of our officers in London, Liverpool, Birmingham or any other point where we have paid officers, and that officer considers the persons concerned are desirable men for Canada he would sign this certificate at the bottom that would entitle the booking agent to the bonus irrespective of any examination on this side. But that is only in the case of first class passengers who are not examined.'

APPENDIX No. 2

By Mr. McIntyre (Strathcona):

Q. Does not the medical officer of a ship give a clean bill of health?

A. Yes.

MEDICAL EXAMINATION OF IMMIGRANTS.

By Mr. Pickup:

Q. Is there not a medical examination before leaving Liverpool?

A. Yes, by a Board of Trade doctor.

By Mr. Macdonald (Pictou):

Q. In regard to the question of determining the health of people who enter Canada from Liverpool, are they not inspected when they go on board.

A. They are inspected by a Board of Trade doctor.

Q. In Great Britain?

A. Yes on board the ship there.

Q. And by the ship's doctor after going on board?

A. Yes.

Q. Of course, if there was any contagious disease or any kind of disease that would be likely to spread to others or cause illness it would be apparent to the doctor during the voyage?

A. Yes.

Q. Then the quarantine authorities have to receive a clean bill of health with respect to these people before they are permitted to land?

A. Yes.

Q. Then a subsequent examination is made by your officers?

A. Yes.

By Mr. Sproule:

Q. Is the ship's doctor only called in the event of sickness?

A. No, the doctors have instructions—I did not bring a copy of those instructions with me but I can furnish one to you—

Q. To examine all passengers?

A. To keep them under observation. In the case of epileptics those are reported to our doctors and they are immediately deported I do not think that any doctor can say upon merely examining a man that he is an epileptic.

Q. No?

A. But where he is on ship board for 8 or 10 days and through the excitement of coming on or going off the ship he might have an epileptic fit, that is reported by the ship's doctor to our officers.

Q. But that comes accidentally to his notice. What I want to get at is this: Is it the duty of the ship's doctor to make any examination of the passengers?

A. No, he does not strip them or anything of that kind.

By Mr. Macdonald (Pictou):

Q. The immigrant gets a clean bill of health from the medical officer when he comes on board?

A. I don't know what he gets, but he is inspected.

By Mr. Barr:

Q. As a matter of fact, are they examined when they come on board?

A. The medical officer stands and inspects them as they come on board, but they do not strip for inspection.

Q. They are inspected just as they are passing on board?

A. In the case of foreign emigrants when they come to Liverpool, they go to the company's boarding houses and there they are carefully examined. That is shown by the number of deportations. Since the medical inspection act went into force in December, 1902, we have detained at ocean ports 16,353 people of whom 3,294 were rejected and were not allowed to enter Canada at all. During that same period we have deported to the countries from whence they came 1,402 people. That is they got through our inspection, but we exercised the provisions of the law and deported them. The major portions of this number were English people, 883, because they are not as carefully examined at the ocean port of departure as the foreigners are. Of the foreigners 7 were Russians, 8 Germans, 8 French, 8 Belgians, 1 Roumanian, 1 Doukhoboar, 1 Turk and 1 Assyrian.

By Mr. Blain:

Q. Who is the immigration agent at Halifax?

A. Mr. F. W. Annand.

Q. At the bottom of a number of these certificates I see no signature?

A. Is there not a rubber stamp?

Q. A rubber stamp, but not a signature?

A. We take that as evidence of whether the immigrant has landed or not.

Q. Then the agent does not sign the certificate?

A. In some cases he does, or else he stamps them.

Q. Just examine those and see whether they are signed (handing certificates to witness)?

A. These are signed 'F. W. Annand, Halifax, N.S.' They are all stamped.

Q. None of them are signed by the agent?

A. None.

Q. The agent does not sign any of them?

A. He may not have been there.

By Mr. Macdonald (Pictou):

Q. Would you regard that stamp as the signature of the agent?

A. Yes.

By Mr. Blain:

Q. Is there the signature of the agent on any of that lot (exhibiting certificates)?

A. They have all got the rubber stamp of the agent affixed.

Q. I am asking is the signature of the agent on any one of them?

A. There is a rubber stamp.

Q. Is the signature of the agent there?

A. They are rubber stamped.

Q. That is not a signature. I am asking the question whether there is the agent's signature on any one of these documents?

A. No, not in pen and ink.

Mr. WILSON (Lennox).—I would like, Mr. Scott, at the next meeting, to bring the report of Mr. N. B. Miller, the agent for Lennox and Addington, the lists that were sent out and the answers received.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 62,

WEDNESDAY, May 13, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock, a.m., the Chairman, Mr. McKenzie, presiding.

The CHAIRMAN.—We have met this morning for the purpose of resuming the examination of Mr. W. D. Scott, in the matter of immigration. Mr. Scott will continue from where he left off at our previous meeting.

Mr. SCOTT.—At the last meeting of the Committee which I attended I was explaining to you the system upon which the British bonuses were paid and checked. I had taken, for purposes of illustration, the Allan SS. *Victorian* which arrived at Halifax on the 20th of March of this year. I have already explained that the immigrant signed an application for a ticket setting forth the fact that he had a year's experience in farm labour, and that was forwarded to Ottawa, and it was upon that application, together with the examination made by the immigration agent at the ocean port of arrival, that the bonuses were paid. This particular ship, the *Victorian*, arrived at Halifax with 838 passengers on board. Of this number 505 were classed as immigrants, 78 as going to the United States, 208 as returned Canadians and 8 as tourists.

By Mr. Owen:

Q. You said there was an examination, an examination for what?

A. Where, at the ocean port?

Q. Yes?

A. There is a medical examination and a civil examination. First the immigrant is medically examined and then he is civilly examined and the civil examination—

Q. Is the immigrant medically examined in order to ascertain if he is suffering from disease?

A. Yes, as to whether he is suffering from disease. That is the medical examination. Then he is civilly examined as to his name, his last occupation prior to sailing, how long so engaged, how long engaged as a farmer, farm labourer, gardener, and so on, and when and where, as to whether he was a British subject by birth or naturalization, his destination in Canada, his intended occupation in Canada, if ever he had been in Canada before and how much money he had with him.

Q. Do I understand that every steamship passenger who is forwarded to this country by a booking agent is examined thoroughly?

A. All except first class passengers. First class passengers are not medically examined unless in the case of a foreigner occupying a first class stateroom. According to the arrangement made with the steamship company, if they have a foreigner in a first class cabin they produce him for the inspection of the medical officer, that being the condition—that we would not examine other first class passengers, provided the company produced foreigners who travelled in that class for examination. I have prepared a statement showing the number of immigrants that have landed at our ocean ports for a number of years.

By Mr. Wilson (Lennox):

Q. You gave us that statement at the last meeting, did you not?

A. No. I will hand in the statement for the information of the Committee.

STATEMENT showing total arrivals of immigrants at ocean ports, divided into classes, from 1897—1907-8.

Period.	Immigration Proper.	Returned Canadians.	Tourist.	Saloon Passengers.	Totals.
Calendar year 1897.....	19,304	484	.....	13,076	32,864
" 1898.....	22,781	541	100	8,137	31,559
" 1899.....	32,598	596	196	11,334	44,724
First 6 months of 1900.....	15,352	352	151	2,849	18,704
Fiscal year 1900-1.....	31,162	1,170	205	9,761	42,298
" 1901-2.....	40,991	1,377	420	9,756	52,544
" 1902-3.....	78,891	1,870	304	11,026	92,091
" 1903-4.....	85,159	2,485	524	9,587	97,755
" 1904-5.....	102,723	5,354	2,001	9,552	119,630
" 1905-6.....	131,268	10,913	3,124	13,296	158,601
Fiscal period (9 mos.) 1906-7.....	90,008	9,293	2,414	12,444	114,159
Fiscal year 1907-8.....	204,157	17,652	5,463	13,575	240,847
Totals.....	854,394	52,087	14,902	124,393	1,045,776

Immigrants are those who have never been in Canada before and who declare their intention to reside in Canada permanently.

Returned Canadians are those who were born in Canada or who have been in Canada before.

Tourists are those who say they are simply in Canada on a visit

Saloon passengers are those travelling on first-class tickets..

Returned Canadians, tourists and saloon passengers are not included in our immigration figures.

By Mr. Owen:

Q. That statement includes women and children, I suppose?

A. It includes women and children, every person travelling on a ticket.

The system of paying bonuses is still in force. On this particular ship there were 208 passengers classed as returned Canadians. Agents had made claims on a number of those that were disallowed. For instance, one agent at Leicester, a man named Andrew claimed bonus on an immigrant shown on page 12, line 34, of the manifest, On being examined by our agent at the ocean port the man said he had been in Canada before, and the claim for bonus was, therefore, disallowed. Another claim by the same man was made on a woman going to her husband, who was said to be farming in Saskatchewan. Our agent at the ocean port elicited the fact from the woman that her husband was a tailor. The bonus was not allowed in the case of that claim either.

By Mr. Crocket:

Q. How many claims were disallowed?

A. Fifteen claims out of this lot were disallowed.

Q. Out of how many?

A. I will give you a statement of the total number. Bonuses were claimed on 55 men, 22 women and 23 children. According to the information collected at the ocean port, the British bonus was allowed and payable upon 41 men, 14 women and 13 children, leaving 1 men, 8 women and 10 children disallowed. In connection with the same vessel the continental bonus was claimed on 37 men, 9 women and 3 children, and was allowed on 31 men and 5 women. The total British bonus paid was £61 10s., and the continental bonus amounted to £36. These particular foreigners were an exceptionally good class of people. They were Hollanders principally and were going to

APPENDIX No. 2

Calgary and possessed sums of money varying from \$100 to \$8,000. We do not ask English-speaking immigrants landing at ocean ports what amount of money they have, further if they are in possession of \$25 it is deemed sufficient to last them for a reasonable time after they land. Of course, foreigners always have been examined as to the amount of cash in their possession.

By Mr. Owen:

Q. Referring to the examination for disease, who is that made by? By the agent or a practising physician?

A. By practising physicians.

Q. Employed by this government?

A. Yes, employed by the government.

Q. Do you know who they are?

A. Yes, I know who they are. At Quebec there is Dr. Page, who is the chief, Dr. Nadeau, Dr. Potvin, Dr. Lessard and Dr. Dobbin.

Q. Is there any examination made until the arrival of the immigrants at Quebec?

A. They are examined medically before they go on board ship.

By Mr. Wilson (Lennox):

Q. By whom is that examination made ?

A. By the Board of Trade doctor and the company's own doctor.

Q. Under what authority?

A. The Merchant's Shipping Act..

Q. When was that Act passed?

A. I could not tell you that.

Q. Do you not remember a report made by Lord Strathcona saying that he had failed to get a clause inserted in the Bill which was before the Imperial Parliament, as it was too late in the session?

A. I could not tell you anything about that.

Mr. WILSON. (Lennox).—If you had read his report you would have seen it.

By Mr. Owen:

Q. My reason for asking the question is that I enquired in the House the other night if all the immigrants that were sent to this country by booking agents were examined thoroughly for disease before being allowed to go on board at the port of embarkation, and I was told no.

A. They are examined. They are examined by the Board of Trade doctor and also by the company's doctor.

By Mr. Barr:

Q. The Board of Trade in England?

A. The Board of Trade in England.

Q. What interest would they have in not allowing diseased persons to go on board?

A. To prevent the spread of disease on the ship, I suppose.

NUMBER OF BOOKING AGENTS PRESENTING CLAIMS.

By Mr. Crockett:

Q. How many booking agents presented claims last year?

A. I think we have about 1,600 booking agents.

Q. What would be the actual number of claims presented in a year?

A. I should think they probably amount to \$100,000, or somewhere around that sum.

Q. That is the amount that you pay?

A. That we pay. We keep an open account with each booking agent.

By Mr. Sproule:

Q. Was there any overlapping of accounts, any instance where the booking agent was paid more than once?

A. On the same man?

Q. On the same man?

A. No.

By Mr. Herron:

Q. How would you prevent that?

A. Only one man issues the ticket and that is the booking agent who makes the claim. Where immigrants, upon whom bonus has been paid, are afterwards found to have gone to the United States, or have been returned to Great Britain as undesirables, or for any reason, we deduct that amount from the next payment to the booking agent. Occasionally we deduct from the bonus paid to booking agents the cost of sending a man back to England. We had a case the other day where a man had been sent out to Nelson, B.C., under misrepresentations. That man produced evidence that I thought was satisfactory, and we returned him to the country that he came from and charged the cost to the booking agent with whom we had an open account. In other cases where they have misrepresented things to immigrants we have their licenses cancelled through representations to the British Board of Trade.

By Mr. McIntyre (Strathcona):

Q. In the British Isles booking agents must register and take out a license?

A. Yes, they must get a license from the Board of Trade.

MAJORITY OF BOOKING AGENTS IN AGRICULTURAL DISTRICTS.

By Mr. Christie:

Q. Do you urge upon your agents that they ought to try and attract agricultural immigrants?

A. It is only to the agricultural class that we appeal.

Q. Do you have agents in the agricultural districts?

A. The great bulk of these booking agents are in agricultural districts.

Q. My reason for asking that is that we do not get the right class of people?

A. Only about 7 per cent of the population of Great Britain is rural.

Mr. CHRISTIE.—A neighbour of mine went to get help and ran across an immigrant who was a likely looking fellow. He was asked what wages he would want, and said that he would require \$75 a month to go on a farm. My neighbour told him he had made a mistake.

By Mr. Savoie:

Q. You cannot take that as an example?

A. No. I have made the statement to the press, to different people and to immigrants themselves, that if any immigrant can produce to me any evidence that he was sent out to this country under misrepresentations, I will not only pay his passage back to Great Britain, but assist him in the prosecution of the booking agent who induced him to come out. The Merchant Shipping Act of Great Britain is very definite on that question. However, I have never seen the man yet, when it came down to a question of furnishing evidence, that could produce it. I think, on the whole, the booking agents are very careful in the statements they make to immigrants.

APPENDIX No. 2

By Mr. Christie:

Q. They are all urged to say they have worked on the farm?

A. I have not found that to be the fact and I have talked with hundreds of immigrants.

Q. I have heard the statements of lots of them, and there were a great many who, I suppose, never did any farming.

A. No doubt a great many immigrants come to this country who have never been on the land before. As I have already said, only 7 per cent of the population of Great Britain is rural, and we must naturally expect to get a great many from the towns and cities. I should explain that booking agents in the cities, such as the Canadian Pacific Railway, the Allan Line, the Dominion Line and the Donaldson Line, all the head offices, do not receive bonuses for immigrants. It is only the sub-agents working under them that get the bonus. I have never been able to find an immigrant who would tell me that he had been sent out under misrepresentations, with the exception of an odd case like that at Nelson, where the man produced evidence to show that his statements were well rounded, and I had him returned to Great Britain.

By Mr. Monk:

Q. What is the name of that booking agent?

A. The agency was managed by Walter Stark, of Liverpool. They called themselves the British Emigration and Tourist Association.

Q. They were at that time accredited booking agents?

A. Yes, of different lines.

Q. And what is the name of the immigrant in this case?

A. I have not it here.

Q. What was the charge?

A. That they had sent the man out to Canada under misrepresentations.

Q. How much did the expenses in that case come to?

A. I think about \$67, between that and \$70.

Q. Is the matter settled to-day?

A. We have it charged up against the company yet.

Q. Have they admitted the charge?

A. They simply said they did not carry out their part of the contract because Mr. Hammond, to whom the immigrant was sent, had not carried out his part of the arrangement.

Q. The matter is still in controversy?

A. No, not at all as far as we are concerned. We not only had their license as a booking agent cancelled, but they lost all their steamship agencies.

Q. Is that booking agent still on our list?

A. No, he not only lost his commission as booking agent, but his license as a shipping agent for all of the companies.

Q. On account of this?

A. Presumably, and I suppose they had other reasons for their action.

Q. Is there any correspondence in relation to that particular case?

A. There is as regards returning the immigrant to England.

Q. You have that correspondence?

A. Yes, in the office.

Q. Will you bring it up at a future meeting of the committee, please?

A. Yes.

By Mr. Lalor:

Q. You said there were 1,800 booking agents. How many active agents are there making claims?

A. There are a great many more booking agents in Great Britain. We simply have open accounts with that number.

By Mr. Crocket:

Q. And you paid the 1,800 a total of \$100,000 last year?

A. I think \$100,000.

Q. I thought you mentioned booking agents who had presented claims for 50 in one case and in another case for 30?

A. When?

Q. This morning?

A. No, that was for the whole ship. That ship had 838 passengers on board.

By Mr. Monk:

Q. Let me understand about the particular case you spoke of a while ago. Did the government pay the cost of returning this man to England?

A. Yes.

Q. Which amounted to about \$60?

A. I think, speaking from memory, \$67, but I will let you know the actual amount.

Q. And that amount was charged to the booking agency which is in Liverpool?

A. Yes.

Q. Has that booking agency a claim against the department at present, has it made a claim?

A. They have a number of claims; they had sent out a great many immigrants.

Q. What do their claims amount to in the aggregate?

A. I suppose that last year about—

Q. Roughly speaking?

A. Last year perhaps £500.

Q. And have you paid the balance to that booking agency less this amount of \$67?

A. I think we paid £400 on account.

Q. Leaving the other £100 in abeyance?

A. Until we settled these accounts.

Q. This particular item?

A. That was one of them.

Q. Were there others?

A. I could not say, but that was one of the items which was to be deducted.

By Mr. Crocket:

Q. Would that be about the largest amount that any single booking agent had claimed?

A. Yes, I think it would be in the year. That may have covered more than one year. For instance, the people that shipped in March. The fiscal year ends in March and they would come in in this year.

By Mr. Lalor:

Q. Can you recall the largest payment which has been made to any one booking agent?

A. No, I cannot.

By Mr. Monk:

Q. Have you ceased completely doing business with this particular booking agent?

A. We have ceased to do business, and he has lost his license. Then there have been other cases. There was the case in London last year where a woman named

APPENDIX No. 2

Kendall misrepresented to people the conditions in Canada and persisted in advertising in the London papers contrary to the facts. My assistant in London notified them to change their advertisement, but they refused to do so, so we made representations and they lost their license.

SYSTEM ADOPTED IN PAYING BONUSES.

Q. What I would like to get at—perhaps you have stated it already—is the system adopted. Do you control personally the payment of bonuses or is there in the department some person specially charged with overseeing that branch?

A. There are clerks that are doing it.

Q. There is a clerk that has special charge?

A. Yes.

Q. Under your direction.

A. Yes.

Q. What is his name?

A. His name is Parlow.

Q. He has charge especially of the overseeing of the payments of bonuses?

A. Yes, he checks them.

Q. And is there a separate record kept for each ship that arrives? By that I mean is there a dossier, a record, made for each ship?

A. As to the bonuses paid on each ship?

A. As to the whole of the immigrants brought over by that ship?

A. Yes.

Q. Is that record put in special books?

A. No, it is fastened to the manifests, that is the statistical part of it.

Q. You could turn up the records of any ship I mean?

A. Yes, any name on the ship.

Q. You have just produced before the committee the record of the *Victorian*?

A. Yes, I took one at random.

Q. Which sailed from the British Isles?

A. The *Victorian* sailed from Liverpool on the 13th March and arrived at Halifax on the 20th.

Q. You have a record similar to that of steamers sailing from the Continent?

A. Yes.

Q. There was a question put in the House some time ago, if you remember, about one ship that arrived in this country from the continent?

A. Yes.

Q. You have the record?

A. Yes.

Q. Will you bring it at the next meeting?

A. Yes.

Q. Now, as regards the payment of bonuses and emigration expenses generally, are the payments made in England?

A. For bonuses?

Q. For bonuses, advertisements and salaries?

A. Yes.

Q. All payments, if I understand right, are made in England?

A. They are made in England. The mode is this: we have a number of agents in Great Britain. We have them in Glasgow, Aberdeen, Liverpool, Birmingham, Belfast, Dublin, Exeter and so on. Each of these agents, at the end of the month, puts in an estimate of his expenses for the month following. Those are sent to London. The London office makes up its estimate and then adds to it the estimates of the other agents. Whatever it amounts to is sent over here and then we cable that amount. There is a letter of credit which goes to the credit of Lord Strathcona and

Mr. Obed Smith, my assistant in London. All cheques against that credit are signed by Lord Strathcona and Mr. Smith. In reference to the bonuses, the claims are all made up here. This is the only place where the information is available for that purpose. Those are sent over and the total is added to the—

Q. I am speaking of the British Isles now?

A. Yes, and I am speaking of the British Isles also. The total of these bonus accounts is added to the London estimate and included in the letter of credit. I have a sample of the accounts here for the steamship *Victorian* and the amounts are divided up. Here is a booking agent at Leicester who gets £1 bonus on one immigrant. These accounts are all made up and sent over to London and they issue the cheques there.

Q. Then if I understand right, every month you receive from the London office an estimate of the salaries and expenses?

A. For the month following.

Q. And added to that is a specific statement of the bonuses earned during that month which is sent to you?

A. No, I add that here.

Q. You add that?

A. Certainly. As I have already said, the only place where the information is available is here.

Q. You have that information and cable the total amount. Upon what data do you add that? The claims for bonus have been sent to you direct?

A. The claims are sent direct here by the booking agent. I have explained that already.

Q. Therefore, any agent who has earned a bonus must send his claim direct to Ottawa?

A. Direct to Ottawa.

Q. And he sends his claims in monthly?

A. We get them by every English mail.

Q. Will you bring, for the next meeting, a dozen of these periodical claims for bonus?

A. What do you mean by periodical?

Q. You say you get them by every English mail?

A. Yes, I have got bunches for this particular ship. I have them all here.

Q. You have them for that particular ship that we have been discussing?

A. Yes, for that particular ship. Would you like them for the other ship that you were asking about?

Q. Not immediately. My object is to find out the way of arranging matters in Great Britain. If you would kindly bring up a dozen claims for bonus?

A. I have 50 of them here.

Q. They are filed before the committee?

A. Yes, I can leave them here.

Q. When you get those, what process do they go through in your hands?

A. As I explained before, every immigrant when he lands at an ocean port is first medically examined and then civilly examined. In connection with the latter, he is asked certain questions. Our agent fills out one of these particular forms and it is sent to this office. It is upon the evidence of the immigrant himself at the ocean port that the bonus is paid.

Q. Will you show me the claims for bonus on this ship (the SS. *Victorian*)?

A. Here is the manifest (handing over the manifest).

By Mr. Wilson:

Q. Does the examiner have a conversation with each immigrant?

A. Yes, with each immigrant. Those are the claims allowed, Mr. Monk (pointing out on the statement). Here are the claims that were disallowed and the reasons therefor, and the line on the manifest where the man's name is to be found is also given.

APPENDIX No. 2

By Mr. Monk:

Q. Does the claim of the booking agent come out on the ship with the manifest?

A. No, that is mailed direct by the booking agent. This particular one was mailed to me by this man Andrew and was received here on March 20.

Q. Then what you do is to compare that with the manifest of the ship?

A. And the evidence taken before our agent at the ocean port.

Q. Well, let us take the first name on that list?

A. Take any particular name here. Those the the names of persons on which the bonus was allowed. Take one at random.

Q. Let us take Joseph Watkins Thomas?

A. His name is to be found on page 6, line 28 of this manifest. Here it is (pointing to the information), Joseph W. Thomas. He was a farm labourer going to New Westminster, B.C. He was single, 32 years of age, and held transportation over the Canadian Pacific Railway. He travelled ocean ticket No. 5,081.

Q. And what is that certificate at the foot, the Canadian Government agent's certificate, which does not seem to be filled in?

A. I read the circular in connection with that the other day. The booking agents claim they should be paid a bonus on first class passengers very often. We say 'no.' We don't examine them, so that we cannot verify your statements. But if you have your passenger appear before our agents in the old country and have them examined there and sign this certificate, we will pay a bonus or we will pay it on second or third-class passengers.' That is optional.

Q. But none of these certificates appear to have been signed?

A. In some instances they do not. It is optional with them.

Q. Have you produced a list of the booking agents in the British Isles?

A. I have one here. I might say, continuing the matter of this claim, here is the claim made by the agent in the case of Thomas and here are the particulars of the examination made by our agent at the ocean port. It says there that Thomas is a farmer and has been a farmer all his life and is going to New Westminster.

Q. In whose handwriting is that?

A. That of our agent or one of his clerks. Would you like this manifest filed, Mr. Monk?

Q. If you please. Did I understand you to say that you would produce a list of the booking agents in the British Isles?

A. Yes, I have a copy of it here. I have a list of the booking agents authorized by the government in the British Isles and here is an addition to them.

Q. I am speaking of the authorized booking agents?

A. Yes, I will also leave the accounts in connection with this particular ship the *Victorian*.

By Mr. Crocket:

Q. Are these claims paid entirely on the booking agents' certificates and the ship's manifest?

A. Yes.

Q. That is all the data the department has before it?

A. It has first the statement signed by the immigrant, then the ship's manifest and the agent's examination at the ocean port.

Q. What you have there is a claim sent in by the booking agent. The application for a ticket is signed by the immigrant himself and certified by the agent?

A. Yes.

Q. Have you anything beyond that from the immigrant?

A. We have his examination at the ocean port and the manifest, which is declared to be correct by the master of the ship.

By Mr. Monk:

Q. The list which you have just produced purports to be a list of steamship agents in Great Britain and Ireland?

A. Yes, Great Britain and Ireland.

Q. Revised up to September 1, 1907?

A. Yes.

Q. Do you mean to say that each of these men has a letter from the department authorizing him to act as a booking agent?

A. He has the circulars sent out by the department.

Q. But I understood from your previous testimony that none but those specially authorized by the department could act as booking agents and collect bonuses?

A. I did not say so. In Great Britain we allow any booking agent to put in a claim for bonus and as long as he does not break any of the rules of the department by issuing advertisements or inducing people to come here that he should not, we continue to pay him the bonus. When we find that he issues advertisements that are not correct or sends out people that the government do not want, we cut him off:

Q. Then there is no special authorization given by the department to booking agents in the British Isles.

A. No, we recognize all booking agents.

Q. What is the license to which you refer?

A. That is given by the British Board of Trade to booking agents in Great Britain.

Q. Upon what conditions?

A. I have not seen a copy of them.

Q. You do not know what the conditions require?

A. No.

Q. Is the firm of J. Smart & Company, Limited, an authorized booking agent?

A. If they are on the list which I have produced that is correct.

Q. You should know better than I?

A. The names on the list are in alphabetical order (after examining list). I do not see that firm's name on the list.

Q. Do you know, as a matter of fact, whether they are authorized to book?

A. I don't think they are. I think Mr. Smart has an agent in Glasgow that does his booking.

Q. Has that firm or company ever been paid any bonus?

A. Yes, they have.

Q. About how much in the aggregate?

A. I could not tell you that. I could get the exact sum for you.

By Mr. Crockett:

Q. Did you say that the Smart firm was an authorized booking firm?

A. No, I think he books through an agent in Glasgow. I think he has a man who does the booking there.

By Mr. Monk:

Q. Would you give us at the next meeting the total amount of bonus paid to that firm, or association, for the past four years?

A. Yes.

Mr. CROCKETT.—Is that the same Mr. Smart who was manager for the North Atlantic Trading Company?

By Mr. Monk:

Q. Yes. On the Continent, I understand, a different system prevailed. No booking agent can make claim for bonus unless he has been duly authorized by the government?

APPENDIX No. 2

A. Yes, unless he has been selected by the government.

Q. Have you a list of the selected agents on the continent?

A. If I have not the list here, I can get it for you. Yes, I have a list of the agents here (producing list).

Q. Would you be good enough to leave it with the Committee?

A. Yes, I can file it.

Q. Do I understand from you, Mr. Scott, that each of the men mentioned in this list of continental agents has an authorization from the Dominion Government to book immigrants and to claim bonus?

A. They have been selected by my assistant in London to act as booking agents, that is, we will accept claims from them. The order in council with respect to continental booking agents is dated February 19, 1907. I will read it (reads):

EXTRACT from a Report of the Committee of the Privy Council, approved by the Governor General, on the 19th February, 1907.

On a report, dated 31st December, 1906, from the Minister of the Interior, submitting, in view of the termination of the contract with the North Atlantic Trading Company, for promoting continental immigration, that it is necessary that some other arrangement should be made to ensure the continuance of work in the interests of Canada in European countries.

The minister, therefore, recommends that a commission of ten shillings for each adult, and five shillings for each child be allowed to the steamship booking agent on immigrants of the same classes as those upon whom bonus is paid in Great Britain and Ireland, viz.:—Farmers, farm labourers, gardeners, stablemen, carters, railway surfacemen, navvies, or miners, who have signified their intention of following farming or railway construction work in Canada, and female domestic servants.

An adult, for the purpose of this arrangement, would be a person, male or female, eighteen years of age or over, and a child, a person between one and eighteen, no bonus being paid on infants under one year of age.

It is recommended that the bonus be paid to selected steamship booking agents in Norway, Sweden, Denmark, Holland, Germany, Austria-Hungary, Russia, France, Belgium and Switzerland, and that the immigrants upon whom it is paid shall be natives of these countries and not of other countries ticketed in transit.

The minister, in view of the restricted emigration laws in most of the European countries, recommends that the agents to whom the bonus arrangements will apply, shall be carefully selected by the Assistant Superintendent of Emigration for Canada in London, as by restricting the arrangements in this way it will be possible to make selection of responsible and reliable agents who may be depended on not to provoke any conflict with the authorities responsible for the administration of the emigration laws above referred to.

The minister also recommends that the agent so selected should submit their claims for bonus in the same way as the British booking agents do, and that all allowed claims be paid direct from Ottawa, such payments to be made out of the appropriation for immigration.

The Committee submit the same for approval.

RODOLPHE BOUDREAU,

Acting Clerk of the Privy Council.

To the Honourable,
The Minister of the Interior.

IMMIGRATION BRANCH,

DEPARTMENT OF THE INTERIOR,

OTTAWA, CANADA, August, 1907.

Circular to Steamship Booking Agents in France, Belgium, Holland, Sweden, Denmark, Norway, Germany, Switzerland, Austria-Hungary and Finland, who have been authorized by the Canadian Government to receive bonus upon tickets sold to emigrants to Canada.

SIR,—This circular takes the place of my circular of March last, and I beg to inform you that the following regulations apply to payment of bonuses on tickets to Canada.

1. The bonus offered by the Government of Canada will be paid on tickets to Canada sold to persons whose occupation in their native country has been for at least one year, one of the following classes, viz.: Farmers, farm labourers, gardeners, stablemen, carters, railway surfacemen, navvies, or miners, who have signified their intention of following farming or railway construction work in Canada, and female domestic servants.

2. The bonus is only payable on emigrants landing at Canadian ports, excepting those landing at Portland, Maine, during the winter.

3. The bonus will be 10s. on each person of prescribed classes, 18 years of age or over, and 5s. on those between one and 18 years of age. No bonus on infants, tourists, saloon passengers, prepaid tickets, persons of other occupation than one of the above named, persons mentally or physically unfit, or on persons previously domiciled in Canada.

4. In order to enable the department to pay bonus it will be necessary to have the evidence in support of claim supplied on the prescribed form.

5. No bonuses will be paid to the head offices of steamship or railway lines.

6. No bonus will be paid to booking agents misrepresenting the conditions in Canada, or whose advertising does not meet with the approval of the Immigration Department.

7. Payment will be made monthly, and accompanying the cheque in each case, which will be issued at the Canadian Government office in London, England, two statements will be sent to the payee, one giving the name, age and ticket number, in each case, of the passengers on whom bonus is allowed, and the other giving name and particulars of passengers on whom bonus is allowed, stating the reasons for such disallowance.

8. A supply of blank forms for use under this system will be sent to you in due course by Mr. J. Bruce Walker, assistant superintendent of emigration, 11-12 Charing Cross, London, S.W., England, from whom you can obtain more when required. Agents are particularly requested to refrain from sending any claims on persons not fully coming within the requirements as to nationality, occupation, &c. If the head of a family comes out in advance of his family, bonus may be claimed later on the members of the family when tickets are purchased for them, the bonus being allowed in the meantime on head of family alone. Booking agents should secure and retain the home address of the emigrant or his friends.

9. If it is found after sending in a bonus claim that the immigrant on whom the claim was made did not sail on the steamship or at the time stated on the claim, the booking agent is requested to forward immediately an amended claim which should be marked 'corrected bonus claim.'

10. Please note carefully that the bonus referred to above is only paid on natives of your own country, ticketed by you to Canada, and not to persons of any other nationality.

11. The object in offering this bonus is to interest the booking agent in sending to Canada a desirable class of persons who will settle permanently in this country, and,

APPENDIX No. 2

therefore, in any case where the Canadian Government finds it necessary to deport any immigrant within twelve months of his arrival in Canada, or where the immigrant has left Canada for the United States within that period, the bonus paid upon him will be deducted from the account of the agent to whom it was paid.

12. All communications with regard to the non-payment of claims should be sent direct to us. In every case the name and age of the emigrant and other particulars necessary for identification should be given.

N.B.—No bonus will be paid to any booking agent who has not previously been officially authorized by the Assistant Superintendent of Emigration for Canada in London, England, to receive such bonus.

Your obedient servant,

W. D. SCOTT,
Superintendent of Immigration.

ORDER IN COUNCIL INCREASING AMOUNT OF BONUS.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on January 6, 1908.

The Committee of the Privy Council have had under consideration a report, dated January 2, 1908, from the Minister of the Interior, stating that on December 31, 1906, he reported that in view of the termination of the contract with the North Atlantic Trading Company for promoting continental immigration, he considered it necessary that some other arrangement should be made to ensure the continuance of work in the interests of Canada in European countries, and recommended that a commission of ten shillings for each adult and five shillings for each child be allowed to the steamship booking agents on immigrants of the same classes as those upon whom bonus was paid in Great Britain and Ireland, viz., farmers, farm labourers, gardeners, stablemen, carter, railway surface men, navvies, or miners, who signified their intention of following farming or railway construction work in Canada and female domestic servants; an adult, for the purpose of this arrangement, being a person, male or female, eighteen years of age and over, and a child, a person between one and eighteen, no bonus being paid on infants under one year of age.

The Minister further states that it has been found in practice that the bonuses thus recommended and subsequently authorized by order in council of February 19, 1907, have not been sufficient to accomplish the desired object, and that in order to enlist the full sympathy and interest of the selected continental booking agents in the work of promoting emigration to Canada it is necessary to put them on the same footing as the British agents.

The Minister therefore recommends that the bonuses above referred to be increased to one pound, and ten shillings, respectively, and that the order in council of the 19th February, 1907, be amended accordingly.

The Committee submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

By Mr. Wilson (Lennox):

Q. Is that order in council you first read in force now? I understand there is on superseding that under which the bonus has been doubled.

A. I have read that one also.

Q. There is not much use in putting that on the record if it has been superseded?

A. One is the basis of the other.

Q. Before you go any further, I understand that during the last nine months, just before that order in council was passed, we got 30,000 immigrants more than we did in the previous nine months?

A. I will give you a statement as to that. Continental immigration, is it, you wanted?

Q. I want the immigration altogether?

A. I have prepared a number of statements. The first one is a statement showing the total immigration to Canada.

Q. From what date?

A. From January 1, 1897, to March 31 of this year.

Q. Have you got it for the previous nine months also?

A. Of which?

Q. Have you got the figures for the last nine months. Have you also got them for the previous nine months?

A. I am giving the figures for the past eleven years:

TOTAL IMMIGRATION to Canada from January 1, 1897, to March 31, 1908.

	Number.
Calendar year 1897.....	21,916
“ 1898.....	31,900
“ 1899.....	44,543
First six months of 1900.....	23,895
Fiscal year 1900-.....	49,149
“ 1901-2.....	67,379
“ 1902-3.....	128,364
“ 1903-4.....	130,331
“ 1904-5.....	146,266
“ 1905-6.....	189,064
Fractional fiscal year (9 months) 1906-7.....	124,667
Fiscal year 1907-8.....	262,469

BRITISH IMMIGRATION to Canada from January 1, 1897, to March 31, 1908.

	Number.
Calendar year 1897.....	11,383
“ 1898.....	11,173
“ 1899.....	10,660
First six months of 1900.....	5,111
Fiscal year 1900-1.....	11,810
“ 1901-2.....	17,259
“ 1902-3.....	41,792
“ 1903-4.....	50,374
“ 1904-5.....	65,359
“ 1905-6.....	86,796
Fiscal period (9 months) 1906-7.....	55,791
Fiscal year 1907-8.....	120,182

APPENDIX No. 2

CONTINENTAL IMMIGRATION to Canada from January 1, 1897, to March 31, 1908.

	Number.
Calendar year 1897.....	7,921
“ 1898.....	11,608
“ 1899.....	21,938
First six months of 1900.....	10,211
Fiscal year 1900-1.....	19,352
“ 1901-2.....	23,732
“ 1902-3.....	37,099
“ 1903-4.....	34,728
“ 1904-5.....	37,255
“ 1905-6.....	44,349
Fiscal period (9 months) 1906-7.....	34,217
Fiscal year 1907-8.....	83,975

Q. You have not given me the comparison I asked for all the same. I want to show there was no justification for the increase of bonus, that is that there was no justification by reason of the falling off in immigrant arrivals?

A. I will give you that just in a moment.

By Mr. Sproule:

Q. What was the object of increasing the bonus, to stimulate a larger immigration?

A. Of a desirable class, yes.

Q. Have you any figures that will show relatively how many immigrants were of the desirable class for the nine months during the last two periods?

A. I have some figures prepared and I will read them in a few moments.

Q. Because it seems to me that would indicate whether there was a falling off sufficient to justify the increase in the bonus?

A. In addition to the other statement given, I have one showing the immigration from the United States to Canada from January 1, 1897, to March 31, 1908.

IMMIGRATION from the United States to Canada from January 1, 1897, to March 31, 1908.

	Number.
Calendar year 1897.....	2,412
“ 1898.....	9,119
“ 1899.....	11,945
First 6 months, 1900.....	8,543
Fiscal year 1900-1901.....	17,987
“ 1901-1902.....	26,388
“ 1902-1903.....	49,473
“ 1903-1904.....	45,229
“ 1904-1905.....	43,652
“ 1905-1906.....	57,919
Fiscal period (9 mos.) 1906-1907.....	34,659
Fiscal year 1907-1908.....	58,312

8 EDWARD VII., A. 1908

ENGLISH and Welsh Immigration to Canada from July 1, 1900, to March 31, 1908.

	Number.
Fiscal year 1900-1901.....	9,401
" 1901-1902.....	13,095
" 1902-1903.....	32,510
" 1903-1904.....	36,694
" 1904-1905.....	49,617
" 1905-1906.....	65,932
Fiscal period (9 mos.) 1906-1907.....	41,658
Fiscal year 1907-1908.....	91,412

By Mr. Wilson (Lennox):

Q. How many of these people were sent out by charitable societies?

A. I have not got that information here.

Q. You have already given that information elsewhere?

A. I had it printed and distributed.

Q. Can you tell us how long those societies have been sending out this kind of immigrants?

A. No.

Q. You have no knowledge of that?

A. No, all the knowledge I have is that they have stopped sending.

Q. Have you had no reports from your agent in England?

A. I don't think we ever had a report on those lines.

Q. How did you get the information you have?

A. From my assistant in London.

By Mr. Crocket:

Q. Then the figures you gave include immigrants sent out by charitable societies?

A. They include all second and third-class passengers, all people who declare their intention to remain in Canada.

SCOTCH IMMIGRATION to Canada from July 1, 1900, to March, 31, 1908.

	Number.
Fiscal year 1900-1901.....	1,476
" 1901-1902.....	2,853
" 1902-1903.....	7,046
" 1903-1904.....	10,552
" 1904-1905.....	11,744
" 1905-1906.....	15,846
Fiscal period (9 mos.) 1906-1907.....	10,729
Fiscal year 1907-1908.....	22,223

By Mr. Sproule:

Q. Give us a statement of the Irish immigrant arrivals?

A. Here it is.

APPENDIX No. 2

IRISH IMMIGRATION to Canada from July 1, 1900, to March 31, 1908.

	Number.
Fiscal year 1900-1901.....	933
" 1901-1902.....	1,311
" 1902-1903.....	2,236
" 1903-1904.....	3,128
" 1904-1905.....	3,998
" 1905-1906.....	5,018
Fiscal period (9 mos.) 1906-1907.....	3,404
Fiscal year 1907-1908.....	6,547

Q. How many agents have you in Ireland?

A. Two regular agents, and then we have the booking agents besides.

Q. Who are the two regular agents and where are they located?

A. In Belfast and Dublin. Mr. O'Kelly is in Dublin and Mr. Webster in Belfast. They are both Irishmen.

By Mr. Crocket:

Q. Do the government pay any bonuses on immigrants coming into Canada from the United States?

A. Yes.

Q. What bonuses?

A. \$3 on a man, \$2 on a woman and \$1 on a child.

Q. They are restricted to certain classes of persons?

A. Yes, practically. They are all on immigrants to western Canada.

Q. Is the bonus restricted to the agricultural and domestic servant classes?

A. Just the same as the others.

Q. The same as the others under the regulations?

A. Yes. I have prepared some interesting figures showing the number of these people who took up homesteads.

STATEMENT showing the number of Homesteads entered for from January 1, 1897, to December 31, 1907, also showing the number entered for by English, Scotch, Irish, American and Continental Immigrants.

Period.	Total Entries.	English.	Scotch.	Irish.	American.	Continental.
Calendar year 1897.....	2,384	300	83	33	164	673
" 1898.....	4,848	489	161	75	581	1,270
" 1899.....	6,689	578	192	97	1,064	1,796
First 6 months of 1900.....	7,426	350	95	50	833	1,643
Fiscal year 900-01.....	8,167	659	182	99	2,026	1,866
" 1901-02.....	14,673	1,096	300	184	4,761	2,653
" 1902-03.....	31,383	2,186	724	336	10,942	7,260
" 1903-04.....	26,073	3,486	911	267	7,730	4,909
" 1904-05.....	30,819	4,284	1,225	421	8,532	4,999
" 1905-06.....	41,869	5,897	1,657	543	12,485	5,955
Fiscal period (9 mos.) 1906-07.....	21,647	3,032	807	252	6,059	2,951
9 mos. Apr. 1 to Dec. 31, 1907-08....	25,682	4,062	866	280	6,682	4,607

The average number of persons for each entry is 25. The percentages would therefore be English, 18 per cent; Scotch, 20 per cent; Irish, 23 per cent; American, 43 per cent; and Continental, 28 per cent.

By Mr. McIntyre (Perth):

Q. Is a bonus on all immigrants from the United States?

A. On all the agricultural class.

Q. Do any immigrants of the agricultural class come in without a bonus being paid on them?

A. We don't pay our own agents a bonus, we pay them a salary. We have a number of sub-agents in the United States.

By Mr. Sproule:

Q. Are your agents paid on commission?

A. We have a certain number of state agents and also a number of sub-agents.

Q. What would be the relative number of sub-agents?

A. I will give you the exact figures later on.

NUMBER OF IMMIGRANTS DEBARRED.

I have also had prepared a statement showing the number of immigrants debarred at ocean ports.

By Mr. Monk:

Q. Is not that your annual report? What is the use of your giving us anything that is in that report?

A. The reason I took these figures out is that almost every day I am asked by members of parliament for them. I am going to hand them in now so that if members want to utilize them they will be available.

Q. What we want to know are things that are not in your report?

A. Perhaps these figures are not in the report:

STATEMENT showing the number of immigrants debarred at ocean ports since December, 1902, when the Medical Act went into force. Also the number held for further inspection:

Period.	Number held for further inspection.	Number Rejected.
Fiscal year 1902-1903.....	273	273
“ 1903-1904.....	1,835	274
“ 1904-1905.....	2,559	611
“ 1905-1906.....	3,570	524
“ 1906-1907.....	3,543	440
“ 1907-1908.....	4,573	1,172
Total.....	16,353	3,294

Q. What became of those immigrants who were rejected?

A. They were returned to the country from which they came.

Q. What period do those figures cover?

A. The period from 1902-03 to the end of March, this year.

By Mr. Wilson (Lennox):

Q. At whose expense were they deported?

A. The expense of the steamship company.

Q. Does the government pay for the deportation of some and the steamship company for the deportation of others?

APPENDIX No. 2

A. It depends upon the length of time that this particular class were in the country. I am speaking of immigrants that were debarred. These were never allowed to come into the country.

Q. You cannot deport them in two years, can you?

A. I will explain that later.

NUMBER OF IMMIGRANTS DEPORTED.

I am going to give you a statement showing the number of immigrants that were deported. Those are immigrants who passed inspection and afterwards became a public charge from one cause or another and were returned to the country from which they came, during 1903-4, 1904-5, 1905-6, fractional fiscal year (9 months) 1906-7 and 1907-8.

English..	883	Russian, N.E.S.	7
Scotch..	80	Hungarian..	7
Bulgarian..	63	Buckowinian..	5
Americans..	51	Icelandic..	5
Irish..	47	Hindoo..	5
Galician..	32	Austrian, N.E.S..	3
Swedish..	23	Polish, N.E.S..	2
Norwegian..	19	Australian..	1
Italian..	17	Chinese..	1
Danish..	13	Belgian..	1
Finnish..	11	Hebrew, Polish..	1
Dutch..	10	Hebrew, German..	1
Hebrew Russian..	10	Newfoundland..	1
Hebrew, N.E.S..	8	Roumanian..	1
French..	8	Doukhobor..	1
German..	8	Turkish..	1
Welsh..	8	Syrian..	1
			1,335

During the fiscal year 1902-3, when deportations first began, 67 were returned to the country from which they came but no record was kept of their nationality. The total number of deportations up to the end of the fiscal year 1907-8 were 1,402.

By Mr. Monk:

Q. You must know the names of those people?

A. I can get the names.

Q. You must know their names because they were deported after they came to the country?

A. They got through the inspection.

Q. Have you a special book in which you keep that list?

A. I cannot say whether it is in book form or not, but I will bring a statement giving the name and nationality of each person. I have that information, the name, the nationality and the reason for deportation.

Q. These people had entered the country?

A. Yes, they had passed inspection.

Q. They were found afterwards in different parts of the country?

A. Found afterwards in different parts of the country, either public charges in asylums or jails.

By Mr. Wilson (Lennox):

Q. In your statements you do not give the cause for which they were deported?

A. I only give the nationality and the number.

Q. The cause of deportation should be stated also?

A. I can prepare a statement.

By Mr. Monk:

Q. Those were not all deported at the expense of the steamship company?

A. Some of them were. The arrangement we had with the steamship companies under the law was that we could deport undesirable immigrants at any time within two years at the cost of the steamship company that brought them into the country. The companies complained to the minister that that was pretty hard, that an immigrant might be an exceptionally good person when he came to the country, but might turn out bad afterwards. The minister agreed that where the immigrant had been more than one year and less than two years in the country we would pay what was called a charity rate of \$15 from the ocean port to Liverpool or Glasgow. If less than one year the steamship companies would undertake the cost.

Q. For my part I do not require the whole of these 1,400 names, but I would like you to make a list covering the last two years of those who have been deported by the Dominion Government, and those who have been deported by the steamship company?

A. It will be just as easy to give the 1,400. You would like the name and the nationality?

Q. The cost of deportation, what place in the country the person was found at and where sent to?

A. The total cost of deportation and who paid it?

By Mr. McIntyre (Perth):

Q. Supposing the deported immigrant is the father or mother of a family? What about the little children?

A. At an ocean port where the father or mother or any members of a family are found to be inadmissible under the law, the whole family is deported. In the case of a family in the country we simply deport the one undesirable person, but in the greatest number of cases the whole family goes.

By Mr. Wilson (Lennox):

Q. In the case of there being one member of the family able to take care of those that were not desirable, you would allow them to come in?

A. No.

Q. You would not?

A. No. We refused them the other day.

Q. Is that on account of the existence amongst them of contagious disease?

A. That would be on account of insanity.

By Mr. Sproule:

Q. These ailments are hereditary?

A. Some hereditary taint. I have brought with me this morning a copy of the medical instructions which it may be interesting for you to look at. I will lay those on the table.

By Mr. Monk:

Q. I would like to know, I don't think you have stated exactly, how the continental booking agents are selected. Who are they selected by?

A. By my assistant in London.

Q. You have nothing to do with the selection of them?

A. No, my assistant in London does it.

Q. Does he give them a special letter of instructions or send them a circular as in the case of the British booking agents?

APPENDIX No. 2

A. I imagine he sends them a circular.

Q. There is no special form of authorization?

A. Not that I have seen.

Q. Is it from London that you received this list which you have filed of the European agents?

A. Yes.

Q. There are no others?

A. No.

Q. Then if I understand right every booking agent, of the number licensed in England, is entitled to the bonus when he earns it?

A. Yes, if he does not break any of our regulations.

Q. That is understood. And on the continent those to whom your assistant in London sends a circular becomes an authorized agent?

A. I think so.

Q. There is no special form of authorization?

A. Not to my knowledge.

Q. Please explain to the Committee how the payment of bonus to continental booking agents is made?

A. In the same way as I explained to you in the case of other booking agents.

Q. Does he transfer his claim to you?

A. The booking agent sends his claim direct to the office here. The claims are checked up with the ship's manifest and with the evidence taken at the ocean port. The account is compiled from that, is forwarded to London, and is paid from there the same as in the case of the claims of British booking agents.

Q. Then when you transfer the money to London you give instructions to pay so much out of it to continental booking agents?

A. We send the accounts to London. After they are paid they are returned here receipted. I will file samples of those accounts.

Q. Then the account comes from the continental booking agent to you?

A. The account comes to me.

Q. It is examined by you and checked and then forwarded to London?

A. No, the account is compiled from the claims just the same as in the case of the British booking agents, giving the ticket number of the immigrant upon whom we are paying, his name, his age, the name of the ship and the name of the agent. These accounts are sent to the London office, and on the strength of that they make the payment.

Q. They do not wait, then, for any communication from the continental agent, they merely send him his cheque?

A. Send him his cheque. Those cheques are all returned here in time.

Q. Have you all the London cheques?

A. No, the Audit Department has them.

Q. But you got them in the first instance?

A. No, they came direct to the Audit Office.

By Mr. Crocket:

Q. When was the North Atlantic Trading Company's contract terminated?

A. On November 30, 1906.

Q. Have they any claims against the department outstanding at the present time?

A. No, they have all been settled.

Q. How much was paid to the company after the termination of the contract?

A. I think the last payment we made, which cleaned it all up, was about \$37,000 or \$38,000.

Q. What does that make the total amount received by the North Atlantic Trading Company?

A. I have not got the information here, but I can get it for you.

By Mr. Monk:

Q. Perhaps you will allow me to finish this question of the booking agent. Who are the booking agents in the United States?

A. They are not booking agents in the United States.

Q. Commissions then are paid to whom?

A. We have a number of sub-agents there. They are in some instances railway agents, newspapermen and men of different classes who are working in small districts.

Q. Are they specially authorized?

A. Yes, specially authorized.

Q. Will you produce a list of those sub-agents in the United States?

A. I think I have it here.

By Mr. Sproule:

Q. And the amount paid to each?

A. That information I have not here.

Mr. WILSON (Lennox).—You used to give us the number of immigrants sent in by our regular salaried agents in the United States. We have not had that information for some years.

Mr. SPROULE.—It would be desirable to have a list of the regular salaried agents and how many immigrants they sent in.

By Mr. Monk:

Q. Your last annual report contains no report from any of our American agents. Did you not receive any last year?

A. Yes, I think we got reports from all quarters.

Q. There used to be a short printed report from each of the American agents?

A. Yes, but our reports were getting so bulky I thought we should cut them down as much as possible this year.

Q. Is there a superintendent for the United States?

A. Yes, Mr. W. J. White is the present inspector of agencies over there.

Q. Does he inspect them?

A. Yes.

Q. Where does he reside?

A. In Ottawa when he is at home.

By Mr. Wilson (Lennox):

Q. If the department would publish the Immigration Report separately it would be handier and nicer?

A. We do that for our own purposes. We have always printed the Immigration Report separate from the general report of the Department of the Interior because there is a demand for hundreds of copies.

By Mr. Monk:

Q. There are only a few agents in the United States, could you bring up their reports the next time you come here?

A. Is that the salaried agents? You want the amounts paid to them and the reports they made?

Q. Yes, please.

A. You mean the last reports because the others are in the general report?

Q. Once a bonused immigrant has landed in Canada and passed inspection you do not follow him?

APPENDIX No. 2

A. We do, but I do not say that we follow every one. Of the immigrants who stay in Canada less than a year we get a list from the United States officers and they are checked with the ship's manifest.

Q. I am speaking of the immigrant, the bonused immigrant who has arrived in Canada to stay. Do you follow him?

A. Beyond the ocean port?

Q. Yes. Do you follow him?

A. That is impossible. I have already given you the number of homesteaders of different nationalities from January 1 to December 31, 1907, showing the English, Irish Scotch, American and continental.

Q. Have you the names of these homesteaders?

A. No, they run into the thousands.

Q. Does it serve any purpose in regard to following the bonussed immigrant?

A. Except to show that the number of immigrants upon whom we pay a bonus is not as great as that who take up homesteads.

Q. Evidently, because we do not pay a bonus upon all immigrants, there is no question about that. What I want to know is, whether you have any means of tracing the bonussed immigrant after he has arrived at the ocean port and passed examination, admitting that he will remain in Canada?

A. No.

Q. What are the means at the disposal of your department for tracing the immigrants who go to the United States?

A. We get a list of every man who goes across the International boundary, or rather we are supposed to get it, and those names are taken individually, and according to the information on the list checked with the manifest of the ship.

Q. Who furnishes you with that list?

A. We get it from Montreal, from Mr. Clark.

Q. At what intervals?

A. Every month.

By Mr. Smith (Nanaimo):

Q. Is the same information furnished in regard to persons who cross to the other side at the western seaboard?

A. Yes, it covers every immigrant who crosses the International boundary.

Q. Does it cover the ordinary traffic between Victoria and Seattle?

A. Yes, so far as immigrants are concerned.

By Mr. Monk:

Q. You get that information twelve times a year from Mr. Clark?

A. Yes.

By Mr. Crocket:

Q. How does Mr. Clark get it?

A. From the United States officer at the International boundary. We have inaugurated a system of inspection of our own at the International boundary. We have had it in force now for about a month and I think that in the course of another month or so it will be pretty well completed. We propose to put inspectors on the International boundary line. Speaking from memory, at one point on the boundary one of our officers stopped at least 100 immigrants during the last month who were coming in to work. They did not have sufficient funds, or there were other causes, and we would not allow them to enter.

By Mr. Monk:

Q. How many of these posts have you at present?

A. We are just organizing the system.

Q. Have you completed the organization of any one?

A. Yes.

Q. Which one?

A. We have them all through the mountains along the International boundary south of British Columbia.

Q. Through the Rocky Mountains?

A. Yes.

Q. The next time you are here you will bring the twelve last reports furnished you by Mr. Clark?

A. Yes.

Q. What do those reports furnished by Mr. Clark cover, speaking generally?

A. They give the immigrants' name, the name of the ship they came by, the port, whether a Canadian or American, the date they landed, and the date when they applied to enter the United States. A great many come from an American port, work here for a few months and then go back again.

Q. I think they are divided into three classes for American statistical purposes?

A. They show on their face what they are. I will bring the reports at the next meeting.

I have also had a statement prepared showing the percentage of immigrants upon whom bonus was paid.

Period.	BRITISH.			AMERICAN.			CONTINENTAL.		
	Arrivals.	Paid on.	%	Arrivals.	Paid on.	%	Arrivals.	Paid on.	%
Fiscal year 1904-05..	65,359	11,974	18.	43,652	3,681	8.04	37,255	11,881	31.88
" 1905-06..	86,796	17,694	20.04	57,919	3,134	5.04	44,349	8,741	19.71
Fiscal period 1906-07	55,791	8,861	15.08	34,659	2,561	7.04	34,217	1,198	3.50
Nine months 1907-08	111,238	14,710	13.02	46,925	2,425	5.	77,165	2,093	2.71
Average.....	.....	.....	16.54	.....	.....	6.28	.....	.....	14.45

From the above statement it will be seen that from July 1, 1904, to December 1, 1908, bonus was paid on 16.54 per cent of the British immigrants, 6.28 per cent of the immigrants coming from the United States and 14.45 per cent of the immigrants from the continent.

Q. Have you had occasion to take action on any of these reports furnished you by Mr. Clark as regards bonuses to agents?

A. We deduct a great many payments.

Q. You have found some payments of bonus that should not have been made?

A. In these cases we have deducted the payment from the agent's next account.

Q. Upon what ground can you take the bonus away from an agent, when the immigrant who was sent out has passed inspection here, and has gone to the United States?

A. The immigrant must declare his intention of staying in Canada. One of the conditions is that if he does not stay here in Canada we deduct the bonus.

By Mr. Ralph Smith (Nanaimo):

Q. Is that fact known to the booking agent?

Q. Yes, certainly.

APPENDIX No. 2

By Mr. Monk:

Q. Will you give us a list of those in respect of whom you have made deductions?

A. For what period?

Q. For the last two years?

A. That will be a pretty long job, but I will get the information for you if it is possible.

Q. There must be a great many if the compilation will be a long job?

A. There are voluminous reports to go over. It means going over thousands of names.

Q. But as I understand it once you get Mr. Clark's report you simply ascertain whether there are any bonused immigrants among them?

A. Yes.

Q. Then you make a list of them and deduct the bonus from the next payment to the agent?

A. Yes.

Q. And you say there are a large proportion?

A. It involves going over thousands of names to get the information you have asked for.

Q. Do you make a separate list of those that are deducted?

A. Yes, we do in the accounts.

Q. How are the bonuses on immigrants from the United States paid, direct from here?

A. Yes.

Q. The claims are sent in to you?

A. The claims are sent in to us.

Q. How are the claims verified?

A. Our agents and sub-agents have the privilege of issuing a certificate which entitles the immigrant from the United States to a low rate on Canadian railroads. For instance, an immigrant leaves St. Paul, Minn., and goes up to Portal on the international boundary. There he shows that certificate to the ticket agent for the Canadian Pacific Railway. That is the agent's authority for issuing a ticket at the rate of one cent a mile. At the end of the month the Canadian Pacific Railway agent reports that he has issued certain tickets at a reduced rate and attaches to his report the certificates of our agents or sub-agents. As soon as the Canadian Pacific, or the Canadian Northern, as the case may be, has checked up the reports of their ticket agents they are sent to us here and it is on these men that the commission is paid to sub-agents in the United States.

Q. Then you only pay bonus on immigrants from the United States upon the certificates returned to you by the railway companies?

A. Yes.

Q. And upon no others?

A. No others. You will notice from the figures already given that the amount paid is very small.

Q. In all during the last fiscal year how much have you paid in bonuses?

A. To sub-agents in the United States? In the nine months from April 1 to the end of December there were 46,925 arrivals in Canada. Of that number we paid bonus on 2,425 or 5 per cent.

By Mr. Crocket:

Q. You say the Canadian railway companies give these immigrants a cent a mile rate?

A. A cent a mile rate. At some points in the mountains it is 1½ cents.

Q. Does the department make that good to the railway companies?

A. No, that is what they contribute towards immigration. If the immigrant is coming from the United States, say from Iowa, Illinois, or any other state he has got to pay the local rate, which is high, to the international boundary.

By Mr. Monk:

Q. Are the statements of these bonuses made out monthly?

A. I imagine they are made out monthly.

Q. The agents send in their claims monthly?

A. They send in reports monthly.

Q. And the certificates of the railway companies come in monthly?

By Mr. Crocket:

Q. How many Doukhobors were brought into this country?

A. That was before my time, but I can find out.

There are a number of other statements that I would like to put in. One is the immigration via ocean ports showing the occupation or calling.

	1903-04.	1904-05.	1905-06.	1906-07.*	1907-0 .	Totals.
Number of immigrants.....	85,159	102,723	131,268	90,003	204,157	613,315
" farmers and farm labourers.....	30,278	33,418	38,591	18,191	41,866	162,347
" general labourers.....	19,354	22,575	31,110	26,807	63,172	163,018
" mechanics.....	14,715	24,943	36,085	24,414	56,335	156,492
" clerks, traders, &c.	3,530	5,283	7,360	6,686	15,930	38,789
" miners.....	3,493	2,447	3,142	2,878	4,562	16,522
" domestics.....	3,504	5,259	6,343	4,583	10,499	30,188

*Nine months.

Another statement gives the immigration from the United States showing the occupation or calling:—

	1903-04.	1904-05.	1905-06.	1906-07.*	1907-03.	Totals.
Number of immigrants.....	45,229	43,652	57,919	34,659	58,312	239,771
" farmers and farm labourers.....	16,917	23,434	42,037	29,677	43,323	155,388
" general labourers.....	2,798	1,314	1,582	1,852	4,322	11,868
" mechanics.....	1,435	1,037	1,429	1,384	2,226	7,511
" clerks, traders, &c.	1,240	665	1,169	92	1,294	5,260
" miners.....	321	141	442	425	917	2,246
" domestics.....	34	3	51	73	38	219

*Nine months.

APPENDIX No. 2

Another statement gives the expenditure on immigration from 1897 to 1908:—

Year.	British Isles.		Continental.		U. S. A.		Canada.		Total	
	\$	cts.	\$	cts.	\$	cts.	\$	cts.	\$	cts.
1897-98.....	61,000	00	31,000	00	87,000	00	82,194	90	261,194	90
1898-99.....	41,000	00	37,000	00	75,000	00	102,878	88	255,878	88
1899-1900.....	96,000	00	63,000	00	112,000	00	163,562	61	434,562	61
1900-01.....	110,000	00	43,000	00	144,000	00	147,729	63	444,729	63
1901-02.....	121,000	00	58,000	00	178,000	00	137,841	55	494,841	55
1902-03.....	205,000	00	60,000	00	161,000	00	216,913	74	642,913	74
1903-04.....	235,000	00	78,000	00	205,000	00	225,788	50	744,788	50
1904-05.....	181,000	00	111,800	00	325,000	00	354,556	69	972,356	69
1905-06.....	148,000	00	102,600	00	248,000	00	344,068	23	842,668	23
1906-07.....	174,000	00	42,000	00	151,000	00	244,200	76	611,200	76
1907-08.....									1,075,603	33

By Mr. Sproule:

Q. Does that cover everything, including the literature?

A. That covers the whole expenditure.

Q. That does not appear in your report, does it?

A. I have nothing to do with the financial part of it.

By Mr. Wilson (Lennox):

Q. If you have printing done in the United States which goes to Great Britain, where is it charged?

A. That would be charged to Great Britain.

Q. Your statement does not tell where the printing was done?

A. No, I have not prepared that.

By Mr. Sproule:

Q. You say you have absolutely no control of those who embark on vessels for Canada?

A. We have no control until they come within the three-mile limit.

Q. Within Canadian waters?

A. Within Canadian waters.

By Mr. Wilson (Lennox):

Q. How is it in the United States?

A. I have no connection with the United States part of it.

Q. They claim to have rejected 65,000 persons last year?

A. Where?

Mr. WILSON.—At the port of debarkation.

By Mr. Monk:

Q. I will ask you to bring with you, when you next come before the Committee, the four last monthly statements of bonuses to the American agents and sub-agents, and the railway certificates serving to prove that the bonuses had been earned; also the letter, or letters, if any, of your assistant in London notifying the department here of the names of the duly selected booking agents on the continent?

A. There will be quite a number because they were not all selected at the one time.

Q. I understand you have given us a list?

A. There would be more than one list because the agents are not always selected at the one time and the number is added to from time to time or deductions made, as the case may be.

By Mr. Wilson (Lennox):

Q. I see that Miller was paid \$194 for locating immigrants in my riding and there is still a balance of \$20 which has not been paid?

A. I could not tell you. There may be some deductions to be made. We have open accounts with all these men.

Q. Are they paid for locating immigrants with grocery men in towns?

A. No, if such payments are made we find it out and deduct the payments from the agent's account.

Q. I see that you pay for women and children?

A. Yes.

Q. Why do you do that?

Q. Because it is very difficult to find a man who would take an immigrant with his wife and family. The farmers all want single men or married couples without children.

Q. I know that in several cases this man had nothing whatever to do with locating the immigrants?

A. I know nothing about that.

Q. There is a man by the name of Denison, a groceryman in our town, who is employing an immigrant with a wife and seven children. In the lists which I got from you there are several persons alleged to be located by Mr. Miller that he had nothing whatever to do with. You are aware of that, are you?

A. I am not aware of that. If you can give me any information I shall be only too willing to investigate the matter. Personally I do not look at the lists of these men.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 62,

May 20, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 11 o'clock a.m., the chairman, Mr. McKenzie, presiding.

The CHAIRMAN.—As you understand, the business of to-day is the continuation of the examination of Mr. Scott, the Commissioner of Immigration, relating to immigration to Canada.

Mr. SCOTT.—At the last meeting several questions were asked. The first was as to the total amount paid to the North Atlantic Trading Company. The accountant advises me that the total amount paid from November 18, 1899, the date of the first agreement, until November 30, 1906, the date of the cancellation of the contract, was \$367,245.85.

Mr. WILSON (Lennox).—That was brought down to the House, but the Auditor General's Report shows that since then an additional \$67,000 has been paid. Can you vouch for the correctness of this statement?

Mr. SCOTT.—That is furnished to me by the accountant.

Mr. WILSON (Lennox).—I think you will find in the Auditor General's Report that another amount has been paid.

Mr. SCOTT.—I asked the accountant's branch, that is all.

APPENDIX No. 2

By Mr. Monk:

Q. Will you make sure whether there is an additional \$7,000 paid?

A. Yes, I can ask the accountant. The second question was as to a list of salaried agents in the United States, the amount paid for salaries and expenses and their annual reports. (List produced.) The next question for a list of salaried agents and sub-agents in the United States and the amount paid to each for five years. (List produced.) I was also asked for papers in connection with the deportation of a man from Nelson, who had been sent out by the British E. T. Society. (File produced.) Then I produce a manifest of the SS. *Montreal*, and also a statement showing the amount paid to Mr. Smart for bonuses for four years. The seventh question was as to the number of deportations since the Medical Act went into force. I find that 1,402 immigrants have been deported.

Q. At what time?

A. Since the Medical Act went into force. Then a statement was asked for giving the name, nationality, where deported from, where to, the cause, and the date. That is also produced.

By Mr. Blain:

Q. In what year was the largest number deported?

A. In the fiscal year 1902-3, 67; in 1903-4, 85; in 1904-5, 86; in 1905-6, 137; in 1906-7, 201; in 1907-8, 826.

Q. Those are deportations from our ocean ports, are they?

A. No, from interior parts of Canada, those who had become a public charge within two years.

By Mr. Wilson (Lennox):

Q. Have you had to deport any who came from the United States, especially from our western provinces?

A. Yes. The number of Americans deported was 51.

By Mr. Sinclair:

Q. Can you give the number of the various countries?

A. The statements I have filed indicate the nationality. I think at the last meeting I gave them. English, 883; Scotch, 80; Bulgarian, 53; American, 51, and so on.

By Mr. Blain:

Q. After they have resided in Canada for over two years they cannot be deported?

A. No. These are some of the reports furnished us by the United States authorities. (Reports produced.) The ninth question was as to a list of deductions from the bonuses paid on those going to the United States. (List produced.)

By Mr. Wilson (Lennox):

Q. Did you make a statement at the last meeting that the final amounts had been paid to the North Atlantic Trading Company?

A. I said I thought the last cheque was for between \$37,000 and \$38,000.

Q. That would be after the cancellation of the contract?

A. I asked the accountant for this information and that is what he sent me.

By Mr. Monk:

Q. In answer to the request made to you at the last meeting to produce a statement of all bonuses and monies paid to Smart & Company, you have produced a

document to-day in which I see that James A Smart is shown to have received in 1906, £4 and in 1907, £95?

A. Yes.

Q. Then there are a list of names upon that statement?

A. These were his agents in the old country.

Q. Therefore, the sum of £2,928 practically represents the amount paid to Smart & Company?

A. That is what I should think.

Q. I want to ask you in regard to the productions made to-day?

Mr. SCOTT.—Will you let me put them all in first?

Mr. MONK.—Certainly.

Mr. SCOTT.—The ninth question was for a list of deductions for the last three years on those going to the United States, that is on whom these bonuses have been paid. (Reads):—

STATEMENT OF DEDUCTIONS ON BRITISH AND CONTINENTAL IMMIGRANTS ON ACCOUNT OF GOING TO THE U.S.A., FROM JANUARY, 1906, TO SEPTEMBER 30, 1907.

British.. . . .	355
German.. . . .	105
Norwegian.. . . .	106
Swede.. . . .	127
Finn.. . . .	19
Russian.. . . .	13
Russian-German.. . . .	74
Russian-Jew.. . . .	5
Polish.. . . .	7
Swiss.. . . .	2
Dane.. . . .	31
Galicians and Doukhobors.. . . .	22
Austrian.. . . .	4
Dutch.. . . .	21
Hungarian.. . . .	13
Total.. . . .	914

Of the British, bonus has already been deducted on 214 persons, leaving 151 yet to be deducted. The reasons deductions have not been made of the above number is because the department has not yet received bonus claims sufficient to cover them. Bonus on continental immigrants has been deducted to date.

By Mr. Wilson (Lennox):

Q. How do you finally decide?

A. If the man goes to the United States within a year, according to our arrangement we deduct it, although when he landed in Canada he declared his intention of settling here.

By Mr. Monk:

Q. How do you arrive at these deductions?

A. We get a list of those crossing into the United States each month, samples of which are produced here this morning. They take this list name by name with the manifest. On the face of the manifest it says whether we have paid bonus or not. If we have paid bonus we deduct it.

Q. You have to go through several manifests to find the names?

A. Yes. It is very tedious work.

APPENDIX No. 2

Q. In the list there is nothing to indicate what steamer he came by?

A. Yes. The name of the ship is given there.

Q. Do you refer to what you have produced?

A. Yes, it is there.

Q. Then the American officer tells you in his report by what steamer the immigrant came to Canada or the United States?

A. A great many are landed at the United States ports, come to Canada, work for a time and go back.

Q. Is a bonus paid on an immigrant who goes to the United States and then comes to Canada?

A. No, except when he lands in the winter time at Portland. But the great bulk of those, of course, we have never paid in bonuses. It is only on a very small number that we paid bonuses. The tenth question was as to the number of Doukhobors who originally came to Canada. The number is 7,363. (Statement produced.) Then I produce the monthly statements of bonuses paid to American agents and sub-agents and railway certificates serving to prove that the bonuses have been earned. Also a letter or letters from the assistant superintendent in London giving the names of duly selected agents on the continent. (File produced.) These were I think all the items asked for.

By Mr. Monk:

Q. You were asked to produce the letter by which you had been officially informed of the duly authorized continental booking agents?

A. I have produced copies of them.

Q. Received from whom?

A. The first letter is dated April 9, 1907. It says:—

‘With the exception of the agents in France, I have now selected those agents who will participate in the new bonus arrangement on the continent. I beg to enclose for your information a list of the agents selected, and, of course, these agents will now be sending you bonus claims in accordance with the instructions contained in your circular. I expect to make the selection of the French agents very shortly, and will advise you of those selected.’

By Mr. Sinclair:

Q. Who writes that letter?

A. Mr. J. Bruce Walker.

By Mr. Wilson (Lennox):

Q. What is the date of that letter?

A. April 9, 1907.

By Mr. Monk:

Q. With regard to the documents produced by you as coming from the American offices, do you get those documents monthly?

A. Yes.

Q. From the American superintendent at Montreal?

A. Yes.

Q. I find, for instance, a document entitled, ‘List of immigrants who applied for admission to the United States during the month of April, 1907.’ It is a voluminous document. Does the government pay for these returns?

A. Yes, we pay for the compiling of it.

Q. What is the arrangement as regards payment with the American office in Montreal?

8 EDWARD VII., A. 1908

A. I think we pay for the typewriting. I think they cost us from \$10 to \$15 a month.

Q. I have just now seen for the first time, and they purport to be a list of those who originally booked for Canada and subsequently changed their minds and went to the United States under the three clauses that are referred to in the American Immigration Report.

Mr. SCOTT.—I have not read the American report.

Mr. MONK.—It appears to be a list of all those who at the border stations between Canada and the United States applied for leave to enter the United States.

Q. How can you by that list make it out that a man booked originally for Canada and then changed his mind and went to the United States?

A. They give the name there, the name of his ship he came out on, the date when each ship arrived, and his nationality. They take the manifest of the ship and trace the name up.

By Mr. Sinclair:

Q. And then you check that by looking up the manifest of the ship?

A. Yes.

By Mr. Monk:

Q. I would refer to the manifest of the *Virginian* that you produced at the last meeting of the committee. I suppose the manifest of the *Virginian* is a fair sample?

A. It is a fair sample of the manifests received.

Q. I have noticed in looking over that manifest that in the summary given at the end and signed by the purser, there is a certificate that on the *Virginian* there seems to have been a total under the Immigration Act of 791 passengers entering Canada by that steamer. That seems to be the final certificate on the manifest?

A. The total number of souls was 838 according to this certificate.

Q. He mentions the Immigration Act there. What does he mean?

A. Under the Immigration Act 791 is the actual number.

Q. I notice also another certificate attached to to the manifest for the signature of our agent at Halifax that the inspection of the second cabin passengers was begun by the medical examiner, Dr. Hawkins, at 1.25 p.m. and finished at 2.30 p.m.; that the civil examination of these same second cabin passengers began at 1.25 p.m. and was completed at 3 p.m.; that as regards the steerage inspection the examination began at 4.15 p.m. and was terminated at 5.40 p.m., and that the civil examination began at 4.15 p.m. and finished at 6 p.m. I suppose that in that limited time there could not be a very protracted examination of each passenger considering the number of passengers certified by the purser?

A. That is the inspection certificate.

Q. Did I understand you to state at our last meeting that there was only £61, or was it 61 passengers, on whom bonuses were paid on that steamer?

A. I put the whole statement in. I have not got it in my memory.

Mr. MONK.—I asked that question because from my perusal of the manifest I arrived at the conclusion that in bonuses that steamship load must have cost us over \$500. I counted up the British bonuses paid, then the continental bonuses, and it seems to me it was quite a large amount that we paid.

Mr. SCOTT.—I filed a statement before giving the exact figures of the bonuses we did pay. It is in my former evidence.

Mr. MONK.—In the papers filed by you I notice there is a list. It looks as though there were £61 paid, but I think the amount was more considerable than that.

Mr. SCOTT.—In any case that is in my former evidence.

APPENDIX No. 2

Q. Those that are marked in the manifest, 'British bonuses allowed' and those marked 'continental bonuses allowed'—in those cases the bonus was paid?

A. Yes.

Q. Who places that mark on the manifest?

A. The clerk who checks them.

Q. In the department here?

A. Yes, in the department here.

Q. With the documents you filed there is also this parcel which I now show you, marked, 'No. 1 A' These purport to be statements made up mostly in pencil, headed, 'Department of the Interior.' What are these that I now show you, and where are they made up and by whom?

A. These are the examinations of the immigrants at the ocean ports, made up by the agent or one of his clerks.

Q. As a matter of fact, these penciled statements are not made up, I suppose, in the short time which I indicated a moment ago during which the inspection takes place?

A. They are made up while they are being inspected.

Q. Do you conceive it possible in that time to make up such a statement as that for each passenger?

A. Yes.

Q. Are you able to say positively it is done in the presence of each immigrant?

A. Positively. I have done it myself.

Q. In the case of the *Virginian*, can you tell from the handwriting who made it up?

A. One of the clerks at the office.

Q. Down in Halifax?

A. Yes, the writing is familiar.

Q. Is the writing familiar?

A. Oh, quite familiar.

Q. You do not know who the writer would be?

A. It could only be done by one of three men, Mr. Annand, Mr. Barnstead or Mr. Blackadder. They are the only three who could do it.

Q. I notice that none of those documents made up as passenger lists is signed?

A. They are all rubber stamped with the rubber stamp of the agency.

Q. Do you mean the rubber stamp down there?

A. Yes.

Q. And that dispenses with the signature?

A. Certainly. You asked me a moment ago for the number of British bonuses paid on the *Virginian*. I find that at the last meeting I stated that bonuses were claimed on 55 men, 22 women and 23 children, and that according to the information collected at the ocean ports British bonuses were allowed and payable on 41 men, 14 women and 13 children, leaving 14 men, 8 women and 10 children on whom bonuses were disallowed. That is, those claims were not allowed on the evidence as taken at the ocean ports on those forms. The total British bonuses paid was £61 10 shillings, and the continental bonuses amounted to £36.

Q. Do you think that statement tallies with the bonuses allowed stamped on the manifest?

A. Oh, yes.

Q. As regards the claim of the agent on the steamer *Victorian*, produced by you at the last sitting and now shown you as exhibit 2A, I find those statements of claims are incomplete. None of them contain the Canadian Government agent's certificate. Why is that certificate placed at the foot of the claim if it is only filled in by the Canadian agent?

A. I explained to the committee either at the last sitting or the sitting before that British booking agents claimed they should have a bonus on first class passengers

who come out here to settle on the land, the same as second and third class passengers. But we stated we could not pay a bonus on first class passengers because they are not examined at Canadian ocean ports. They said: Can no arrangement be made whereby we could get the examination on the other side, and we put that certificate at the foot of the claim so that if they wished they could have the examination made in Great Britain. If they did that I said they will get the bonus.

Q. Do you not think it would be an improvement if the agent claiming was obliged to make an affidavit or give some satisfactory proof that the facts alleged in the immigrant's application for a ticket are true?

A. He says so on the face of it that the statement made is true.

Q. I notice that many of those applications for a ticket seem to be contradictory, and you will notice that a large number of those you have filed do not indicate what was the occupation of the applicant?

A. I think they all show the occupation, everyone of them I think.

Mr. MONK.—I will give you an instance. Here is one, No. 784,941, the application of Gertrude Fisher does not indicate her occupation at all.

Mr. SCOTT.—It is there. (Reads):—

'What was your last occupation before sailing?—A. Domestic. How long were you engaged?—A. Three years. British subject, destination in Canada, Winnipeg; intended occupation in Canada, domestic.'

Mr. MONK.—Here is one, No. 811,371, where there are no answers to the questions, and the following one, 811,372, there is the same thing, and the following one, 811,369, the same thing.

Mr. SCOTT.—It is there:—

'Destination in Canada is Calgary. Intended occupation, farmer.'

It is quite true he does not give his occupation before sailing, but the steamboat inspection will give you the answer.

Q. Do we pay bonuses on steam laundrymen?

A. No.

Q. Well, in the case of No. 811,375 the continental bonus was allowed?

A. It was allowed for the reason that he states his intended occupation in Canada is that of a farmer. If I had the port inspection I could tell you the reasons. The last occupation before sailing was farmer, in which he had been engaged for two years.

Q. How was that statement arrived at?

A. By the examination at the ocean port.

Q. Who stated it?

A. He stated it.

Q. But there is no statement by the agent who sold the ticket?

A. He states that he is going to farm in Canada.

Q. He is indicated there as a steam laundryman and that his intended occupation in Canada is that of farmer?

A. At the ocean port he gives his age, name and last occupation that of farmer, in which he has been engaged for two years.

Mr. MONK.—And the statement of the agent was that he was a steam laundryman?

Mr. SCOTT.—That may be, but the man stated when he landed at the ocean port he had been engaged for two years as a farmer.

By Mr. Sinclair:

Q. He may have been a laundryman engaged for two years in farming.

APPENDIX No. 2

By Mr. Monk:

Q. If a man says two different things, both cannot be true?

A. He does not say that.

Q. On the face of the application he is stated to be a steam laundryman, and that his intended occupation in Canada is that of farmer?

A. And when he was examined at the ocean port he gave his last occupation as farming, in which he had been engaged for two years.

By Mr. Monk:

Q. I notice quite a number of those immigrant's applications for tickets are incomplete, particularly from the continental booking agents. Here is No. 811,378. You notice how incomplete the statement is, but they are all unanimous in declaring that they are coming to Canada to engage as farm hands?

A. Yes, not all of them. Those particular ones are.

Q. I notice in the case of this man, No. 811,378, the continental bonus was allowed.

A. Yes.

Q. Do you allow a bonus where the application is thus incomplete, and provided a man declares either at the ocean port or on the other side that he intends engaging in farming?

A. No, not exactly.

Q. Is it not the rule that a man who declares that he intends engaging in farming, that for the bonus to be paid it is sufficient that he alone should make that declaration?

A. It is not the fact.

Q. That seems to be the case from my examination of the papers of the *Victorian*.

A. I gave this morning the number who were claimed for and disallowed. You make the statement that we make an allowance on all passengers claimed for. I say no. As I have already said, on the *Virginian* bonuses were claimed for 55 men, 23 women and 23 children, and there were allowed bonuses on 31 men, 41 women and 13 children, leaving 14 men, 8 women and 10 children disallowed.

Q. I would like very much to test that in the case of No. 811,378 and others of a similar character, where the application does not disclose an answer to five or six questions that are placed in the application. But there is a statement by the agent in answer to the question, 'Intended occupation in Canada.'

Q. I asked you as a matter of fact that where there is that much evidence you pay the bonus?

A. If at the examination at the ocean port it is disclosed that he is of the farming class, and that he intends to follow farming in Canada.

MR. MONK.—Let us take the case of No. 811,370, page 16, line 23, of the manifest. There is in that case, as in many others, no answers to the questions excepting to those as to the intended occupation in Canada.

MR. SCOTT.—When he lands at the ocean port he gives his name, last occupation prior to sailing, as farming, that he had been engaged in that occupation for five years, that he had lived in Holland, that he was going to Calgary, that he intended to farm, and that he had \$500 in cash.

MR. MONK.—But to the question:—

'How long engaged as farmer,' no answer; 'where,' no answer; 'when,' no answer; 'last occupation prior to sailing,' no answer.

MR. SCOTT.—In his examination at the ocean port he gives that.

Q. In this particular case does the man speak English do you think?

A. I could not say. If he does not we have interpreters at the ocean port who speak the language he speaks. I would like to say that this particular lot of immigrants from Holland had in their possession cash varying from \$150 to \$8,000.

By Mr. Sinclair:

Q. Each man?

A. Yes, each man. Take the case of the man Prudholm, page 18, line 33, of the manifest. He had \$7,000. On page 20, line 17, a Hollander going to Calgary to farm had \$7,000. On page 20, line 20, another had \$2,000. This is the examination made at the ocean ports.

Q. Does the officer check his cash?

A. They have not time to count his cash. They simply take the amount. Here is one on page 20, line 27, who had \$8,000.

By Mr. Schell (Oxford):

Q. Do they ever overstate it?

A. Foreigners usually understate what they have.

By Mr. Kennedy (New Westminster):

Q. Is that examination at the port of arrival?

A. Yes.

By Mr. Sinclair:

Q. Taking those two examinations together they would answer all those questions?

A. Certainly. We do not pay on every claim, we get complaints that we are not free enough in paying, that we do not pay them readily enough.

Q. You do not throw money at these agents?

A. We get complaints that we are stingy.

By Mr. Monk:

Q. Would you refer to the case of Albertus Dionysius, page 17, line 6. What are the indications on the manifest for this gentleman?

A. He was from Holland, 31 years of age, a farmer, had been so all his life, was going to Calgary to farm, and had \$3,000 in cash.

Q. I see it is stated in an application that this man of 31 years of age had been 20 years a farmer?

A. When examined at the ocean port he said he had been a farmer all his life.

Q. Now, take the case of Van Akin, page 20, line 16.

A. That particular man had \$7,000 in cash.

Mr. MONK.—So he said.

Mr. SCOTT.—He had been a farmer for years. His age is 28, occupation prior to sailing gardener, and had been so engaged for ten years. He apparently worked some time in the U. S., for in reply to the question whether he had been gardening he says in Holland and the U. S. He had in his possession \$7,000.

Mr. MONK.—The case on page 20, line 20, also states 21 years a farmer?

A. That particular man gave his age as 31, his last occupation prior to sailing farmer, and had been such all his life, was a Hollander by birth, had never been in Canada before, and had \$2,000 in cash.

APPENDIX No. 2

By Mr Monk:

Q. I notice one was a steam fitter upon whom we paid a bonus. Here is one George S. Eden, manifest page 2, line 50, an engine fitter, upon whom the bonus was allowed. Is that correct?

A. His last occupation prior to sailing was that of navy. He was a British subject by birth and came out here as a railway labourer.

Q. You infer he came out as a railway labourer?

A. He says so.

Q. He was very positive in the application that he was an engine fitter.

A. He came out here and his intended occupation was railway labourer.

Q. As a matter of fact there is no means of ascertaining on the other side the truth of those allegations made by the applicant?

A. The inspection is made on this side.

Q. But the examination on the other side consists in the booking agents taking this statement of the applicant, as shown by the papers produced from the *Victorian*?

A. There is no statement outside of the medical inspection except where a man appears before one of our Canadian agents and has his examination made there.

Q. In England all the licensed booking agents are entitled to the bonus?

A. Provided they do not break any of our regulations. If they break any of our regulations we strike them off and give them the reasons why we do so.

Q. Is there one doctor in Halifax who makes the medical examination?

A. Yes.

Q. And in the space of time given in the documents relating to the *Victorian* do you think he has time to conduct the medical examination?

A. A reasonable examination.

Q. What does it amount to, as a matter of fact, in the space of an hour to pass 500?

A. They average about 300 an hour.

Q. What do you think the medical examination will amount to?

A. That is for the medical man to say. It is the same at the American ports.

Q. Does Dr. Bryce visit those ports?

A. He does.

Q. He never takes the examinations himself, does he?

A. I think so, when he is there.

Mr. KENNEDY (New Westminster).—I stood on a vessel at Glasgow last year where a lot of immigrants were going on and a physician, who I think was employed by the steamship company, the Allan Line, was examining passengers as they went on board. I timed them as they came up the ladders. The doctor looked them over as any sharp man would look at them to see if there might be any traces of disease. He seemed to me to be making a very fair examination. I timed him, and he passed from five to 12 a minute. He turned some of them back and stood them apart, until he got through the others, and then he looked them over again.

Mr. SCOTT.—There are two doctors at Glasgow, one is the Board of Trade's and the other the company's own doctor.

Mr. MONK.—It would be the same thing as the honourable member here has stated, that he must pass from five to 12 a minute.

Mr. SCOTT.—About 300 an hour. I filed with the committee at the last meeting the inspection of the medical officer. There were two kinds of examination. I think Dr. Barr saw them.

Mr. KENNEDY (New Westminster).—I know one doctor kept me for two hours examining me for insurance.

Mr. SCOTT.—They cannot examine immigrants that way.

By Mr. Monk:

Q. Are any efforts being made to obtain on the other side a civil and medical examination of immigrants from the continent coming direct to Canada?

A. No.

Q. Are you aware that the American authorities conduct such an examination?

A. At some ports they do. At the chief ports of Southern Europe they do, but not in the northern ports of Europe.

Q. Are you sure they have no such examination at Antwerp?

A. I cannot say as to Antwerp. It is a point to which a good many come from the south. They come in there from Turkey and Assyria.

Q. How do you make a distinction between southern and northern Europe?

A. The class of immigrants from northern Europe are not the same as those of southern Europe.

Q. Are they a better class?

A. Certainly, they are a better class.

Mr. BARR.—They have not so much wrong with their eyes.

Mr. SCOTT.—They have not trachoma to the same extent. We use every precaution to keep out undesirable immigrants, and I think we have been fairly successful. The only complaint we get now is that the examination is too severe.

By Mr. Barr:

Q. From whom?

A. You will see it in the newspapers.

By Mr. Monk:

Q. I think I understood you to say at the last meeting that once an immigrant has landed, bonused or otherwise, he is not traced?

A. Some of them are.

Q. Is there any system?

A. We have in Ontario and parts of Quebec a system of placing farm labourers with farmers. We have a number of employment agents to whom booking agents in the old country send the immigrant direct.

Q. Since when?

A. This is the second year of its operation.

Q. How many agents do you employ in Ontario?

A. Possibly 175 to 200.

Q. How many in Quebec?

A. Probably 8 or 10.

Q. Can you give us a list of those agents employed in Ontario, what has been paid to them and what men they have placed?

A. Yes, I can.

Q. And the same as regards Quebec?

A. Yes, I gave it to Dr. Sproule last night.

Mr. MONK.—I was asking the names of those placing agents in the provinces of Ontario and Quebec, what has been paid to them during the last year, and what immigrants have been placed.

Mr. SCOTT.—I want to make a statement with reference to those employment agencies.

By Mr. Blain:

Q. Will you allow me one minute. The certificate that is signed by the immigrant in applying for a ticket is the only one signed by the immigrant. He does not sign other documents on this side?

A. No.

APPENDIX No. 2

Q. If in the immigrant's application for a ticket he fails to fill out that part of the form: 'Farmer, farm labourer, gardener, &c,' when he comes to Canada he allows the immigration agent to fill it in?

A. The immigration agent asks him questions as shown on that form.

Q. Now, if he fills in his intended occupation in Canada, would the bonus be paid for such a man?

A. If he had one year's experience as a farmer in the old country. He must have had experience as a farmer in the old country before any bonus is paid. It does not matter what he does in this country. There are dozens of men of all kinds of occupations from the old country who come out to farm in this country. Some of our best farmers in the west never saw a farm until they came here.

Q. That experience may be had at any time?

A. Oh, yes.

Q. I see for example a carpenter on whom the bonus was allowed?

A. It was not allowed because he was a carpenter.

Q. He styles himself a carpenter. He states that ten or fifteen years previous he was a farmer and that his intention was to locate on a farm?

A. Yes.

Q. What opportunity have you of comparing the immigrant's application for a ticket with the certificate of the immigration agent on this side? Are those all compared before the bonus is allowed?

A. Certainly, and all put in order so that they can be readily turned up.

Q. So an immigrant coming to Canada need not say he is a farmer, a farm laborer, gardener, or anything else if he gives an answer to the immigration agent here that he had worked twelve months on a farm?

A. Very often those forms are incomplete. I was making a statement with reference to the placing of labourers with the farmers in Ontario. Ninety per cent of the tickets sold in Great Britain are sold at least thirty days before the immigrant sails. As soon as the booking agent has sold a ticket to an immigrant he gives him a card of introduction to one of those employment agencies. We have 175 or 200 different men, and the booking agent immediately notifies the employment agent that he has sold such ticket, describing the man, telling him what kind of work he wants, what is his experience and so on. He mails that to the employment agent in Canada so that when the immigrant arrives at the particular station to which he is booked, our employment agent knows exactly where to send him and what farmer to send him to. We find the thing is working out very well. For instance, we occasionally hear that these immigrants are all thieves, and diseased, and undesirable immigrants. I have taken just one book of claims put into the office here on whom we have paid \$12 for locating them and there are some very good immigrants amongst them. We send out these forms in order to satisfy ourselves that the immigrant had been placed with a farmer and to ascertain what degree of satisfaction he was giving to the farmer. Here is one of the answers: (Reads.)

'Thomas Broad was placed with Daniel Frost at Frankford, Ontario, who replies:

'Your letter received this morning and in reply would say, that Thomas Broad is still with me and has given me fairly good satisfaction. I am giving him \$15 a month.'

Then, here is one about Adamson Bell, who is placed with Thomas G. Elliott, Wooller, Ontario, and Mr. Elliott replies:

'In regard to Adamson Bell, he worked for me for four months and a half. I hired him for \$20 per month and paid him \$110. He proved to be a real gentleman, and a humble servant. He proved to be a very satisfactory immigrant. He went home in December, as he has promised his parents he would on leaving England.'

Archibald Reid was placed with Mr. S. L. Perrill, of Wooller, who says:

'The above mentioned young man, Archibald Reid, was with me one month, at \$20, during which time he did his work well and satisfactorily. Then he left me for the Northwest, getting that craze like so many of the rest of the immigrants.'

Joseph Monkhouse was placed with George Runciman, Warkworth, Ontario, and Mr. Runciman writes:

'In reply to your favour of recent date, I would say that Joseph Monkhouse has been engaged with me for the last three months and has given good satisfaction. Was paying him \$20 a month and have now engaged him for the following six months for \$90.'

Johanna Montgomery was placed with Dr. Foley, Trenton, Ontario, who replied:

'Mrs. Foley is well pleased with Miss Montgomery. She is a splendid, fine girl and does her work thoroughly and well. She worked two weeks for \$2 per week, and Mrs. Foley was so well suited with her that she raised her wages to \$2.50 per week.'

Mrs. Christie McKenzie, wife of Wm. McKenzie, was placed with G. L. Walker, Norham, Ontario, and Mr. Walker replies:

'Some time ago I received a communication from you in regard to W. McKenzie, a farm hand from Scotland, to which I neglected to reply. Would say that he is employed by the year. I furnish him house and wood. Mrs. Christina McKenzie, his wife, is not working for me, but is living in a house on my place,' and so on.

There are hundreds, I may say thousands, of those letters showing that the bulk of the immigrants placed with farmers are doing well under the system we have adopted in placing them through employment agents.

Mr. MONK.—I think that is a step in the right direction. I am impressed with the large number of those employment agents you have in the province of Ontario. I may state with reference to this list you have prepared for Dr. Sproule that I would like you to prepare a list for Quebec.

Mr. SCOTT.—Yes,

By Mr. Monk:

Q. How do you arrive at the payment of the commission? Take, for instance, the case of Glengarry. G. McPherson, the agent there, got \$130 for placing 65?

A. Yes.

Q. How does he establish his claim?

A. When he places an immigrant with a farmer he sends us the certificate:—

'I have this day placed..... He landed at the port of.....on the.....day....., SS..... Is farm labourer, domestic, and so on.'

I take this certificate to signify that the agent has placed him with a farmer, or as a farm labourer or domestic. If we do not get the signed form, we write and find out.

Q. Would you for the next meeting take up that case of McPherson who was paid \$130 for 65 and show the document?

A. I could leave this with you.

By Mr. Sinclair:

Q. Have you any agents in the Maritime Provinces?

A. No. They only work satisfactorily where the bulk of the province is agricultural. On SS. *Montreal* there were only two immigrants on whom bonuses were claimed. The bulk of them were from countries where we do not pay bonuses. For instance, Austria-Hungary. There was one placed in the province of Quebec.

By Mr. Monk:

Q. Is not Austria-Hungary in the list of those countries?

A. It is, but we are not paying any bonuses at the present time.

APPENDIX No. 2

Q. How is that?

A. I do not know.

Q. Is not the amount of bonus the same in all countries?

A. Yes, now.

Q. You will remember McPherson?

A. I have it in my hand.

Mr. MONK.—I have no more questions to ask Mr. Scott to-day. I would like to have an opportunity of looking over the documents produced. I might have a few more questions about McPherson.

Mr. SCOTT.—In addition to what I have given you I was asked for a list of the deportations. I have brought over a few of the original files to show the process under which undesirable immigrants are handled.

Mr. MONK.—I think it would be to the advantage of the committee to hear Dr. Bryce. He could give us some evidence on the medical examinations at some future date.

Mr. SPROULE.—I notice in this list which purports to show the salaries and contingent expenses of agents for the fiscal year 1907—that, apparently, it only gives the names of the salaried agents and not the sub-agents.

Mr. SCOTT.—I gave you a separate list giving the list of sub-agents and the amounts paid for five years.

Mr. SPROULE.—That was among the papers you left with us?

Mr. SCOTT.—Yes, that was filed.

By Mr. Sproule:

Q. With regard to estimating the amount of cash and settler's effects, what means does the agent resort to to get as correct an estimate as possible?

A. When they issue a certificate—I also filed the certificates upon which the American bonuses have been paid—when the agent or sub-agent is issuing a certificate he asks the man what he is worth in cash and effects.

Q. Take one for instance, the number of cars at 148. As near as can be ascertained the value amounted to so much?

A. We can tell absolutely the number of cars.

Mr. SPROULE.—That is all right but I mean with regard to the values.

Mr. SCOTT.—We simply take a man's word for it.

I may say it is very difficult to get farmers to take a family. They either want single men or a single girl, or a man and wife, without children. That is why we pay the locating agent \$2 each for locating families. It is a very difficult thing to do and they are most desirable immigrants.

By Mr. Sinclair:

Q. Are you able to place a man on whom you have paid a bonus and find out how many have taken up homesteads?

A. Yes. I gave that to the committee at the last sitting. I filed a statement.

Mr. MONK.—Not the names, I think.

Mr. SCOTT.—We can give you the names, but it would be an awful job.

By Mr. Sinclair:

Q. Can you tell how many of those on whom you actually paid bonuses? Some of them of course are immigrants on which you do not pay?

A. When you get down to that it would be very hard to make statistics. When the immigrant is making his entry for a homestead he is asked his nationality. I filed

a statement last week giving a number of homesteads entered from January 1, 1907, to January 1, 1908, of this year, showing the number of entries, English, Irish, Scotch and continental immigrants. Taking them for a period of 20 years they would average 2·5, or two and a half people, and taking that basis it would work out at 20 per cent Scotch, 23 per cent Irish, 43 per cent American, and 28 per cent continental.

Mr. MONK.—It would be very satisfactory to trace the immigrant right up to the Northwest and on to the farm.

Mr. SCOTT.—If you wish it for the purposes of demonstration, I would be only too pleased to trace say 50, but to trace them over a number of years would be an awful job.

Mr. MONK.—If it was done as a system you could be able to come before us and say: Here are the names of the parties on whom bonuses were paid.

Mr. SCOTT.—It would be an endless job.

Mr. SINCLAIR.—Could not the Mounted Police assist?

Mr. SCOTT.—Consider the size of the country.

Mr. SINCLAIR.—Could they not call on the settlers?

Mr. SCOTT.—They do in some of the newer districts.

Mr. MONK.—If the name of a man entering for a homestead was returned to you with sufficient information, such as the ship he came out on, could not you trace him more easily?

Mr. SCOTT.—That is the lands branch and they would have to amend their form. I had them amend their form as to nationality, but we never get the name of the ship. The committee adjourned.

Having read over the preceding transcripts of my evidence, I find them correct.

W. D. SCOTT,
Superintendent of Immigration.

MEDICAL EXAMINATION AND HEALTH OF IMMIGRANTS.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 34,

WEDNESDAY, June 10, 1908.

The Select Standing Committee on Agriculture and Colonization met here this day at 10.10 o'clock a.m., Mr. McKenzie, chairman, presiding.

The CHAIRMAN.—The committee, as you are all aware, has met to-day to proceed with the examination of Dr. P. H. Bryce in regard to the quarantine regulations, the health of immigrants, and other matters connected therewith. It was Mr. Monk who requested that Dr. Bryce should appear before the committee but the honourable gentleman has not yet arrived. Dr. Bryce has no particular statement to make; he is here for examination to give all the information that is required of him, providing he can do so. If any honourable gentleman present desires to interrogate Dr. Bryce, pending Mr. Monk's arrival, it is, of course, open to him to do so.

SYSTEM OF EXAMINATION AT OCEAN PORTS.

By Mr. Schaffner:

Q. If the information has not been given already, I would like the doctor to explain briefly the system of examination in force with respect to immigrants upon arriving at Quebec or other Canadian ocean ports.

Dr. BRYCE.—I may say, Mr. Chairman and gentlemen, that the system has not been altered materially in the last three or four years except to make it more precise in its details than it was four years ago, when we instituted the work, and regarding which special information is to be found in the annual reports. I might say that this year, in view of the increasing stringency demanded or rather, I suppose, the restricted opportunities for work, the department has endeavoured to bring out the very best of all who have in any way been assisted; and in order to do it it has made it necessary for every such emigrant who presents himself at a ticket office, or a shipping office, in the old country, to have the certificate of a medical officer of some sort—in England sometimes it may be the medical officer of the parish, sometimes it may be the family doctor—that the emigrant is in perfect health.

Q. You say that is the custom now?

A. That is the practice now. That is called for by the regulations of the department.

By Mr. Barr:

Q. Where are those regulations kept? We have been unable to find any trace of them?

A. These certificates go to the London office or to the ticket office where the ticket is obtained.

By Mr. Sproule:

Q. When was that system introduced?

A. This last year. I will attach to my evidence a copy of the blank certificate form required to be filled out by all assisted emigrants in Great Britain.

By Mr. Barr:

Q. Just this year?

A. This last winter.

Q. We could not find any trace of those regulations?

A. There is a printed form required.

Q. We have not seen any?

A. I have no doubt we can supply copies. I have seen the form myself.

Q. We have been told that it is merely a matter of form?

A. The regulations are contained on a large printed form and deal with all steamship passengers that are in any way assisted. As regards others, any person who comes to a doctor at Liverpool with his ticket in his pocket, and is healthy looking, of course goes on board. The Board of Trade doctor of Liverpool, or it may be of London, and subsequently the ship's doctor, examines that person before he goes on board and becomes a passenger. Of course, you cannot apply the certificate requirement to people who are buying their passage independently of any assistance. We have not seen any way by which you can get at a person who goes down—for instance, this morning at 10 o'clock—on the dock at Liverpool and, with thousands of others, demands to come on board a steamer that sails at 2 p.m. Everything then is in confusion and we have seen no way by which you can make an examination at Liverpool the morning of sailing any more thoroughly than it is with the Board of Trade doctor at the port and the ship's doctor. The passenger goes on board and during 7, 8 or 9 days he is under the supervision of the ship's doctor who has to make a signed declaration, which is left with the medical inspector of the port of arrival, stating that during the voyage no person has suffered from any disease other than the following: Then he has to give the name of the person suffering from the disease and the name of the disease, and that statement has to be signed by the doctor and by the ship's master. Really it is in the shape of an oath, and I don't know how you could make it any more binding. It is the word of honour of the ship's doctor that there are no more cases on board than he enumerates. Then when that passenger comes off the ship he is one of 1,000 or 1,500; there have been as many as 7,000 passengers landing at Quebec in a single day. Last year there were that number, the largest in any one day. The passengers have to be examined in detail and it is done simply in this way: On the large steamers of the Canadian Pacific Railway which lie at Quebec the company ask for, and the department sends down, a medical man to Rimouski, who carefully examines on the way up all the second class passengers. They are generally nice people, but here and there there may be a defective of some sort amongst them. Those detained are taken into the immigration building. When they come into the building they pass through a line of medical examination, which I think, is as reasonably strict as can be carried out anywhere in practice. We have two medical men on the line. One doctor's duty is to examine, as the immigrant comes along a narrow passage where there is nobody else, the general appearance of the man; whether there is anything defective in his appearance, such as epilepsy or it may be St. Vitus' Dance, or whether there is anything that would indicate that he is a defective. That is noted as he goes along the line. After that he is examined in detail. If there is a tendency shown towards trachoma, that is ascertained by turning back the lids of the eyes. That is done with us much more thoroughly than it is at New York, where they pride themselves upon the carefulness of their examination. I know our results are even more exact than theirs, and they think in New York they are pretty exact. In general terms that is what we do.

We have often wondered how we could examine 1,500 or 2,000 or 3,000 people, coming mostly from Britain, in any more thorough way. The experience has been that there are more persons of defective physical organization come from Great Britain, especially from the factory towns in England, than from any other country, notably more; and we have wondered what we could do with regard to stopping a line, for

APPENDIX No. 2

instance of 2,000 people, in a forenoon or in a day and going into what you might call a minute physical examination of each one. We have thought that in the first place it would mean three or four days' detention of a shipload; and when you remember that means the debarkation of about 1 person in every 100, you will see how serious the problem is. If you examined 99 persons and detained one person, it would mean the very unnecessary, in my judgment, detention of all the rest. We have to realize that these people have been on board ship for nine days or two weeks, that they are going far west, that they are not in good shape so far as their physical appearance goes, they are dirty looking; and if we started and examined into the condition of the lungs and heart of each passenger it would mean from half an hour to an hour's delay in each case. We do not think the number of detentions or deportations, at present at any rate, calls for such a severe discipline as that. It is not followed in New York, where they have been trying to keep out rather than admit people, and personally I do not think it is necessary here. What we have done has been to insist upon our medical officers opening their eyes wider, if possible, to see any mentally defective person. Now, only yesterday a person got to Winnipeg and shortly after getting there he became insane. Well, it looked as if that man ought to have been detected with certainty down at Quebec, say a week before. But medical men know that sometimes within a night a person becomes violently insane. I have been collecting statistics from our asylums and have noticed that you will find an insane person's name occurring in a list once, twice, three times and even four times; going into the hospital, coming out well, staying out a year or six months, then getting bad again and going back once more to the hospital. Well, if that man is well enough to be sent out by the doctors of the hospital and should happen to be coming through the port of Quebec, it is not to be expected that our doctors, who know nothing about the case—which is but one in 3,000—are likely to pick out that man. I do not think so, and while I think they have learned to be much more careful with regard to mental diseases and that sort of thing than they were at first when everybody talked about trachoma, I am quite certain that if you took the total number of insane that have been deported in two years and set it against the 50,000 or more people that have been inspected, you will see that the inspection is just about as reasonably exact and careful as the situation makes possible.

By Mr. Blain:

Q. What objection would there be to have a medical officer on each vessel with a very large number of immigrants on board?

A. Each steamship at present has its own doctor.

Q. But we will say a special medical man representing the government?

A. Well, we have talked about that and it has seemed better, if anything more is deemed necessary that the ship's officer be made our officer so to speak. We might say to him: 'Now you only get so much from the company, that is mostly for taking care of people who are seasick and one thing and another. You are not supposed, presumably, by the terms of your contract, to spend all your time down amongst the immigrants. Supposing you agree to make a daily individual inspection of every person downstairs during the seven or eight days of the voyage?' I am convinced that if we can get the officers of the company to do that, we will have adopted the extreme of methods to find out really the condition of health of every one on that vessel.

By Mr. Barr:

Do you understand that the government pays for this health officer?

A. What I am stating is only a supposition.

Q. But as a matter of fact they do now?

A. Oh, no, not on the steamships. The government does not pay the ship's doctor now.

Q. Then there is no safeguard?

A. Yes. We would add to his salary. They only get about \$50 a month, these young fellows.

By Mr. Black:

Q. In your opinion, is the average ship's surgeon a man of sufficient ability to be selected by the department for that kind of work? You have met many of them as well as myself?

A. I think they are. They are divided into two classes. I have known of young men a little anæmic or a little tubercular, who have gone on board as ship's surgeon, because they are delicate in health. Once in a while you will find an old soaker, but not many in recent years I am glad to say. Then there is a class of bright young fellows who want to get a little pocket money and experience of the world.

By Mr. Barr:

Q. It not infrequently happens that they are not graduates of a medical college?

A. I do not think so. I think the steamship companies can get all the graduates they want.

Q. I know cases where the young men have failed in their examination?

A. Certainly we would not grant our money until we knew our men.

By Mr. McIntyre (Strathcona):

Q. The ship's surgeon examines the passenger's at the point of embarkation for the purpose of protecting the interests of the company?

A. Yes.

Q. He makes a thorough examination because the immigrant, if he is an invalid, or is in a bad state of health, is going to prove an expense to the steamship company, provided he is detained in the government detention hospital? The company pays for that?

A. That is right.

Q. And if diseased immigrants are deported, the company pays the expense?

A. Yes.

Q. Therefore, it is necessary for the ship's surgeon to see that those men coming on board are in absolutely good health. Now, here is the fault I find in the suggestion made by you. To my mind Mr. Blain's suggestion is ahead of yours. Supposing the government pays the ship's doctor for investigating the health of the immigrants? It will be his duty, as it was before, to protect the ship or rather protect the company. Now if, after the vessel has sailed, it turns out that some of those people have seasickness which develops before obscured epilepsy, quite a common thing I believe under such conditions, it is the duty of that surgeon to his employers to protect that epileptic from being detected at the port of disembarkation. Is that not true?

A. It may or may not be true. He has got to sign a certificate.

Q. Yes, but whom is he working for?

A. Of course, there is that phase of it.

Q. Here is where I see the fault in your suggestion. Under your arrangement you would have the ship's doctor as a government officer to report on the people that are sick. But the moment he does so he entails additional expense on the company. Do I make myself clear?

A. Quite clear.

Mr. McINTYRE (Strathcona).—I cannot see that such a system would work.

By Mr. Barr:

Q. As I understand, the immigrants on disembarking here merely pass along a line?

APPENDIX No. 2

A. In front of our medical inspector and his assistant.

Q. But they pass along?

A. They pass along in front of two doctors.

Q. How rapidly do they pass along?

A. Well, supposing they are fine hearty looking English people, clean in wind and limb, I suppose, probably one a minute or probably one in two or three minutes. You take a thousand people and their examination would occupy several hours.

Q. As a matter of fact they pass at the rate of six a minute according to our information, I think?

A. No, hardly that.

Q. You could not raise the lids of the eyes of each person in that time?

A. We do not.

Q. You do not pretend to do that?

A. Not if the immigrants are English people.

Q. You could not raise even the man's head in that time?

A. I would put it that each person's examination would occupy not much more than one minute.

Q. But actually the immigrants pass at the rate of six a minute. That is proven beyond doubt by the figures presented to the committee by Mr. Scott. You see that is the actual fact?

A. It may have been in the case of a healthy ship. That might be in the case of a healthy lot of people.

Q. Yes, but that is the fact according to the list laid before us by Mr. Scott?

A. All the doctors can do, unless they examine each immigrant in detail, is when they see a delicate looking person, who may be consumptive, to tell him to stand aside and the line goes on.

Q. Many persons whose eyes are affected have passed the line instead of being asked to stand aside?

A. Oh, no.

Q. Yes.

A. You see we have not got trachoma among the English people. You cannot find any in our hospitals, not one in a thousand people.

By Mr. Monk:

Q. There are a great many people affected with eye disease in England now?

A. That is among the Jewish people, and they are examined there now.

By Mr. Barr:

Q. A great many cases come out here?

A. We have got all of them. I am convinced that we do not get trachoma from England except amongst cases that may have been in hospitals and treated. The disease is not amongst the English people.

Q. What about the continental people?

A. We examine all of them.

By Mr. McIntyre (Strathcona):

Q. Quite recently I had occasion to look into your method of inspection in the city of Quebec. I think it would be advisable for every medical man who is in the House of Commons to examine into your methods because, to my mind, the statement you made is absolutely true; that as a reasonable examination I do not see that it can be much improved. A very misleading statement has been made here that 300 will pass within a certain limit of time. Every person that passes the doctor is examined. He is stopped and asked three questions: generally where he came from, where he is going, and what condition of health his family is in. Those questions are

broad questions of that kind. One is to determine whether the man can answer a broad question of that kind. Generally speaking there is some pleasantries passed on the part of the doctor there. No person passes a doctor without being asked at least three or four questions.

A. That is right.

Q. At the examination I saw all the children's heads were uncovered, and so were the parents for that matter, and an examination made of the scalp as regards ringworm or any similar skin disease which might manifest itself. The point you make is an important one, that if the immigrant be anæmic he is sent to the detention room. Of the passengers that I saw examined fully fifty persons were detained?

A. That is right.

Q. For instance there was somebody that had a glass eye. That was noticed, and it was a very clever piece of work. That person was set aside and for various other reasons passengers were set aside and sent into the detention room; but the line was not stopped on account of the persons so detained. In the case of all continental people coming in their eyes are carefully examined.

Mr. SCHAFFNER.—About how many a minute went through?

Mr. MCINTYRE (Strathcona).—I did not take note of the time so I could not answer that.

Mr. BARR.—I saw the inspection several times and that was not my experience.

TRACHOMA.

Dr. BRYCE.—Perhaps I might say this with regard to trachoma. I think it is worth noting. You know that in 1902 or 1903 there were loud complaints of people suffering from trachoma coming to the States via Canada. The regular work in connection with our department began in 1903 and became more exact with our own hospitals in 1904. In every year since that time we have, especially in the cities of Montreal and Toronto and last winter in Winnipeg, Calgary and Regina, made detailed examinations of the hospitals and the dispensaries with a view to finding if there were any trachoma cases in those institutions. Now speaking without notes I may say that the Winnipeg General Hospital, in its out-patient department, last year had 2,935 persons coming up daily for examination. I went through in detail every case in that list as to the cause of their coming there, and out of that number there were only 17 persons in the whole year who came up to the Winnipeg General Dispensary, which is a free dispensary, for treatment on account of trachoma.

I went to the Margaret Scott Nursing Home, which is down near the station in Winnipeg, within a couple of blocks of it, and the nurses from that institution visit the poor in their homes.

Mr. JACKSON.—It is near the Immigration Home?

A. Yes, near the Immigration Home. They have some six or seven nurses going about attending the poor immigrants and other people who need their services, but there was in the register in the Margaret Scott Home, out of 230 or 240 cases in the 10 months previous, only one person as having been treated for the eyes. Within a block of the Margaret Scott Home, three or four doctors who were not on the hospital staff, started a little clinic on their own account, and they had asked the public in that neighbourhood to come there and be treated free. I said to one of the doctors who had been going to the clinic for about four months, 'Have you had any trachoma here?' and he replied, 'No, we have not had any trachoma patients.' At Regina there was quite a noise made, principally in Saskatchewan, by certain officers there that there were a good many trachoma patients cropping up in the rural parts of Saskatchewan. I went there, and got hold of the provincial health officer, Dr. Seymour, and said: 'Can you put me on the track of trachoma patients in this province?' And he said in reply, 'I really do not know of any specially. We have just started our record

APPENDIX No. 2

system requiring the compulsory reporting of contagious diseases; from the rural parts we get them once a month, and we get them from the cities also.' I said, 'Tell me what you have,' and he said, 'We have them over in the Department of Agriculture, whatever returns have been received they are kept over there.' I said, 'You have heard the report from the Department of Agriculture that there are a great many patients,' and he said, 'Yes.' I said, 'Do you know about them?' and he said, 'No. I think it is Dr. McLeod, a specialist over here who reports these.' I said, 'We will go and see Dr. McLeod,' which we did, and after a preliminary chat with Dr. McLeod, who is a good Nova Scotian doctor and tells the truth, I have no doubt about that, he was asked how many people he had seen in the last three months, being new cases of trachoma, and he replied, 'Well, I don't know, probably one or two per month.' I said, 'You are reported as having seen lots of cases, and there are a good many Germans in the suburbs of Regina, and I suppose you have seen them.' He said, 'I think they must go to other doctors, they do not come to me.' I said, 'Can you let me look through your books for the past three or four months?' But he did not offer to produce the books, and the most he could say was that he had one or two cases within the last month, or within two or three months, as new cases. I said, 'Who were they?' and he replied, 'One of them was a family that moved up here from Manitoba, an English family.' He could not give me others; that is the only case he cited as having trachoma.

By Mr. Lewis:

Q. Is he a private practitioner?

A. He is a private practitioner.

By Mr. Monk:

Q. You probably read an article by Dr. Gordon Byers, one of our best eye specialists in Montreal, which was published in the *Medical Journal* three or four years ago, in which he called particular attention to trachoma patients which they had treated in the Montreal General Hospital and in which—I am quoting from memory—I think he says, there has been a diminution in the number, still the percentage of trachoma in a city like Montreal constitutes a very grave danger. Then again what have you to say in regard to the Trachoma Hospital at Quebec where we treat patients, if I am correctly informed?

A. You mean the Government hospital?

Q. Yes.

A. Oh, certainly, but we do not allow them out until they are cured.

Q. As to that, I cannot speak with knowledge, although I have heard of a woman who was treated there and afterwards, although not cured, was sent down to Nova Scotia to join her husband's family; but this is mere hearsay. Does not that, in your estimation, constitute considerable danger in regard to trachoma?

A. No, if I understand you, the point is that trachoma cases which come in amongst the immigrants are stopped and treated; if that is what I understand Mr. Monk to say, that is quite true. This year Dr. Pagé, our Quebec officer, spent several days going among the Montreal hospitals to find out whether any of his old patients were being treated there, and the doctors who are in attendance as specialists simply tell us that the condition of five years ago does not exist at all to-day. I suppose not more than twenty or thirty cases are reported from the ordinary dispensaries as being treated for the year. Of course, one case may go for a month or up to two or three months, but whatever had existed five years ago does not exist to-day. We want to find out, because we wish to know whether the treatment in our Quebec hospital is effective and whether it is thorough, scientific piece of work. Dr. Pagé there is as scientific a man as there is anywhere, and to treat an eye and make a radical cure of it is just a

hobby with him. He wants to make a thorough job of it from a scientific standpoint, and we do not find so many cases because they do not exist, I am sure of it.

Q. Then there is a very great improvement?

A. A very great improvement.

Q. Because in the report three or four years ago United States officers refused at Sault Ste. Marie over 500 cases of trachoma immigrants passing from Canada to the United States?

A. Yes, exactly, but the point that the United States might seem to make is at variance with the facts as we interpret them. At Montreal they have a very large bureau, and I suppose three-fourths of the detentions that are made of people going to the States are made there, because it is a common thing for immigrants, from whatever reason I do not know, to be directed to buy their tickets to Montreal. If they are going to the United States they are, of course, examined on coming into Canada. Now in trachoma we have a situation like this. In a person who has trachoma the mucous membrane on the under side of the lid has been eaten away, if the disease is of some years' standing, and there is nothing left but scarred tissue. Dozens and dozens of these cases of cured trachoma are to be met with, but like a scar anywhere else it is still a scar and it will never be covered up. Now, if it is an unlikely looking immigrant, if he hasn't any money, or if he is of a certain nationality, the American examining officer merely makes a point of saying, 'He has trachoma, and we cannot admit him on that account.' I have said to him, 'Doctor, he has not trachoma, he is cured of trachoma, he has had trachoma, it is true'—you see the point, gentlemen?

By Mr. Monk:

Q. Once trachoma has reached the stage that you have indicated is it curable?

A. It is cured in the same sense that you may have a cut on the skin and cure it, but you do not get rid of the scar and it is exactly the same with the underside of the lid in trachoma.

By Mr. Black:

Q. The scar is not trachoma any more than the scar on you hand is the cut?

A. That is exactly the point I made with the American officer, I told him, 'That is not trachoma, but it is cured trachoma.' And he said 'We do not want the immigrant.' We can't say that.

Q. And he charges the trachoma up to Canada?

A. That is really the point, he has not trachoma, but cured trachoma.

By Mr. Monk:

Q. Have you any knowledge of trachoma existing in Sault Ste. Marie almost continuously?

A. No, except that there is a large colony of Italians there who have been there for nearly ten years; I have never heard of it within my term of office here.

Q. In your opinion, in view of what is stated regarding the existence of trachoma in eastern Europe, what Marcus Brown states in his report to the American authorities, in those countries it is impossible to eradicate trachoma totally; do you consider it is an advantage to us to receive immigrants of that kind even if they had trachoma which has been cured?

Mr. HUGHES (Victoria).—What countries do you refer to?

Mr. MONK.—I refer to the southern part of Austria and to Italy, the eastern parts of Europe where trachoma exists and where they can't get rid of it; they have to segregate the army completely from the rest of the population, because once it gets into the army there is no knowing where it will end, it is very contagious.

APPENDIX No. 2

A. If it gets into the houses of the poor it is no telling where it will go; in a family it is bad, and in its acute stage it is readily communicable, and you know in certain classes of the community where you get sore eyes it runs through the family.

By Mr. Hughes (Victoria):

Q. Does it result in total blindness?

A. In such countries as Finland it is said to have been the cause of 30 per cent, probably, of all the blind people. But as a matter of fact, we have searched everywhere during the last three years for cases which have been treated, to ascertain the extent of the cases in Canada. I found in St. Boniface Hospital, Winnipeg, as many or more cases—and there are not more than a dozen or so in the whole—had been among the halfbreeds and Indians who came into the dispensary there, as there are among the immigrants, and we know how many immigrants have gone in there during that period.

Q. You mean among the half-breeds and Indians who come into the country?

A. Who are in the country. I mean to say that, speaking generally, more than one-half the trachoma cases in the St. Boniface hospital last year were in natives of Canada. Whether the others got it here, or whether they had been in the country for years, I do not know, but there were probably not more than ten or fifteen immigrant cases in all in the year in St. Boniface hospital. We pay a certain amount of money to the hospitals at Winnipeg and St. Boniface for the treatment of immigrants, and there is no reason in the world why the authorities there would not see trachoma if it existed. I went to Dr. Good, a most famous eye specialist, and said, 'Have you seen trachoma there?' 'Lots of it,' he replied. 'Recently?' 'Not recently.' 'Amongst whom did you see it?' 'It was among the Mennonites. I do not see many of them now. I do not see the class of people who have it.' Then I asked him, 'Will you have your clerk go through the books and give me a list of the trachoma patients you have seen here?' 'Well, if she has the time,' was the reply.

Q. That is referring to one little city, Winnipeg. Have you any means of ascertaining how many of these people who never saw a hospital or are sent to one, have the disease?

A. I tried the specialists.

Q. What information have you with regard to the disease among the settlements?

A. We have the benefit of the experience in the hospitals in the Northwest, say 15 hospitals.

Q. The immigrants never see the inside of a hospital, they go on for years suffering from the disease before seeing the inside of a hospital?

A. We have asked them in Saskatchewan. They have a compulsory law there requiring that notification be given to the provincial authorities of all contagious diseases.

Q. Of which not more than 2 per cent of the people ever heard?

A. I do not see how we can get any more information. I have gone to the hospitals, to the free dispensaries, to the provincial boards of health, and I have asked in every case for information, but nobody could give me any positive figures. I would be very glad to have them if I could obtain them, but I cannot, I have tried every possible source. I have tried everywhere, and in Montreal, where there are so many Jewish people, we have searched the dispensaries and hospitals and have got reports, and I suppose that last year in that city of half a million people it has not amounted to more than fifty individual cases in the hospitals.

By Mr. Monk:

Q. You know we have in Montreal exactly the same law for the reporting of contagious diseases as they have in Winnipeg, but our experience is that people of a

certain class, and particularly foreigners, will only see the doctors as a very last resort?

A. Well, where are you going to find them if they do not go to the free dispensaries.

Q. If they do go it is accidentally, because they would rather stay at home than see a doctor, for the reason that if they see the doctor it means isolation?

A. We have tried the specialists and we have tried everywhere to get full information. I do not know where else we could go.

By Mr. Sproule:

Q. Were there not a number of cases reported from Toronto some years ago?

A. Yes, but it has all been changed. I wish we could prevent other diseases as easily as we have been able to stamp out trachoma. You see they are examined at their villages in Germany; these eastern immigrants cannot get through Germany without examination.

By Mr. Monk:

Q. I do not know about Germany, but in Italy and Austria they are glad to get rid of them.

A. In the last 'Outlook' they have an article on the examination in Germany. They have detention houses on the border of Austria and Germany. On the German border the examination is much more thorough than anywhere else because they do not want them to come into Germany or to get off the train. At Hamburg there is a large building and they are more exacting than anywhere here or in the United States.

Q. Have you examined into the possibilities of our having medical officers on the other side of the ocean to examine immigrants coming here? We have only two or three lines of steamers, at the most four, coming here, particularly from the eastern ports. Would it not be possible for us to have such a system as they have in the United States to examine all immigrants before they leave the other side, because the examination conducted here when a steamer arrives with a large number of immigrants is necessarily a very short one?

A. It is a short one.

Q. I wanted to ask you that question particularly because it would save us a great deal of cost for the care of immigrants who arrive here afflicted with trachoma, or other contagious diseases; it would save us considerable expenses in connection with the deportation, much more than we would expend in making the examination on the other side?

A. I might say that we have thought of that phase of the question, and having looked into all the circumstances personally, I have not yet been convinced that anything more effective than is being done at present on the other side, can be done practically. I mean this, that every person that becomes officially an immigrant, you might say, on the other side, has to bring a medical certificate that he has not been insane within five years, that he has never been an epileptic, that he has not consumption; in other words, that he is a healthy person. He has to bring that to the ticket agent before he can purchase a ticket, which will be accepted at the seaboard; that deals with, I believe, the larger number of intending immigrants. There is another large number of the better class of people who are coming to Canada to better themselves; they ask nobody's opinion, they go to the local agent and say I want to go to Toronto, or Edmonton, or Calgary or wherever it is, and they buy their ticket as you or I would buy it, and they probably come second class. They do not come down to Liverpool until the morning of sailing. What proportion they bear to the whole number it is hard to say. There are about 2,000 people who sell tickets in England, in different parts of the country, and I do not see how an independent person, such as I have referred to, could be brought down to Liverpool to be examined before sailing,

APPENDIX No. 2

unless it was made an order to every agent. We would have to have them come down and spend two or three days in Liverpool, be out of pocket that amount waiting around the Liverpool boarding houses in order to be medically examined. Some days, with several steamers sailing on the same day, as many as 6,000 or 7,000 people would be in Liverpool on the same morning. It would be a hardship to bring them to that port two or three days before sailing in order to be examined; it could not be done on the morning of sailing any more fully than we do it on this side when they land, and I think the only possibility is of having the ships' officers employed for that purpose. I have suggested, from the idea of economy, that the ship's medical officer, belonging to the steamer, be asked, 'Will you become the officer of the government for a certain additional salary to be paid by the government and make a daily examination of the immigrants while on the way across?' I believe that can be done, and I believe that is an economical way. We would not be interfering with the authority of the steamers by putting our own men on board, which might be a cause for discussion, but by adding a little to the salary of the ship's officer and requiring him to make a daily inspection of the immigrant, he would be able on arrival to give us a list of those he thinks we should look after. It would save time on this side, because if he has an epileptic on board he certainly would detect such on the road over, and if necessary we could require him to make an affidavit as to the accuracy of his report.

Q. I would like to ask Dr. Bryce if he has heard that at the hospital in Quebec they have a habit of using the hospital premises for the purpose of raising and fattening chickens, and doing other side businesses of that kind, of a private nature, at the expense of the country. I have been informed that the last time you went there, doctor, I think it was, these coops and other paraphernalia connected with the business had been temporarily removed, and during the period of your visit they were kept on an adjoining premises. Have you heard of such an abuse as that?

A. I might say that is absolutely untrue in every detail. The only thing that has ever been done there was that the doctor there, who has lived in the Eastern Townships and has kept a cow and some chickens all his life, had some chickens at the hospital last year and attempted to incubate eggs; he failed in his experimental chicken farming. I think there was one chicken left out of the whole lot, and as far as I know there are not a dozen chickens on the whole hospital premises.

Q. I heard that the incubator and other coops were removed to a neighbouring farm when you were coming?

A. Dr. Pagèt is charged with the fullest responsibility and is not that kind of a man. His experiments in the chicken raising business were extremely unfortunate.

By Mr. Sinclair:

Q. Was there anything in the story that they were utilizing the refuse of the hospital?

A. They were not utilizing the refuse, because the chickens never got to the stage of eating it.

Q. The only thing was they used the barn for housing them?

A. There was an empty stable there which was utilized for that purpose.

Q. Did anybody object to that?

A. I do not know, I certainly did not. I saw the chickens there and I saw the incubator. The doctor was unfortunate in his first attempt because the chickens did not grow.

By Mr. Barr:

Q. But he was raising chickens for his own profit?

A. For his own pleasure, but he was not successful.

Q. But if they had been successful it would have been to his profit?

A. It is certainly a case of a man who was used to keeping chickens and liked to see chickens there, and he got a dozen to start with, and an incubator, and he put the eggs into the incubator and utilized the stalls of the empty stable.

Mr. MONK.—I think if the committee desire to hear any further evidence in regard to trachoma we should ask Dr. Byers of Montreal to appear before the committee. He is an eye specialist of great distinction.

WITNESS.—I may say that I would be delighted, if the committee desire further information, for Dr. Byers to be called. He would only say, I am satisfied, what we have said to-day in regard to the disappearance of the disease.

By Mr. McIntyre (Strathcona):

Q. As regards your examination on this side, you also retained the right to report unfortunates for how long?

A. Two years.

Q. For insanity or epilepsy?

A. For insanity, or epilepsy, or anything else. I might say that we have hunted the hospitals and asylums since the new Act went into force, and we have carried on correspondence with the friends of the unfortunates in foreign countries, we have gone through the hospitals and asylums and last year we succeeded, out of the accumulation in the hospitals and asylums for years, in sending out of this country 122 insane persons.

Q. Supposing a development of trachoma should occur. Take as an example that trachoma develops in Winnipeg, what procedure will you take within the two years?

A. The Act provides particularly that any person who becomes an inmate of a public institution, either hospital, jail or asylum, may be deported within two years. Now, a trachoma patient that will go to a dispensary will not become an inmate, I suppose, unless one wishes to push the meaning of the word 'inmate' to extremes; he is probably a patient who is making his own living, and he turns to the dispensary just as any person from the town does, because it is there to be used; he would not be deported. And if he happened to be a contagious case, and was really sick, he would go into a hospital—likely in this case he would into the General Hospital in Winnipeg. I think there were on the register of the Winnipeg General Hospital some eight or ten entries during the year of cases that had been in there; such a person would go in and be treated there. But we have never deported a man who is otherwise healthy and earning his livelihood, on account of trachoma. If he becomes a pauper patient, and is incurable, that is different.

By Mr. Sproule:

Q. What authority has the province to deport?

A. None?

By Mr. McIntyre (Strathcona):

Q. In the case of trachoma, I am asking your opinion, do you think that trachoma is commonly contagious to a healthy class of people?

A. I would answer that question by saying: 'Is consumption contagious?' We have to discriminate in this. What takes place in the house of a settler or in a small tenement in a city community where people are not too well supplied with water, and sometimes do not use water too generously, or if the case is like that of country hotels everywhere where they use a common towel, such a disease may be disseminated by common towels. I know that even our well advanced Canadians use common towels in some of the large hotels, but in houses if there is a common towel and there has been an acute case of contagion in the family others are going to have it.

APPENDIX No. 2

Trachoma is a disease that develops out of ophthalmia from all of three distinct microbes. The most recent investigations show that ordinary sore eyes end in trachoma and it is especially severe according to the constitution of the individual, but varies especially in severity according as it is the ordinary pus germ, or the septic germ, or one or two other germs that are recognized as the Weeke or Moxon Bacillies. In England you have the ordinary ophthalmia, which becomes chronic, and which may be compared equally to catching a cold in the nose, which lights up a chronic catarrh there.

By Mr. Sproule:

Q. Do I understand you to say there were no cases found amongst English immigrants?

A. Almost none, except a few Jews from the east end of London.

Q. I know that a few years ago I saw one family come to our country, all of whom had it, and we got them back to the city. It seemed to me clearly a case of trachoma.

A. Were they from the east end of London?

Q. I do not know.

A. Occasionally we see it now among the Jewish people, but there is no reason why they should not get it on ship board, even while they are coming out, from towels and inadequate water supply.

Q. They get it on the steamers?

A. On shipboard. I wonder they do not often get it coming out.

By Mr. Lewis:

Q. You say there were 120 people deported last year. What was the cause?

A. That was last year, on account of insanity alone.

Q. For the one cause?

A. Yes, it would mean there were that many out of say 300,000 immigrants; because when we started a correspondence about the insane patients it has sometimes taken us over a year to find out the friends to whom we could send them. We will not send them until we find who to send them to, because it would be cruel to send them to Liverpool and drop them there unless we have some person to take charge of them.

By Mr. Sproule:

Q. I think the suggestion to employ the ship's doctor to examine the immigrants coming over would be a very objectionable one, because I cannot imagine that the ship owners would employ the doctor, or they would not keep them very long, if they found that they were reporting all cases that would impose upon the shipping companies the expense of taking them back again.

A. I can say this, that while the shipping people have in the past, in the early days, been rather crusty about it, we have now found them very very willing to fit into our regulations, and if the young man who is the ship's doctor does not always hunt up all the cases that he should, it is, I think, because he does not think he is expected to. I would go farther than having a daily examination, and I would have him make an affidavit if necessary. I did not feel that way about it until after I had met them. I did not feel that way about the steamship companies either, but I have found that most of the young fellows who are doctors on these ships are men of honour, and if they knew that they were expected to make a daily visit to the immigrants and to make a report of those they want us to look over again, they would do so. They know very well if there is an epileptic on board we will get him at some place sooner or later and put the steamship company to the expense of taking him back. We will find him probably in the course of a few weeks and the SS. com-

panies have to take him back and pay the expense anyway. There is no object gained in hiding it. While it is only a tentative suggestion, I think it is less objectionable than any other method, because these men are already appointed. I think it will be expensive to put our own men on board the steamers, supposing we take say fifty medical men and appoint them to make the examination on board the steamer. Then there is the further difficulty that we would have to put them on the steamers belonging to someone else, and I do not know how that would work.

By Mr. McIntyre (Strathcona):

Q. I know it entails a lot of expense, but I think with a view of examining all the immigrants carefully it would be better done by our own medical officers. You can possibly answer this question, 'Are your medical officers at the port complaining that they are not always in accord with the ship's surgeon?'

A. That might be quite true.

Q. Do the ships' surgeons even now report fully notwithstanding your requests that they should do so?

A. I do not intend to say they do, but I think they report fully according to their knowledge and the extent of their examinations.

Q. I am not making any reflections on the ships' surgeons, but there are two points must be borne in mind; he has given his judgment of the immigrant once, when he allowed him to come aboard, and we all know that men having once given a judgment are apt to stand by it. When the surgeon gave his judgment on the entrance of these people to the ship, that they were healthy, he took the responsibility then of practically certifying to their condition, and of keeping them healthy while on board. Practically the ship's examination of immigrants coming to this country is at the port of embarkation, and he tries to make his examination in accord with your examination, but if by accident it does not accord, a man's duty to his employer would be to see that that employer was not put to too great expense. He is in no sense your employee.

A. But he would be under my proposal.

Q. The suggestion made by Dr. Sproule and others is that if we are going to do anything like that let us put \$50,000 more to it and have the inspection upon a proper basis.

By Mr. Sproule:

Q. If you are eight days in crossing, and you have 1,000 people on board, it will give you a reasonable time not only to inspect them from day to day, but to select and examine those showing any evidences of disease. Take, for instance, the incipient stages of consumption, which require examination from time to time, and there are other cases of that nature which you cannot determine by one inspection. The ship's surgeon, I take it, is only concerned in keeping his crew healthy while on board the ship; he is not going to concern himself with his passengers' ailments so long as they are able to get about. But if his duty was during the trip to ascertain from time to time whether these people are healthy, or whether there is any evidence of incipient disease, I take it as soon as he saw any evidence whatever of that he would be apt to keep a closer trace of these people and examine them from time to time. At least he ought to do it if he desires to get at the facts.

A. I think if he made a daily examination that was really effective he would obtain such information and would prepare a return for our officers so that if there were 50 or 60 people on the ship requiring it they would again examine those people in detail. I can see a great many objections to making appointments of our own men on the steamers of the companies. I do not know how it would work out. If you have to train, say 50 men, we would have the same amount of responsibility, or lack of responsibility, according to the individual character of your men, and I am in-

APPENDIX No. 2

clined to think that if we added to the ship's doctor a portion of his salary, on the understanding that he gives us a report, that he has made a daily examination and the results of that examination we could do it for a minimum amount of money, and without any friction, especially if he made the affidavit, we would get pretty nearly all that there is in it, that is my feeling.

By Mr. McIntyre (Strathcona):

Q. Can you not see that a contingency such as this might arise; you are partially employing this man and the ship is partially employing him. He is satisfactory in every way, the more he protects the interests of the shipping company the more satisfactory he will be to them. But when you find a shipload comes over on which he makes a satisfactory report and you find there are a number of epileptic cases afterwards develop among those passengers, that he should have detected, you would say, that man ought to be discharged, but what is the probability of your having that done, you see the problem you are up against?

A. We would cut off his salary at once, and the company would cut it right off on top of that, we may be sure.

Q. There might be a point where your interest and the ship's interest would clash?

A. Well, I think we have a guarantee for the good behaviour of the doctor in the extra salary we would pay him. He is to make a daily examination and he has to make an affidavit at the end of it showing that certain people have been sick or that there are indications that they require further observation. I do not believe, if we can make this scheme work out that we can get nearer to what we all desire through any other method. I would rather try that first anyway.

Q. I am not taking objection to your system, but at the present time I will say this, that I don't think your proposal, in view of the rather excellent results you are attaining at the present time, is worth the extra money.

A. That may be so, I do not know how much more we will get out of it, because we think we are getting nearly all there is now.

By Mr. Sproule:

Q. Supposing you had 100 men on that inspection, I would prefer to call it inspection, not examination, and you have this guarantee that these were morally healthy people and the captain finds that the doctor has reported against a dozen of these; would not the ship's captain be likely to say: 'You inspected these people at the start and put them on board as healthy people, and now you turn around and report against them. There was something wrong with you in the first instance, otherwise, you would not have allowed them on board and put us to the trouble and expense of bringing them back; why do you report against them now, when you reported favourably on them in the first instance.'

A. Do you not think that the steamship company would say, as I say, that the doctor has too large a number to inspect in say two hours' time, that he can only make a casual inspection, and that he is not infallible. I am convinced of this, that if we could keep these people at the port two or three days after they have landed and make a detailed inspection we would find more than we do find. Of course we have the means of turning them back finally, and we turned them back last year, over 800; but it is a matter of practical detail, and I would not abuse the young doctor who didn't discover, as the immigrants were coming aboard at Liverpool, a case of epilepsy for instance.

Q. You would not, as a medical man, blame him? But where you have a Board who look at every dollar or expense, they would not look at it as you or I would because they do not know the difficulties attending the inspection. Wouldn't they be liable to say: 'We had better dismiss this man and get another.'

A. Do you not think that if they know they have to take them back again any way, for we are sure to catch them and deport them, they would not abuse the young fellow for not having had his eyes very wide open at Liverpool. You see we have another problem and that is the problem of examining at the United States boundary. Last year there were over 50,000 came in across the western boundary alone, and I do not know how many came in to Canada by the eastern boundary, and it is a problem how to get at these which are all included in the total number entering the country. We deport a certain number to the States each year on account of epilepsy, insanity and L. P. C. This is a problem that the department is endeavouring to get light upon, how we can, along 4,000 miles of boundary, make a medical inspection which will repay you for the amount of money spent.

By Mr. McIntyre (Strathcona):

Q. My idea is that in all your inspection the most valuable thing you can have is the provision that you can deport them within two years after they come into the country?

A. I think so.

Q. I do not think there is any other part of your inspection that compares with that in point of effectiveness. I think that is the greatest safeguard that we have against the entrance of undesirable immigrants.

PROCEDURE IN DEPORTATION OF UNDESIRABLE IMMIGRANTS.

By Mr. Sproule:

Q. Here is another thing, supposing a man comes into the locality which I am in, and he gets troublesome and becomes insane. There is a lot of trouble about it. The first thing you have to do is to lodge a complaint before the magistrate in order to have him committed to the jail or sent to the asylum, and if he is sent to the asylum as an insane person, that necessitates the examination by two medical men, and the filling out of depositions and certificates, and these examinations cost, I think, \$5 apiece. If he is sent even to the jail, I am not sure but what they require an examination by two doctors even to commit him there. That all necessitates expense and who pays that expense, or where does it come from?

MR. MCINTYRE (Strathcona).—You are speaking now of an immigrant, are you?

MR. SPROULE.—Yes.

MR. MCINTYRE (Strathcona).—I do not think it is necessary to go through all that detail.

A. The clerk of a municipality makes the application to the Minister of the Interior.

By Mr. Lewis:

Q. Why do you settle on the two year period?

A. It has been settled on as the most satisfactory period, and I think it is a very complete protection. If an epileptic is going to have epilepsy he is going to develop it long before the two years have expired. If he is insane, he is a very healthy man if it does not develop within two years, especially during the first two years he is in a new country. The curious thing is that these cases are occurring in only two or three of the large centres. I have gone over every one of the large asylums, starting at Montreal and going west through Ontario. I just got through yesterday, and I have found out, except in two centres, Montreal and Toronto, the asylum population has not increased from immigrants to any notable extent. During the last three years there has been no increase that you can measure statistically over what there was five years ago.

APPENDIX No. 2

By Mr. Sproule:

Q. It is in Toronto. I have looked it up.

Mr. LEWIS.—I am speaking more of degenerates.

A. Such are sure to crop up somewhere. If you take the assumption that during the last two years there were 350,000 people came onto Canada, and undoubtedly there were that number, I have found that taking the deportations on account of insanity last year and the year before that there were 151 persons who were deported out of the asylums, some of whom had been there for four or five years. That was 151 in 350,000. Now the last census returns show that there were in Canada, in the two old provinces, a little more than three insane persons in every 1,000 of population. If you put down three insane persons in every 1,000 immigrants, you would have 1,050 insane immigrants among that number; as a matter of fact we had 150, so that we had something like one-seventh of that proportion.

Q. One for every 2,000?

A. Yes, something like one-seventh of the number there might have been in the total number of immigrants. It must be remembered that we ought to be fair with the immigrants, that when an immigrant who has left his home gets out here, and arrives full of hope, if he hasn't any money soon and is not able to get a job at once, he gets homesick and depressed, and if he has any little weakness of any kind under those circumstances it is bound to develop.

By Mr. Sproule:

Q. You did not finish up that matter of how you were going to take steps to deport insane persons, and what the expense would be. It is a matter we are frequently consulted about.

A. I say there are two ways by which a patient gets into an asylum, the one is what they call a warrant case, the case of a person who has gone insane on the street and had to be locked up in jail.

Q. And is supposed to be dangerous?

A. Yes, and is supposed to be dangerous, and he is sent by the jail officials to the asylum.

A. Don't they commit him first to the jail?

A. There is a jail surgeon who is paid by the municipality or county, whichever it is, for doing jail work.

Q. Yes, but he does not go out of the jail?

A. He can send the case to the asylum on the order of the magistrate.

Q. But what authority has the magistrate to commit, he must commit on something?

A. The certificate of a jail doctor plus another doctor; there are two doctors required in Ontario. With a man on the street, on two doctors' certificates he is sent by the magistrate to the asylum.

Q. That is to the asylum. But supposing he is in the jail?

A. He is arrested on the street and goes to jail and is kept at some place, jail or prison, until he is transferred to the asylum. Then the municipality or the county, whichever it may be, will make enquiries, and if he has only been a short time in the country the provincial authorities will notify our department—this is a case that from time to time occurs—and then our department looks up the ships' lists and finds out which ship he came on. If he came on the C. P. R. or the Allan Line, the very moment we know the facts, the C.P.R. or whatever line it is, is communicated with, and in the case of an insane person, if we can find out—we cannot always find out where he came from, because he is sometimes stupid and cannot give the information—then his people in Scotland, or England, or Ireland, as the case may be, are communicated with, and inside of a month that man goes back, and the total

first cost to the municipality will be one or two weeks' maintenance in the asylum or in the jail, and as you see that we deported 151 last year—this year I suppose there will not be one half as many cases to deal with.

By Mr. Lewis:

Q. That is in reference to the insane, but now with regard to other persons who are to be deported, what is the procedure to be followed? I think it will be a good thing for the municipalities throughout the country to have this information published?

A. The procedure is this, that a person must become officially recognized as an inmate somewhere either of a charitable institution, or of a prison, or an asylum.

Q. Isn't it the municipality?

A. Or the municipality. He must be officially recognized, and the very moment he is recognized as coming under a deportation clause, the clerk of the municipality is required under the Act to notify the Minister of the Interior of that fact. Then the law requires that he shall inquire into the facts of the case, and if the facts of the case are such that the person is deportable he is deported forthwith at the expense of the steamship company or the railway who brought him across the boundary.

Q. In other words, any person in this country notifies the clerk of the municipality, and the clerk of the municipality notifies the Minister?

A. The Minister of the Interior, or Mr. Scott, here, and then the machinery goes into motion. With regard to the insane we will not send them from this country until we first find somebody to send them to. It is not in keeping with our ideas of what is decent and proper to send an insane person out of the country, and dump them on the border or on the Liverpool dock, until we know there is someone there to take care of them.

By Mr. McIntyre (Strathcona):

Q. I have seen your medical officers detain men who were intoxicated, who admit having frequently resorted to spirits; are they entitled, if a man has a considerable quantity of funds, is that man subject to prevention, we would not call it deportation?

MR. SCOTT—It is rejection.

Q. Is he subject to rejection for being intoxicated?

A. It just depends upon the opinion of the medical officer. The idea is, is that man going to be of use in Canada? Is it a temporary spree that all persons coming across might indulge in, or might not; but if he looks like the kind of fellow that will be no good the doctor is in a position to send him back and does so.

Q. Supposing a person is admitted and is found to be constantly and habitually intoxicated, is not that a subject for deportation?

A. If he comes within any of the three clauses of the law, and if he has been admitted to the country, he must have been one of three things, he must have become an inmate of a charitable institution, that is he must have passed a night in a free lodging house or house of industry or he may have put in a night in the cooler on account of being drunk, which he is pretty likely to be, then he is deportable, or if he is insane or an epileptic undoubtedly he will go back. Then the other thing, is if he is an L. P. C. case, if we find him a vagrant in the town, that is if he is taken to a city shelter on account of not having any place to sleep he is deportable.

By Mr. Lewis:

Q. Take the case of a man found begging around town?

A. Yes, if our relief officer for instance in Ottawa comes in touch with him, if he has to be dealt with that way he can be deported.

APPENDIX No. 2

By Mr. McIntyre (Strathcona):

Q. But in the case of a man who has sufficient money, he must be arrested before he can be deported?

A. Before he can be deported.

BLANK CERTIFICATE FORM AS USED IN GREAT BRITAIN BY ALL ASSISTED EMIGRATION.

DEPARTMENT OF THE INTERIOR, GOVERNMENT OF CANADA, EMIGRATION BRANCH.

Report and Medical Certificate.

In respect of... (the undersigned assisted by... to the following extent... Age... Nationality... Religion... Address in full... Present occupation... How long in such occupation?... Has applicant ever worked on farm?... If so, for how long and where... Can applicant drive horses?... Plough?... Milk?... Is applicant suitable for:—Farm work?... Railway construction work?... Domestic service?... Intended occupation in Canada?... At what place?... Is applicant willing to accept farm work on arrival in Canada?... Name and address of agent or person in Canada to whom going for employment... General appearance of applicant:—Strong?... Vigorous?... Delicate?... Ruddy?... Pale?... Approximate height... Approximate weight... Has applicant any obvious physical defect or malformation? Give details... Is he feeble-minded?... Idiotic?... Epileptic?... Insane?... or had an attack of insanity within five years?... Is he deaf and dumb?... Deaf?... Dumb?... Blind... Infirm... If so, give details and state if applicant is going with family or to family already in Canada... Address of such family in Canada?... What security is proposed in such case under section 26 of the Immigration Act?... Is applicant afflicted with a loathsome disease, or with a disease which is contagious?... Is he a pauper, destitute, professional beggar, vagrant, or likely to become a public charge in Canada?... Has applicant been a charge on the public in Great Britain or Ireland?... If so, for how long and where?... Has applicant been convicted of a crime or been in } prison? Give details? } Is applicant honest?... Sober?... Industrious?... Thrifty?... Of good morals?... What amount of money or money's worth will applicant } have on arriving in Canada? } Is applicant married or single?... If married give age and name of wife...

Is wife good housekeeper and tidy?

Give children's names, age, trade, and earnings. }
 Have the girls been in service or prepared for }
 service, and if so, how? }

Is family accompanying him? If so, what provision }
 is being made for family in Canada? }

If family not accompanying applicant what provis- }
 ion is being made for family here? }

Has applicant any relations or friends in Canada, }
 and at what address? }

Relationship

Are such relations or friends willing to assist and }
 house applicant temporarily, or does the assisting }
 Society undertake to do so? }

What reason has applicant for desiring to go to }
 Canada? }

Has applicant applied to any other society, if so, give particulars

Give name and address of parents or nearest living relatives in England

Signature of applicant certifying correctness of above statement

Dated at this day of 19

*

* Signature and designation of responsible officer of society assisting.

NOTE.—In addition to above report the original records must be submitted for inspection with this form.

Having read over the preceding transcript of my evidence, I certify the same to be correct.

DR. P. H. BRYCE,
Dominion Medical Superintendent of Immigration.

APPENDIX

TO THE

PRECEDING REPORT

APPENDIX No. 2

RESOLUTIONS ADOPTED BY THE COMMITTEE.

The following resolutions were adopted by the Committee as recommendations for the promotion of the agricultural and industrial interests of the Dominion:—

No. 1—ELECTION OF A CHAIRMAN.

The Select Standing Committee on Agriculture and Colonization having met this day for organization, on motion of Mr. Calvert, P. H. McKenzie, Esq., was unanimously elected Chairman.

Friday, December 13, 1907.

No. 2—EVIDENCE ON RAISING AND MANUFACTURE OF NATIVE TOBACCO LEAF.

Moved by Mr. Clements,—That F. X. Charlan, of the Department of Agriculture; Jerry O'Brien, Chatham, Ont.; Lewis Wigle, Leamington, Ont., and Darius Wigle, Kingsville, Ont., be summoned before the Committee to give evidence on the raising and manufacture of native tobacco leaf—Motion adopted.

Wednesday, February 26, 1908.

No. 3—THE PRINTING OF EVIDENCE.

Moved by Mr. Wright (Renfrew), seconded by Mr. Gordon,—That this Committee report to the House, and recommend that 20,000 copies of each of the following evidence taken by the Committee in the current Session of Parliament, be printed forthwith, in separate pamphlet forms, in the usual numerical proportions of English and French, that is to say:—

1. Of the evidence heard on the inquiry into the cultivation, curing and manufacture of Tobacco in Canada;
2. Of the evidence of Mr. William McInnes, Geologist;
3. Of the evidence of Mr. R. E. Young, Dominion Land Surveyor; and
4. Of the evidence of Mr. G. H. Clark, Seed Commissioner, Department of Agriculture—Motion adopted.

Friday, April 10, 1908.

No. 4—To SUMMON MR. W. D. SCOTT TO GIVE EVIDENCE.

Moved by Mr. Monk, seconded by Mr. Elson,—That Mr. W. D. Scott, Superintendent of Immigration, be summoned to appear before the Committee, at its next sitting, for the purpose of giving evidence concerning the conduct of the Immigration Branch of the Service.—Motion adopted.

Thursday, April 23, 1908.

No. 5—THE PRINTING OF EVIDENCE.

Moved by Mr. McIntyre (Perth), seconded by Mr. Smith (Oxford),—That the Committee recommend to the House that the following evidence taken by them in the current Session of Parliament be printed forthwith, in pamphlet form, in the usual numerical proportions of English and French, severally, in number and manner of distribution as follows:—

(1st) Forty thousand (40,000) copies of the evidence of Dr J. W. Robertson, Principal of the Macdonald College, Ste. Anne de Bellevue, 2,000 copies thereof to be allotted to the witness for personal distribution, 2,000 copies to the Department of Agriculture, 2,000 copies to the use of the Honourable Members of the Senate, 400 copies to the use of the Committee, and 33,600 to the Members of the House of Commons for distribution.

(2nd) Twenty thousand (20,000) of the evidence of each of the following members of the official staff at the Central Experimental Farm, that is to say, of the evidence of Dr. William Saunders, Diector; Frank T. Shutt, Chemist; A. G. Gilbert, Poultry Manager; W. T. Macoun, Horticulturist; and that the distribution thereof be made as follows: that is to say, 800 copies of his personal evidence be allotted to each of the said witnesses for distribution; 2,000 copies to the Honourable the Members of the Senate; 1,500 copies to the Department of Agriculture; 100 copies to the use of the Committee, and 15,600 copies to the Members of the House of Commons.

(3rd) That twenty thousand (20,000) copies of the evidence of J. A. Ruddick, Commissioner of Dairying and Cold Storage, be printed in the usual proportions of English and French; that 2,000 copies thereof be allotted to the Honourable the Members of the Senate; 3,000 copies to the Department of Agriculture; 200 to the use of the Committee; and 14,800 to the Members of the House of Commons for distribution.—Motion adopted.

Wednesday, July 8, 1908.

INTERIM REPORTS.

FIRST REPORT.

The Select Standing Committee on Agriculture and Colonization present their First Report, as follows:—

The Committee recommend that twenty thousand (20,000) copies of each of the following evidence, taken by the Committee in the current Session of Parliament, be printed forthwith in separate pamphlet forms, in the usual numerical proportions of English and French, as advance sheets of the Committee's Final Report, to wit:—

1. The evidence heard on the inquiry into the cultivation, curing and manufacture of Tobacco in Canada.
2. The evidence of Mr. William McInnes, Geologist.
3. The evidence of Mr. R. E. Young, Dominion Land Surveyor.
4. The evidence of Mr. G. H. Clark, Seed Commissioner, Department of Agriculture; and that the distribution of each of the above-named evidence be as follows:—
 2,100 copies to the Hon. the Members of the Senate;
 15,800 copies to the Members of the House of Commons;
 1,000 copies to the Department of the Interior;
 1,000 copies to the Department of Agriculture; and
 100 copies to the Committee.

P. H. McKENZIE,
Chairman.

House of Commons, April 10, 1908.

Concurred in by the House, April 13.

SECOND REPORT.

The Select Standing Committee on Agriculture and Colonization present their Second Report, as follows:—

The Committee recommend that the following evidence, taken by the Committee in the current Session of Parliament, be printed forthwith, in separate pamphlet forms, in the usual numerical proportions of English and French, as advance sheets of the Committee's Final Report, to wit:—

(1st) Forty thousand (40,000) copies of the evidence of Dr. J. W. Robertson, Principal of the Macdonald College, Ste. Anne de Bellevue, 2,000 copies to be allotted to the witness for personal distribution; 2,000 copies to the Department of Agriculture; 2,000 copies to the use of Honourable the Members of the Senate; 400 copies to the use of the Committee; and 33,600 to the Members of the House of Commons for distribution.

(2nd) Twenty thousand (20,000) copies of the evidence of each of the following named members of the official staff at the Central Experimental Farm, that is to say:—

Of the evidence of Dr. William Saunders, Director; Frank T. Shutt, Chemist; J. H. Grisdale, Agriculturist; A. G. Gilbert, Poultry Manager; W. T. Macoun, Horticulturist; and that distribution thereof be made as follows, that is to say: 800 copies of his personal evidence be allotted to each of the said witnesses for distribution; 2,000 copies to the Honourable the Members of the Senate; 1,500 copies to the Department of Agriculture; 100 copies to the use of the Committee, and 15,600 copies to the Members of the House of Commons.

8 EDWARD VII., A. 1908

(3rd) That twenty thousand (20,000) copies of the evidence of Mr. J. A. Ruddick, Commissioner of Dairying and Cold Storage, be printed in the usual proportions of English and French; that 2,000 copies thereof be allotted to the Honourable the Members of the Senate; 3,000 to the Department of Agriculture; 200 to the use of the Committee; and 14,800 to the Members of the House of Commons for distribution.

P. H. MCKENZIE,
Chairman.

House of Commons, July 9, 1908.

Concurred in by the House, July 15.

PROCEEDINGS

OF THE

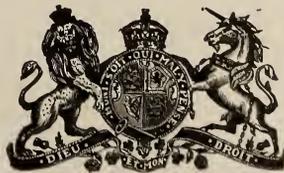
SPECIAL COMMITTEE APPOINTED
TO INVESTIGATE

MAJOR HODGINS' CHARGES

REGARDING OVER-CLASSIFICATION OF MATERIALS IN
THE CONSTRUCTION OF THE NATIONAL
TRANSCONTINENTAL RAILWAY

(REVISED EDITION)

PRINTED BY ORDER OF PARLIAMENT



OTTAWA

PRINTED BY S. E. DAWSON, PRINTER TO THE KING'S MOST
EXCELLENT MAJESTY

1908

TABLE OF CONTENTS

	PAGE.
1. Order of Reference with papers and correspondence attached thereo.	5
2. Synopsis of Charges.	39
3. Reports of Committee.	45
4. Minutes of Proceedings.	49
5. Synopsis of Exhibits.	63
6. Minutes of Evidence and Discussions.	69

ORDER OF REFERENCE

HOUSE OF COMMONS,

TUESDAY, April 28, 1908.

Resolved, That the memorandum of the Chairman of the Transcontinental Railway Commissioners to the Prime Minister, of date the 23rd April, and laid on the table of this House on the 24th instant, and the papers accompanying the same, together with the letter of Major Hodgins to the public press therein referred to, be referred to a Special Committee of five members, with instructions to investigate the matters and charges therein mentioned, and that the said committee be composed of—

Messrs. Carvell,
Macdonald (Pictou),
Geoffrion,
Barker, and
Lennox;

and that they have power to send for persons, papers and records, to examine persons on oath or affirmation, and to report from time to time.

Attest.

THOS. B. FLINT,
Clerk of the House.

FRIDAY, May 15, 1908.

Ordered, That leave be granted to the said committee to sit while the House is in session.

Attest.

THOS. B. FLINT,
Clerk of the House.

THURSDAY, May 21, 1908.

Ordered, That leave be granted the said committee to have all their proceedings and any evidence taken by them in this inquiry printed from day to day for the use of the committee, and that Rule 72 be suspended in reference thereto.

Attest.

THOS. B. FLINT,
Clerk of the House.

7-8 EDWARD VII., A. 1908

SUMMARY of papers laid on the table of the House, April 24, 1908, and attached to the Order of Reference.

Date.	Writer.	Subject.
1908.		
April 17..		Extract from "Daily Colonist," Victoria, B.C., containing charges made by A. E. Hodgins <i>re</i> classification of materials, &c.
" 18..		Extract from "Manitoba Free Press," Winnipeg, Man., <i>re</i> foregoing.
" 19..		Extract from "Daily Colonist," Victoria, B.C., giving instances of workings of Quebec Classification.
" 22..		Extract from Ottawa "Citizen" <i>re</i> above.
" 23..	Chief Engineer.....	Letter to Commissioners Transcontinental Railway stating no estimates or accounts have been padded.
" 23..	Chairman Transcontinental Ry.	Memo. addressed Premier refuting charge made by A. E. Hodgins.
1907.		
July 23..	G. Grant.....	Reports <i>re</i> line under construction in District F.
" 31..	Secretary Transcontinental Ry.	Letter to Chief Engineer requesting him to notify Engineers Grant and Hodgins to attend meeting of Board.
" 31..	Chief Engineer.....	Letter to Commissioners Transcontinental Ry. enclosing report of G. Grant and reply thereto from A. E. Hodgins denying statements made by former.
Aug. 6..	A. E. Hodgins.....	Enclosing J. McArthur's progress estimate for month of July.
" 24..	Chief Engineer.....	Letter to A. E. Hodgins transmitting questions and answers thereto made by G. Grant <i>re</i> classification.
" 24..	Chairman Transcontinental Ry.	Memo. addressed Secretary Transcontinental Ry. requesting to be informed whether he ever had in his possession A. E. Hodgins' letter anent certain items of work.
" 24..	Secretary Transcontinental Ry.	Reply to foregoing.
" 24..	Chairman Transcontinental Ry.	Letter to Chief Engineer enclosing copy of memo. sent Secretary of Board <i>re</i> unsatisfactory progress of work in District F.
" 24..	Chief Engineer.....	Telegram to Hodgins.
" 27..	"	Reports <i>re</i> progress of work in District F and recommends appointment of Engineer to replace A. E. Hodgins.
Sept. 4..	A. E. Hodgins.....	Letter to Chief Engineer stating reason for giving order to classify partially by force account.
" 24..	Chief Engineer.....	Letter to Commissioners Transcontinental Ry. <i>re</i> situation in District F, and recommends appointment of S. R. Poulin as successor to A. E. Hodgins and S. O. Foss as his assistant.
" 26..	Secretary Transcontinental Ry.	Letter to Chief Engineer communicating Board's approval of appointment of Poulin and Foss.
" 26..	"	Letter to Chief Accountant informing him of foregoing.
" 26..	Chief Engineer.....	Letter to Commissioners Transcontinental Ry. recommending appointment of S. O. Foss as Acting Engineer District F, pending Poulin's arrival.
" 26..	Secretary Transcontinental Ry.	Letter to Chief Engineer communicating Board's approval of foregoing recommendation.
" 26..	"	Letter to Chief Accountant enclosing copy of foregoing.
" 30..	S. R. Poulin.....	Letter to Chief Engineer requesting allowance of \$75 to \$100 per month for board while in charge of District F.
" 30..	Secretary Transcontinental Ry.	Letter to Chief Accountant communicating Board's approval of payment of special allowance of \$75 to S. R. Poulin.
Nov. 9..	A. E. Hodgins.....	Letter to Chairman Transcontinental Ry. anent his dismissal.
" 18..	Secretary Transcontinental Ry.	Letter to Chief Engineer requesting to be furnished with copy of A. E. Hodgins' letter of 4th Sept.
" 19..	Chief Engineer.....	Letter to Secretary Transcontinental Ry. enclosing copy of foregoing.
" 19..	"	Letter to Chairman Transcontinental Ry. stating he did not approve of instructions given by A. E. Hodgins to Division Engineers <i>re</i> force account classification.
" 20..	A. E. Hodgins.....	Letter to Chairman Transcontinental Ry. enclosing copy of notes and letter received from A. H. Willet <i>re</i> force account classification.
" 21..	Chairman Transcontinental Ry.	Letter to A. E. Hodgins enclosing copy of Chief Engineer's letter replying to his letter <i>re</i> his dismissal.

PAPERS AND CORRESPONDENCE ATTACHED TO ORDER OF REFERENCE.

Extract from *Daily Colonist*, Victoria, B.C., dated April 17, 1908.

REFUSED TO PASS CLASSIFICATIONS.

MAJOR HODGINS TELLS WHY HE RESIGNED FROM NATIONAL TRANSCONTINENTAL RAILWAY.

HUGE SCANDAL IS HINTED.

Would not prove complaisant to Quebec Classification Contractors.

The truth about the resignation of Major A. E. Hodgins, C.E., District Engineer in charge of the 400-mile section east of Winnipeg on the National Transcontinental Railway, which is the government portion of the Grand Trunk Pacific Railway, is at last coming out. Major Hodgins is at present a resident of Victoria. His resignation took effect last October.

The reason in brief was that Mr. Hodgins would not prove complaisant to the government favourites who held the contracts for building certain sections of the road in the matter of 'classification.' He insisted upon a proper classification, whereas the contractors appealed for the classification which prevailed in Quebec. Mr. Hodgins could not see through the weird spectacles which permitted of classifications of that nature. Hence his resignation.

Just the amount of graft which the following letter of Major Hodgins hints at it is impossible to estimate. That this letter is the first step in the uncloaking of a scandal of greater magnitude than any previously known in the history of Canada, is hinted by those in the confidence of the major.

VICTORIA, April 16, 1908.

SIR,—I have seen the following item in the *Victoria Colonist* of April 15th:

'It is officially announced that the National Transcontinental Railway between Winnipeg and Moncton is to cost \$63,419,466. Mr. Fielding's estimate was \$51,300,000. Mr. Blair put the cost at \$65,000,000. The chances are that when all the accounts are in, Mr. Blair's estimate will be exceeded.'

I have also seen the report of an interview with Mr. J. D. McArthur in the *Toronto World* of the 12th of March:

'He declares that while the first estimates as to cost of his 250 miles was thirteen million dollars, the probable outlay will be close on to sixteen million dollars, so many changes have been made.

'All these changes were for the best, and if it does cost over sixty thousand dollars per mile, the road will be a monument to engineering skill and to Canadian enterprise.'

Mr. McArthur should have been more definite and explained what 'changes' would increase the estimated cost; change in location and change in the standard of classification both affect the cost of construction. Change in location was made at some points by revision surveys, these improved the line and also reduced the cost of the McArthur contract over one million dollars. I was able to make these revisions before Mr. McArthur started the work in earnest. A good year passed before he was able to get sufficient men to cover the 250 miles.

Change in Classification.

The root of all the trouble between the commissioners and myself was over classification. They wanted me to change my ideas, based on a good many years' experience on construction, to classification that is allowed to the contractors in Quebec. It was suggested that I should ignore the chief engineer and act independently, that

7-8 EDWARD VII., A. 1908

the chief engineer liked to be ignored. I refused to be more liberal in classification than I was then allowing, and suggested that the commissioners not being railroad men should leave the engineering department alone.

Mr. C. A. Young, Commissioner for Manitoba, then advised that I should go to Quebec and see how things were managed in that district, where contractors were not kicking, and get an object lesson. I went, and returned determined not to allow Quebec classification to be introduced into the western district as long as I remained in charge. This, of course, led to trouble, and I got no assistance from the chief engineer. I thought if the commissioners interfered with me any further Sir Wilfred Laurier would set matters right as soon as I appealed to him; here I made a miscalculation, the chairman of the commission, Monsieur Parent, got in first and hypnotized the government, and I was removed for other reasons, no investigation into my case was allowed, and my opinion and the opinion of the next senior engineer of the district was smothered. I have appealed in vain for an investigation into classification, and have been told that it would be considered political interference if the government interfered with the management of the Board of Commissioners.

Increase Accounted for.

If Monsieur Poulin, the engineer appointed by Mr. Parent to replace me on the western district, has allowed the introduction of classification similar to that in Quebec, this will account for an increase in the estimated cost of the line. If this increase amounts to three or four million dollars (33½ per cent), it is time the public demanded some explanation from the government.

The quickest way for the government to find out if the classification allowed is extravagant or not will be for the Minister of Railways to ask for the monthly reports of the Grand Trunk Pacific Railway engineers, who are stationed on the Winnipeg district and the Quebec district, Messrs. Mann, Heaman and Armstrong; these reports are, I think, sent to the assistant chief engineer of the Grand Trunk Pacific in Montreal. These engineers are well known in the west, and their reports contain much more information on the subject than I have.

I have not seen any of their reports, but it is easy for one to guess what is in them. These engineers are placed on work under contract to report to their company on cost and to act in joint supervision with the commissioners' engineers, but they are not allowed to sign contractors' estimates or certify to their correctness. Their signatures ought to be on the monthly estimates, in order that there will be no dispute over the amount of interest due the government. There is, however, a clause in the agreement that disputes are to be settled by arbitration, but if arbitrators are put off until interest is due, seven years after the road is finished, the money will have been paid to the contractors.

No Chance of Investigation.

Before I left Kenora I said to an engineer who knew a good deal about Quebec classification, that there would surely be a scandal over it; he replied that any investigation would be blocked. I thought this a wild statement at the time, but it confirmed my opinion that I was right in objecting to allow it on my district. Since my removal I am forced to believe that there was something in what this engineer said, because I have been refused an investigation, and classification would have been the only point of importance I would have raised on my defence.

Western men are counting on cheap rates over the 'Transcontinental.' If it is going to cost many millions more than is necessary, they should not be content until a thorough and impartial investigation is made into classification that will be disputed when the road is finished. As I have already mentioned, let the government ask for the reports and opinions of engineers who are safeguarding the Grand Trunk Pacific interests, and judge for themselves if Monsieur Parent is correct in his standard of classification, or extravagant.

CAREER OF HODGINS.

The career of the gentleman who would not prove complaisant has been a distinguished one. Graduating from the Royal Military College, Kingston, Ont., in 1882, he was from that time until the completion of the Canadian Pacific Railway, in 1886, engineer on construction in the prairie and mountain sections.

From 1886 to 1889 he was engineer on construction of the Canadian Pacific Railway short line through the State of Maine, and in 1889 engineer on construction of the Canadian Pacific Railway extension from Toronto to Detroit.

In 1889 he went to Mexico as engineer on construction on the Mexican Inter-Oceanic from Vera Cruz, but left on account of ill-health.

From 1890 to 1899 he was in the Kootenay country, British Columbia, residing principally in Nelson, practising his profession, and in 1899 he went to South Africa as lieutenant with the first Canadian contingent.

During the South African war he was promoted to the rank of major, and went on the staff of Sir Percy Girouard as officer in charge of construction on imperial railways in the Transvaal and Orange River colonies. He remained in South Africa, and when peace was declared was appointed as the government superintendent engineer of railways in the Transvaal and Orange River colonies.

Major Hodgins returned to Canada about three years ago, and was appointed district engineer in charge of the 400-mile section east of Winnipeg on the National Transcontinental Railway. His resignation last October created a great deal of unfavourable comment, and it was freely asserted that more lurked behind it than then was announced.

A son of Judge Hodgins, of Toronto, a Liberal of the old stamp, it was believed that his uncompromising rectitude had proved an obstacle in his preferment by the present administration.

Extract from *Manitoba Free Press*, Winnipeg, dated April 18, 1908.

HODGINS CHARGES ENORMOUS WASTE.

DISMISSED ENGINEER DECLARES MILLIONS ARE BEING STOLEN ON GOVERNMENT SECTION.

Major's side of Story—States Trouble first arose over Question of Classification.—asked for Investigation.

VANCOUVER, B.C., April 17, 1908.

Alleging broadly that millions of dollars is being wasted or stolen in the construction of the government portion of the Grand Trunk Pacific railway, Major A. E. Hodgins, C.E., has issued a letter, the object of which is to secure an administrative investigation. Major Hodgins is now a resident of Victoria. He is a son of Judge Hodgins, of Toronto, a Liberal, who recently demanded an investigation by the government to enquire into the reasons for his son's removal from office.

Major Hodgins, who came to Canada three years ago, after serving on the staff of Sir Percy Girouard in Africa, was appointed district engineer in charge of the four hundred mile section east of Winnipeg, on the National Transcontinental Railway. Last October he was dismissed. He appealed to Premier Laurier and F. W. Morse, but says no investigation so far has been proposed.

Paying Padded Accounts.

The pith of his charges is that the Grand Trunk Pacific Engineers' reports and those in the employ of the government do not tally: that the government is paying padded accounts for the work done and that the Grand Trunk Pacific people are making no objection because they merely have to pay the added interest. Following are the salient portions of Major Hodgins' letter: 'Changes in the location of the line were made at some point by a revision of the surveys. These improved the line and

7-8 EDWARD VII., A. 1908

also reduced the cost of the McArthur contract over one million dollars. I was able to make these revisions before Mr. McArthur started work in earnest. The root of the trouble between the commissioners and myself was over classification. They wanted me to change my ideas, based on a good many years experience on the construction to the classification that is allowed to contractors in Quebec. It was suggested that I should ignore the chief engineer and act independently, and it was intimated that the chief engineer liked to be ignored. I refused to be more liberal in the classification than I was then allowing, and suggested that the commissioners, not being railroad men, should leave the engineering department alone.

Advice from Mr. Young.

'C. A. Young, commissioner for Manitoba, then advised that I should go to Quebec and see how things were managed in that district, where the contractors were not kicking, and get an object lesson. I went, and returned determined not to allow the Quebec classification to be introduced into the western district, as long as I remained in charge. This, of course, led to trouble and I got no assistance from the chief engineer. I have appealed in vain for an investigation into the classification, and have been told that it would be considered political interference with the management of the board of commissioners.

Investigation Blocked.

'If Mr. Poulin, the engineer appointed by Mr. Parent to replace me on the western district, has allowed the introduction of a classification similar to that allowed in Quebec, this will account for the increase in the estimated cost of the line. If this increase amounts to three or four million dollars, it is time the public demanded some explanation. The quickest way for the government to find out if the classification allowed is extravagant or not will be for the Minister of Railways to ask for the monthly reports of the G. T. P. engineers who are stationed on the Winnipeg and Quebec districts, Messrs. Mann, Heaman and Armstrong. Before I left Kenora I said to an engineer who knows a good deal about the Quebec classification that there would surely be a big scandal over it. He replied that any investigation would be blocked. Let the government ask for the reports and opinions of the engineers who are safeguarding the G. T. P. in this, and judge for themselves if Mr. Parent is correct in his standard of classification or extravagance.

EXTRACT FROM THE OTTAWA 'CITIZEN,' APRIL 22, 1908.

Another Government Scandal.

Troubles are coming fast and thick upon the Laurier administration. The latest are the public charges made by Major Hodgins, late district engineer for four hundred miles of the government end of the Transcontinental railway. The essence of his statement is that millions of dollars are being boodled in connection with the construction of this government work. Names and figures are given and the allegation is made that he was forced out of his position because he refused to be a tool of the boodlers. His professional record and admitted ability give due weight to the assertions which he boldly makes. The charges cover not only his former division but apply to the construction of the whole line through Quebec. At the time of his dismissal, Major Hodgins says that he applied to Sir Wilfrid Laurier for an investigation into the scandalous conditions which he alleges to prevail and that the investigation was refused. In the face of such charges made by a responsible professional man, who is apparently prepared to furnish the evidence to substantiate them, it will be very difficult for the government to consistently refuse to have the matter thoroughly probed. In deliberately making the charges public, Major Hodgins practically pledges his professional reputation on his ability to prove them and incidentally to explain the

APPENDIX No. 5

reason of the dismissal which, if the circumstances are substantiated, reflect upon both the government and its railway administration in a most serious manner. The revelation by Major Hodgins, ex-district engineer of the government portion of the Transcontinental construction and the boodling of millions of dollars in connection with that work is the most serious charge that the present administration has had yet to face. In view of the many scandals that have cropped up of late in connection with the administration the public mind will be quite prepared to learn that such an opportunity as the enormous expenditures on the new railway has not been neglected by the grafting element.

Extract from *Daily Colonist*, dated April 19, 1908.

CLAIMS COLOSSAL SCANDAL EXISTS.

MAJOR HODGINS GIVES INSTANCES OF THE WORKINGS OF 'QUEBEC CLASSIFICATION,'
MULCTED OF MILLIONS.

People of Canada overcharged huge sums, he claims, in wrongful rating.

That four millions of dollars in excess of what should be paid by the people of Canada for the construction of the 250 miles of the National Transcontinental Railway, east of Winnipeg, and known as the McArthur contract, will come out of the treasury of the country is the statement of Major A. E. Hodgins, late government engineer upon the work. Major Hodgins' letter to the *Colonist* of Thursday giving for the first time the reasons for his resignation, has excited the widest comment across the continent. If his figures are correct, and if the same amount of the alleged wrong classification exists upon the whole 1,800 miles of the road being built by the Dominion, the Canadian people will be \$28,000,000 out of pocket and a scandal of a magnitude never before known in Canada ensues.

Quebec Classification.

'Quebec classification,' as interpreted on the eastern portion of the National Transcontinental railway, appears to be a most elastic and profitable way of building railroads, at any rate from the point of view of the contractor, J. D. McArthur, one of the contractors, in a recent interview described the work as a monument to engineering skill and Canadian enterprise, and from a fuller account of the way grading is being classified, given to the *Colonist* by Major Hodgins, the enterprise of the classifiers under the inspiration of Mr. Parent and his fellow commissioners would seem to be monumental indeed.

There is nothing mysterious or scientific about the classification of the material removed in grading, although experience is needed before it can be properly done. And for the benefit of those unacquainted with railroading it may be stated, that it is the custom in bidding on a railroad contract to quote rates at which the different kinds of grading will be done, and not a lump sum for the work.

Under the government regulations for contractors and engineers on the National Transcontinental, grading is classified under three heads: Solid rock excavation, loose rock excavation and common excavation. These terms are defined as follows in the official regulations referred to:—

'Solid rock excavation will include all rock in ledges or masses of more than one cubic yard, which, in the judgment of the engineer, may be best removed by blasting.

'Loose rock:—All large stones and boulders measuring more than one cubic foot and less than one cubic yard, and all loose rock whether in situ or otherwise, that may be removed by hand, pick, or bar, all cemented gravel, indurated clay and other materials, that cannot, in the judgment of the engineer, be ploughed with a 10-inch grading plough, behind a team of six good horses, properly hauled, and without the necessity of blasting, although blasting may occasionally be resorted to, shall be classified as 'loose rock.'

7-8 EDWARD VII., A. 1908

'Common excavation will include all earth, free gravel, or other material of any character whatever not classified as solid or loose rock.'

Crux of Matter.

It was because Major Hodgins, an engineer of great experience, declined to follow the ideas of the commissioners as to whether material should be classified as solid rock, loose rock or common excavation that his excavation was asked for, and it should be remembered that the commissioners are political nominees and not engineers or practical railroad men.

In order to fully grasp the supreme importance of honest classification in railroad building to those who pay the bills, the system under which the railroad construction contracts are let should be understood. In the first place the engineer locates the line. He then goes over it carefully and makes an estimate of the amount of material which will have to be removed, and how much of it will fall in each of the three classes mentioned. He also supplies detailed estimates of the work, such as the amount of clearing, grubbing, piling, draining and so forth that the work will entail, and in the official estimates for the work in question there are 101 such items. The engineer places opposite each item in the estimate the amount that that work should cost in his judgment, and thus the total estimated cost of the road is arrived at. The contractors who intend to bid are supplied with identical forms, and after going over the work, they fill in the amounts which they consider adequate remuneration and the smallest total is awarded the contract. But they do not contract to build the road for a specified sum, they merely agree to do certain kinds of work at a specified rate per cubic yard or running foot. And this is where the importance of the classification comes in.

Major Hodgins' Section.

The road is divided into sections, each under the charge of a resident engineer. In the case of Major Hodgins, he had charge of nearly 400 miles of road running east from Winnipeg. Under him were government engineers for each forty miles of road, and under them again were other engineers, about one for every ten miles. It is the duty of these last to go over their ten miles of road every day, or at most every other day and to note the work. They measure what work is being done and report how many cubic yards of solid or loose rock or as the case may be, is excavated. Their work is checked by their superiors and at the end of the month a monthly estimate is sent in, showing how many yards of each kind of excavation has been performed, and the contractor gets his pay accordingly. Thus if common excavation is classified as loose rock in these estimates, or loose rock as solid, the builders of the road, which in this case are the people of Canada, are robbed of the difference between the contract price of excavating loose rock and that of excavating solid rock, as the case may be. Thus with dishonest classification there is no possibility of knowing how much a given piece of road is going to cost until it is actually built and paid for.

Will Amount to Millions.

Over large stretches of construction the money thus fraudulently paid will amount to millions, and if Major Hodgins' classifications were correct, the Railway Commissioners already contemplate paying the contractor in question, J. D. McArthur, \$4,000,000 more than he is entitled to on 250 miles of road, and how much more he will actually receive should the monthly estimates of the work done exceed the present revised estimates of the eventual cost, and the present management remain unchanged, cannot even be guessed at. The possibilities are unlimited, and it must be remembered that some 1,800 miles of road is being built in the same generous fashion.

It would seem, too, that on the National Transcontinental this prodigal expenditure does not profit the men who are actually doing the work, as sub-contracting has been allowed to an extent unexampled in modern railroad practice. J. D. McArthur,

APPENDIX No. 5

for instance, has the original contract for 250 miles of road. He sublets this in fifty or sixty-mile stretches at a reduced price. These sub-contractors sublet again to men who take about ten miles apiece. The sub-contractors once more sublet in contracts of a mile or less, and the sub-sub-sub-contractors sublet once more to the men who do the work. These are mostly Swedes, who work practically day and night, and last winter the labourers on the road were getting 15 cents an hour, while the different grades of men above them were sitting reading the paper and making fat profits. How far down the various 'subs' share in the original generous classifications is a matter of some doubt, and many are of the belief that most of the cake stays on top. In any event, the present system permits of an immense amount of unearned profits, while the unfortunate labourer is ground down, and this on a national railroad being built with public funds.

Major Hodgins laid out the line on which J. D. McArthur is working after the Grand Trunk engineers had run theirs, selecting a better and more direct route, with a saving to the country of several million dollars on this piece of line alone. For this he received the warmest official commendation. He was in high favour until he refused to fall into line on the classification graft.

Changed Classifications.

Discussing the way he made his estimates for the McArthur contract, Major Hodgins said yesterday :

'I made the estimate in the usual way before the contract was called for, allowing everywhere a most liberal margin so as to be on the safe side. Everything that I was uncertain about I put in as solid rock. I took no chances of being under the mark, and made my estimates generously. These estimates amounted to \$13,000,000. Afterwards, owing to a few changes in the way of shortening certain sections of the line, the figures were reduced to below \$12,000,000. Now comes the announcement, startling to those who do not know what is going on, that the estimates have been increased to \$16,000,000. As the change in location cheapened the line, and only affected small portions of it, all this large increase comes from classifying as solid rock what I classified as loose rock, or as loose rock what I considered common excavation. And I repeat that I was as generous in my estimates as I honestly could be, but every engineer knows that there is a line between generosity and fraud in such matters. I did not care to cross it.'

In reply to questions regarding the nature of McArthur's 250 miles of contract, Mr. Hodgins said that the 70 miles out of Winnipeg is prairie, worth about \$6,000 a mile, and there can be no mistake or question as to what classification prairie work comes under, while the 40 miles from Lake Superior junction west he estimated at \$30,000 a mile. This leaves 160 miles in the course of which 'monumental enterprise' raised the price over \$4,000,000, or the neat sum of \$25,000 a mile, making the total cost of this 160 miles of road \$14,380,000, or in round numbers \$90,000 a mile.

To put it in another way, if, as there seems every reason to suppose, the rest of the road is to be built on the same principle, the 1,800 miles of railroad built with the money of the Canadian people will carry with it a graft amounting to \$28,000,000, and the fun has only begun. For, as already pointed out, no limit can be assigned to the loss occasioned by fraudulent classification.

Warned to Change.

Major Hodgins explained that his classification was, after a while, objected to by those in authority. He asked what kind of classification was wanted. He was told to classify the grading on the same principle as it was done in Quebec. But as his interlocutors appeared unable to explain any rational manner on what method he should proceed were he to attempt to alter his estimates as requested, and as such explanations as he was given were so at variance with his official instructions in writing, he was unable to comply. At this the major received orders to go to Quebec and

see for himself what they were doing. He went to La Tuque, and yesterday Major Hodgins described something of what he saw there.

'At La Tuque,' said the Major, 'there is a large cutting which was originally intended for a tunnel. It is usually cheaper to tunnel any cut that is over 60 feet deep, and this had a slope on one side of 120 feet and on the other side of about 80 feet. But when they started to work it was found that there was no solid rock, so that a tunnel was an impossibility. Consequently, an open cut was made. It was a very large cutting, containing 150,000 cubic feet of material. The ground was a mixture of earth and sand, with some boulders. There was no solid rock in the place at all, so that anything that could be classified as solid rock must consist of large boulders over a cubic yard in dimensions. I asked the district engineer how it was classified, and he told me 86 per cent solid rock. I was told that the cut was originally classified as 30 per cent of solid rock.'

Extent of Steal.

'What classification would ordinarily have been given to that cut, according to the usual railroad practice?' Major Hodgins was asked.

'As my examination was necessarily not as thorough as that which an engineer in charge would be able to give, I will go to the utmost limit of liberality and call it 40 per cent. Now, the price allowed on the McArthur contract was \$1.70 per cubic yard for solid rock, 60 cents a cubic yard for loose rock and 30 cents for common excavation, so taking those prices and supposing that the difference between my very liberal estimate of 40 per cent and the official classification of 86 per cent should all have been called loose rock, though, as a matter of fact, a great deal of it was common excavation, the overcharge on that cut alone would be \$141,900.

'I asked the Grand Trunk engineer at that point if a classification of 86 per cent solid rock had been put in by the engineers. He said yes. I then asked him what his company was going to do about it. He replied: 'I don't know, but I am reporting the facts to them.' "Is there anything more like this in Quebec?" I asked him.

"It is pretty nearly all like this," was his reply.

'We had a long discussion, and I made up my mind that so long as I was in charge I would not allow the introduction of the Quebec classification on the McArthur contract.'

Instances of Graft.

'I returned to my work and soon found that the Quebec classification was creeping in, in spite of me. Accordingly, in September last, I made an investigation, and I will give you the results obtained in one or two instances. I am quoting from notes taken by my assistant engineer by my instructions.

'At mile 29, stations 1478 to 1483, the engineer in charge of that section turned in 6,394 cubic yards of earth and 10,189 cubic yards of loose rock. According to the specifications there was absolutely no loose rock in sight, and a thousand cubic yards of loose rock would have been an excessive charge.

'At stations 1383 and 1398 the engineer turned in 15,076 cubic yards of loose rock and 26,668 cubic yards of common excavation. In this case a few hundred yards of loose rock should have been allowed as there were a few boulders, but no more, as it was a pure sand cut.

'I made up my mind that I could not stand this, and after conducting this inquiry with the help of my assistant, I warned my engineers that they were not to allow such returns to go in. I told them I would give them one more chance to put the correct returns in the September estimates, or I would discharge them.

'I was never allowed to see the September estimates, however. My resignation was asked for. In my absence, my assistant was the man to have signed these estimates, but they would not let him sign them either. He was sent away to a different part of the road, and they brought up an engineer from St. John, N.B., who signed

APPENDIX No. 5

the estimates without ever going over the work to see what he was signing for. The estimates for September amounted to \$519,808.50.

'My appeal to the government was disregarded, but it was more than a personal matter for me. There are millions of public money at stake. Let the government call for the reports of the Grand Trunk engineers who have been stationed all along the line to check up the work, and then, if they bear out my statements, let an inquiry be had into the doings of Mr. Parent and his enterprising coadjutors on the commission. The truth can very easily be ascertained.'

OTTAWA, April 23, 1908.

The Commissioners of the Transcontinental Railway,
Ottawa, Ontario.

SIRS,—In regard to the article which appeared in the *Manitoba Free Press* of the 18th instant and the editorial in the *Morning Citizen* of the 22nd instant, referring to a letter from Major A. E. Hodgins, now of Victoria, B.C., I beg to state that as far as I know no estimates or accounts for work done have been padded. The Grand Trunk Pacific have made from time to time some general objections as to classification in district 'F,' but until after the dates above referred to no details giving actual points where such over-classification was claimed were submitted to me. As you are aware, I, on the 14th and the 30th of January, issued special circulars to the district engineers giving my interpretation of clauses 34, 35 and 36 of our general specifications, accompanied by a diagram explanatory of same, and I have letters from the district engineers in districts 'A,' 'B' and 'F,' where actual grading was being proceeded with, stating that my interpretation had been and is being adhered to. My letter of the 19th of September last, to the chairman, gives my reasons for suggesting a change in district engineers in 'F' district.

Your obedient servant,

HUGH D. LUMSDEN.

THE COMMISSIONERS OF THE TRANSCONTINENTAL RAILWAY.

OTTAWA, April 23, 1908.

Memorandum to the Right Honourable Sir Wilfrid Laurier, Prime Minister:

A letter from Major Hodgins, lately our district engineer at Kenora, Ont., has been given wide publicity in the press, namely by the *Manitoba Free Press*, and the *Ottawa Morning Citizen*, where it was commented upon.

There are insinuations and statements in it that should not be allowed to pass unanswered.

Without laying any specific charges, Major Hodgins makes vague, general accusations that are absolutely groundless. It is plain that the object in view is to cause us annoyance without any regard to truth or public interest.

If Major Hodgins has had in his possession any evidence of irregularities or wrong doing, he should have submitted such to the commissioners. As a corporate body, and being the first concerned, it would have been our duty to investigate the matter promptly. If he had done so and the commissioners had refused to look into his charges, then he might have been justified in issuing statements to the public. There is nothing in Major Hodgins' allegations to indicate that he is even now in possession of any such evidence.

Taking up *seriatim* the allegations in Major Hodgins' letter as printed in the papers:

1. 'That the government is paying padded accounts for the work done, and that the Grand Trunk Pacific people are making no objection because they merely have to pay the added interest.'

This statement is without any foundation. The Grand Trunk Pacific Railway Company make objections when they see fit, and these are looked into at once with due care.

7-8 EDWARD VII., A. 1908

2. 'They (the commissioners) wanted to change my ideas, based on a good many years experience on the construction, to the classification that is allowed to contractors in Quebec.'

This statement is also without foundation. The commissioners never, at any time, requested Major Hodgins to adopt in his district any classification not in accordance with the contract and specifications. As to the classification in Quebec, it was looked over and found to be agreeing with these, and therefore perfectly regular.

3. 'If Mr. Poulin, the engineer appointed by Mr. Parent to replace me on the western district, has allowed the introduction of a classification similar to that allowed in Quebec, this will account for the increase in the estimated cost of the line. If this increase amounts to \$3,000,000 or \$4,000,000 it is time the public demanded some explanation.'

Such hypothetical statements of course amount to nothing at all. In the first place, Mr. Poulin was not appointed by Mr. Parent, the chairman, who did not even suggest it, but by the Board, on the recommendation of the chief engineer because he was considered to be the best man for the position and to take hold of the work of reorganizing the district, which had been left in such a bad shape by Major Hodgins. At this point it may be well to remark that classification comes from the chief engineer and not the chairman or the commissioners, as Major Hodgins puts it.

Since leaving our employment, Major Hodgins has talked a good deal openly, in fact much more than professional dignity and the sense of justice would seem usually to permit. It is time, we feel, in justice to ourselves and to the public, before whom there is an evident desire to misrepresent the facts, to call a halt and make it necessary for the accuser to bring facts to substantiate his charges.

You will find attached newspaper clippings in reference to Major Hodgins' letter, and all correspondence relating to the circumstances of his dismissal; also a letter from our chief engineer, Mr. Lumsden, on the same subject.

In conclusion, the commissioners would respectfully request, as they do not wish to remain under the aspersion which such reports cast on them, that the whole matter be referred to and looked into by Committee of the House and that Major Hodgins be assigned to appear before the same to repeat his charges in a specific manner in order to substantiate them if he can. Then an opportunity will be given right minded people to see where the truth is and if public interest would have been better served by keeping an engineer who ignored the specifications, or by replacing him, as was done, by one who will follow them.

The commissioners trust their request will receive early attention.

S. N. PARENT,

Chairman.

EXHIBIT No. 28.

OTTAWA, July 23, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Transcontinental Railway.

DEAR SIR,—In accordance with your instructions, I went out to Winnipeg and walked over that part of the line now under construction in district 'F,' from mile 134 continually to 0.

Progress.

Substantial progress is now being made by the contractor in the prosecution of his work in a general way, but this cannot be said with regard to some of the controlling features of the work, and to which I will refer in detail. But in the majority of the heavy rock cuttings night gangs are employed, but there are several cuttings with from thirty to forty thousand yards of solid rock to be moved in which little or nothing has been done and where double shifts are as yet not put on.

APPENDIX No. 5

Labour.

The labour problem is, as you are aware, one of great difficulty for the contractor to solve. There are at the present time in the vicinity of four thousand men on the work. It is, however, quite impossible to say with any degree of accuracy how many men are employed at any given date, as there is a continual stream of men going and coming from the various camps along the line. From three to four thousand men, in addition to those on the work, could be conveniently employed if they could be had. I was surprised to see a great many cuttings opened up and from 1,000 to 1,500 yards taken out and no men working in them at the present time. This was general all over the line. The various sub-contractors tell me that these were opened up by station men who quit work after receiving their first estimate, which, in their opinion, was too *small*.

The complaints were on account of the classification being too low, overbreak being held back, waste being deducted or water coming for want of drainage. Complaint is also made by the contractors that men leaving for the above causes went to the various centres of labour and reported that the Transcontinental Railway was no place to work, and that no money could be made there. This is a very serious matter for the contractor, who has spent in the vicinity of \$75,000 for labour for which he has got practically no return, men brought in at great expense going out without doing even one day's work, and for which there seems to be no redress.

Sub-contracts.

The contractor has let out all his work in sub-contracts. In many cases he has given much more work to subs than they could possibly look after, they being forced to re-sub it to others. By this procedure the original contractor loses the proper control of his work. The practice of re-subbing should be prohibited by the commission on all future work.

Plant.

The contractor has supplied all the subs with an abundance of plant. In fact, in many cases he has put on an unnecessary number of steam drills, steam hoists, steam derricks, etc. Steam plant on railway work is not profitable, and should not be introduced where it can be avoided.

Stock.

The stock on the line is of the best quality, and for the quantity of men on the work is in sufficient number. In some of the camps it is in excess of the number of horses actually required, as there are very few cuts where scrapers can be employed.

Camps.

The camps for the men on this work and the tableware, kitchen furnishings, etc., are the best that I have ever seen on any railway in this country; the sub-contractors have evidently been furnished with ample funds for the vigorous prosecution of the work, could men only be secured and retained after they have been once brought on the work.

Roads.

Roads from the various stations on the Canadian Pacific Railway have been constructed into the headquarters of the various sub-contractors, and when at all possible roads have been built along the right of way or parallel to it. All this has been done at great expense. Telephone lines have also been put in, and are being put in by the sub-contractors. Where these telephone lines exist they should be run into the engineers' camps, the commissioners paying their proportion of the cost, as, in a country like this, where the division engineers can only go over their divisions by

7-8 EDWARD VII., A. 1908

walking, telephone communication with their various residences would be of great service on a line where there is no mail service.

Supervision.

The contractor has on the work three competent men, all of whom are engineers of experience. They have been allotted a certain territory to look after, so there is always a responsible man on hand with whom the commissioners' engineers may communicate.

Clearing.

Clearing on this line should have been done for a distance of 100 feet on each side of the line. The bush is very thick all along the line, and as soon as trains begin to run will all be burned unless more clearing is done.

Classification.

Classification on this work, where the vast majority of it is solid rock, is not a serious matter, and where material has been moved that could be classified—and the greater part of it was moved last winter when it was frozen, such as the opening of cuts, the stripping of rocks, etc.—I found, from questioning the resident engineers and from looking over the progress estimates, that the classification given the contractors has been very low, and in many cases absurdly low, and for that reason alone there are probably 1,000 men less on the work to-day than there would have been if the work had been fairly and justly classified. Classification is left entirely to the resident engineers, and they are all too timid to give the contractor what he is entitled to in that line.

The only engineer on the work who could produce any statement showing what the profit or loss was on the various cuttings on his work was Mr. F. J. McIntosh, division engineer at Wabigoon river; he looked after the classification on his division, consequently it was more reasonable than on the rest of the work.

Overbreak.

The rock on this work is interspaced with seams of clay, varying in width from a hair line to several feet in width, and these seams go to the bottom of the deepest cuts, consequently, there is a great deal of overbreak all along the line. I carefully examined many cuts where the overbreak was bad, and in no instance could I see that it could be attributed to excessive blasting. This overbreak it appears, has been held back by the engineers without any other reason than that it was just overbreak. I believe that they are paying for a certain proportion of it, but none of them pay for it all, when it was perfectly plain that it was unavoidable. This, of course, is the cause of much discontent among the station men along the line, and has been since the work began.

Waste.

On the whole line I only saw two cuts where there had been deliberate waste of rock by heavy blasting (the waste in both cases would not amount to over a few hundred yards.) Yet waste seems to have been deducted from station men when it was clearly unavoidable in side cuts along the lakes, with the result that these cuts are now idle.

Surface Drainage.

Surface drainage seems to be a non-existent quantity on this job, at least I could not find any in my travels. Bogs innumerable and without end, but no drains other than a few small ones made by station men for their own benefit and at their own expense.

APPENDIX No. 5

Remarking upon this to the resident engineers they invariably told me they could get no authority to order ditches to be dug. They had written letters and sent in plans for proposed ditches, but had heard no more about them. In many instances there are bogs on top of large rock cuts that must be drained before the cuts are started. The contractors are asking for drains to be laid out and cannot get them; resident engineers waiting for orders, division engineers likewise.

Openings.

With regard to the various openings along the line in many instances the size of these openings have never definitely been settled. Whose business it was to settle these questions I could not find out.

Location.

Long stretches of line have been re-located since the contract was let. The contractors complain that they were delayed in the building of the camps until the location of the line was decided on. In one case in particular the line was changed after work had been done and camps built. The contractor complains that he has never been paid for this.

Trestles.

No permanent wooden trestles of any kind should be built on this line; they will, without doubt, be soon burned if they are put in. The country is thickly wooded and is liable to burn at any time. Many camps have already been burned from that cause. Apart from the danger of fire, it will be very much less costly and very much more satisfactory for the government that the commissioners do not leave any work to be done on this line that can be charged to capital account. From what I saw of the country, I considered that the contractors' price for train-hauled material was low and should be taken advantage of to complete all fills during construction, when the commissioners' engineers will have some say as to where the material will be hauled from, and, more important still, they will be in a position to say how many yards were actually hauled, and the government will thereby only have to pay for work actually done; whereas, if this work is left to the operating department of the Grand Trunk Pacific, they will haul material as many miles as they please, side-track trains for hours at a time, quantities will be what they please to call them, and the cost to the government will be whatever they like to make it. The district engineer and any of the divisional engineers I spoke to on the matter agree with me in this.

Stream Tunnels.

The contractor refuses to put in any more stream tunnels of less size than four cubic yards to the lineal foot, as the engineers have reduced the price per lineal foot in proportion to the reduction they have made in the size of the tunnel. This has been done in accordance with a ruling given by the commissioners' law clerk, who maintains that clause 138 of the specifications, which refers to line tunnels, also refers to stream tunnels. Clause 138 does not, in my opinion, refer to stream tunnels and never was intended to refer to stream tunnels by the engineers who wrote the specifications. I consider the contractor is quite within his rights in refusing to dig tunnels at the ridiculously low price of \$10.93 per foot when his contract price for this work is \$25 per foot.

Sidings.

Sidings have not been graded on the prairie section. This should be attended to at once, otherwise the contractor will not be able to run his track-laying trains.

Tanks.

Arrangements for building tanks should be made at once, in order that use may be made of them by construction trains; otherwise much time will be lost by engines running all over the line for water.

Completion of work within a Limited Time.

Under present arrangements I see no possibility of this contract being completed within a reasonable or limited time. There are over sixty cuttings or more on the line in which work could be pushed with greater vigour. The majority of these can and will be put through in from 12 to 18 months by using double shifts. But the long tunnel just east of the Winnipeg river, under the present management of both the engineers and contractors, will not be dug in twenty years. Until different management is placed on this particular job, it is merely a waste of time to force work on any other part of the line. Here we have a tunnel one thousand eight hundred feet long on which no work has been done, apart from a little scratching at both ends. The contractor has no reason to give for not having done much work at the west end; but before he can get at the east end a lake has to be drained, the surface of this lake being about six feet above grade. A ditch has been dug to do this, but only four feet of water have been drained so far. To make the scheme a success the water should be lowered eight feet. I do not believe this can be done; and as the engineers refused to pay for the cost of this work, the contractor has quit trying to lower this lake.

In order to get at the east end of the tunnel a large ditch 14 feet deep has to be dug from the mouth of the tunnel to the lake, as right over the proposed end of the tunnel is a bog, and from the end of the tunnel eastwards extends a cut 1,700 feet long. This, for want of drainage, is going to give much trouble to get out. I understand that over a thousand men have worked on this particular piece of work, and when I saw it there were only 23 men working. It is a nasty job and men will not work in water when plenty of work is to be had elsewhere.

The district engineer and the division engineer do not agree as to how the contractor should be paid for this work; neither of them take any interest in it, and owing to the mode of payment the contractor is losing \$1 per day per man, so he is in a very unhappy state of mind. This piece of work requires your immediate attention, as there is, practically speaking, nothing being done on it; and under the most favourable circumstances, it is a three-years job.

Change of Line.

I understand that the G. T. P. Ry. Co. has advised a change of line at the east of the present contract on dist. 'F.' They, in the meantime, have abandoned the last 12 or 15 miles of their Fort William branch; their contractor has taken off his men and no work is being done there. They now suggest that this piece of line be taken over and completed by the commissioners. The reason for this is perfectly plain; the last 15 miles of the Fort William branch are very heavy, cuts of particularly bad rock with 70,000 c. yds. are untouched. The crossing of the Pelican river is a three-years job. The G.T.P. contractor will lose a lot of money on this bad work. He will have his time and plant tied up for the next three years on a losing job, when he might be free to tender on more profitable work. And worst of all, if the general manager of the G.T.P. does not succeed in unloading this piece of work on the Trans-continental our contractor will have the eastern end of his work graded and be asking for rails before the G.T.P. people are in a position to haul them over their branch line.

I consider that the commission has been very badly advised in putting on a survey party to look up a better location for the G.T.P. branch, and that party should be called in at once. By all means let them do their own surveying and build their own line. If they are left to their own resources, we will probably be finished first.

APPENDIX No. 5

Engineering.

The engineers in district 'F' lack confidence in themselves; the evasion of responsibility is the order of the day from the district engineer down to the youngest resident. There is too much letter writing about things that must and should be settled by the men on the ground, if the work is ever to be done.

It is quite evident that the contractor has never had the good-will or proper co-operation of the majority of the commissioner's engineers on this district, without both of which it is impossible for the work to be carried on in a proper spirit and a businesslike manner.

Neither the district nor assistant district engineer have ever been over the line, and if the work is to be carried on with proper despatch an assistant district engineer should be appointed whose duties will be entirely in the field and whose place of residence will be at or near the Winnipeg river crossing. This man should be given authority to settle all matters relating to borrow and waste ditching, classification, force work, size and kind of structures, &c., &c. If this was done the work would not be held up all over the line waiting for decisions that never come.

The position of assistant district engineer at Kenora should be abolished, or changed to that of office engineer, which the present incumbent has really made of it.

At present the engineers on this work are no more than so many clerks, simply writing letters and reading the answers, and for all the engineering they are doing, they might as well be left out.

Yours respectfully,

GORDON GRANT,
Inspecting Engineer.

OTTAWA, July 31, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer.

DEAR SIR,—I am directed to request that you will notify engineers Grant and Hodgins to be on hand to-morrow for appearance before the board.

Yours truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 27.

OFFICE OF THE CHIEF ENGINEER,

OTTAWA, July 31, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS,—I beg to hand you herewith a report of Mr. Gordon Grant, inspecting engineer, and a reply to same from Mr. A. E. Hodgins, district engineer 'F.'

From this it will be seen that Mr. Hodgins denies nearly all the statements made by Mr. Grant, and I certainly can make no intelligent report on these without going out on the work and judging for myself, especially so as I do not agree with certain statements made in portions of each of their reports.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

7-8 EDWARD VII., A. 1908

EXHIBIT No. 29.

OTTAWA, July 31, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—In reply to your instructions *re* Mr. Grant's report, I would have preferred to have had a copy before I left Kenora, in order to have been able to refer to various records.

Cuttings Opened up and no Men Working.

Reference to the progress profile for June will show that there are not many of these. In some instances, at the commencement of the work, some men may have quit because the overbreak question was not settled. Some other reasons for men quitting was that a foreman or powder man was killed, and no one in the gang to take their places; men were charged too much for powder or other supplies; Foley Bros. sent for them and gave them more money. Many men quit because they could get out of paying back their fares by working on the Canadian Pacific Railway. Foley's men are, in a large way, responsible for spreading all sorts of reports to prevent men staying on the Transcontinental Railway.

Clearing.

It has been difficult enough to get the contractors to clear 100 feet. It has always been intended to do extra clearing as soon as more men were available. Men cannot be spared at the present time from the grade.

Classification.

This is not a serious matter. Very little classified material was moved last winter. All engineers were instructed by the chief to classify frozen material in cuttings or loose rock. Classification is, in my opinion, and in the opinion of Messrs. McArthur and Hazelwood, fair; and, with the exception of one or two cuttings, there is no dispute. Classification should be left to the judgment of resident engineers. If they are in doubt, they can consult with the division engineer. All the engineers have been instructed by me to classify liberally in loose or solid rock.

Mr. McArthur has never asked me to re-classify any particular cutting or sub-contract.

All engineers can provide statements of profit and loss on contracts, and this information is also in the Ottawa office on every contract since the work started.

Overbreak.

It is not possible to measure overbreak exactly; for progress estimates it is done by tape. I would say nearly all the overbreak that has been taken out of cuts has been returned. A large amount of shattered rock still remains that will eventually have to be removed to make cuttings safe. Up to the end of June 77,800 cubic yards were returned. In some cuttings 25 per cent of total yards moved is overbreak. In May 63,251 cubic yards were returned for overbreak. I have given instructions to division engineers to return all overbreak they can in their judgment allow.

If all the overbreak shattered but not taken out of cuts was returned now, there would be nothing returned for it when it was finally taken out.

In my opinion, overbreak, in many cases, is due to overloading, but even this is measured up.

In shallow cuttings overloading causes a large amount of waste. In heavy cuttings the waste is not so great, and overloading causes overbreak at the bottom of the slopes.

I have seen more than two cuttings where there has been excessive waste. The waste is there and can be seen by any one at any time to judge for themselves. Engineers are endeavouring to discourage deliberate waste and contractors are kicking

APPENDIX No. 5

at this, because they wish to waste all they can. It pays to do this, and some station men are disappointed with a shot unless they have wasted enough rock to pay for the powder.

Surface Drainage.

Engineers have been instructed to run tap drains wherever possible. Bogs and muskegs are difficult to drain properly when the grade crosses. As a case to illustrate: On Chambers Bros.' work west of the crossing there is a cutting with two swampy places in it. To drain one side of this, a ditch about 500 feet to the north will drain one side. This ditch would have to be dug to a depth of about 10 feet at the start and 14 feet at end in slime and ooze. The division engineer is of opinion that the sides of a ditch in this material will not stand, and it would be better to take the water down the side of the neighbouring rock cut. The tap drain would only drain one side.

A question of this kind should not be referred to a district engineer, who is not as conversant with local conditions as the men on the ground.

Openings.

Quantities in all openings have been figured out and can be seen on profiles in all offices, and a list of openings has been made out by all division engineers. They have been all instructed to increase them if they think they are not large enough. In most cases the present division engineers located the line they are now in charge of and named the size of the openings on profiles sent in. Their instructions are to err on the large side in all cases. In several cases we have had to put in dry masonry culverts in order not to delay work, because there was no cement on the ground, or on account of culverts not being put in before frost came. I can produce lists of culverts for each division, showing any alterations since location profiles were sent in.

Location.

One contractor may have been delayed in building camps, by not having enough men to cover work not being altered, his men were all employed. The reason for this alteration was that soundings taken in the hurry of location from canoes did not show actual depth of mud. Soundings from ice necessitated changing line on Canon lake. In most other places where line was changed contractors were not on the ground and clearing not started. In the case where line was changed when work was done and camps built, the contractor has not yet sent me his bill, and when I asked him for his own valuation on holes drilled, a root house, a small storehouse, and the camp (2 buildings) he asked me to go out and look at them, as he preferred my valuation. I suggested that it would be better for him to submit his bill of actual cost, plus 10 per cent. As soon as this arrives I will certify to it.

Trestles.

I have thrown out as many trestles as possible and would throw out more if I had permission to borrow rock. There is very little chance of getting trainfill within reasonable haul, and trainfill, added to cost of trestles, in most cases, would be more expensive than rock borrow.

It is difficult at present to give exact figures how far material in cuttings (with overbreak and waste an unknown quantity) will make up fills on soft bottoms or in water, but it is possible to sanction borrow if engineers are made responsible to use judgment and discretion. The same can be said with regard to waste in a few cuttings where overbreak is swelling the quantities, and there will be a surplus of rock in cuttings eventually. As we are not in a position to give exact quantities now to the chief, the question is held up until we are in possession of exact quantities, or until the cuttings are out.

Stream Tunnels.

I agree that \$25 per foot be paid for all stream tunnels up to 4 cubic yards per foot run, even if clause in specification refers to these or not.

Sidings.

Sidings on prairie were located, but positions were changed and referred to Ottawa; then the G.T.P. engineer suggested some changes. By this time contractors had moved their outfits. When prairie work was again started this spring sidings have been put in when contractors could reach them from the camps.

Limited Time.

The long cutting east of Winnipeg river. The tunnel is about 600 or 800 feet long, not 1,800 feet. I have constantly urged the contractor to push this work. For two months nothing was done, the reason being that the sub-contractor was sick and not on the work.

The lake north of the tunnel can be drained, and I was informed the day before I left by Mr. McArthur, engineer, that its present level was now only three feet above the grade in the tunnel.

When this was proposed I instructed engineer to keep strict force account, as we might have to pay for this by force account if the work proved difficult and impossible to measure or classify. There was a section shown, part of which was sand and boulders, and the other portion mud. I instructed engineer to excavate in sand and boulders *only*, and that mud should come out by action of water. During my absence in Quebec I understand an attempt was made to dig mud, and, as I had given no order to have this work done by force account, I am told it was to be classified as common excavation by the divisional engineer. If this was done it was unfair to contractors and a misrepresentation of my instructions. It is not necessary to sink ditch 14 feet to get at tunnel. I understand that the heading has actually been started. If it is found that the sides of the ditch will not stand, a tile pipe can be laid. If Mr. Grant believes this bog cannot be drained, why does he refer to draining similar places, (page 5, surface drainage) as being possible. I might also add that the 14 foot ditch was laid out to help the contractor get room to work into the centre of the cutting, for, as soon as the lake is lowered, and cutting out all surplus water above the centre line can be taken in a tile pipe to the east.

The last estimate I got on the cost of the ditch to drain the lake was \$5,000. Mr. Tye informed me the actual cost to date was under \$4,000. In estimating the cost before starting this work, I figured it all at loose rock price. What solid rock turned up afterwards would, of course, be paid for as such.

I was not able to go up to this piece of work after I returned, as Mr. Heaman was away, but when I found out men were working in wet mud, I gave orders to have it done by force account. Mr. Grant was the first to inform me they were in mud.

There are also 26,000 cubic yards to be wasted. Three months ago I instructed Mr. Tye to waste anywhere, and gave him a free hand. I urged upon him the importance of doing something, as the sub-contractor was away starting some other work he had on the prairie.

I took sufficient interest in this particular piece of work to call your attention to it the last time you were in Winnipeg, and on several other occasions.

Engineering.

The engineers on this district do not evade responsibility. I am willing to take all the responsibility you can give me. Several questions have to be referred to the chief engineer for approval which might be left to the engineers of the district. I have been over the greater portion of the line and Mr. Heaman has been over all but a portion of Mr. McIntosh's division. Mr. McIntosh asked that I should go instead

APPENDIX No. 5

of Mr. Heaman, and I did. Some months ago I recommended Mr. McIntosh as assistant district engineer, but he declined as he wished to gain experience on construction, and said he would be in a position to learn more as divisional engineer than as assistant district engineer. It was not a question of salary, as I had promised to let him live at his present headquarters and give him two divisions on construction and all the location east of Peninsula crossing. Most of this he has already been over. I spoke to him again last February, going over his work with him, and he again declined. He has now changed his mind and will accept.

There is no position of assistant district engineer at Kenora. Mr. Heaman spent the divisional engineers did not consider that he should have got the appointment. I the divisional engineers did not consider that he should have got the appointment. I visited three divisions myself. I am perfectly satisfied with Mr. Heaman, and have every confidence in his ability and judgment, and, if I find there is still any friction, I must ask for authority to discharge any division engineer who is inclined to make trouble. Mr. Heaman and myself would have gone over the line this summer, but as both of us have been away at different times, in May, June and July, we have been out on the work very seldom, and then only for short trips.

With reference to the last paragraph of Mr. Grant's report, it is not only uncalled for, but untrue, except with regard to my correspondence with various branches of the head office.

If I am given a free hand to do anything that I think advisable in the interests of the work, I can guarantee that there will be no friction between the engineers and contractors, and if any engineer shirks responsibility he will be discharged. Resident engineers do not write to me and I do not write to them, and I see all division engineers once and some times twice a month. There cannot be much unnecessary correspondence.

A fair criticism by the inspecting engineer would have been very acceptable, and if this report had made reference to special points on the line where drainage was necessary and had not been put in; what openings had not been definitely fixed; when sidings had not been built; where waste or overbreak had not been allowed, giving the station or mile, I would have been in a much better position to reply. As the report is a condemnation of the engineers of the district, and myself in particular, and if this reply does not convince you or the Board that matters generally are not in the deplorable condition represented by the report, I must ask you to come up as soon as possible and investigate, and if you cannot come, I would suggest Mr. Butler or Mr. Schreiber.

Yours truly,

A. E. HODGINS,
District Engineer.

KENORA, August 6, 1907.

H. D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—I send you to-day, per Dominion Express, J. D. McArthur's progress estimate for the month of July, comprising single copies of Forms Nos. 4, 5, 9S, 45K, (division engineer to district engineer and district engineer to chief engineer) and 45X, triplicate of Form 101, and statements relating to same, two copies of extra order No. 23 and only one of order 37, two copies of this last order being already in your possession.

I enclose herewith a copy of a letter from Mr. McIntosh relating to an error of 100 cubic yards of loose rock on residency 25, stn. 3974-50; this item was erroneously entered in June and has been deducted in the current estimate.

7-8 EDWARD VII., A. 1908

A statement is attached to Form 4, residency 25, showing certain amounts which were previously returned as loose rock and common excavation now returned as solid rock.

Mr. McIntosh writes *re* same :—

'These transfers I have deemed advisable to make at the present time, as, having regard to the cost of working and material, they would be properly classed as rock excavation.'

You will note on residency 26 that 33 cubic yards of dry masonry have been deducted, and a like amount has been added to item No. 17, paving.

On form 45X appears an amount of piling delivered, this material is off-loaded at the material yard, and it would not be fair to enter this under item 10 on residency 39, as it will be split up and used on several residencies. In due course it will be deducted from form 45X and entered under items 10 and 11.

The extra work appearing under order No. 23 is the first progress of this order, form 101 covering same will be sent to you as soon as received from Mr. A. G. MacFarlane.

For explanation of extra work at Neck Lake, see my letter of yesterday's date. Form 101 for this will also be sent you as soon as received.

Yours truly,

A. E. HODGINS,
District Engineer.

Enclosure.

WABIGOON FALLS, July 25, 1907.

Major A. E. HODGINS,
District Engineer, N.T.C.Ry.,
Kenora, Ont.

DEAR SIR,—With regard to your letter No. 541 *re* an error in addition on form 4, item 5, loose rock, residency 25, for the month of June, there appears to be a mistake in this that 100 c. y. of loose rock were returned at stn. 3974-50 culvert excavation as being done, which item should not have been shown there at all and was due to a typographical error. This will leave the total to date estimate for June as originally, viz.: \$294,525.63.

Yours truly,

F. J. McINTOSH,
Division Engineer '6.'

August 24, 1907.

A. E. HODGINS, Esq.,
District Engineer,
Kenora, Ont.

DEAR SIR,—The accompanying questions and answers thereto made by Mr. Grant, inspecting engineer, are so at variance with statements made verbally by you and others to me, that it is incumbent on you to reply as soon as possible thereto, and to explain, and furnish written proofs of the reason for the order you told me you had given to division engineers *re* classification, and which I told you I would not approve of.

Yours truly,

HUGH D. LUMSDEN.

Enclos.

APPENDIX No. 5

Questions asked Mr. Grant.

1. Did you give any instructions to division or resident engineers?—A. No.
2. Did you advise division or resident engineers as to mode of classifying material? If so, what did you advise?—A. I gave all engineers on the work most distinctly to understand that I had no authority to give them any instructions.
3. Did you express to such engineers, or to the contractor, sub-contractors, or contractors' engineers, your opinion that they were not fairly treated by the engineers on the work?—A. The classification on Engineer Scott's work was so low that I did say it was low in my opinion, while Mr. McArthur and sub-contractor were present, also Hazelwood and the contractor's engineer.
4. Did you make the statement to any of them that all material not classified as loose rock should be classified as loose rock, or cemented material?—A. I certainly did not.
5. Did you advise or suggest the classifying of material by force account irrespective of what the material actually was, in order to cover cost of the work? If so, state what you did advise, and if 10 per cent was to be added, or not?—A. I advised nothing, but I did suggest to the engineers that they should find out from their own force accounts what the cuts were costing as a guide to classification.
6. State points where ditches had been asked for by the contractor and not laid out?—A. On Guy Campbell's work, Anderson and Johnson's work. Resident engineer Harris told me he could get no authority to lay out ditches. He had made plans for ditches, sent them in once and got no answer.
7. Did you have any conversation with resident engineer Harris in regard to payment for roads made by the contractors for the purpose of opening up cuttings to enable them to start a second lift? If so, how did you suggest such should be paid for?—A. I suggested that the road be made from material from the cut, and that the material used in the road be not deducted from the estimate.

OFFICE OF THE CHAIRMAN, August 24, 1907.

Memorandum for Mr. P. E. Ryan, Secretary of the Board.

During the conference held yesterday afternoon between the commissioners, the chief engineer and Mr. Grant, inspecting engineer, at which you were also present, I found that Mr. Lumsden had before him a letter from Mr. Hodgins, District engineer 'F,' dated the 6th instant, transmitting the monthly estimate for his district for July. In this letter were remarks concerning the classification of certain items of work different from the one made in the previous estimates.

Reference was also made therein to a document, bearing No. 4, attached to the estimate. As it was the first time I heard of the letter, would you let me know whether it was not submitted to the Board in my absence, as it happened occasionally of late that I had to go away on business while other commissioners remained here.

In referring also to the July estimate, I find that document No. 4 does not form part of the original we have here. I would like to know if you ever had it in your possession, or have it now, as I wish to take communication of same in order personally to seek an explanation and information from the district engineer, or his assistant, and the chief engineer, that will make me acquainted with the circumstances of this change in the estimates and the reasons that justify the same before I can approve of it and certify the papers as required.

S. N. PARENT,
Chairman.

7-8 EDWARD VII., A. 1908

OTTAWA, August 24, 1907.

Memo. for Hon. S. N. Parent, Chairman.

Replying to your memo. of even date, I beg to say that I have not heard of or seen the letter from district engineer Hodgins, dated the 6th instant, *re* his July estimate of work done by contractor J. D. McArthur, before Mr. Lumsden read the same at the conference yesterday. I can state definitely that it had previously not been submitted to the Board either during your presence or absence.

Document No. 4, referred to in your memo., is not now, and never has been, in my possession. This document, with other necessary documents, are submitted by the engineering department to our accounting department to enable them to check up the estimates, and after this checking the accounting department return them to the engineering department. Mr. Gow, of the accounting department, who checks the estimates, advises me that, so far as that department is concerned, the approval of the chief or acting chief engineer, or, in the absence of the chief or an acting chief, of the assistant chief engineer, of any change of classification would be accepted by the accounting department as final, their checking applying, not to engineering details, but to the accuracy of the mathematical calculations and extensions.

This July estimate, when submitted to and approved by the board, did not have attached Mr. Hodgins' letter, dated the 6th instant, or document No. 4 referred to, which Mr. Lumsden stated at the conference yesterday had been forwarded to the Auditor General.

P. E. RYAN,
Secretary.

OFFICE OF THE CHAIRMAN,

August 24, 1907.

HUGH D. LUMSDEN,
Chief engineer.

DEAR SIR,—Herewith you will find copy of a memorandum I sent to-day to the secretary of the Board, and copy of his reply, which explain themselves.

It has become evident to me that things have not been conducted so far in district 'F' as they should. This fact was particularly impressed on the commissioners as a result of conversations we had with the engineer in charge, Mr. Hodgins, and also of complaints made repeatedly by the Grand Trunk Pacific Railway Company regarding the unsatisfactory progress of work on that section. With a view of securing fuller information on the various parts of the work now under way, namely, in district 'F,' the commission deemed it advisable to appoint an inspecting engineer, who would keep us posted as desired, and Mr. Gordon Grant was called to fill the position. He went over the ground and made a report which was submitted to the board, showing that the engineer in charge of district 'F' and his staff of assistants, with a few exceptions, had not devoted to the work in hand all the attention which could reasonably be expected. Among other things, it was stated that the district engineer and his assistants had neither of them since construction began, gone over the work as they should have done. In the opinion of the inspector, reported to the Board, the classification of work has been faulty. In his report, replying to that of Mr. Grant, Mr. Hodgins suggests as a remedy to these defects, that the resident engineers should be the ones to look after the classification. For my part, I entirely disagree with this view. Such a policy would certainly not be conducive to the uniformity desired, and judging from our present experience there, we would very likely have as many different ways of classifying the work as there are engineers. In certain cases, the classification would be too strict, and in others not enough. And again, some engineers on their own judgment might be inclined to put under the arbitrary description of 'force account' items which should be duly classified. This practice cannot be allowed under any circumstances, as entirely contrary to the contracts.

APPENDIX No. 5

There is a letter from Mr. Hodgins, dated the 6th inst., addressed to you, which should have been submitted to the board, together with document No. 4 attached, so as to give every available information on the subject. They came to our notice incidentally. It would appear from its contents that after certain items had been classified a change was deemed necessary and other classifications made, which it would seem received his approval. Such a state of affairs shows that there has surely been negligence somewhere in the management of this district, and, from a consideration of these facts, the natural inference would be that the district engineer is not competent to handle properly such work as he is now entrusted with. Under the circumstances, it is the duty of the chief engineer to take whatever means are required to put a stop to conditions which have already existed too long. Among the points of first importance requiring your attention is to find and suggest a way to the different district engineers and others to ensure, as much as possible, a uniform classification according to the plans and specifications on which the contracts are made with the contractors. It is essential that there be no misunderstanding on the subject. In this connection I might point out that the commission never authorized any one, nor can it do so, to disregard in any respect the letter of our contracts and specifications, which must be the only guide to go by, and that for no reason can anything be paid to the contractors or their sub-contractors which is not provided for in the same. At the same time, it must be borne in mind that contractors are entitled to a fair and reasonable classification, based as already stated. We cannot deprive them of what is rightfully their own under the contracts and specifications.

It was mentioned by you that Major Hodgins had stated that he had changed the classifications of certain items of work in order to meet our wishes. In that case, he should be informed at once that no such changes should be effected, as any instructions to that effect must come direct from you; and, moreover, inasmuch as the commissioners never instructed him yet in that sense, nor did they express the desire to Mr. Hodgins to make any such changes interfering in any way with his right to make classifications just and reasonable, based upon the specifications.

Furthermore, in order to avoid the risk of any difficulty later on, it should be made a rule as far as possible that the classifications receive the approval of the engineer representing the Grand Trunk Pacific railway at the various points where there is work going on.

In conclusion, as documents explaining changes made in certain estimates of district 'F' were added to the same after they had gone through and without our seeing them, I must decline the responsibility of certifying to the said estimates before being furnished with a full explanation of the matter.

Awaiting a reply at your earliest convenience.

Yours truly,

S. N. PARENT.

Chairman.

AUGUST 24, 1907.

A. E. HODGINS, Esq.
District Engineer,
Kenora, Ont.

DEAR SIR,—Wired you to-day in cypher as follows: completed worshipped obligato argumentative Joseph international transferable drag environ cluck naval beguile assign perplexing convicted antechamber specifications over turned worshipped obligato beguile aria calumination memorialized drag environ significant beguile object antechamber transferable requirable thunder examine wretched likewise stoned till helper soothing clucking.'

7-8 EDWARD VII., A. 1908

Which means, commissioners will not approve your instructions to divisions engineers. Classification must be as per contract and specifications otherwise they will not be approved by me. Division engineers should be notified to so classify and accompany their estimates with letter stating they have so classified.

Yours truly,

HUGH D. LUMSDEN,

THE COMMISSIONERS OF THE TRANSCONTINENTAL RAILWAY.

OFFICE OF THE CHIEF ENGINEER.

OTTAWA, August 27, 1907.

HON. S. N. PARENT,

Chairman, Transcontinental Railway Commission,
Ottawa, Ont.

DEAR SIR,—In reply to yours of the 24th instant I beg to say in regard to the unsatisfactory progress of the work in district 'F' that, in my opinion, this was attributable to the lack of labour and its quality, and not to the engineers on the work.

The district engineer, or his assistant, were not, in my opinion, on the work actually under construction as much as they should have been, but how far the latter's movements were governed by orders from his superior I am unable to say.

In regard to the classifications of the work, I am now, and always have been, of the opinion that the resident engineer on the work is the proper person to make the classification in the first instance, as he sees the work from day to day, and makes the necessary measurements. That his classification should be confirmed, or amended, by the division engineer, who should go over the ground with the resident engineer several times during the month, and this should be further confirmed or amended by the district engineer, or his assistant, who should go over the work with the division and resident engineers as frequently as possible, and see that the classification is as uniform as practicable throughout the district.

In regard to Mr. Hodgins' letter to me, dated the 6th instant. This, together with other letters and forms accompanying the July estimate, should have been handed by my accountant (who checks the estimates) to my assistant in my absence, and then sent to the Board, but as heretofore these had not been asked for, they were not sent. I shall see in future that this is complied with.

Mr. Hodgins' conduct in issuing without authority from me, orders to his divisional engineers to classify cuttings by use of force account, irrespective of the actual material in them, was unwarranted, and on his informing me of his having done so I told him I did not and would not approve of any such order without authority from the commissioners. He gave me as his reasons for so doing that he understood this was the wish of the commissioners, and further stated that he had given these instructions owing to the statements made by Mr. Grant, inspecting engineer, to sub-contractors and others, and also stated that he was influenced to do this from his knowledge that many of the sub-contractors would throw up the work if something was not done at once, and he relied on having a decision in regard to this matter before the end of August. As you are aware, Mr. Grant in his replies to questions asked him by me, denies having given any instructions, or having told the contractor, or his sub-contractors, that they were being unfairly dealt with by the engineers on the work, except on Scott's residency.

I have informed Mr. Hodgins both by wire and letter that you do not approve of his instructions; the classification must be as per contract and specifications; and that division engineers should be notified to so classify, and accompany their estimates with a letter stating that they have so classified, failing which the estimates will not be approved by me.

APPENDIX No. 5

I also sent a letter to Mr. Hodgins enclosing copy of questions asked Mr. Grant and his replies thereto (copy attached).

In view of the present state of feeling in regard to district 'F,' I have come to the conclusion that it might be well to replace Mr. Hodgins by appointing some engineer, who must be of good standing and extensive experience on construction in a rough country, in charge of this district, and that he be given another assistant district engineer, as well as the present one, such assistant also to be a man of considerable experience on such work.

I agree with the idea that as far as practicable the classification on each district should receive the approval of the Grand Trunk Pacific engineer, and such approval should be obtained from time to time in writing, if possible.

I beg to hand you herewith copy of July estimate, together with forms and letters referred to.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

KENORA, Sept. 4, 1907.

H. D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—In reply to yours of the 24th August, 1907, the reasons I had for giving the order to classify partially by force account were as follows:—

The contractors were losing money on mixed material because of the continuous wet weather we have been having for the last two months.

The rate of wages has risen from 17½ cents to 25 cents per hour since the contract was signed, and the quality of the labour very poor.

Contractors claimed that if they did not get some of Mr. Grant's promises they would pull out, and that the government should not expect to get the work done for less than cost.

Force account as a guide for classification, not as Mr. Grant suggested, but in the manner I explained to the engineers would be justifiable under the present conditions.

On the double tracking of the C.P.R., resident engineers classify altogether by force account plus 10 per cent. On the G.T.P. branch similar classification to that I suggested is in force, and I am given to understand that force account classification is done on District 'C' (?) 'B.'

After having explained these conditions to you at Mr. Willet's, and after the discussion between Messrs. Macfarlane, Willet, yourself and myself, it was finally agreed that it was the best thing to do under the circumstances, only you had no authority to sanction it. I informed you that I thought the commissioners would sanction my actions, as something had to be done at once. I pointed out that this reclassification could not be made in one estimate, as there was not sufficient time, and that there was ample time for you to return to Ottawa, lay the matter before the Board, and wire me before the estimate went in. I sent no written instructions to engineers.

Since I received your wire instructions have gone out not to classify as I suggested, and the estimate will not be based on my suggested classification.

The classification I proposed was in mixed material only, not solid rock, and in some cases we would not have been able to classify contractors up to the cost of the work. It would have amounted to very little, and would have cheered every one up, and helped things along for the next month or two, when I hoped labour would be more plentiful. In many cases cuttings are going behind for want of sufficient men to work them.

Yours truly,

A. E. HODGINS.

7-8 EDWARD VII., A. 1908

OFFICE OF THE CHIEF ENGINEER,
OTTAWA, September 24, 1907.The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS,—In regard to the situation in District 'F,' I beg to submit my views.

In May, 1906, a contract was let to Mr. J. D. McArthur for the construction of 244 miles from near Peninsula crossing westerly. The rates in this contract were, in my opinion, low, especially for the timber, earth and loose rock, but had the current rates of wages and price of timber remained as they were, no doubt the contractor would have completed the contract with a fair margin of profit.

Owing to the great demand for labour in the west, wages, almost immediately after he took the contract, went up 25 per cent and timber about the same amount. As labour is one of the principal items of expense in a contract of this kind, it naturally follows that the contractor, or his subs, must go behind on such items as he tendered low on, and I have no doubt the statement made—but not by the contractor—that he is losing money on considerable portions of this work is correct, especially so when the poor quality of the labour and the difficulty and cost of securing and retaining it is taken into consideration.

As to classification, this, in my opinion, should be the same whatever the prices in the contract may be, the material moved not being thereby changed.

In regard to rock, there should be no difficulty in arriving at its quantity, except as to the amount outside the regular slopes, which, owing to slips or slides, is unavoidable.

Mixed cuttings, consisting of common excavation, loose rock or cemented material are much harder to classify, and the resident engineer, who sees the work from day to day and makes the measurements, is in the best position to make a fair classification of same, but there is often a wide difference of opinion between experienced engineers as to such classification, but no rock should be allowed except such as is actually in the cuttings.

Engineers in charge of work where contractors are losing money are in anything but a pleasant situation, but they should not be expected to make their classification different from what it would be were the contractors making money. They are, however, very liable to do so when they know that the estimate does not cover the cost of the work.

The situation in the easterly 190 miles in District 'F' is at present a difficult one, it being imperative that the work should be pushed as rapidly as possible; and in my opinion the use of standard timber trestle in many places would greatly facilitate the construction, but the engineers, knowing that the contractors' prices for such are too low, hesitate to recommend any, but apply for permission to borrow rock (which, in most cases, is the only available material) to make up large embankments. In cases where the bases are on bare rock and in a considerable depth of water, I am prepared to allow such borrow sufficient to make up a 12-foot bank to grade, or if the grade line is a considerable height above the water, to make up a bank to a height of say two feet above high water and of sufficient width to carry a trestle up to grade, but in very large fills wherever standard trestle can be used it would be a great saving in time and money over filling with rock. I have before me at the present time requests for such borrow at twelve points, covering 216,000 cubic yards of rock, and it is highly probable that the quantities at these points will be considerably increased, and no doubt similar requests will be made for numerous other points. There are numerous other places where temporary trestle might to advantage be used, but as such would have to be filled by the contractor before the opening of the road for traffic, ones of large dimensions should, as far as practicable, be avoided, as the filling takes up considerable time.

As to what is called overbreak in rock cuttings, I find that the returns for July

APPENDIX No. 5

show such to be about 11:6 per cent of the total rock removed, which to me seems exceptionally large, as few, if any, of the cuttings are as yet properly trimmed.

In reviewing the whole situation in District 'F,' I am of opinion that it would be a grave mistake to place the contractor in the position that he would have to abandon the work, as I am satisfied it would in the end cost more money to complete than if he were given some little assistance. Such assistance should not be given by the engineers classifying material other than according to specifications, but might be given by authority from you to increase the prices east of mile 190 for item 5, loose rock; item 6, common excavation; items 23, 24, 25, 26, 27, 28, 29 and 30 in reference to timber; item 74, train-hauled surfacing; and item 75, ballasting; or, failing your being in a position to do so, by instructing me in writing to classify all material other than solid rock, loose or easily worked sand, gravel or muskeg, under the heading of item 5, loose rock, and use rock borrow in place of trestle wherever common excavation for the purpose of making up embankments is not obtainable within a reasonable distance, or to pay for standard trestle at cost plus 10 per cent. Whatever is done, the force on the work should be increased by at least two thousand men.

In regard to a successor to Major Hodgins, I would approve of the appointment of Mr. S. R. Poulin, district engineer, District 'D,' as district engineer 'F,' with Mr. Foss as his assistant, on the understanding that if Mr. Foss is satisfactory he would, after the expiration of say three months, take the position of district engineer of District 'F,' and Mr. Poulin would return to his former position in District 'D,' Mr. John Aylen, now Mr. Poulin's assistant, to act for him in District 'D' during Mr. Poulin's absence.

Personally, I feel that matters are so different under a government commission, whose powers are limited by the Act, from what they had previously been under a corporation, who could act on their own initiative and take the responsibility of making such modifications in contracts as now suggested by me in just such difficulties as are now being experienced in District 'F,' that unless some relief can be given, the strain and worry connected with my present position is more than I can stand, especially as the salary is not in proportion to the responsibility involved.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

OTTAWA, September 26, 1907.

HUGH D. LUMSDEN,
Chief Engineer.

DEAR SIR,—I beg to advise you that the board has approved your recommendation with respect to the appointment of Mr. S. R. Poulin, at present district engineer of District 'D,' as district engineer for District 'F' in the room and stead of Mr. A. E. Hodgins; and that Mr. Foss be appointed his assistant on the understanding that if Mr. Foss, after a trial of say three months, is found capable of taking charge of the district, that he be appointed to the position of district engineer for District 'F' and that Mr. Poulin return to his present position of district engineer of District 'D,'; and that during Mr. Poulin's incumbency of the position of district engineer for District 'F,' Mr. John Aylen, at present assistant district engineer of District 'D,' be appointed to act as district engineer for District 'D,' has been approved by the board.

With respect to the other recommendations contained in your letter of the 24th instant reporting in regard to the situation in District 'F,' I am to say that you are clothed with the necessary authority under the Transcontinental Railway Act to deal with all matters of classification, the construction of temporary trestles, or the borrow of rock, &c., &c., and are therefore in a position to proceed with respect to these

7-8 EDWARD VII., A. 1908

matters as in your judgment you think best, having in view the completion of the work at the earliest possible date.

The commissioners have not had reported to them any cases of dispute between the contractor and the engineers with respect to the matters referred to in your report.

Yours truly,

P. E. RYAN,
Secretary.

OTTAWA, September 26, 1907.

D. HOCTOR, Esq.,
Chief Accountant.

DEAR SIR,—I beg to advise you that the board has approved the following recommendation of the chief engineer, viz., that S. R. Poulin, District Engineer, District 'D' be appointed as district engineer, District 'F,' in the room and stead of Mr. A. E. Hodgins, and that Mr. C. O. Foss, at present assistant district engineer for District 'A,' be appointed assistant district engineer for District 'F,' on the understanding that if Mr. Foss is found capable of taking charge of the district after a trial of say three months, that he be appointed district engineer of District 'F,' and that Mr. Poulin return to his present position of district engineer for District 'D'; and that Mr. John Ayles, now assistant district engineer of District 'D,' be appointed acting district engineer for District 'D' during Mr. Poulin's absence.

Yours truly,

P. E. RYAN,
Secretary.

OTTAWA, September 26, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont

SIRS,—I beg to recommend that Mr. C. O. Foss be appointed acting district engineer, District 'F,' pending the arrival of Mr. Poulin; and would also suggest that the request of Mr. Foss for the appointment of Mr. A. M. MacGillivray as assistant district engineer, District 'F,' replacing Mr. Heaman, be approved Mr. Heaman in the meantime to be appointed acting assistant district engineer, District 'D,' at North Bay.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

OTTAWA, September 26, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer.

DEAR SIR,—I beg to advise you that the board has approved your recommendation of even date with respect to the appointment of Mr. C. O. Foss as acting district engineer of District 'F'; and also with respect to the appointment of Mr. A. M. MacGillivray, as assistant district engineer, District 'F,' replacing Mr. Heaman; and that Mr. Heaman in the meantime be appointed acting assistant district engineer, District 'D.'

Yours truly,

P. E. RYAN,
Secretary.

APPENDIX No. 5

OTTAWA, September 26th, 1907.

D. HOCTOR, Esq.,
Chief Accountant.

DEAR SIR,—I beg to hand you herewith copy of a letter from our chief engineer with respect to the appointment of Mr. C. O. Foss, as acting district engineer, District 'F'; A. M. MacGillivray as assistant district engineer, District 'F'; and Mr. J. A. Heaman, acting assistant district engineer, District 'D.' These recommendations have been approved by the board.

Yours truly,

P. E. RYAN,
Secretary.

NORTH BAY, ONT. (at Ottawa) September 30, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer, Ottawa.

DEAR SIR,—During my absence from North Bay, while I shall have charge of District 'F,' I beg to apply that an allowance of from \$75 to \$100 per month, outside of my railway fares, be made to me by the commissioners for my board. My taking charge of this new district will necessarily occasion me that amount of expense which I would not be put to while residing at North Bay.

I hope, therefore, that you will kindly submit this to the commissioners, and oblige,

Yours truly,

S. R. POULIN,
District Engineer 'D.'

I would recommend that the sum of \$75 per month be paid Mr. Poulin while reorganizing District 'F,' to cover board and extra expenditure.

HUGH D. LUMSDEN,

The same to apply to Mr. Foss for a like period.

HUGH D. LUMSDEN,

OTTAWA, September 30, 1907.

D. HOCTOR, Esq.,
Chief Accountant.

DEAR SIR,—I beg to advise you that the board has approved of the payment of a special allowance of \$75 per month to Mr. S. R. Poulin while employed as district engineer of District 'F,' reorganizing the said district, such allowance to cover his board and extra expenditure while absent from his home at North Bay, and that the same allowance be paid to Mr. C. O. Foss while acting as Mr. Poulin's assistant on District 'F.'

Yours truly,

P. E. RYAN,
Secretary.

7-8 EDWARD VII., A. 1908

KENORA, ONT., November 9, 1907.

Hon. S. N. PARENT,
Ottawa.

DEAR SIR,—I was surprised to see in the press your reason for my dismissal, and can only conclude that Mr. Lumsden did not represent to you what the circumstances were, and what action I proposed to take subject to the board's approval.

Did he tell you that the situation was serious, that sub-contractor Dutton (McArthur's largest sub-contractor) threatened to leave the work and throw up his contract, if he did not get some of the promises made to him by Mr. Grant, and unless I did something to guarantee him that he would not lose money; it was no use his wasting his time. He also said Mr. J. D. McArthur had told him the engineers had their orders from the commission. (Engineer Tye confirmed this.)

I told those present that I understood that the chief engineer had received orders the day I left Ottawa to do something to settle all disputes, and get the work done.

The chief arrived, but suggested nothing; approved of the classification the contractors said was too low; offered no advice, but sat and listened to what we all had to say.

I proposed the easiest way to settle cases of disputed material other than rock, was to ascertain the cost, and classify enough loose rock to bring the contractors out even, adding 10 per cent for use of tools, office expenses and profit. The chief said he had no authority to do this, and admitted that something should be done.

I proposed then that I would give the orders, and be responsible until he laid the case before the board. He agreed to this and told me to remember he could give me no authority. I said if he laid the case forcibly before them they would agree to it, because it was a sound business proposition.

Messrs. A. G. MacFarlane, Willet, Hazlewood, Tye, the chief and myself were at Willet's camp at the time. The first two have notes in their diaries of what took place. In justice to me you ought to ask for copies of these notes.

I told the chief I thought it was what the commissioners wanted, if we could believe what Grant had said, and it would put it up to them to say if they backed him up or not, the air was full of rumours.

I told the chief I would act as commissioners Young and Reid had advised: they had told me to take as much responsibility as I could and push the work along and report after, and under all circumstances not to delay the work pending a decision from Ottawa. The chief admitted that it was a good way out of the difficulty, and again said I can give you no authority. I replied, you can get the authority when you return to Ottawa and wire me. He agreed then to cut short his inspection over the district and hurry back to Ottawa in order that I might know what the commissioners decided before the estimates went in. In the meantime it was understood that I was to go ahead unless I heard from him. We figured out that I should have a wire in five days, and it would take about three months to adjust all disputes included on the lines I laid down, the contractors and engineers would not be wrangling over little things, earth was earth and loose rock was indefinite in the specifications on account of the plough test. The bulk of the contract was solid rock and was not to be included. When I told him I would not allow solid rock to be included he was perfectly satisfied.

We went to Winnipeg together, and he had lots of time to change his mind and order me not to do it if he had wished to. Instead of that he reminded me of a somewhat similar case on the Canadian Pacific Railway short line through Maine when he took over the management and Mr. James Ross took the contract; and I understood him he was going to use this in his argument to the board in favour of my action.

I explained all this to Mr. Young in Winnipeg, who told me that the commissioners could not do what a board of railway directors might, because the latter did not have to submit it to parliament. This was news to me.

If the responsibility I took to keep men on the work, stop wild talk, and settle disputes until such time as the board could have the case laid before them and deli-

APPENDIX No. 5

berate on it, and took the means of laying the case before the board through the chief engineer, and if in my judgment I thought I was doing the right thing, if this is a serious offence, why did not the chief engineer object on the ground and, as chief engineer, order me not to do it, and if I persisted discharge me ?

All I want is fair-play, and I have had differences of opinion with the board and some of the engineers I have done my best during the three years I have worked for the commissioners.

Yours truly,

A. E. HODGINS.

HUGH D. LUMSDEN, Esq.,
Chief Engineer.

OTTAWA, November 18, 1907.

DEAR SIR,—Accompanying your letter of August 27 last, to the chairman, is a copy of a letter from you to A. E. Hodgins, dated August 24, and questions put by you to Mr. Grant, and Mr. Grant's answer to same, but there is no record of your having transmitted to the board a copy of Mr. Hodgins' reply to your letter of August 24, although you read Mr. Hodgins' letter of September 4 replying to yours of August 24 to the commissioners.

To complete the file, I am directed to request that you will send me a copy of Major Hodgins' letter of September 4, above referred to.

Yours truly,

P. E. RYAN.

P. E. RYAN, Esq.,
Secretary,

OTTAWA, November 19, 1907.

DEAR SIR,—As requested in yours of the 18th instant, I beg to hand you herewith a copy of Major Hodgins' letter of September 4 in reply to mine of August 24.

Yours truly,

Enclos.

HUGH D. LUMSDEN.

Hon. S. N. PARENT,
Chairman.

OTTAWA, November 19, 1907.

DEAR SIR,—In regard to the last clause but one in Major Hodgins' letter to you dated the 9th inst., I may say that Major Hodgins did, as he states, take the responsibility of issuing the instructions to his division engineers, even though I told him I did not and would not approve of them without written authority from the commissioners, and I did not then and there order him not to do so, as he personally knew the feelings of the sub-contractors, or their intentions, better than I did, as mentioned to you in my letter of August 27. I did cut short my trip of inspection and hurried back to Ottawa, and verbally reported to the commissioners on August 19. Major Hodgins doubtless believed that in issuing such instructions he was doing what he thought best as a temporary expedient pending a decision, which was sent him by wire on August 24, and I may say that the issuing of these orders by him was not my reason for suggesting a change of district engineers.

Yours truly,

HUGH D. LUMSDEN.

The Hon. S. N. PARENT,
Chairman, T. C. Railway,
Ottawa.

KENORA, ONT., November 20, 1907.

DEAR SIR,—I inclose a copy of notes and a letter received from Mr. A. H. Willet, resident engineer, at whose camp on the Winnipeg river, the discussion of force

7-8 EDWARD VII., A 1908

account classification took place. I would have sent you the original, but it has gone to Victoria in my luggage.

I have written to Mr. MacFarlane to send you a copy of his diary notes.

Yours truly,

A. E. HODGINS,

Major A. E. HODGINS, C.E.,
Victoria, B.C.

RESIDENCY No. 31, October 15, 1907.

DEAR SIR,—Your letter of the 9th instant was not received here until yesterday.

Inclosed is a copy of notes made at the time of your two visits last August. I do not think that what you then said could be interpreted as 'wholesale order to classify everything by force account plus ten per cent;' I certainly did not so understand it.

I was in Winnipeg on the 9th instant, and would have called on you had I known you were in the city at the time. I trust, however, to have the pleasure of seeing you in Kenora again toward the end of the month.

Yours truly,

A. H. WILLET.

RESIDENCY No. 31.

Major Hodgins' visit here 8th and 9th August, 1907.

After interview with Messrs. Dutton and Tye, Major Hodgins stated that he was inclined to treat the classification of mixed cuts from a business rather than a purely engineering point of view, and instructed me to ascertain cost of such cuts on my residency, and if the ordinary classification showed a loss to the contractor compared with this cost to classify high enough to cover expenses where possible. Care, however, to be exercised in doing this; for instance, not to allow any solid rock in cuts where no such material actually existed. Major Hodgins also said that he did not intend giving such instructions to *all* resident engineers, but only to the older and more experienced men holding that position.

A. H. W.

RESIDENCY No. 31.

Mr. Lumsden's and Major Hodgins' visit, 12th and 13th August.

Major Hodgins informed Mr. Lumsden of the instructions given me on his previous visit (see attached details of same). Mr. Lumsden, while admitting that he thought the contractors ought to be assisted, did not seem to consider that 'classification by force account was the proper way to give such assistance. He did not, however, countermand Major Hodgins' instructions to so classify, and when he left here it was distinctly understood that the ensuing estimate was to be based on force account, so far at least, as 'mixed cuts' were concerned.

A. H. W.

Major A. E. HODGINS,
Kenora, Ont.

OTTAWA, November 21, 1907.

DEAR SIR,—The chief engineer has handed in a reply to your letter, and I am sending you a copy of the same herewith as promised.

Yours very truly,

S. N. PARENT,
Chairman.

SYNOPSIS OF CHARGES

The charges required to be reproduced and made more specific, are as follows :—

1. Major Hodgins, having been appointed district engineer in District 'F,' made his classification under the contract with J. D. McArthur pursuant to the specifications, in accordance with his professional knowledge and experience. That in sending in the progress estimates to his superior officer (the chief engineer), Major Hodgins, though dealing with the utmost fairness with the contractor, found that questions arose as to classification, the contractor desiring a higher classification than the contract allowed, in the judgment of Major Hodgins, and alleging that he was losing money. The contractor appealed to the commissioners, or one of them, who advised Major Hodgins to use greater liberality in classification which Major Hodgins declined to do.

2. The root of all the trouble between the commissioners and Major Hodgins was over-classification; and the commissioners wanted him to change his ideas as to classification, based on a good many years' experience on construction, to the classification that is allowed to the contractors in Quebec (under the head of 'common excavation,' 'loose rock,' and 'solid rock.' This classification to its fullest extent is adopted and approved by the commissioners in their memorandum laid on the table of the House on the 24th April, 1908, and exceeds that recommended by the chief engineer in his letter to the commissioners, dated September 24, 1907).

3. The following are instances in District 'F' showing classification similar to that allowed the contractors in Quebec :—

In District 'F,' on Mr. McIntosh's division, Res. 25, in the April, 1907 progress estimate, Sta. 3517, there are 150 yards common excavation and 50 yards loose rock, and in cut 3523/70 there are 200 yards common excavation. These are transferred to solid rock in the progress estimate of July, 1907, though they cannot be made into solid rock under the specifications.

Cut 3972/54. 70 yards common excavation returned in progress estimate of January, 1907, 40 yards loose rock returned in same month. This consists of a little stripping and a little mixed material at the mouth of the cutting. This item is small, but there has been some waste in this cutting. It is put in as solid rock in progress estimate of July, 1907.

Cut 4009/14, July estimate, 1907. There is altogether too much waste in this cutting, even if it were possible to consider 400 yards loose rock as 400 solid rock. The waste in this cutting is certainly deliberate. There is a large amount of over-break. The bank made up from this cutting is very wide in places, showing carelessness on the part of the sub-contractor or station men.

Sta. 4027/100 yards common excavation in progress estimate of January, 1907, and 1060 yards loose rock, the details of which appear in the progress estimates of January to June, 1907, were transferred to solid rock in progress estimate of July, 1907. This is stripping. From the progress profile it overlies the solid rock.

Sta. 4076/30 yards common excavation in progress estimate Feb'y, 1907, also 730 yards loose rock, and in April progress estimate 100 yards loose rock were transferred to 860 yards solid rock in the July, 1907, progress estimate.

There is a pocket of pure sand in this cut which it is a stretch of imagination to call loose rock. The 30 yards common excavation occurs at the west end of the cutting and was returned in February, 1907, as common excavation.

Sta. 4143/39—50 yards common excavation and 280 yards loose rock, east end in

the progress estimate, February, 1907, and 90 yards common excavation; west end in the progress estimate, January, 1907, transferred to solid rock in the July, 1907 estimate. This is a very bad cutting, and has been classified very liberally in loose and solid rock, the solid rock consisting of boulders. Mr. McIntosh informed Major Hodgins that he classified this to show a profit of \$600 on Mr. McArthur's prices to date. It is impossible to estimate the amount of boulders. Beneath the end of this cutting Sta. 4143, has a gravity track and loaded cars run down by themselves, a single horse pulls them up. There are five men shovelling in this cut and two cars. Owing to the length of time it takes the horse to pull the empty cars back to the pit the men were idle most of the time Major Hodgins was there. However, this cutting shows a profit on Mr. McIntosh's classification.

Sta. 4162/82—820 yards loose rock in a previous progress estimate (date not noted), are transferred to solid rock in July, 1907 progress estimate. Here there is more sand than loose rock showing Mr. McIntosh informed Major Hodgins that he increased the solid rock classification in order to bring it to a profit to the contractor at Mr. McArthur's prices.

Sta. 4178/58 : 120 yards common excavation appearing in January, 1907, progress estimate was transferred to solid rock in the July, 1907, progress estimate. The solid rock in this cutting consists of boulders. It is a mixed cutting and over-classified. Mr. McIntosh acknowledges the classification is high, and says he had to do this in order to keep the men at work.

Sta. 4190: 550 yards loose rock transferred in July, 1907, progress estimate to solid rock. This excavation was started in February, 1907, and appears first in February, 1907, progress estimate. There is no reason why it should not still be called loose rock; it certainly is not solid rock.

Sta. 4201/37 : 65 yards common excavation and 900 yards rock appearing in a previous progress estimate, date not noted, transferred to solid rock in July, 1907, progress estimate. Mr. McIntosh informs Major Hodgins that all stripping in this cutting is returned as solid rock, although it should rightly be called loose rock. Fifty per cent of this stripping returned as loose rock and the balance solid would be high classification. In this cutting the stripping is no use in a rock bank and should have been wasted. The portion taken out this summer is about three feet deep.

Sta. 4213/42: 50 yards loose rock in June, 1907, progress estimate transferred to solid rock in July, 1907, progress estimate. It is stripping. The item is very small and is hardly worth considering.

If all the common excavation referred to in the above cuts were returned as loose rock and the loose rock left as previously returned, the contractors would be very liberally dealt with.

Mr. McIntosh ordered in cuttings 4240 and 4250 that 2,700 yards of loose rock in the cut near Sta. 4240 shown in previous progress estimates, date not noted, should be transferred into solid rock in the progress estimate of July, 1907, and this was done; and in cut starting at 4250 the same number of yards was returned in the July, 1907, estimate, as loose rock instead of common excavation, which it surely is, being the finest sand cut that can be found on the line. This should not have occurred.

Mr. McIntosh allowed his resident engineer on Res. 25 to add some 660 yards to the July or August, 1907, progress estimate on cutting 3848 west of Wabigoon river. The resident engineer did this to cover up an extravagant interim estimate given to station men when they were quitting, which interim estimate was not borne out at the end of the month. The men have gone away and unless the same men come back to work this out, this cut will be estimated to contain 660 yards more than has been taken out, to say nothing of the very liberal classification in loose rock, being a clay cutting with the exception of a little lump of solid rock encountered near the mouth.

At Sta. 3400 to 3402, Mile 64, some 900 yards pure muskeg had been returned in progress estimate of July or August, 1907, as solid rock. This muskeg was taken out by station men and the contractor paid them 23 cents a yard. It was wasted to the

APPENDIX No. 5

side. The reason for returning this as solid rock, claimed both by Mr. McIntosh and the resident engineer, Mr. W. W. Mack, was that it was a pocket in a rock cut. Mr. McIntosh was ordered not to let this sort of thing occur again, and to return it and classify it correctly. The resident engineer estimated that some 1,800 yards of muskeg had been taken out to date, and he would have returned all this as solid rock if Major Hodgins had not stopped him.

As to these instances, Major Hodgins reported them to the chief engineer on September 15, 1907, with a request that it should be dealt with by him.

At Mile 29, stations 1478 to 1483, the engineer in charge of that section turned in in estimate of July or August, 1907, 6,394 cubic yards of earth and 10,189 cubic yards of loose rock. Judged by the specifications there was absolutely no loose rock in sight, and a thousand cubic yards of loose rock would have been an excessive charge.

At stations 1385 and 1398 the engineer turned in in the July or August, 1907, estimate, 15,076 cubic yards of loose rock and 26,668 cubic yards of common excavation. In this case a few hundred yards of loose rock should have been allowed as there were a few boulders, but no more, as it was a pure sand cut.

4. That, the Commissioners suggested that Major Hodgins should ignore the chief engineer and act independently in regard to classification.

5. That having refused to be more liberal in classification than Major Hodgins was then allowing, he suggested that the commissioners, not being railroad men, should leave the engineering department alone.

6. That Mr. C. A. Young, a commissioner, then advised that Major Hodgins should go to Quebec and see how things were managed in that District 'B,' where the contractors were not kicking, and get an object lesson.

7. Major Hodgins went to District 'B,' in Quebec, and returned determined not to allow Quebec classification as indicated above to be introduced into the western division so long as he remained in charge. The following is an instance noted by him in District 'B':—

In La Tuque, in District 'B,' there is a large cutting which was originally intended for a tunnel. This had a slope on one side of 120 feet and about 80 feet deep. There was no solid rock in place so that a tunnel was an impossibility. Consequently an open cut was made. It was a very large cutting containing about 150,000 cubic yards of material. The ground was a mixture of loose rock with some boulders and some earth and wet sand on top. There was no solid rock in place visible in June, 1907, so that anything that could be classified as solid rock would consist of large boulders over a cubic yard in dimension. This was classified at 86 per cent solid rock. The cut was originally classified at 30 per cent solid rock. There are numerous other instances of over classification in this section which can be shown when the production asked for is made and witnesses subpoenaed and examined.

8. Having seen an interview with the contractor, J. D. McArthur, in the Toronto 'World' of March 12, 1908, that 'the first estimate as to cost of his 250 miles was \$13,000,000, the probable cost would be close on to \$16,000,000, so many changes have been made.' Major Hodgins asserted and still maintains that as changes of location and in the standard of classification would both affect the cost of construction and that as the changes of location resulted in a saving of over one million dollars, the additional cost spoken of by McArthur is and must be due to changes in the standard of classification, and that the adoption in District 'F' of a classification similar to that practised in Quebec on District 'B' will account for the same.

9. Major Hodgins gives the instances in paragraph 3 and 7 hereof as showing that such classification exists on District 'B,' and has been introduced in District 'F,' and he asserts and intends, if given access to the papers and documents bearing upon the same, and allowed to subpoena and examine witnesses as aforesaid, to establish that the said classification is general in both districts.

10. 'This led to trouble, and Major Hodgins got no assistance from the chief engineer,' such trouble being as follows:—

7-8 EDWARD VII., A. 1908

The commissioners sent Mr. Gordon Grant, appointed by them notwithstanding the chief engineer's objection to inspect District 'F,' and the said Grant.

(1) In going over District 'F' with the contractors and in their presence and in presence of their engineer and sub-contractor, criticised the classification, stating that it was too low, that the engineers were robbing the contractors, who had not been fairly treated, and suggested classifying common excavation and loose rock as solid rock, and that every yard of stripping should be solid rock, and that would classify the commencement of rock cuttings that contained earth and loose rock from grade until the solid rock was reached as solid rock, and the clay cutting at the Wabigoon as all loose rock, and talked freely of the liberality of the classification in Quebec in which the contractor was given in mixed cuts more rock than there actually was, and which classification the chief engineer had to approve. He also advised that engineers should classify at cost plus 20 per cent in loose rock cuts, and when the price of loose rock did not cover cost the addition of solid rock when solid rock did not exist.

(2) The said Grant raised the classification at La Tuque from 30 per cent to 80 per cent, and after objection from the Grand Trunk Pacific district engineer, Mr. Armstrong, it was raised to 86 per cent, and he so stated to Mr. Hodgins in July, 1907.

(3) The said Grant also made a written report to the chief engineer containing statements as to Major Hodgins and his engineers, many of which are untrue and were intended to create an impression of a state of affairs at District 'F,' which did not exist. The chief engineer then advised the commissioners (see his letter July 31, 1907, produced at page 40) that he did not agree with portions of both reports and could make no intelligent report thereon without going out on the work and judging for himself. The chief engineer then came up to District 'F,' went over five miles of McFarlane's division, agreed that the classification thereon disputed by the contractor was correct and discussed with Major Hodgins the situation in the district, some of the circumstances of which are set out in his letter (a) to the contractor dated June 27, 1907, and (b) to the commissioners, dated August 27, 1907. The copy of the letter to the contractor should be produced. On that occasion Major Hodgins and the chief engineer discussed the situation, and Major Hodgins suggested that he should give an order, subject to the decision of the commissioners, which was to be obtained at once to use force account plus 10 per cent as a quick settlement of classification in dispute, and as a businesslike arrangement designed to prevent the contractor and sub-contractor from throwing up the contract. This suggestion did not obtain the approval of the commissioners, and Major Hodgins was notified within five days; it was not acted upon in classification, and is stated by the Chief engineer in his letter to the commissioners of November 19, 1907, not to be his reason for recommending the change of district engineer.

11. That 'Major Hodgins was removed for other (alleged) reasons, and that no investigation into his case was allowed, and that his opinion and the opinion of the next senior engineer on the district were smothered.' Major Hodgins was dismissed at the instance of the commissioners on Grant's untrue statements of the commissioners' unwarranted and wrong inferences that he was approving of a departure from the specifications at a time when he was investigating, under the orders of the chief engineer, the over-classification which had crept in since Grant's visit, owing to the latter's statements, and when Major Hodgins was actually disallowing such over-classification in two divisions or District 'F.'

12. Major Hodgins adheres to the statements made in a letter of April 16, 1908, as containing his charges which are repeated in a specific manner as above.

13. Major Hodgins requires for the proving of the above charges documentary evidence in the possession of the commission, of the Auditor General, and of the Grand Trunk Pacific Railway Company or its officials. Those in the possession of the commission consist of the various progress estimates and progress profiles sent in

APPENDIX No. 5

monthly by the engineers in Districts 'F' and 'B,' the reports by the division engineers and by the district engineer, all from January, 1907, to the present time and relating to District 'F' and 'B'; all correspondence relating to these estimates or to the classification thereon and to the matters referred to in these charges; the minutes of the commission and the correspondence between them and any of their engineers or officials relating to the said matters or reports and memoranda relating thereto, and all cheques, warrants and other vouchers showing payments made or recommended upon the above estimates and the certificates upon which the same were paid, and, generally speaking, all paper writings in any way dealing with or affecting the question before the committee.

Those in the possession of the Grand Trunk Pacific Railway Company consist of all letters or reports from their inspecting engineers on Districts 'F' and 'B,' reporting on, objecting to, or approving of the progress estimates or classification made by the engineers of the commission, and all correspondence, or copies thereof, between the Grand Trunk Pacific Railway Company or any of their officials or engineers with the commission, or any of its officials or engineers regarding the said classification or progress estimates.

Major Hodgins further requires the documents and papers referred to in the above charges and not yet produced, and in addition thereto the following :—

(1) Minutes of conference between the commissioners, the chief engineer and Grant on 23rd August, 1907.

(2) Letters, 6th September, 1907, and letters, 9th September, 1907, from Mr. Mann, Grand Trunk Railway engineer of District 'F,' or copies thereof, protesting against July classification on account of allowing solid and loose rock where they could not be properly so classified under the specifications.

(3) The August estimate from which Major Hodgins struck out items of over-classification.

(4) Cipher telegram in September, 1907, Major Hodgins to chief engineer, asking for a reclassification of Divisions 5 and 6.

(5) Copy of letter, chief engineer to Major Hodgins, 12th September, 1907, asking for his resignation.

(6) Letter, September 3, 1907, Major Hodgins to chief engineer stating that it was necessary for the chief engineer to continue his investigation into Grant's charges to which both engineers Heaman and Mann object and that McArthur says that Grant was sent to help him out.

(7) Letter, Major Hodgins to chief engineer, September 7, 1907, that he has disallowed August estimate, in so far as it differs from that prior to July, &c., that McIntosh objects and that Major Hodgins would go over it, but would not allow solid rock where it did not exist and inclosing two letters from McIntosh giving reasons for change in classification.

(8) The two letters from McIntosh inclosed in that letter.

(9) Letter, Major Hodgins to chief engineer, September 8, 1907, referring to jump in McIntosh estimate from 385 yards, common excavation, in July, immediately following Grant's inspection to 14,005 cubic yards which is not accounted for, and that he is going to see, that 13 cuts where 5,855 yards, common excavation, was transferred to solid rock.

(10) Letter, Major Hodgins to chief engineer, September 15, 1907, as to July estimates of Mr. McIntosh, giving detailed instances of over-classification, and saying that if common excavation and loose rock are to be classified as solid rock he wishes to be relieved of all responsibility and refers matter to the chief engineer to be dealt with. Also the documents, circulars and letters referred to in the letter of the chief engineer, dated 23rd April, 1908, to the commissioners : Letters from Major Hodgins to the chief engineer, dated August 7, 1907, and October 6, 1907. Telegram from chief engineer to Major Hodgins, dated August 17, 1907. Statement of resident engineers dealing with Grant's visit sent in September to the chief engineer. Instructions to

7-8 EDWARD VII., A. 1908

Gordon Grant acknowledged in his report of July 23, 1907, complaints from the Grand Trunk Pacific Railway Company referred to as having been received in Mr. Parent's letter of August 24, 1907, to the chief engineer, and the papers relating to the location original, revised and final of the line in District 'F' and the letting of the contract and the progress of the contractor.

14. Major Hodgins desires to call and examine, and requests the committee to have subpoenaed to attend with all papers, books, documents, reports and correspondence relating to any of the matters referred to in the thirteen preceding sections hereof, the following witnesses:—

- A. P. Miller, resident engineer, residency 25.
- W. M. Wilkie, resident engineer, residency 22.
- E. R. Milledge, resident engineer, residency 29.
- G. L. Mattice, resident engineer, residency 27.
- H. Sunstrum, resident engineer, residency 28.
- M. C. MacFarlane, division engineer, division 8.
- W. W. Bell, resident engineer, residency 21.
- E. R. Blackwell, resident engineer, residency 33.
- George Scott, resident engineer, residency 34.
- Mr. Woods, assistant chief engineer, G. T. P. Railway.
- W. E. Mann, inspecting engineer, G. T. P., Winnipeg.
- John Armstrong, Ottawa.
- J. A. Heaman, Kenora.
- F. W. Morse, Montreal.

May 11, 1908.

This is filed by Mr. Frank E. Hodgins, K.C., as counsel for Major Hodgins.

REPORTS OF THE COMMITTEE

FIRST REPORT.

FRIDAY, May 15, 1908.

The Special Committee appointed to investigate the charges made by Major Hodgins *re* the Transcontinental Railway beg leave to present the following as their First Report :—

You committee recommend that leave be granted to them to sit while the House is in session.

All which is respectfully submitted.

VICTOR GEOFFRION,
Chairman.

SECOND REPORT.

THURSDAY, May 21st 1908.

The Special Committee appointed to investigate the charges made by Major Hodgins *re* the Transcontinental Railway beg leave to present the following as their Second Report :—

Your committee recommend that leave be granted to them to have all their proceedings and any evidence taken by them in this inquiry, printed from day to day for the use of the committee and that Rule 72 be suspended in reference thereto.

All which is respectfully submitted.

VICTOR GEOFFRION,
Chairman.

THIRD REPORT.

FRIDAY, June 26, 1908.

The Special Committee appointed to investigate the charges made by Major Hodgins *re* Transcontinental Railway beg leave to present the following as their Third Report :—

The Special Committee to whom was referred the memorandum of the Chairman of the Transcontinental Railway Commission to the Prime Minister of date 23rd of April last past, and laid on the Table of the House on the 24th of April and papers accompanying the same, together with the letter of Major Hodgins to the public press therein referred to, beg leave to present the following as their Third and Final Report :—

Your committee met for organization on the 29th day of April last past, when Mr. Geoffrion was elected Chairman, and on motion it was resolved that the Clerk of the committee notify Major Hodgins to appear for the purpose of formulating and substantiating his charges. Your committee met again on the 8th day of May, 1908, at which time Major Hodgins appeared personally, and by Mr. Frank Hodgins, K.C., his counsel, and the investigation of the said charges was commenced and continued with certain adjournments, until the 23rd day of June instant.

The charges consisted of a letter written by Major Hodgins and published in the *Daily Colonist*, a newspaper of the city of Victoria, on the 16th day of April last past; and also two alleged interviews with Major Hodgins in the *Daily Colonist* under date of April 17th and 19th, in which Major Hodgins substantially charged that, on account of differences over the question of classification between himself, as District Engineer of District 'F' of the Transcontinental Railway, and the contractors, he was invited by the Commissioner, C. A. Young, to go to Quebec and see how things were managed in that district where the contractors were not kicking, and to get an 'object lesson,' and that upon going to Quebec he found a certain cut, known as the 'tunnel cut,' near LaTuque, being classified as 86 per cent solid rock, which in his judgment, should not have been classified at more than 40 per cent. Also, that if it were true, as stated in an interview with Mr. J. D. McArthur, the contractor for District 'F,' in the *Toronto World* of the 12th of March, that while Major Hodgins' first estimate as to the cost of the 250 miles was \$13,000,000, which, by a revision of the line, was subsequently reduced to something under \$12,000,000, the probable outlay would be close to \$16,000,000, then the increased cost must have been the result of the introduction into District 'F' of what Major Hodgins chose to call 'Quebec classification.'

After the investigation had proceeded for a time, and on the 3rd day of June, Major Hodgins specifically repudiated the interviews in the *Daily Colonist* above referred to, in the following statements, found on pages 254 and 257 of the Evidence, namely:—

'By Mr. Murphy:

'Q. Well, it is important to know, Major, how much or how little of this interview you are prepared to stand by, because it affects the cross-examination?

'A. I am not prepared to be responsible for the interviews at all. As I say, if a reporter interviews you and takes down half a dozen sentences—and his notes certainly were not that long (illustrating by a gesture) and writes up two columns, you cannot hold me responsible for it. Part of the interview, I might tell you, the reporter was trying to find out what an engineer has to do, what he does this, that, and the other—in fact, I was giving him more or less of a lecture on engineering. There are a whole lot of questions he was working up, and he got hopelessly mixed up in the thing.'

* * * * *

'Major HODGINS.—I might say that the reporter during the interview asked me a whole lot of things, I have forgotten exactly what questions he asked me, but he said: "Is this so and so." I said: "It is impossible for me to know. You must not put down anything in this interview that I have not said." When I saw the interview I saw that the thing was so hopelessly mixed up there was no possible way of explaining it. I asked him to make a correction, and he made a correction, which is almost as bad as the other. Then I stopped.'

Later on it developed, beyond question, that the cut to which Major Hodgins referred as having been classified at 86 per cent solid rock, was, in the month of May, 1907—being the month prior to Major Hodgins' visit—classified at 29 per cent solid rock, 10 per cent loose rock, and 61 per cent common excavation, and for the month of June, 1907, 32 per cent solid rock, 10 per cent loose rock, and 58 per cent common excavation.

The Major then found that a large amount of discussion and correspondence had taken place between the Chief Engineer of the Commission, the various District Engineers from Moncton to Winnipeg, as well as Divisional and Resident Engineers, and very eminent legal gentlemen, over the proper interpretation of clauses 34, 35 and 36 of the specifications, being the clauses applying to the classification of solid rock, loose rock, and common excavation, and that on the 9th day of January, 1908, an interpretation was decided upon by the Chief Engineer, which afterwards was

APPENDIX No. 5

agreed to by Mr. Woods, Assistant Chief Engineer of the Grand Trunk Pacific Railway Company, and which has been acted upon since that date, but which the Major contended was at variance with his ideas of the proper construction of these clauses, and when this fact came to his notice, together with the fact of mistake in regard to the classification of the LaTuque cutting, upon which he had based his judgment of the work in Quebec, he frankly admitted that the only question then left was whether his view of the interpretation of the specifications was correct or not, and he thereupon withdrew any imputations which he had made upon the Commissioners in regard to improper interference with the engineers, or that he had personally asked Sir Wilfrid Laurier for an investigation which had been refused, or that Mr. Parent had in any way attempted to influence Sir Wilfrid Laurier, and that not knowing of Mr. Lumsden's interpretation of the clauses referred to when he wrote his letter to the *Colonist* on April 16th, his views, in the light of this opinion had been modified; these admissions being found on pages 385, 386, 387, and 388 of the evidence.

It also appeared from the documents produced that in making his estimate of the cost of the two hundred and fifty miles in District 'F,' comprised in McArthur's contract, Major Hodgins had omitted from his calculation a number of items, which in the aggregate amount to about \$6,000,000, which more than accounts for Mr. McArthur's estimated increase of \$4,000,000 in the cost of the work, and about coincided with Mr. Poulin's estimate made shortly after assuming the duties of District Engineer, and it therefore became evident that this increased cost was not the result of a change in classification, but of including work necessary to the completion of the enterprise.

Your committee, therefore, decided that as the charges made by Major Hodgins had been withdrawn, the question as to whether the engineers on Districts 'B' and 'F' were classifying according to the interpretation of the specifications as laid down by the chief engineer was a technical one which Major Hodgins did not wish to present to the committee claiming on page 387 of the evidence that the board of arbitration was the proper tribunal to determine whether or not there was an issue in this matter, and inasmuch as differences of opinion had been anticipated at the inception of the enterprise, and their disposition provided for by the statute and agreement which provided for the settlement of such differences by the arbitration and decision of the chief engineer of the Grand Trunk Pacific Railway Company, and the chief engineer of the commission, and in case of their disagreement, by a third engineer to be appointed by the Chief Justice of Canada, the inquiry could not profitably or in the public interest be continued, and the same was brought to a close.

Your committee, therefore, find that Major Hodgins has not only failed to prove the charges as contained in the *Colonist*, both in the letter and interviews, but has specifically withdrawn the same, and has unqualifiedly exonerated the commissioners and their engineers from any improper conduct or undue influence over officials under them, or of collusion with the contractors, and that if questions as to classification arise they should be decided by the tribunal previously provided therefor by the statute.

Your committee also beg to submit herewith, for the information of the House, the minutes of their proceedings, their discussions and the evidence taken by them during the inquiry.

All which is respectfully submitted.

VICTOR GEOFFRION,

Chairman.

MINUTES OF PROCEEDINGS

OF THE

SPECIAL COMMITTEE INVESTIGATING

Major Hodgins Charges.

WEDNESDAY, April 29, 1908.

The Special Committee appointed to investigate the charges made by Major Hodgins, C.E., regarding the classification of materials, &c., in construction work on the Transcontinental Railway, met at 10.30 o'clock, a.m.

On motion of Mr. Carvell, Mr. Geoffrion was elected chairman of the committee.

The order of reference was read.

On motion of Mr. Carvell, it was resolved that the clerk of the committee do notify Major Hodgins by telegram to appear before the committee on Friday, May 8 next, for the purpose of preferring his charges, and to bring with him all papers, correspondence and memoranda in his possession relative to the matters mentioned in the order of reference.

On motion of Mr. Macdonald, it was ordered that the clerk do notify the Board of Commissioners of the Transcontinental Railway that the committee will meet on Friday, May 8 next, for the purpose of beginning the investigation, and ask them to submit any papers or information which they desire to lay before the committee for their consideration; and also to produce for the information of the committee all papers and correspondence (if any) relevant to the subject of inquiry, which may be in their possession or under their control, and which have not already been laid before the House; also all maps, plans, profiles, progress and other estimates, specifications, memoranda or other information regarding the classification of materials in cuttings and fillings and any alterations made therein, and also regarding any changes made in the location of the line within Districts 'B' and 'F,' of the railway, subsequent to the final location thereof.

The committee adjourned till Friday, May 8, at eleven o'clock, a.m.

Attest.

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

FRIDAY, May 8, 1908.

The Committee met at 11 o'clock, a.m.

Present: Messrs. Geoffrion (Chairman), Barker, Carvell, Lennox and Macdonald,

The minutes of the last meeting being read, Mr. Macdonald took exception to the last half of the resolution standing in his name, as he had only proposed that the Transcontinental commissioners should produce papers subject to the terms of the Order of Reference, and not to any charge that might be made by Major Hodgins.

7-8 EDWARD VII., A. 1908

Subject to the objection of Mr. Macdonald the minutes were confirmed.

Replying to a member of the committee, the clerk stated that no papers had been produced as yet.

Major A. E. Hodgins being called, was present.

Major Hodgins being asked by the Chairman if he had any statement to make before being examined.

Mr. Frank Hodgins, K.C., stated that he was present as representing Major Hodgins *pro tem*, but as his client had only arrived from British Columbia yesterday, he had not had sufficient time to go into the subject matter of the enquiry with him with any particularity, but if allowed a reasonable time for consultation and preparation he would be able to submit a statement of the charges, probably by Monday or Tuesday next.

Resolved,—That Major Hodgins be given until Monday next at 6 o'clock, p.m., to file, through his counsel, a statement of his charges, with the clerk of the committee.

Mr. Hodgins, K.C., asked that counsel be assigned to Major Hodgins, at public expense. Consideration postponed until the next meeting of the committee.

The committee adjourned until Tuesday next at 10.30 o'clock a.m.

Attest.

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

TUESDAY, May 12, 1907.

The committee met at 10.30 a.m.

Present: Messrs. Geoffrion, chairman; Barker, Carvell, Lennox and Macdonald. The minutes of the last meeting were read and confirmed.

Mr. Hodgins, K.C., handed in a typewritten statement of the charges preferred by Major Hodgins.

Mr. Barker moved that the said charges be now read.

Mr. Macdonald moved in amendment that in view of the misunderstanding which arose as to to-day's meeting, the committee do now adjourn until to-morrow, and that the whole matter stand over until that time.

And the question being put the amendment was declared carried on division.

The committee adjourned until to-morrow at 10.30 o'clock a.m.

Attest.

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

WEDNESDAY, May 13, 1908.

The committee met at 10.30 o'clock, a.m.

Present: Messrs. Geoffrion (chairman), Barker, Carvell, Lennox and Macdonald. The minutes of the last meeting were read and confirmed.

Mr. Charles Murphy stated that he was present as representing the Transcontinental Railway Commissioners.

Mr. Murphy being asked by the chairman if he had any observations or objections to make regarding the charges as filed by Mr. Hodgins, K.C., stated that he did not intend to make any formal objection at this stage of the proceedings, but reserved the right to object to any point at the proper stage in the taking of the evidence.

APPENDIX No. 5

Mr. Hodgins, K.C., renewed his application for assignment of counsel to Major Hodgins. Consideration further postponed.

On motion of Mr. Barker, it was resolved that the Transcontinental Railway Commissioners be required to produce before this committee all papers and records in the custody or under the control of the said commissioners relating to, or affecting the matters referred to this committee.

On motion of Mr. Barker, it was resolved that the First Minister, the Minister of Finance, the Minister of Railways and Canals, and any other ministers or departments, including the Auditor General, having papers and records in their custody or under their control, relating to, or affecting the matters referred to this committee be requested to produce the same before the committee.

Mr. Barker moved that a summons be issued to the proper officers of the Grand Trunk Pacific Railway Company requiring the company to produce before this committee, all papers and records in the custody or under the control of the company or of its officers, relating to or affecting the subject-matter referred to this committee, and requiring the officers or persons in charge of any or all such papers and records to appear therewith before this committee and give evidence in regard thereto.

Motion to stand for further consideration.

Mr. Lennox moved that the Transcontinental Railway Commissioners and the government be requested to produce and have before this committee at its next sitting such of the memoranda, papers, writings and documents mentioned or referred to in the statement of charges filed on behalf of Major Hodgins as are in their possession, custody or control.

Motion to stand as a notice of motion.

Major A. E. Hodgins, C.E., was sworn and examined in part by Mr. F. E. Hodgins, K.C.

Major Hodgins produced the following papers which were filed and marked as exhibits, viz. :—

No. 1.—Memo of number of men employed monthly on McArthur's contract from May, 1906, to September, 1907.

No. 2.—Copy of circular letter, of June 27, 1907, H. D. Lumsden to district engineers.

No. 2a.—Copy of letter of same date, H. D. Lumsden to Gordon Grant.

No. 2b.—Copy of letter of same date, H. D. Lumsden to J. D. McArthur, Winnipeg.

No. 3.—Letter from Commissioner Young to Major Hodgins, Kenora, Ont., dated June 4, 1906.

On motion of Mr. Lennox, it was ordered that a summons, *duces tecum* be issued to Mr. John Armstrong, C.E., to attend and give evidence before the committee at its next sitting.

Resolved that the committee do recommend to the House that leave be granted to them to sit while the House is in session.

The committee adjourned till Tuesday next, May 19, at 4 o'clock, p.m.

Attest.

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

TUESDAY, May 19, 1908.

The committee met at 4 o'clock p.m.

Present:—Messrs. Geoffrion (chairman), Barker, Carvell, Lennox and Macdonald.

The minutes of the last meeting were read and confirmed.

On motion of Mr. Barker, it was

7-8 EDWARD VII., A. 1908

Ordered, That Mr. J. A. Heaman, C.E., of Kenora, Ont.; Mr. W. Mann, of Winnipeg, and Mr. Woods, Assistant Chief Engineer, Grand Trunk Pacific Railway Company, Montreal, be summoned to attend *duces tecum*, and give evidence before the committee.

Resolved, That any original documents in the possession or under the control of the Transcontinental Railway Commissioners, required for the use of the committee, be brought as required to this committee room, under the care of an officer of the Commission, for inspection by members of the committee and by counsel.

The examination of Major Hodgins by his counsel was resumed.

During his examination the following papers were produced and marked as exhibits, viz.:—

No. 4.—Letter, May 9, 1907, Hodgins to Lumsden.

No. 5.—Letter, June 6, 1907, Hodgins to Lumsden, enclosing list of heavy cuttings.

The committee rose at 6 o'clock p.m.

8.30 p.m.

The committee resumed.

The examination of Major Hodgins was continued.

The following papers were filed and marked as exhibits, viz.:—

No. 6.—Letter, September 14, 1907, Hodgins to Lumsden.

No. 7.—Letter, July 25, 1907, McIntosh to Hodgins.

No. 8.—Statement showing material previously returned as common excavation now transferred to solid rock.

No. 9.—Letter, August 6, 1907, Hodgins to Lumsden.

No. 10.—Notes showing sudden jump in solid rock, &c., after Grant's trip of inspection.

No. 11.—Letter, September 7, 1907, Hodgins to Lumsden.

No. 12.—Letter, September 9, 1907, Hodgins to Lumsden.

No. 13.—September 12, 1907, Lumsden to Hodgins.

No. 14.—Cipher telegram, September 22, 1907, Hodgins to Lumsden.

No. 15.—Letter, September 6, 1907, W. E. Mann to Hodgins.

No. 16.—Letter, September 9, 1907, W. E. Mann to Hodgins.

The committee adjourned at 10.30 p.m. till to-morrow at 11 o'clock a.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

WEDNESDAY, May 20, 1908.

The committee met at 11 o'clock, a.m.

Present: Messrs. Geoffrion (chairman), Barker, Carvell, Lennox and Macdonald.

The minutes of the last meeting were confirmed.

The examination of Major Hodgins by his counsel was continued.

The following papers were filed and marked as exhibits:—

No. 17.—Letter September 3, 1907, Hodgins to Lumsden.

No. 18.—Letter, August 9, 1907, McArthur to Hodgins.

No. 19.—Letter, August 24, 1907, Parent to Lumsden.

No. 20.—Letter, August 27, 1907, Lumsden to Parent.

No. 21.—Letter, November 19, 1907, Lumsden to Parent.

APPENDIX No. 5

No. 22.—Letter, September 4, 1907, Hodgins to Lumsden.

No. 23.—Newspaper clipping, November 5, 1907.

No. 24.—Letter, November 9, 1907, Hodgins to Parent.

No. 25.—Letter, September 11, 1907, Young to Hodgins.

No. 26.—Letter, September 16, 1907, Hodgins to Young.

No. 27.—Letter, July 31, 1907, Lumsden to Commissioners, inclosing Grant's report.

The committee rose at 1 p.m.

3 o'clock, p.m.

The committee resumed.

Examination of Major Hodgins continued.

The following papers were filed and marked as exhibits, viz.:—

No. 28.—Gordon Grant's report.

No. 29.—Hodgins' reply thereto.

Mr. Hodgins, K.C., stated that he had substantially concluded the examination in chief of the witness.

The cross-examination of Major Hodgins by Mr. Murphy was commenced.

The following papers were filed as exhibits:—

No. 30.—Notes procured from Heaman at Kenora.

No. 31.—Book of General Instructions to Engineers.

On motion of Mr. Lennox, it was resolved that the committee do recommend that leave be granted to have all proceedings of the committee from day to day, including motions, discussions, rulings and evidence, printed from time to time, as rapidly as practicable.

The committee adjourned till to-morrow at 11 o'clock, a.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

THURSDAY, May 21, 1908.

The Committee met at 11 o'clock a.m.

Present:—Messrs. Geoffrion (Chairman), Barker, Carvell, Lennox and Macdonald.

The Minutes of the last meeting were read and confirmed.

The cross-examination of Major Hodgins by Mr. Murphy was continued.

Mr. Murphy having asked the witness to produce any correspondence between himself and Mr. Heaman, and the witness having stated that he had destroyed it, Mr. Murphy asked him to state the contents of the letters so far as they related to the subject matter of the inquiry, and objection having been taken on the ground that they contained an expression of Mr. Heaman's opinion regarding other engineers, the Chairman ruled that as the letters might have been produced, if they had not been destroyed, it was quite regular for Counsel to require the witness to give the information contained in the letters, so far as it had reference to the subject of inquiry.

At one o'clock the committee rose.

7-8 EDWARD VII., A. 1908

4 o'clock p.m.

The committee resumed.

The cross-examination of Major Hodgins by Mr. Murphy was continued.

At 6 o'clock p.m., the committee adjourned till Wednesday, June 3rd, at 11 o'clock a.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

WEDNESDAY, June 3, 1908.

The committee met at 11 o'clock, a.m.

PRESENT—Messrs. Geoffrion (Chairman), Barker, Carvell and Macdonald.

The minutes of the last meeting were read and approved.

The cross-examination of Major Hodgins by Mr. Murphy was resumed.

The following letters were filed and marked as exhibits:—

No. 32—Letter, Major Hodgins to C. A. Young, dated May 1 (properly June 1).

No. 33—Letter, Major Hodgins to C. A. Young, dated June 6, 1907.

During the cross-examination of Major Hodgins, Mr. Murphy read an editorial from the *Victoria Colonist*, dated May 26, 1908, stating that he did not intend it to go in as evidence, but subsequently proceeded to question the witness upon its contents. Mr. Hodgins, K.C., objected, as the article had not been put in; the chairman said: 'I think the editorial must form part of the record, and be taken into the evidence when it has been read,' whereupon Mr. Hodgins again objected to the editorial going in as evidence under the circumstances.

At 1 o'clock the committee rose.

3 o'clock, p.m.

The committee resumed.

The cross-examination of Major Hodgins by Mr. Murphy was continued.

The committee adjourned at four o'clock till to-morrow afternoon at four o'clock.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

THURSDAY, June 4, 1908.

The committee met at 4 o'clock p.m.

Present:—Messrs. Geoffrion (Chairman), Barker, Carvell and Macdonald.

The minutes of the last meeting were read and confirmed.

The cross-examination of Major Hodgins by Mr. Murphy was continued.

The following paper was filed as an exhibit:—

No. 34—Letter, Lumsden to Hodgins, dated August 24, 1907.

The committee adjourned till Monday, June 15. at 3 o'clock p.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

APPENDIX No. 5

MONDAY, June 15, 1908.

The committee met at 3 o'clock p.m.

Present:—Messrs. Geoffrion (Chairman), Lennox and Macdonald.

The minutes of the last meeting were read and confirmed.

The cross-examination of Major Hodgins by Mr. Murphy was resumed.

Mr. Murphy stated that he had inquired of the premier as to the production of the telegram received by him from Mr. Conmee, M.P., regarding Major Hodgins, and he had informed him that he was willing to produce it, provided that Mr. Conmee consented, as the telegram was marked 'private.' Mr. Conmee, however, objected to the production of the telegram under the circumstances.

After some discussion it was

Resolved, That the chairman see Mr. Conmee with a view to obtaining his consent to the production of the said telegram.

Mr. Murphy asked the witness to produce the correspondence between himself and Mr. Butler, Deputy Minister of Railways, which was marked 'private and confidential,' and said that Mr. Butler had stated to him that he was willing to produce it if Major Hodgins consented, and objection being taken on the ground that Mr. Butler could be called for the purpose, and Mr. Murphy having stated that Mr. Butler was confined to bed through illness, it was decided that Mr. Murphy obtain Mr. Butler's consent in writing.

During the cross-examination of the witness, Mr. Murphy produced a copy of a profile of line from mile 118 to mile 122, in District 'B,' and objection being taken on the ground that it was not identified,

Mr. E. A. DOUCET, District Engineer of District 'B,' was sworn, and identified the profile as a true copy of the original. It was then filed and marked as Exhibit No. 35. Counsel for Major Hodgins having objected to the production of a copy instead of the original profile, it was

Ordered, That the original of the said profile be produced at the next sitting.

The witness Doucet produced four photographs (A, B, C and D) of D. K. McDonald's cut at La Tuque, P.Q.

At 6 o'clock the committee rose.

8.30 p.m.

The committee resumed.

Mr. Murphy read a letter received from Mr. Butler giving his consent to the production of correspondence with Major Hodgins, provided the latter gave his consent.

The cross-examination of Major Hodgins was continued by Mr. Murphy.

At 10.15 p.m. the committee adjourned till tomorrow at 3 o'clock p.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

TUESDAY, June 16, 1908.

The committee met at 3 o'clock p.m.

Present:—Messrs. Geoffrion (Chairman), Carvell, Lennox and Macdonald.

The minutes of the last meeting were read and confirmed.

The Chairman stated that he had seen Mr. Conmee, M.P., regarding the production of the telegram referred to at yesterday's meeting, but that Mr. Conmee was not as yet prepared to give his consent to its production.

7-8 EDWARD VII., A. 1908

The cross-examination of Major Hodgins by Mr. Murphy was resumed.

The following papers were filed as exhibits:—

No. 36—Letter, Major Hodgins to Mr. M. J. Butler, C.E., dated August 18, 1907.

No. 37—Letter of Mr. Butler to Major Hodgins, dated August 24, 1907.

No. 38—File containing various letters and legal opinions regarding Chief Engineer Lumsden's interpretation of specifications.

The committee rose at 5.15 p.m.

8.30 p.m.

The committee resumed.

Present:—Messrs. Geoffrion (Chairman), Barker, Carvell, Lennox and Macdonald.

Mr. Murphy stated that in view of the statements made by Major Hodgins at the close of the afternoon sitting he proposed to suspend his further cross-examination for the present.

Mr. Hodgins, K.C., asked to be permitted, in the event of the cross-examination of Major Hodgins not being further proceeded with, to re-examine him if necessary upon certain points of personal interest to the witness, which was agreed to.

The committee adjourned till to-morrow at 10.30 o'clock a.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

WEDNESDAY, June 17, 1908.

The committee met at 10.30 a.m.

PRESENT.—Messrs. Geoffrion (chairman) Barker, Carvell, Lennox and Macdonald.

The minutes of last meeting were read and confirmed.

Mr. HODGINS, K. C., stated that he did not desire to re-examine Major Hodgins, and with his permission he accordingly retired from the case.

The committee adjourned till to-morrow at 3 o'clock p.m.

Attest.

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

THURSDAY, June 18, 1908.

The committee met at 3 o'clock p.m.

Present.—Messrs. Geoffrion (Chairman), Barker, Carvell, Lennox and Macdonald.

The minutes of the last meeting were read and approved.

The question of further procedure was discussed.

Mr. Murphy requested leave, if the case were to be closed at this stage, to examine certain persons regarding statements made concerning them in the evidence, provided that no new matter was introduced, which was not agreed to.

Mr. A. E. Doucet, district engineer on 'B' was recalled and produced the following exhibits:

No. 39. List of work done at each cut from station 5760 to station 6806 and percentages of solid and loose rock.

No. 40. Percentage of work done at cut station 6030-6046 from September, 1906, to April 30, 1908. O'Brien, Martin & Co., subs.

APPENDIX No. 5

Mr. S. R. Poulin, district engineer 'F', being sworn produced the following papers which were marked as exhibits:—

No. 41. Original estimate of the cost of District 'F' made by Major Hodgins.

No. 42. Estimate of cost of District 'F' made by resident and division engineers after Major Hodgins left.

No. 43. Revised estimate of Major Hodgins as to cost of District 'F'.

Major Hodgins being recalled produced exhibit

No. 44. Ledger containing figures shewing his original estimate of the cost of District 'F'.

Major Hodgins renewed his application for the payment of his counsel fees; consideration postponed till the next meeting of the committee.

Mr. Carvell moved that the taking of evidence be now closed and that the witnesses be discharged, and the question being put, the committee divided as follows:—

Yeas.—Messrs. Carvell and Macdonald.—2. Nays.—Messrs. Barker and Lennox.—2.

The chairman, Mr. Geoffrion, voted yea, and declared the motion carried.

On motion of Mr. Carvell.

The committee adjourned at 6.20 o'clock p.m., until Tuesday next at 8 o'clock p.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

TUESDAY, June 23, 1908.

The committee met at 8 o'clock p.m.

Present.—Messrs Geoffrion (Chairman), Barker, Carvell, Lennox and Macdonald.

The minutes of the last meeting were read and confirmed.

A letter was read from Major Hodgins asking to have certain corrections made to the evidence which he had given under cross-examination and which he would have made before the committee had he been re-examined.

Resolved, That as Major Hodgins had opportunity to make any corrections before the committee prior to his leaving, and did not do so, and as he was asked, before being discharged, if he had any statement to make, and answered in the negative, the committee are of the opinion that the corrections asked for in the letter ought not to be entered on the minutes.

The application of Major Hodgins to have his counsel fees paid by the House was considered, after some discussion it was

Resolved, That in the opinion of the committee it is desirable that the government should pay proper and reasonable fees to the counsel representing the Transcontinental Railway Commissioners, and to the counsel representing Major Hodgins, before the committee in this case.

On motion of Mr. Macdonald, it was

Ordered, That the following persons brought to Ottawa for the purpose of giving evidence in this case, but not called by reason of the taking of evidence not being proceeded with, be paid the usual allowance made to witnesses before parliamentary committees, viz.:—Messrs. C. Le B. Miles, C.E., Woodstock, N.B.; A. P. Miller, C.E., Residency 25; E. R. Milledge, C.E., of Residency 29; G. L. Mattice, C.E., of Residency 27; H. Sunstrum, C.E., of Residency 28; M. C. McFarlane, C.E., Engineer Division No. 8; W. W. Bell, C.E., Residency 21; E. R. Blackwell, C.E., Residency 33; and George Scott, C.E., Residency 34.

The question of further procedure was discussed, at 9.30 p.m., the committee adjourned till Thursday next, at 3 o'clock p.m.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

7-8 EDWARD VII., A. 1908

THURSDAY, June 25, 1908.

The Committee met at 3 o'clock, p.m.

Present:—Messrs. Geoffrion (Chairman), Barker, Carvell, Lennox and Macdonald.

The minutes of the last meeting were read and confirmed.

On motion of Mr. Lennox, seconded by Mr. Carvell, it was

Resolved, That this committee desire to place on record its appreciation of the exceedingly efficient and satisfactory way in which the official stenographers, Messrs. Dickson and Matthews, have recorded the evidence taken by the committee, and also the discussions and arguments in committee.

Mr. Carvell moved that the following Draft Report, marked 'A,' be adopted as the report of the committee :

DRAFT REPORT 'A.'

REPORT OF SPECIAL COMMITTEE APPOINTED TO INVESTIGATE CHARGES PREFERRED BY MAJOR A. E. HODGINS AGAINST THE COMMISSIONERS OF THE TRANSCONTINENTAL RAILWAY.

The Special Committee, to whom was referred the memorandum of the chairman of the Transcontinental Railway Commission to the Prime Minister, of date 23rd of April last past, and laid on the Table of the House on the 24th of April, and papers accompanying same, together with the letter of Major Hodgins' to the public press therein referred to, beg leave to report as follows:—

Your committee met for organization on the 29th day of April last past, when Mr. Geoffrion was elected chairman, and, on motion, it was resolved that the clerk of the committee notify Major Hodgins to appear for the purpose of formulating and substantiating his charges. Your committee met again on the 8th day of May, 1908, at which time Major Hodgins appeared personally, and by Mr. Frank Hodgins, K.C., his counsel, and the investigation of the said charges was commenced and continued, with certain adjournments, until the 23rd day of June instant.

The charges consisted of a letter written by Major Hodgins and published in the *Daily Colonist*, a newspaper of the city of Victoria, on the 16th day of April last past; and also two alleged interviews with Major Hodgins in the *Daily Colonist*, under date of April 17th and 19th, in which Major Hodgins substantially charged that, on account of differences over the question of classification between himself, as district engineer of District 'F' of the Transcontinental Railway, and the contractors, he was invited by Commissioner C. A. Young to go to Quebec and see how things were managed in that district, where the contractors were not kicking, and to get an 'object lesson'; and that upon going to Quebec he found a certain cut, known as the 'tunnel cut,' near La Tuque, being classified at 86 per cent solid rock, which, in his judgment, should not have been classified at more than 40 per cent. Also, that if it were true, as stated in an interview with Mr. J. D. McArthur, the contractor for District 'F,' in the *Toronto World* of the 12th of March, that while Major Hodgins' first estimate as to the cost of the 250 miles was \$13,000,000, which, by a revision of the line, was subsequently reduced to something under \$12,000,000, the probable outlay would be close to \$16,000,000, then the increased cost must have been the result of the introduction into District 'F' of what Major Hodgins chose to call 'Quebec classification.'

After the investigation had proceeded for a time, and on the 3rd day of June, Major Hodgins specifically repudiated the interviews in the *Daily Colonist* above referred to, in the following statements, found on pages 254 and 257 of the evidence. viz. :—

APPENDIX No. 5

'By Mr. Murphy:

'Q. Well, it is important to know, Major, how much or how little of this interview you are prepared to stand by, because it affects the cross-examination?

'A. I am not prepared to be responsible for the interviews at all. As I say, if a reporter interviews you and takes down half a dozen sentences—and his notes certainly were not that long (illustrating by a gesture) and writes up two columns, you cannot hold me responsible for it. Part of the interview, I might tell you, the reporter was trying to find out what an engineer has to do, what he does this, that, and the other—in fact, I was giving him more or less of a lecture on engineering. There were a whole lot of questions he was working up, and he got hopelessly mixed up in the thing.'

* * * * *

Major HODGINS.—I might say that the reporter during the interview asked me a whole lot of things, I have forgotten exactly what questions he asked me, but he said: "Is this so and that so." I said: "It is impossible for me to know. You must not put down anything in this interview that I have not said." When I saw the interview I saw that the thing was so hopelessly mixed up there was no possible way of explaining it. I asked him to make a correction and he made a correction which is almost as bad as the other. Then I stopped.'

Later on it developed, beyond question, that the cut to which Major Hodgins referred as having been classified at 86 per cent solid rock, was, in the month of May, 1907—being the month prior to Major Hodgins' visit—classified at 29 per cent solid rock, 10 per cent loose rock, and 61 per cent common excavation, and for the month of June, 1907, 32 per cent solid rock, 10 per cent loose rock, and 58 per cent common excavation.

The major then found that a large amount of discussion and correspondence had taken place between the chief engineer of the commission, the various district engineers from Moncton to Winnipeg, as well as divisional and resident engineers, and very eminent legal gentlemen, over the proper interpretation of clauses 34, 35 and 36 of the specifications, being the clauses applying to the classification of solid rock, loose rock, and common excavation, and that on the 9th day of January, 1908, an interpretation was decided upon by the chief engineer, which afterwards was agreed to by Mr. Woods, assistant chief engineer of the Grand Trunk Pacific Railway Company, and which has been acted upon since that date, but which the major contended was at variance with his ideas of the proper construction of these clauses, and when this fact came to his notice, together with the fact of his mistake in regard to the classification of the La Tuque cutting upon which he had based his judgment of the work in Quebec, he frankly admitted that the only question then left was whether his view of the interpretation of the specifications was correct or not, and he thereupon withdrew any imputations which he had made upon the commissioners in regard to improper interference with the engineers, or that he had personally asked Sir Wilfrid Laurier for an investigation which had been refused, or that Mr. Parent had in any way attempted to influence Sir Wilfrid Laurier, and that not knowing of Mr. Lumsden's interpretation of the clauses referred to when he wrote his letter to the *Colonist* on April 16th, his views, in the light of this opinion had been modified; these admissions being found on pages 385, 386, 387 and 388 of the evidence.

It also appeared from the documents produced that in making his estimate of the cost of the two hundred and fifty miles in District 'F' comprised in McArthur's contract, Major Hodgins had omitted from his calculation a number of items, which in the aggregate amount to about \$6,000,000, which more than accounts for Mr. McArthur's estimated increase of \$4,000,000 in the cost of the work, and about coincided with Mr. Poulin's estimate made shortly after assuming the duties of district engineer, and it therefore became evident that this increased cost was not the result of a change in classification, but of including work necessary to the completion of the enterprise.

7-8 EDWARD VII., A. 1908

Your committee, therefore, decided that as the charges made by Major Hodgins had been withdrawn, the question as to whether the engineers on Districts 'B' and 'F' were classifying according to the interpretation of the specifications as laid down by the chief engineer was a technical one which Major Hodgins did not wish to present to the committee claiming on page 387 of the evidence that the board of arbitration was the proper tribunal to determine whether or not there was an issue in this matter, and inasmuch as differences of opinion had been anticipated at the inception of the enterprise, and their disposition provided for by the statute and agreement which provided for the settlement of such differences by the arbitration and decision of the chief engineer of the Grand Trunk Pacific Railway Company, and the chief engineer of the commission, and in case of their disagreement, by a third engineer to be appointed by the Chief Justice of Canada, the inquiry could not profitably or in the public interest be continued, and the same was brought to a close.

Your committee, therefore, find that Major Hodgins has not only failed to prove the charges as contained in the *Colonist*, both in the letter and interviews, but has specifically withdrawn the same, and has unqualifiedly exonerated the commissioners and their engineers from any improper conduct or undue influence over officials under them, or of collusion with the contractors, and that if questions as to classification arise they should be decided by the tribunal previously provided therefor by the statute.

Your committee also beg to submit herewith, for the information of the House, the minutes of their proceedings, their discussions and the evidence taken by them during the inquiry.

Mr. Barker moved in amendment, that the following Draft Report, marked 'B,' be adopted as the report of the committee in lieu of the foregoing:—

DRAFT REPORT 'B.'

REPORT OF THE SPECIAL COMMITTEE APPOINTED TO INVESTIGATE MAJOR HODGINS' CHARGES.

The special committee to whom was referred the memorandum of the chairman of the Transcontinental Railway Commission of date 23rd April, 1908, and laid on the Table of the House on the 24th day of April, 1908, and the papers accompanying the same, together with the letter of Major Hodgins to the public press therein referred to, with instructions to your committee to investigate the matters and charges therein mentioned, and with power to send for persons, papers and records, and to examine persons on oath or affirmation and to report from time to time, beg leave to report as follows:—

Your committee met for organization on the 29th day of April, 1908, when Mr. Geoffrion was appointed chairman; it was resolved that Major Hodgins be notified to appear before the committee on the 8th May, 1908, for the purpose of preferring his charges and to bring with him all papers, correspondence and memoranda in his possession relative to the matters mentioned in the order or reference; and that the Board of Commissioners of the Transcontinental Railway be notified that the committee would meet on the said 8th day of May for the purpose of beginning the investigation; and that the said commissioners be requested to submit any papers or information which they desired to lay before the committee for their consideration; and that the said commissioners be notified to produce for the information of the committee all papers and correspondence (if any) relevant to the subject of inquiry, which may be in their possession or under their control, and which have not already

APPENDIX No. 5

been laid before the House, also all maps, plans, profile, progress and other estimates, specifications, memoranda or other information regarding the classification of materials in cuttings and fillings and any alterations made therein, and also regarding any changes made in the location of the line within Districts 'B' and 'F' of the railway subsequent to the final location thereof.

Your committee met on the 12th day of May, 1908, and on that day there was submitted to them in writing a statement of such of the charges made by Major Hodgins as he proposed to substantiate, reproduced and made by him more specific at the request of the committee.

On the 13th day of May, 1908, your committee resolved:—

'That the Transcontinental Railway Commissioners be required to produce to this committee all papers and records in the custody or control of the said commissioners relating to or affecting the matters referred to this committee.

'That the First Minister, the Minister of Railways and Canals and the Minister of Finance and any other ministers of departments, including the Auditor General, having papers or records in their custody or control relating to, or affecting the matters referred to this committee be requested to produce the same before this committee.'

Thereupon the taking of evidence was proceeded with, and was continued from time to time until the 18th day of June, 1908, and papers, records and documents relating to and affecting the subject matters under investigation were produced and submitted to the consideration of the committee; which proceedings, evidence, papers, records and documents are set forth in the printed minutes and proceedings of the committee up to and inclusive of the said 18th day of June herewith reported and submitted.

As shown by the papers and documents produced by the said commissioners to your committee and set forth in the printed minutes of the proceedings of your committee now reported, many charges of over-classification, of excessive allowances, and undue payments by the said commissioners to the contractors, of a like description to those charged by Major Hodgins, have formally been made by and on behalf of the Grand Trunk Pacific Railway Company, which charges involve and are examples of enormous over payments out of the public funds, and are of serious concern to this Dominion. They cover and include not only the charges made by Major Hodgins, but other specific and more serious complaints of the like nature and description; and not merely for the period dealt with by Major Hodgins but are continuous up to the time of the order of reference to your committee.

Such complaints and charges are within the scope of the order under which your committee have been conducting this inquiry and should be investigated by them.

On the 16th day of June, 1908, certain statements and opinions having been elicited from Major Hodgins as to the attitude he then assumed and his wishes in the premises as appears of record in the said printed evidence, a majority of your committee, despite the protest of the minority, ruled and thereafter maintained that the matters and charges referred to your committee for investigation should not be further proceeded with by your committee.

Your committee, therefore, humbly make this interim report and recommend that the subject-matter of the investigation be remitted to the committee with instructions to proceed therein until completion.

And the question being put on the amendment, the committee divided, as follows:—

Yeas, Messrs Barker and Lennox, 2; nays, Messrs. Carvell and Macdonald, 2. The voices being equal, the chairman, Mr. Geoffrion, declared the amendment passed in the negative.

7-8 EDWARD VII., A. 1908

And the question being put on the main motion, the committee divided, as follows—

Yeas, Messrs. Carvell and Macdonald, 2; nays, Messrs. Barker and Lennox, 2. The voices being equal, the chairman declared the motion passed in the affirmative.

Ordered, That the Draft Report marked 'A' be presented to the House as the report of the committee.

The committee then adjourned *sine die*.

Attest,

WALTER TODD,
Clerk.

VICTOR GEOFFRION,
Chairman.

SYNOPSIS OF EXHIBITS

No.	Date.	Subject.
	1907.	
1	.....	Memo: Showing number of men employed by J. D. McArthur, contractor, during each month from May, 1906, to October, 1907.—(See page 107 of the evidence.)
2	June 27....	Circular letter addressed by Chief Engineer to District Engineers apprising them of appointment of Gordon Grant as Inspection Engineer and requesting that latter be furnished with all information he may require.—(See page 109 of the evidence.)
2a	" 27....	Letter from Chief Engineer to Gordon Grant, enclosing copy of letter sent J. D. McArthur re unsatisfactory progress of work made under his contract.—(See page 109 of the evidence.)
2b	" 27....	Letter from Chief Engineer to J. D. McArthur notifying him that unless force of men, horses and plant is increased on certain cuttings action under clause 22 of his contract will be taken.—(See page 109 of the evidence.)
3	" 4....	Letter (personal) from C. A. Young to A. E. Hodgins explaining appointment of Gordon Grant as Inspecting Engineer.—(See page 111 of the evidence.)
4	May 9....	Letter from A. E. Hodgins to Chief Engineer, giving dates of probable completion of grading on divisions 5, 6, 7, 8 and 9.—(See page 123 of the evidence.)
5	June 6....	Letter from A. E. Hodgins to Chief Engineer enclosing list of heavy cuttings showing approximate line of completion.—(See page 124 of the evidence.)
6	Sept. 14....	Report: A. E. Hodgins to Chief Engineer re changing of classification on Mr. McIntosh's division, Res. 25 in the July Estimate.—(See page 138 of the evidence.)
7	July 25....	Letter from F. J. McIntosh to A. E. Hodgins enclosing estimates for July and stating he has made changes in the classification.—(See page 147 of the evidence.)
8	.....	Statement showing amount of material previously returned as Common-Excavation and Loose Rock, now transferred to Solid Rock.—(See page 148 of the evidence.)
9	Aug. 6....	Letter from A. E. Hodgins to Chief Engineer enclosing J. D. McArthur's Progress Estimate for July.—(See page 149 of the evidence.)
10	.....	Statement giving figures showing the sudden jump in Solid Rock and decrease in the lower priced materials immediately following G. Grant's inspection trip on District F.—(See page 152 of the evidence.)
11	Sept. 7....	Letter from A. E. Hodgins to Chief Engineer enclosing two letters from McIntosh giving reasons for making change of earth and Loose Rock to Solid Rock, July Estimate.—(See page 152 of the evidence.)
12	Sept. 9....	Letter from A. E. Hodgins to Chief Engineer stating he believes that McIntosh was influenced by Grant's ideas of classification which are extravagant.—(See page 154 of the evidence.)
13	" 12....	Letter from Chief Engineer to A. E. Hodgins, asking for latter's resignation.—(See page 155 of the evidence.)
14	Sept. 22....	Telegram (Cipher) from A. E. Hodgins to Chief Engineer, suggesting that latter in event of McIntosh trying to justify his classification refer to Mann and Heaman.—(See page 155 of the evidence.)
15	" 6....	Letter from W. E. Mann to A. E. Hodgins stating that classification at many points on Division 5 and 6 is too liberal while at some points it is excessive.—(See page 156 of the evidence.)
16	" 9....	Letter from W. E. Mann to A. E. Hodgins re subject of classification with reference particularly to shut portion of the work east of east end of Canyon Lake, Mile 81.—(See page 158 of the evidence.)
17	" 3....	Letter from A. E. Hodgins to Chief Engineer urging necessity of latter continuing investigation of charges made in Grant's report on District F.—(See page 160 of the evidence.)
18	Aug. 9....	Letter from J. D. McArthur to A. E. Hodgins, congratulating latter on the July Estimate.—(See page 161 of the evidence.)

SYNOPSIS OF EXHIBITS—Continued.

No.	Date.	Subject.
	1907.	
19	" 24....	Letter from Chairman Transcontinental Railway to Chief Engineer enclosing copy of memo. sent Secretary of Board together with copy of latter's reply thereto re unsatisfactory progress of work on Section F.—(See page 161 of the evidence.)
20	Aug. 27....	Letter from Chief Engineer to Chairman Transcontinental Ry., stating in reply to foregoing that unsatisfactory progress of work in District F was due to lack of labour and its quality and not to the engineers on the work.—(See page 163 of the evidence.)
21	Nov. 19....	Letter from Chief Engineer to Chairman Transcontinental Ry., stating that A. E. Hodgins took responsibility of issuing instructions to Division Engineers re application of force account.—(See page 165 of the evidence.)
22	Sept. 4....	Letter from A. E. Hodgins to Chief Engineer giving reasons for classifying partially by force account.—(See page 165 of the evidence.)
23	Nov. 5....	Newspaper clipping—"Chairman Parent gives the reasons of the Commission for retiring Engineer Hodgins."—(See page 176 of the evidence.)
24	Nov. 9....	Letter from A. E. Hodgins to Chairman Transcontinental Ry. re reasons given for his dismissal.—(See page 176 of the evidence.)
25	Sept. 11....	Letter from C. A. Young to A. E. Hodgins stating that neither he nor Commissioners ever intimated to him to classify contrary to the Contract and Specifications.—(See page 178 of the evidence.)
26	" 16....	Letter from A. E. Hodgins to C. A. Young stating in reply to foregoing, estimates were not made up on Force Account Classification.—(See page 178 of the evidence.)
27	July 31....	Letter from Chief Engineer to Commissioners Transcontinental Ry. enclosing G. Grant's report and reply to same from A. E. Hodgins.—(See page 21.)
28	July 23....	Report of G. Grant re line under construction in District F.—(See page 16.)
29	" 31....	Letter from A. E. Hodgins to Chief Engineer replying to foregoing.—(See page 22.)
30	.....	Notes of information procured from Heaman.—(See page 196 of the evidence.)
31	.....	General instructions to Engineers Transcontinental Railway.—(Referred to on page 205.)
32	June 1....	Letter from A. E. Hodgins to C. A. Young reporting Mann's return and stating that if position of Assistant Engineer is still vacant he would like to have a chance to accept same.—(See page 265 of the evidence.)
33	" 6....	Letter from A. E. Hodgins to C. A. Young stating in reply to latter's suggestion about going over the work with Mann is what he wishes to avoid.—(See page 266 of the evidence.)
34	Aug. 24....	Telegram (cipher) from Chief Engineer to A. E. Hodgins stating that Commissioners do not approve latter's instructions to division engineers re classification.—(See page 308 of the evidence.)
35	.....	Profile of line from mile 118 to mile 122 showing work done to the end of June, 1907.—(See page 322 of the evidence.)
36	Aug. 18....	Letter (private and confidential) from A. E. Hodgins to M. J. Butler informing him of his decision to classify by force account in mixed cuttings.—(See page 370 of the evidence.)
37	" 24....	Letter from M. J. Butler to A. E. Hodgins acknowledging receipt of foregoing and expressing surprise at latter's abandonment of safe course with respect to classification.—(See page 371 of the evidence.)
38	Oct. 7....	Letter from H. A. Woods to Chief Engineer protesting against classification of material on District "B".—(See page 392 of the evidence.)
38 (1)	" 17....	Letter from B. Bourgeois to C. L. Hervey stating that classification of material is based on appearance of the work at different stages.—(See page 393 of the evidence.)
38 (2)	" 18....	Letter from Chief Engineer to Commissioners Transcontinental Railway, enclosing Sept. Estimate and giving reasons for his approval thereof.—(See page 393 of the evidence.)
38 (3)	"	Letter from Secretary Transcontinental Ry. to Macdonell & O'Brien enclosing copy of foregoing and stating that Engineers of G.T. P. Ry., and of Commission are to proceed to La Tuque to investigate complaint re classification.—(See page 394 of the evidence.)
38 (4)	"	Letter from Secretary Transcontinental Ry. to M. P. & J. T. Davis same as foregoing.—(See page 394 of the evidence.)
38 (5)	"	Letter from Secretary T. Ry. to F. W. Morse enclosing copy of letter from Chief Engineer dated 18th October, 1907, with respect to Sept. estimates of work done by Commissioners' contractors in District "B".—(See page 395 of the evidence.)
38 (6)	"	Letter from Secretary T. Ry. to Chief Engineer advising him of approval by Board of Sept. estimates.—(See page 395 of the evidence.)

APPENDIX No. 5

SYNOPSIS OF EXHIBITS.—Continued.

No.	Date.	Subject.
1907.		
38 (7)	Oct. 19....	Letter from C. L. Hervey to A. E. Doucet stating that the classification given on Division "B" is fair.—(See page 396 of the evidence.)
38 (8)	" 21....	Letter from A. E. Doucet to Chief Engineer stating that enclosed letter of B. Bourgeois is a direct reply to the accusation made by the Assistant Engineer G. T. P. Ry. Co., charging that excessive classification has been made.—(See page 396 of the evidence.)
38 (9)	" 22....	Letter from same to same enclosing E. P. Girdwood's statement <i>re</i> classification throughout his residency.—(See page 397 of the evidence.)
38 (10)	" 21....	Letter from E. P. Girdwood to C. L. Hervey stating work was classified according to what appeared on the work at the time.—(See page 397 of the evidence.)
38 (11)	" 26....	Letter from A. E. Doucet to Chief Engineer communicating interpretation of engineers in District "B" placed on classification of solid and loose rock.—(See page 398 of the evidence.)
38 (12)	Oct. 26....	Letter from H. E. Huestis to A. E. Doucet communicating his interpretation of specifications.—(See page 398 of the evidence.)
38 (13)	" :.....	Letter from C. L. Hervey to A. E. Doucet. Same as foregoing.—(See page 399 of the evidence.)
38 (14)	" :.....	Letter from B. Bourgeois to A. E. Doucet. Same as foregoing.—See page 399 of the evidence.)
38 (15)	" :.....	Letter from A. R. Matthews to A. E. Doucet. Same as foregoing.—(See page 401 of the evidence.)
38 (16)	" 30....	Letter from Chief Engineer to Commissioners T. Ry. reporting <i>re</i> his visit to La Tuque.—(See page 401 of the evidence.)
38 (17)	Nov. 4....	Letter from Secretary T. Ry. to H. Atkinson requesting his opinion as to right of G.T.P. Ry. Co. to interfere in matters of classification.—(See page 402 of the evidence.)
38 (18)	Oct. 31....	Letter from Macdonell & O'Brien to Secretary T. Ry. questioning the right of G.T.P. Ry. Co. to interfere in matters of classification.—(See page 403 of the evidence.)
38 (19)	Nov. 7....	Report of H. Atkinson concurring in view taken by contractors as to power of engineers of G.T.P. Ry. Co. <i>re</i> question of classification.—(See page 404 of the evidence.)
38 (20)	" 11....	Letter from Chief Engineer to Commissioners T. Ry. stating he will approve of October estimates under certain conditions.—(See page 405 of the evidence.)
38 (21)	" 12....	Letter from F. W. Morse to Chairman T. Ry. stating in reply to letter sent him by Secretary T. Ry. dated 18th Oct that understanding was that departmental matters were to be worked out by heads of departments.—(See page 405 of the evidence.)
38 (22)	" 13....	Letter from Chief Engineer to Commissioners T. Ry. transmitting replies from district engineers <i>re</i> their interpretation of certain clauses of specifications.—(See page 406 of the evidence.)
38 (23)	Oct. 26....	Letter from G. C. Dunn to Chief Engineer communicating his interpretation of specifications.—(See page 406 of the evidence.)
38 (24)	" :.....	Letter from A. N. Molesworth to Chief Engineer. Same as foregoing.—(See page 408 of the evidence.)
38 (25)	" :.....	Letter from S. R. Poulin to Chief Engineer. Same as foregoing.—(See page 408 of the evidence.)
38 (26)	Nov. 14....	Letter from Secretary T. Ry. to Macdonell & O'Brien transmitting copy of Chief Engineer's letter <i>re</i> interpretation of specifications.—(See page 409 of the evidence.)
38 (27)	" :.....	Letter from Secretary T. Ry. to M. P. & J. T. Davis. Same as foregoing.—(See page 410 of the evidence.)
38 (28)	" 15....	Letter from M. P. & J. T. Davis to T. Ry. Commissioners stating that contentions of Chief Engineer appear to them to be in conflict with the meaning and interpretation of the specification and enclosing legal interpretation.—(See page 410 of the evidence.)
38 (29)	" 9....	Letter from G. P. Sheply and E. Lafleur to M. P. Davis giving their interpretation of certain clauses of specifications.—(See page 411 of the evidence.)
38 (30)	" 13....	Letter from same to same expressing their views as to the classification of loose rock made by local engineers in District "B".—(See page 412 of the evidence.)
38 (31)	" 12....	Letter from C. H. Ritchie to M. P. Davis giving his interpretation of specifications.—(See page 413 of the evidence.)
38 (32)	Nov. 16....	Letter from A. E. Doucet to Chairman T. Ry. Commission explaining conversation had with J. Armstrong <i>re</i> classification at La Tuque.—(See page 413 of the evidence.)

SYNOPSIS OF EXHIBITS.—Continued.

No.	Date.	Subject.
	1907.	
38 (33)	.....	Statement of C. L. Hervey showing classification of material at La Tuque for months of June, Aug. and Oct., 1907.—(See page 415 of the evidence.)
38 (34)	Nov. 21....	Letter from M. P. & J. T. Davis to Commissioners T. Ry. enclosing further legal interpretations of specifications.—(See page 416 of the evidence.)
38 (35)	" 20....	Letter from Sir Alex. Lacoste to M. P. Davis giving his interpretation of specifications.—(See page 416 of the evidence.)
38 (36)	" 18....	Letter from S. Beaudin to M. P. Davis. Same as foregoing.—(See page 417 of the evidence.)
38 (37)	" 22....	Letter from Macdonell & O'Brien to Secretary T. Ry. enclosing D. McMaster's opinion on proper construction of clause 34 of specifications.—(See page 418 of the evidence.)
38 (38)	Oct. 31....	Letter from D. McMaster as to what constitutes "solid rock excavation" within the meaning of specifications.—(See page 418 of the evidence.)
38 (39)	Nov. 23....	Letter from Secretary T. Ry. to Hon. Minister of Railways transmitting correspondence <i>re</i> complaint made to Chief Engineer by the Assistant Engineer G.T.P. Ry. Co. as to classification in District "B".—(See page 419 of the evidence.)
38 (40)	" 27....	Letter from Aylesworth, Wright & Moss to Secretary T. Ry. stating W. Nesbitt's interpretation of specification will be sent 28th inst.—(See page 420 of the evidence.)
38 (41)	" 28....	Telegram from M. J. O'Brien to Secretary T. Ry. stating that other opinions will be sent.—(See page 421 of the evidence.)
38 (42)	Dec. 2....	Letter from Secretary T. Ry. to Hon. Minister of Railways enclosing W. Nesbitt's interpretation of specifications.—(See page 421 of the evidence.)
38 (43)	Nov. 28....	Letter from Aylesworth, Wright & Moss to Secretary T. Ry. enclosing W. Nesbitt's interpretation of specifications.—(See page 421 of the evidence.)
38 (44)	" 26....	Letter from W. Nesbitt to Macdonell & O'Brien giving his interpretation of specifications.—(See page 423 of the evidence.)
38 (45)	Dec. 5....	Letter from Hon. Minister of Railways to T. Ry. Commissioners returning correspondence bearing upon the classification of work with request that Commissioners take such action as seems to them necessary.—(See page 423 of the evidence.)
38 (46)	" 6....	Letter from Secretary T. Ry. to Chief Engineer referring copy of file <i>re</i> question of classification.—(See page 424 of the evidence.)
38 (47)	" 16....	Letter from Chief Engineer to Commissioners T. Ry. submitting his interpretation of specifications.—(See page 424 of the evidence.)
38 (48)	" 16....	Letter from Chief Engineer to Commissioners T. Ry. stating he will approve of November estimates on condition such approval shall not prejudice reconsideration of classification.—(See page 425 of the evidence.)
38 (49)	" 17....	Letter from Secretary T. Ry. to Chief Engineer stating that recommendation contained in foregoing has been approved by the Board.—(See page 426 of the evidence.)
38 (50)	" 20....	Letter from Secretary T. Ry. to Hon. Minister of Justice submitting correspondence <i>re</i> complaint made to Chief Engineer by Assistant Engineer G.T.P. Ry. Co. as regards classification.—(See page 426 of the evidence.)
	1908.	
38 (51)	Jan. 8....	Letter from Secretary T. Ry. to Chief Engineer enclosing letter from Deputy Minister of Justice <i>re</i> interpretation of specifications.—(See page 427 of the evidence.)
38 (52)	" 6....	Letter from Deputy Minister of Justice to Secretary T. Ry. giving his interpretation of specifications.—(See page 427 of the evidence.)
38 (53)	" 9....	Letter from Chief Engineer to Commissioners T. Ry. giving his revised interpretation of specifications.—(See page 428 of the evidence.)
38 (54)	.....	Diagram illustrating chief engineers interpretation of specifications.—(See page 430 of the evidence.)
38 (55)	Jan. 14....	Letter from Secretary T. Ry. to Chief Engineer communicating Board's approval of his interpretation of specifications.—(See page 431 of the evidence.)
38 (56)	" 30....	Letter from Chief Engineer to A. E. Doucet stating that actual measurement must be made as a rule of all work.—(See page 431 of the evidence.)
38 (57)	" 30....	Letter from same to same enclosing copy of his interpretation of specifications and requesting to be informed whether classification in his district conforms to such interpretation.—(See page 431 of the evidence.)
38 (58)	Feb. 1....	Letter from A. E. Doucet to Chief Engineer stating that instructions contained in latter's letter of 30th will be communicated to all division engineers.—(See page 432 of the evidence.)

APPENDIX No. 5

SYNOPSIS OF EXHIBITS.—*Concluded.*

No.	Date.	Subject.
	1908.	
38 (59)	Feb. 19....	Letter from Chief Engineer to A. E. Doucet requesting reply to clause 2 of his letter anent interpretation of specifications.—(See page 432 of the evidence.)
38 (60)	" 20....	Letter from A. E. Doucet to Chief Engineer stating that classification in his district conforms to latter's interpretation of specifications.—(See page 432 of the evidence.)
38 (61)	March 14....	Letter from Chief Engineer to A. E. Doucet inquiring whether classification in his district prior to 30th Jan'y, 1908, conformed to his interpretation of specifications.—(See page 433 of the evidence.)
38 (62)	" 20....	Letter from A. E. Doucet to Chief Engineer acknowledging receipt of foregoing and stating that classification throughout his district prior to Jan. was in accordance with latter's interpretation of specifications.—(See page 433 of the evidence.)
39	.....	List of work done at each cut from station 5760 to station 6806 and percentages of solid and loose rock.—(See page 483 of the evidence.)
40	.....	Percentage of work done at cut station 6030-6046, from September 1906, to April 30, 1908.—(See page 483 of the evidence.)
41	.....	Estimate (original) of the cost of District "F" made by Major Hodgins.—(See page 484 of the evidence.)
42	.....	Estimate of cost of District "F" made by resident and division engineers after Major Hodgins left.—(See page 485 of the evidence.)
43	.....	Estimate (revised) of Major Hodgins as to cost of District "F."—(See page 486 of the evidence.)
44	.....	Ledger containing figures showing his original estimate of the cost of District "F."—(See page 57.)

MINUTES OF EVIDENCE AND DISCUSSIONS

SPECIAL COMMITTEE INVESTIGATING

Major Hodgins Charges.

WEDNESDAY, April 29, 1908.

Mr. CARVELL.—Mr. Chairman, the reference made to this committee is in a somewhat different position from those in the majority of inquiries by parliamentary committees in this House, inasmuch as there has been no specific charge laid excepting what has been published in the newspapers. It would seem to me that the first thing we have to do is to secure the attendance of Major Hodgins and, I suppose, either to get him to acknowledge the authorship of the interviews which have been published in the newspaper press, or, in some way, to lay a complaint. What do you think about that, Mr. Barker?

Mr. BARKER.—I think that would be proper.

The CHAIRMAN.—Has there been any correspondence at all between Major Hodgins and the Commission?

Mr. LENNOX.—There is some.

Mr. BARKER.—That has been brought down.

Mr. CARVELL.—That correspondence is in the return which has been brought down, but it has nothing to do with the matter under investigation.

Mr. BARKER.—I think it has a bearing on it.

Mr. LENNOX.—It has a bearing on the matter which has been referred to us.

Mr. CARVELL.—If that were all there would be nothing to investigate. In order to bring the matter formally before the committee I will move, seconded by Mr. Macdonald, that the clerk be instructed to notify Major Hodgins by wire that his appearance is desired before this committee. Now on what day shall we request his appearance?

Mr. BARKER.—He has to come from British Columbia.

Mr. CARVELL.—Then we will make it Friday, May 8, at 11 o'clock in the forenoon. We will require Major Hodgins to appear then and prefer his charges so that we may proceed with the investigation.

Mr. BARKER.—We must ask him to bring papers connected with this matter with him, if he has any.

Mr. CARVELL.—Yes, that had better be added to the motion.

Motion put and carried.

Mr. MACDONALD.—We ought to notify the Transcontinental Railway Commission that we have fixed Friday, May 8, as the date for the commencement of the examination.

The CHAIRMAN.—Yes, the clerk will attend to that.

Mr. BARKER.—Now, can we do anything about obtaining plans?

Mr. MACDONALD.—We can ask the commission to submit any documents or information which they have. I move that the clerk notify the commission that the committee will meet on Friday, May 8, for the purpose of beginning the investigation, and asking them to submit to us any documents or information which they desire to present.

Mr. BARKER.—It would be well, I suppose, if they would do that.

Mr. MACDONALD.—As soon as they conveniently can.

7-8 EDWARD VII., A. 1908

Mr. BARKER.—I should think we would want all the plans relating to these contracts that are spoken of. That is the original surveys and any alterations which have been made, and the notes of the engineers as to material. That is about all that I can think of in that connection at present.

The CHAIRMAN.—Very well. Then, Mr. Macdonald, will you embody that in your motion?

Mr. CARVELL.—Just a moment. I have no objection to that suggestion being accepted, but the scope of the information which we will require from the commissioners will depend very much upon what Mr. Hodgins will say when he gets here.

Mr. BARKER.—That is quite clear from what we read in the newspapers; the charge is that it is all as to classification, and we cannot know whether there has been any alteration in the classification unless we know how they started.

Mr. MACDONALD.—Would that indicate that you would want to go back to the field notes of the engineer?

Mr. BARKER.—To the results of the preliminary surveys. We do not want the actual field notes on which they were based.

Mr. CARVELL.—I quite agree that we want everything that has any bearing; for instance, when the contract was let they had certain estimates for each cut and fill. I think we need that, but I would not imagine we want to go back of the preliminary survey.

Mr. BARKER.—Anything that the contractors should know, we want that, and any alterations that have been made after that at any time.

Mr. LENNOX.—They would probably have drawings that will enable us to understand what the different witnesses are talking about when they come here to give evidence.

Mr. BARKER.—Briefly, we want the plans and everything of that kind. Mr. Lumsden, the engineer, will understand exactly what we want.

Motion carried.

Mr. BARKER.—What about our sittings when the other committees are working? Can you fix it so that we can meet when the other committees are not at work?

The CHAIRMAN.—Can't we sit in the evenings instead of in the mornings when the other committees are working.

Mr. BARKER.—I think that could be done.

Mr. LENNOX.—We can arrange from time to time with regard to our sittings.

Mr. CARVELL.—I think it will be advisable to get a number of copies of the correspondence attached to Mr. Parent's letter, so that each member of the committee might have a copy to refer to. Do you know, Mr. Barker, whether Mr. Borden has a copy of the 'Colonist' containing Mr. Hodgins' original letter?

Mr. BARKER.—I have it, and I will hand it to Mr. Todd for the use of the committee.

Mr. CARVELL.—If Mr. Barker will put in that copy of the original letter the clerk could have copies made. I notice in reading over the file that a telegram is referred to there which is not produced. I think it is a telegram sent to Mr. Hodgins. We want that also.

Mr. LENNOX.—It is either from Mr. Lumsden or somebody else on behalf of the board.

Mr. MACDONALD.—Yes, the telegram which is referred to in the correspondence and which, apparently, was sent by the board to Mr. Hodgins.

Mr. CARVELL.—I do not think it was sent by the board.

Mr. MACDONALD.—Well, it would not be sent by the board, but by either Mr. Lumsden or Mr. Parent, and it should form a part of the record.

The CHAIRMAN.—The clerk can ask the commission to furnish a copy of that telegram and have it included in the records in its proper place.

The committee adjourned.

FRIDAY, May 8, 1908.

The CHAIRMAN.—Now, gentlemen, what is your pleasure ?

Mr. BARKER.—I understand Major Hodgins is here.

The CHAIRMAN.—Are you ready to examine Major Hodgins ?

Mr. CARVELL.—We had better hear from Major Hodgins first and see what he has to say.

The CHAIRMAN.—Is Major Hodgins here ?

Major HODGINS responds by rising to his feet.

The CHAIRMAN.—Major Hodgins, certain charges have been preferred by you in certain newspapers and this committee has been appointed by the House of Commons to investigate those charges. Before we proceed with your examination have you any statement to make ?

Mr. FRANK HODGINS, K.C.—May I, as representing Major Hodgins this morning, make answer to that ?

The CHAIRMAN.—You may.

Mr. HODGINS.—I represent Major Hodgins to-day.

The CHAIRMAN.—Well ?

Mr. HODGINS.—In deference to the telegram received by him from the committee, Major Hodgins came from Victoria but only arrived yesterday, and I have not had more than a brief opportunity for consultation with him. The last telegram which he received required him to attend before the committee to-day for the purpose of preferring charges, and in the short time I have had to discuss it with him, I confess that I was not clear from the reference and the telegram, whether the committee desired us merely to repeat what was in the letter or to specify a little more definitely and particularly what the charges were so that the members of the commission would understand exactly what the complaint was and what they had to meet. If it be the desire of the committee that those should be set out with some little particularity—particularity enough to enable them to be readily understood and dealt with by the committee and by counsel for the commission—then we would be prepared to put those in after an opportunity had been afforded to Major Hodgins and myself to consult about them. I propose to ask, Mr. Chairman and gentlemen, that before the examination of witnesses takes place we shall have the opportunity of seeing the productions by the commission. The main charge, of course, is with regard to these accounts, these estimates, which have been put in and which are, we believe, over-classified. Now, the productions of these estimates showing the details give us the over-classification. Without those, of course, we cannot do any more than speak in general terms. If the committee will make an order for the production of those returns for District 'F,' and also an order for the production by the Grand Trunk Pacific Railway of their engineers' reports upon the same work from their point of view, those two together will enable Major Hodgins, I think, to establish what he says—that there is over-classification.

Mr. MACDONALD (Pictou).—Is that all you say, that there is over-classification ?

Mr. HODGINS.—I am not intending to extend my charges, I am speaking in general terms and I say improper or over-classification.

Mr. MACDONALD (Pictou).—I understood you to say that the main charge was in regard to the incorrect estimates, that is that there was incorrect classification by the engineers ?

Mr. HODGINS.—Yes.

Mr. MACDONALD (Pictou).—Do you connect any errors that may have been made by the engineers with the members of the commission ?

7-8 EDWARD VII., A. 1908

Mr. HODGINS.—As I say, I don't want to answer that off-hand because I want to see how far the charges go that are contained in the letter.

Mr. CARVELL.—You would not expect this committee to decide as to the judgment of the engineers unless you connected it with the commission, would you ?

Mr. HODGINS.—I am not prepared to say. I think if there were over-classifications there to the knowledge of the commission, and the commission passed them and paid them, and are still doing so, it is a matter for the committee to sift.

Mr. MACDONALD (Pictou).—You are aware that the contract provides for the settlement of any question of that kind by arbitration ?

Mr. HODGINS.—I don't know that it absolves the commission from seeing there is proper classification.

Mr. MACDONALD (Pictou).—No, certainly not.

Mr. HODGINS.—If it is wrong and the commission allowed it to go on I should not think that could be settled by arbitration.

Mr. CARVELL.—But if there is a dispute do you now know that contract provides that the chief engineer of the commission and the engineer of the Grand Trunk Pacific are to sit as arbitrators ? If they cannot agree a third arbitrator is to be chosen and they settle these questions of classification.

Mr. HODGINS.—Well, I don't know that that affects Major Hodgins. He is not supposed to put the chief engineer of one or the other in motion. His charges do not refer to the question of arbitration, but to the fact that there is improper classification which has been adopted and which is still going on.

Mr. CARVELL.—Well, then, would it not be better for Major Hodgins to make that charge along the lines of the reference to this committee? Because you will understand we only have the power to take into consideration the subject-matter as contained in these newspapers. Would it not be better for Major Hodgins to make his charges and then you will have the right to ask for the production of witnesses and papers and anything you wish in order to substantiate those charges?

Mr. HODGINS.—I quite agree. I am not asking, let it be understood, for the production of these papers before we specify our charges, but I am asking that when the charges are made and before we are required to give evidence, that we have access to the documents which are essential to prove the charges.

Mr. MACDONALD (Pictou).—Let us be clear about this. The order of reference states that there is referred to us the memorandum of the chairman of the Transcontinental Railway Commissioners and the papers accompanying the same, together with the letter of Major Hodgins to the public press. Now, we find here a letter dated Victoria, April 16, purporting to come from Major Hodgins, and we understand that gentleman says he wrote that letter and purposes to submit to us evidence of the statements contained in it.

Mr. HODGINS.—That is the reference?

Mr. CARVELL.—Pardon me, I don't think the question was answered.

Mr. MACDONALD (Pictou).—I am only wanting to find out so that we shall know where we are. This is what was referred to us. Now, do we understand Major Hodgins to say that he wrote that letter of April 16, and that he stands by it now?

Mr. HODGINS.—Certainly.

Mr. MACDONALD (Pictou).—And that he wants to submit evidence upon it? Then there is an extract from the Manitoba 'Free Press' of April 18, purporting to be a despatch from Vancouver on April 17, containing certain other statements.

Mr. HODGINS.—I don't know anything about that. Is that attached to Mr. Parent's letter? I have not seen that.

Mr. MACDONALD (Pictou).—You have not seen that?

Mr. HODGINS.—No. What I have seen is a letter in the Victoria 'Colonist' which appeared on April 17. I have also seen what purported to be an interview, which is incorrect in some details, appearing in the 'Colonist' on April 19, and I have seen a correction of that, two or three days later, in some particulars.

APPENDIX No. 5

Mr. MACDONALD (Pictou).—Let us take them seriatim. We have first this letter from the 'Colonist.' Then there is the extract from the Manitoba 'Free Press,' but you don't know about that?

Mr. HODGINS.—I have not seen that. It is not printed in 'Hansard,' but just referred to, and I was unable to see what it was that was referred to.

Mr. MACDONALD (Pictou).—Then there is an extract from the Ottawa 'Citizen' of April 22. Do you know anything about that? I don't understand that you are assuming any responsibility for that?

Mr. HODGINS.—No, because we have not seen that. It may or may not correctly report what was said.

Mr. MACDONALD (Pictou).—Then there is an extract from the 'Daily Colonist' of April 19, containing what purports to be an interview with Major Hodgins.

Mr. HODGINS.—Like a great many other interviews, it had a basis of circumstantiality about it, but was expanded a little afterwards by the interviewer, and is not exactly correct.

Mr. MACDONALD (Pictou).—The enterprising newspaperman lent his imagination to it.

Mr. HODGINS.—That is correct which is signed by Major Hodgins.

Mr. MACDONALD (Pictou).—It has no bearing in regard to the reference made to us, that there were some misstatements.

Mr. HODGINS.—There were some inaccuracies that he does not take the responsibility for. For instance, there was a calculation based upon certain facts which, of course, he is not—

Mr. MACDONALD (Pictou).—He is not responsible for.

Mr. HODGINS.—Not responsible for.

The CHAIRMAN.—What do you acknowledge responsibility for, the article which appears in the 'Colonist'?

Mr. BARKER.—Let me remind you of what Mr. Hodgins has said. He said that his client only arrived yesterday, and that he had not had the opportunity to go into the matter with him. It seems to me that if we are going to take any proceedings, which shall be of any value, as to the charges, we should ask Major Hodgins, through his counsel or otherwise, to put in charges.

The CHAIRMAN.—That is just what I thought.

Mr. BARKER.—I do not think we can enter upon any long examination until the papers have been produced.

Mr. MACDONALD (Pictou).—I was just wanting to see how we stood upon that.

Mr. HODGINS.—Quite so.

Mr. MACDONALD (Pictou).—Then I assume, Mr. Hodgins, that your idea in making the request is to summarize some of these statements that are contained in these articles, and that you will introduce no extraneous charges, because we cannot deal with anything that has not been referred to us.

Mr. HODGINS.—I understand the committee has a certain scope, and unless it were necessarily involved in what was referred to the committee—

Mr. MACDONALD (Pictou).—I understand you are asking for time to summarize these statements?

Mr. LENNOX.—To formulate charges?

Mr. CARVELL.—Along the lines of the letter and interview referred to in the British Columbia 'Colonist'?

Mr. HODGINS.—Let me make myself quite clear. Supposing that I personally do go, either inadvertently or otherwise, outside of what the committee consider to be the scope of the reference to them, then I suppose it is for the committee to say so. But my general idea was that the reference to the committee was of the matters which appear first in the memorandum of Mr. Parent and in the newspaper cuttings which I have not seen, and secondly the letter of Major Hodgins and the interviews that affect that letter.

Mr. LENNOX.—And all other matters that are in the papers referred to us.

Mr. MACDONALD (Pictou).—Yes.

Mr. HODGINS.—I may say frankly I have no intention of travelling outside of that and giving the committee unnecessary trouble in dealing with it.

Mr. CARVELL.—Of course, the committee would have the right to exercise their discretion in receiving evidence upon any extraneous matters.

Mr. HODGINS.—The telegram to Major Hodgins was very general.

Mr. CARVELL.—Our object was to have an understanding this morning of the lines along which the formal charges would be preferred.

Mr. HODGINS.—Quite so. But the telegram to Major Hodgins was very general in its scope, 'To prefer charges *re* character of construction work,' and I was not aware until I heard the statements of the committee whether they proposed to simply take the paper and say, 'Here are your charges, go on and prove them,' or whether they desired us to formally prefer charges.

Mr. LENNOX.—We cannot expect Mr. Hodgins to be very definite, from the fact, as he says, that he has only had a very brief interview with his client.

The CHAIRMAN.—Of course it would be very useful to know from Major Hodgins for what charges he accepts responsibility. Mr. Hodgins says that the interview in the Victoria 'Colonist' is not correct. We want to find out what is correct.

Mr. HODGINS.—Quite so.

The CHAIRMAN.—What do you admit to be correct? You say that the interview referred to was not correct, and the other statements in other papers you claim not to have seen or to know anything about?

Mr. HODGINS.—I think I read one of the cuttings some days ago.

Mr. CARVELL.—I presume you would admit, in case the formal charges which you may make here as representing Major Hodgins did not include everything in the reference to this committee, that the committee would still have the right to go on and inquire into the foundation of the charges in the newspapers and in the reference?

Mr. HODGINS.—I did not quite catch your question.

Mr. CARVELL.—In case the formal charges you will prefer do not include everything mentioned in the reference, you will admit the committee have the power to go further and investigate everything that is in the reference?

Mr. HODGINS.—Would my admission add to the power of the committee?

Mr. CARVELL.—I am asking for your opinion.

Mr. BARKER.—This gentleman cannot admit anything.

Mr. PARENT.—The gentleman says he is going to put in new charges, I understand. All the charges are now before the committee. It is alleged that Major Hodgins wrote those letters, and we want to know whether he did so or not. We want to get that gentleman under oath and ask him if he stands by the charges.

Mr. BARKER.—Here is what the commissioners say: 'In conclusion, the commissioners would respectfully request, as they do not wish to remain under the aspersion which such reports cast on them'—after having detailed a number of charges—'that the whole matter be referred to and looked into by committee of the House, and that Major Hodgins be assigned to appear before the same to repeat his charges in a specific manner in order to substantiate them if he can.' Now that is pretty broad. What I think is that Mr. Hodgins, K.C., should now state when he will be prepared to hand in his charges in accordance with the papers which have been submitted to the committee.

Mr. LENNOX.—And in accordance with what we resolved the other day.

Mr. MACDONALD (Pictou).—It being understood—I think Mr. Parent has so understood and I understand Mr. Hodgins, K.C., to say so—that the memorandum he proposes to submit to us does not relate to anything outside of what has been already referred to the committee, in the papers, but is only a summarization of the allegations contained in the newspapers.

APPENDIX No. 5

Mr. CARVELL.—And does not necessarily curtail our rights.

Mr. LENNOX.—Does not either enlarge or curtail.

Mr. PARENT.—I know what is coming, gentlemen, Mr. Hodgins said so a minute ago. What he wants is larger scope.

Mr. MACDONALD (Pictou).—There will be no larger scope, he has to confine himself to the reference.

Mr. PARENT.—I claim that the full charges are already before this committee and the plaintiff in this case should come up like a gentleman under oath and repeat those charges. Those which he cannot repeat we will eliminate. If he cannot bring proof on something let him go on with what he thinks he can prove; but I do not want him to go outside of the charges already made and bring in something else. Major Hodgins is here to-day. He has got to make his charges. Let him take the oath and make them and then we will answer them.

Mr. BARKER.—I think we had better proceed orderly in this matter. Neither Mr. Hodgins nor his counsel, nor Mr. Parent, can dictate to this committee. We have got to perform our duty here, and we intend to do so. I would like to ask, Mr. Chairman, when Mr. Hodgins will be prepared to put in his charges?

Mr. PARENT.—Before proceeding any further I want to know this: What do you intend to do about our case? This gentleman who makes the charges is aided by a lawyer, and I want to know what the committee are going to do as far as the commission are concerned?

Mr. CARVELL.—I am afraid Mr. Parent has misunderstood the object of this discussion.

Mr. PARENT.—No, I have not.

Mr. CARVELL.—I think it is in the minds of every member of the committee that we will not allow Mr. Hodgins to enlarge the charges as contained in the newspaper reports.

Mr. BARKER.—Nor reduce them.

Mr. CARVELL.—If he proposes to reduce them then so far as I am concerned, speaking for my own part, I would say we ought to stand by the reference to the committee, and after Major Hodgins makes his charges, then we will know what course to pursue.

Mr. PARENT.—I have no right to dictate to the committee. I know they are able men and I intend to respect them, but I say this: the proper course, in my opinion, is for that gentleman to take the oath, then to show him the newspaper clippings and go over the charges one by one. If he stands by them well and good. If he cannot prove them then he should be compelled to say so.

Mr. LENNOX.—With all due respect we must confine ourselves at present to determining what is the best procedure to follow in order to carry out what has been referred to us. That we are endeavouring to do. The charges made by Major Hodgins will be to some extent, perhaps, of assistance to us; but we have to travel exactly upon the lines of what has been referred to us, neither enlarging nor circumscribing them. That fact does not relieve us from the duty of pursuing the matter just as it has been referred to us nor from investigating all the questions referred. I think every member of the committee understands that.

Mr. CARVELL.—Yes.

The CHAIRMAN.—According to my idea we have met this morning to hear the charges which have been referred to us. Major Hodgins, who makes the charges is represented by counsel who says that he has not had time to talk the matter over with his client. The situation is this according to my mind, subject of course to the approval of the committee. We have specific charges made by Major Hodgins, and they are in black and white. We intend to ask Major Hodgins if he is ready to substantiate the charges which he has preferred as soon as possible. The only question which arises this morning, in my opinion, is what delay shall be granted; that is all. The charges are here and the intention of the committee, I think, is to ask Major

7-8 EDWARD VII., A. 1908

Hodgins under oath—first if he is ready to substantiate any charges, and second, what charges he is prepared to substantiate. Afterwards we will proceed to the examination of witnesses. It is for the committee to say whether they are ready to grant a certain time to Mr. Hodgins, K.C., to interview his client and talk the matter over with him. That is the only question so far. Next we will examine Major Hodgins himself and ask him whether he is able to substantiate the charges and then proceed with the examination of witnesses. That, as I understand, is the scope of the work of the committee.

Mr. BARKER.—Will you ask Major Hodgins' counsel now when he will be prepared to put in those charges?

The CHAIRMAN.—Mr. Hodgins, will you give us that information.

Mr. HODGINS.—I think I may say that if I continue to act as counsel the charges could be put in by Monday or Tuesday, but I may be unable to continue to act for Major Hodgins.

The CHAIRMAN.—What do you mean by putting in charges?

Mr. HODGINS.—I have the telegram which was sent by order of the committee to Major Hodgins and this is how it reads: 'Please understand object of summons to appear before Special Committee is to prefer charges *re* character of construction work Transcontinental Railway alleged to have been made by you in the public press.' I take it that the committee wish us to take the trouble of going over what appeared in the public press, and putting it into some form that will be intelligible both to the committee and those affected by it, giving such particulars as would enable the charge to be understood and dealt with.

Mr. CARVELL.—I do not think that was the intention of the committee, though.

The CHAIRMAN.—The committee will not allow you to make new charges. As I understand it we will take those charges that have been made in the public press.

Mr. HODGINS.—Quite so.

The CHAIRMAN.—And we will ask Major Hodgins whether he is ready to substantiate them.

Mr. BARKER.—There is more than that, if you read Mr. Parent's communication to the Prime Minister.

Mr. LENNOX.—And if you read the minutes of our meeting the other day when we organized you will see what we decided then. I understood that Major Hodgins was to formulate his charges.

Mr. CARVELL.—Not to formulate but to prefer charges. I believe the resolution here (reads): 'That the clerk be instructed to notify Major Hodgins by wire that he is to appear before the committee on Friday, 8th May next, at 11 a.m., there to prefer his charges and bring with him all papers, correspondence and memoranda relating to the matters mentioned in the Order of Reference.' Now the preferring of charges means that Major Hodgins shall state whether he stands by the charges in the newspapers or not. If Major Hodgins can make it a little plainer, if he will say 'There is a letter in the newspapers purporting to be signed by me and I have got that letter—'

Mr. MACDONALD (Pictou).—His counsel has already said that.

Mr. HODGINS.—I have already said that.

Mr. CARVILL.—That is settled then? Now it is for Major Hodgins or his counsel to say in regard to the newspaper interview 'We adopt that. The interview is quite correct.'

Mr. MACDONALD (Pictou).—Mr. Hodgins has already intimated that it is not correct.

Mr. CARVILL.—If any part of the interview is not correct Major Hodgins will have the right to say so. We are not here for the purpose of having new charges entirely made but simply for the purpose of taking up the charges which are contained in the reference. Let Major Hodgins say 'I stand by those or I do not.'

APPENDIX No. 5

Mr. MACDONALD (Pictou)—Let him indicate out of the letter and interview what statements he proposes to prove. That is the point.

Mr. BARKER.—Let me say one word. Here is the communication from the commissioners in which Mr. Parent complained that Major Hodgins makes vague and general accusations. He is referring to Major Hodgins' letter and to the statements in the newspapers and he says that the commissioners—for the reasons that I have already stated—desire 'that Major Hodgins be assigned to appear before the same'—that is the committee—'to repeat his charges in a specific manner'—

Mr. MACDONALD (Pictou)—In order to substantiate them.

Mr. BARKER.—In order to substantiate them if he can. This gentleman when the committee met last was in Victoria, B.C. He was telegraphed for to come here to-day and bring his papers with him. I understand from what Mr. Hodgins, K.C., has said that Major Hodgins, complying with the order of the committee, arrived in Toronto yesterday, and he has only had an hour or so to see his counsel. Major Hodgins is now here to repeat his charges in a specific manner, but the question for this committee is whether they are acting reasonably if they demand that he should do so without being allowed any time at all?

The CHAIRMAN.—That is the only question.

Mr. BARKER.—Then the question is whether the chairman should not, as I requested him a little while ago, ask the counsel when he will be prepared to repeat those charges in a specific manner.

The CHAIRMAN.—That is what I did.

Mr. BARKER.—You were asking that he should go on with it.

The CHAIRMAN.—I never said that.

Mr. CARVELL.—Oh, no.

The CHAIRMAN.—I only said that the question involved is one of delay.

Mr. CARVELL.—But there is a question beyond that. There is the question whether Major Hodgins at the next meeting of this committee will say 'I stand by that letter and I stand by certain paragraphs in the interview,' or whether he should be allowed to come here and put on the record entirely new charges.

The CHAIRMAN.—That is it.

Mr. MACDONALD (Pictou)—I think his counsel understands that fully.

Mr. HODGINS.—I will make it perfectly clear. I have never stated, and do not now state, that I desire any delay for the purpose of putting in totally new charges. I propose to take the charges already named and put them into intelligible shape so that they can be understood and dealt with. I don't think I can make it any clearer than that.

Mr. CARVELL.—Let me ask you if, by proposing to put the charges into intelligible shape, you mean that you will add to them?

Mr. HODGINS.—I do not understand the question. Add to what?

Mr. CARVELL.—Add to the charges contained in any one paragraph of that interview or letter.

Mr. HODGINS.—Not in substance, but I say where you have a general charge. Take any of the charges that are referred to in Mr. Parent's letter. Those that are there stated in the most general terms and give us the most general right to go over the whole of the district and the whole period of time, do you want us to particularize them—?

Mr. MACDONALD (Pictou).—Certainly we do.

Mr. HODGINS.—Or do you want us to come here on general charges without giving you the faintest idea of how we are going to prove them, or what the charges will amount to? It is a matter very largely to my mind for the convenience of the committee, but I want it clearly understood that what I wish is to have an opportunity of consulting with Major Hodgins and putting the charges he has already made in a shape that will be readily understood both by the committee and the commission.

The CHAIRMAN.—Very well, but I think the intention of the committee, and certainly my intention, is not to adopt especially the statements which you will pre-

7-8 EDWARD VII., A. 1908

pare, but to take the newspapers containing the articles written or the charges made by Major Hodgins and ask him 'Are they true and are you able to substantiate them'?

Mr. MACDONALD (Pictou).—I think we are playing at cross purposes. I think what Mr. Hodgins, K.C., means is this: he proposes to indicate out of this letter and interview in the paper what particular portions he proposes to prove.

Mr. CARVELL.—If he stands by that there is no objection.

Mr. MACDONALD (Pictou).—That is how I understand it, and the committee have the right to investigate everything contained in the order of reference.

Mr. PARENT.—We have been accused in the newspapers—

The CHAIRMAN.—Yes, it has been spread all over the country.

Mr. PARENT.—If the gentleman is allowed to limit his charges, I suppose the evidence will be confined to that?

Mr. CARVELL.—Oh, no.

Mr. MACDONALD (Pictou).—Do not worry about that.

The CHAIRMAN.—We will have the right to examine Major Hodgins on the rest of the charges which he may drop, even if he does not prefer them.

Mr. PARENT.—As far as we are concerned we would like to go through the whole of the charges contained in these newspapers.

Mr. HODGINS.—Let me say that I have not asked to drop any charges.

Mr. LENNOX.—I understand the case to be this: A client comes to one of us and gives his statement in a general way. We draw up a statement of claim, we classify it, set the matter forth in paragraphs and place it in better shape than it was before. But that does not change any of the evidence which has to be produced in any degree; we cannot do that. It may happen that when Major Hodgins prefers his charges there may be omitted matters which have been referred to us. Nevertheless although he may not claim to be able to establish it, we can investigate the matter, as it has been referred to us.

The CHAIRMAN.—I understand the fear entertained by Mr. Parent to be this: These charges having been printed in the newspapers and circulated all over the Dominion it would not be fair that any of the charges or points dealt with in the newspaper articles should be dropped altogether.

Mr. BARKER.—Oh, no.

The CHAIRMAN.—I understand it to be the feeling of the committee that they should not be dropped.

Mr. HODGINS.—I desire to repeat again that that is Mr. Parent's suggestion, not mine.

Mr. LENNOX.—We will allow nothing to be dropped.

The CHAIRMAN.—The question is whether we are ready to grant Mr. Hodgins, K.C., time to consult with his client?

Mr. BARKER.—And to prefer charges.

The CHAIRMAN.—And to bring a precis of charges which have been preferred in the newspapers.

Mr. CARVELL.—Reserving to the committee the right to accept the charges as he brings them.

The CHAIRMAN.—To accept or reject them.

Mr. PARENT.—Does Mr. Hodgins intend to retain his attorney here during the whole investigation?

The CHAIRMAN.—Mr. Hodgins, are you going to act for Major Hodgins?

Mr. MACDONALD (Pictou).—Before we go into that question let us decide what time should be allowed to Mr. Hodgins. Why should he not hand to the clerk on Monday a statement of what he desires to deal with, and then we can meet on Tuesday to take evidence.

Mr. BARKER.—Whether you fix Monday or Tuesday is a question I am not going to discuss. But after we have got these charges there is no use our meeting the next day to take evidence, because it will be absolutely impossible to do so without the

APPENDIX No. 5

production of papers upon which the witnesses will be examined. I do not know how long the commissioners will take to produce every document in their possession that relates to the charges which have been referred to us. We shall also require the officials of the Grand Trunk Pacific Railway Company, I take it.

Mr. MACDONALD (Pictou).—I do not see that we have any control over that.

Mr. BARKER.—We can subpoena them.

Mr. MACDONALD (Pictou).—That is another thing.

Mr. BARKER.—From what we see we will require, in order to understand these charges, not only the progress estimate and the reports made from time to time to the commission—

Mr. MACDONALD (Pictou).—We cannot tell what we will require. It is better not to be too specific.

Mr. BARKER.—I am talking of Mr. Parent's charges that he specified himself. To go into the questions that Mr. Parent says are comprised in the charges and which we will have to investigate, as he himself says, whether Major Hodgins specifies them or not it will be absolutely essential—

Mr. MACDONALD (Pictou).—Well, now—

Mr. BARKER.—One moment. It will be absolutely essential before examining witnesses that we shall have here the papers upon which those witnesses are to be questioned. So I would like to know if there is anybody here who can tell us when the commission will be prepared to produce those papers. They will want to see the charges on Monday or Tuesday, and then undertake to get the papers. How soon can they be produced?

Mr. MACDONALD (Pictou).—I hardly follow my friend, Mr. Barker, in his observations. I apprehend this committee is here to investigate something that Major Hodgins has got to say about the Transcontinental Commission. I apprehend that Major Hodgins has got to prove what he said or take it back. That is the usual way when men make charges.

Mr. BARKER.—Yes.

Mr. MACDONALD (Pictou).—I apprehend further that the proposition made by Mr. Barker is that the commission should hand over anything and everything to Major Hodgins right off the bat.

Mr. BARKER.—I never said that.

Mr. MACDONALD (Pictou).—That is practically what you said.

Mr. BARKER.—I said the commission should produce the papers to us here.

Mr. MACDONALD (Pictou).—And I say that if Major Hodgins makes charges he must prove them. He cannot come to this committee and hunt around to find justification for statements which he has made.

Mr. BARKER.—He is going to put in his charges before he sees the papers.

Mr. MACDONALD (Pictou).—Major Hodgins on April 16, when he made certain charges in the Victoria 'Colonist,' either had evidence to prove those charges or he had not, and if he did not have the evidence he had no business to make the charges.

Mr. BARKER.—That is ridiculous.

Mr. MACDONALD (Pictou).—I say that a man has no right to make a charge against a public man in this country—

Mr. LENNOX.—A man can always make a charge which he has good reason to believe or which he knows that he can prove.

Mr. MACDONALD (Pictou).—Do not interrupt me, please. What I was going to say in regard to that subject is this: The onus of proceeding in this inquiry and of proving the case is on Major Hodgins and his counsel, and when they start in to prove their case I assume this committee will direct the production, as we proceed, of any matters which they indicate are necessary for them to prove their charges. But we would not be doing our duty as a tribunal respecting either the character or position of any public man against whom any charge is made unless we put the onus

7-8 EDWARD VII., A. 1908

of the proceedings in regard to these charges, which is the primary object of this committee, upon the gentleman who made them.

Mr. LENNOX.—Mr. Macdonald will agree to this, I am sure: that if Major Hodgins happens to know of a certain fact, or has reasonable ground to believe a certain fact, and he is giving his evidence and we ask him, 'Where is the evidence of that?' and he says 'The evidence is in the possession of the commissioners'—

Mr. MACDONALD (Pictou).—We will deal with that when it comes.

Mr. LENNOX.—That evidence must be produced. That will verify or contradict what he says. And then, as Mr. Barker says, we require to have certain documents which we can at this time anticipate will necessarily have to be produced, and if the papers are brought here now there will be no delay. As we proceed we may find that other documents will be necessary, but at present we know of the classification and the progress estimates that have been sent in during the time that Major Hodgins was in charge and some of which he alleges were not correct. Those ought to be brought here in the first instance, because we will need them of necessity. Other documents, of course, will be required later on, but any documents to which he necessarily will have to refer should be brought here now.

Mr. MACDONALD (Pictou).—We will see when he wants to refer to them.

Mr. LENNOX.—It is only a question of delay or otherwise.

The CHAIRMAN.—I do not think we ought to produce these documents before we know what charges Major Hodgins will prefer or withdraw.

Mr. BARKER.—I do not dispute that, but we cannot expect to go on next day because we may not have the papers.

Mr. CARVELL.—Had we not better find out when Major Hodgins will be able to lay his charges?

Mr. HODGINS.—I have mentioned either Monday or Tuesday.

Mr. CARVELL.—Could you not do so on Monday?

Mr. HODGINS.—I am prepared to take the day the committee decides.

Mr. CARVELL.—I want to give you all reasonable time.

Mr. HODGINS.—I will bring them on Monday.

Mr. CARVELL.—By 6 o'clock on Monday afternoon.

Mr. HODGINS.—Certainly.

Mr. CARVELL.—Let it be understood that by 6 o'clock on Monday afternoon those charges will be here.

The CHAIRMAN.—Before the committee?

Mr. CARVELL.—In the possession of the clerk.

Mr. HODGINS.—I want to make a reference to what Mr. Macdonald said. I am speaking to lawyers and you will appreciate what I say. The facts which prove what Major Hodgins alleges are not in his possession but are to be found in the files of the Transcontinental Railway Commission and the Grand Trunk Pacific Railway Company.

The CHAIRMAN.—We can get them if necessary.

Mr. HODGINS.—There are very serious omissions in the files brought down to parliament. All the papers connected with this matter are not on the files; they are in the office of the Transcontinental Commission or the office of the railway company. Supposing Major Hodgins were put on the stand and shown a charge and asked 'Is that true?' He says, 'yes.' 'How do you prove it?' 'I want those papers'? Are those papers not necessary for the proving of that charge?

Mr. MACDONALD (Pictou).—If they are in existence we will have them when that time comes, but you are too good a lawyer not to know that when a man makes a charge of any kind he ought to know what he is talking about. When he comes before a parliamentary committee afterwards he ought to be able to tell that committee what he knew at the time he made that charge.

Mr. HODGINS.—He is prepared to do that.

Mr. MACDONALD (Pictou).—And as a matter of fact if he wants to summon wit-

APPENDIX No. 5

nesses or to get documents in the control of the committee, no one here will object to that.

Mr. CARVELL.—Mr. Hodgins is also too good a lawyer to state that he will put Major Hodgins on the stand and say to him ‘Here is a letter which you have written to the ‘Colonist.’ Is that true?’ No committee could allow Major Hodgins to say whether that was true or not. He would have to come and tell us what he knows himself. I do not think you will have any difficulty with this committee; they will give you all the opportunity you want to substantiate the case.

Mr. HODGINS.—Do you suppose that any witness should be put in the box and denied access to the papers which would bear out the evidence he is giving?

Mr. MACDONALD (Pictou).—He knew enough to write a letter to the press and make charges against people and he ought to be able to prove his charges.

Mr. BARKER.—He wants the documents to prove what he says.

Mr. CARVELL.—There are practically three or four branches to the charges contained in this letter. We are discussing entirely the question of classification which to my mind is a very unimportant part of the matter because that has to be settled latter on by arbitration. To my mind the point in this charge is that Major Hodgins claims he was dismissed from the service of the Transcontinental Commission because he would not classify as the commissioner wanted him to do. He does not require documents in the possession of the commissioners to specify that. He can say whether it is true or not.

Mr. HODGINS.—Pardon me, he corrected those estimates in his own handwriting, and they are in the possession of the commission.

Mr. MACDONALD (Pictou).—Let him say so later on and he will get them.

Mr. HODGINS.—I am asking the committee to make that order now.

Mr. LENNOX.—After Monday, what then?

Mr. CARVELL.—I would say sit on Tuesday.

Mr. BARKER.—You will have to meet and adjourn again to take evidence.

Mr. MACDONALD (Pictou).—I do not hesitate to say, and I think the committee will agree with me, that Major Hodgins having undertaken to write a letter to the public press in which he said the reason of his dismissal was not on account of any papers he wanted to see, but because the commissioners ordered him to do certain things which he would not do out which he had verbal instructions from the commissioners to do, the first duty of this committee when it meets on Tuesday is to summon that gentleman to the witness stand and for him to state on his oath how much he knows or how much he did know on April 16, when he wrote that letter. That, in my judgment, is the first duty of the committee. Then after that we will go on and investigate the charges and submit the fullest evidence.

Mr. LENNOX.—I do not see any objection to our meeting on Tuesday. We will have to meet promptly and frequently and we will have to decide what is the proper course to pursue. I think myself that if some of the papers are produced on Tuesday it will facilitate the matter very much. Then we can see what we can do.

Mr. MACDONALD (Pictou).—I do not hesitate to say, as far as I am concerned, that I think we ought to pass a resolution notifying Major Hodgins that having submitted his statement in writing he should come here and give evidence on oath on Tuesday morning.

The CHAIRMAN.—The evidence may not be long. He will be asked whether he believed that which he wrote to be true. If he says ‘yes,’ or if he says ‘this and that I will withdraw,’ the committee will be better informed. If he says ‘I can prove so and so if I had the document.’ It will then be for the committee to say what action should be taken.

Mr. BARKER.—I have no objection to that, but I do not want you to assume from the beginning that he has to prove everything without reference to the papers.

Mr. HODGINS.—Then let me make a request if you have definitely decided on that

7-8 EDWARD VII., A. 1908

course of action. If it is merely of Major Hodgins being asked 'Do you adhere to what you said,' and then adjourning for the production of documents—

Mr. MACDONALD (Pictou).—A good many other things will be asked.

Mr. HODGINS.—Do I understand the committee will not require the documents to be here until after the examination of Major Hodgins has been commenced?

Mr. CARVELL.—That would be my view of it.

Mr. MACDONALD (Pictou).—Major Hodgins will be before the committee all the time.

Mr. BARKER.—I do not agree with it.

Mr. CARVELL.—This procedure should, as far as possible, be along the lines of a court of law. The plaintiff in the case goes on the stand and tells what he knows subject to cross-examination. He makes his charges and this committee or the counsel for the commission, if later on this committee decides to have one, should have the right to cross-examine Major Hodgins. Then let him produce his witnesses, and if he wants documents from the commission it will be for this committee to say whether he can have them. As far as I am concerned I want everything thrown open to the public that possibly can be.

Mr. HODGINS.—Surely if you refer to the procedure in a court of law you must acknowledge that before the case comes on in court all parties have had an opportunity to see the documents and they are there on hand for reference.

Mr. CARVELL.—In some cases they are, and in some they are not.

Mr. HODGINS.—If the committee prevents us from obtaining access to the documents I think it will be extremely unfair to Major Hodgins. All I want is that the documents should be produced and in the custody of the committee, that we should have access to them and see them; we should be able to know what they contain.

The CHAIRMAN.—Before we examine Major Hodgins?

Mr. HODGINS.—Yes. Pardon me a moment. These are documents that have passed through Major Hodgins' hands, the chief engineer's hands and the commissioners' hands, and we desire to see them again.

The CHAIRMAN.—As far as I am concerned I am certainly of opinion we ought to have Major Hodgins on the stand so that we might ask him these questions, and then if you want documents we will give all the latitude possible. It is a very serious, a very important question and we will give you all the latitude possible.

Mr. HODGINS.—I am looking at it from a totally different point of view, and I would rather get the preliminaries settled.

The CHAIRMAN.—The committee will settle that point and it is settled now. You said, Mr. Parent, that you wanted to be represented by counsel?

Mr. PARENT.—The accusation, as far as we are concerned, is that there is fraud at the bottom of the whole thing. The newspapers and the charges which are before you contain that accusation. We are accused not of having done the right thing, but of having committed fraud. Everything referring to that we would like to have investigated and that as rapidly as possible.

The CHAIRMAN.—Do you wish to be represented by counsel?

Mr. PARENT.—I want the committee to say.

The CHAIRMAN.—Just as you please about that.

Mr. PARENT.—If we have no lawyer there should be none on the other side. If the other side are allowed a lawyer we should be granted the same privilege.

Mr. MACDONALD (Pictou).—It must not be forgotten that the way the commission regards these charges is this: There is a question as to whether the classification by the engineers of the commission was correct. That is a matter which under the agreement between the government and the Grand Trunk Pacific Railway Company must be determined by an arbitration board to be selected under the contract. The gravamen of the charge, however, is this: that these engineers made a wrong classification under the direction of the commissioners and at their request, and that Major Hodgins was dismissed because he would not do that. That is what he says. Those

APPENDIX No. 5

are the things in regard to which, I think, Major Hodgins should tell us immediately what he knows.

Mr. CARVELL.—And further, he was sent to Quebec to get some object lessons, and he refused to carry out the lessons which he took there.

Mr. MACDONALD (Pictou).—That is the point.

The CHAIRMAN.—Now, is it the wish of the commission to adjourn until Tuesday morning at 10.30?

Mr. HODGINS.—There is the matter of counsel.

Mr. CARVELL.—The chairman stated the commission could suit themselves.

Mr. HODGINS.—I understand that. I mean on behalf of Major Hodgins?

The CHAIRMAN.—He has got the right to be represented by counsel.

Mr. HODGINS.—My application is that in a matter of this kind, in view of its nature and of its importance, the committee should assign counsel to Major Hodgins. I presume that they will assign counsel to the commission as well. I make the request in order to facilitate the bringing out of the matters which are involved in these charges. The commission, according to the chairman, may or may not be represented; just as they wish. They probably will. But I think Major Hodgins is certainly entitled to be represented by counsel, and I ask the committee to make such an order. There are precedents for it. I understand that in the McGreevy-Connelly case counsel was so appointed.

The CHAIRMAN.—Oh, no, that is a great mistake. Counsel was not appointed by the government but by private parties. At the last minute the government decided to pay the counsel so engaged, but they were not retained by the government. That is the great difference.

Mr. BARKER.—We do not propose to retain counsel. Mr. Hodgins, I take it, is asking that Major Hodgins should be allowed counsel, and the question is whether we will authorize that and recommend the government to pay the bill. That is all.

Mr. HODGINS.—Quite so. I understand, in fact I know, that in the Gamey commission the counsel not only represented those that had been attacked, but Mr. Gamey was aided by counsel in pressing his charges. The Hon. Mr. Blake, Mr. Ritchie and Mr. McPherson, who represented Mr. Gamey, were all paid by the government. The matter was considered to be one of public importance, and there is no doubt that this case stands in exactly the same position in that regard.

Mr. MACDONALD (Pictou).—In regard to importance?

Mr. HODGINS.—I think it would be a very great burden on Major Hodgins if he were compelled to retain counsel at his own expense.

Mr. MACDONALD (Pictou).—Do you find any precedents for parliament saying to a man who writes a letter to a newspaper about a public official, 'We will pay all the expenses of what you do?' I have heard of men rising in parliament and making charges and parliamentary commissions and royal commissions being appointed by parliament and at the request of members of the House, but I don't think there is any precedent for a case of this kind for any such reason.

Mr. HODGINS.—I understand this was not a commission asked for by Major Hodgins but a commission thrust upon him.

Mr. MACDONALD (Pictou).—I understand that Major Hodgins never asked for any commission.

Mr. HODGINS.—Quite so. The investigation for which he asked for was not granted.

Mr. MACDONALD (Pictou).—It does not appear in evidence in the documents before us that he made any request.

Mr. HODGINS.—All the documents are not before the committee. But in his memorandum Mr. Parent says: 'The commissioners would respectfully request that the whole matter be referred to and looked into by committee of the House, and that Major Hodgins be assigned to appear before the same to repeat his charges in a

7-8 EDWARD VII., A. 1908

specific manner in order to substantiate them if he can.' This committee was granted by parliament at the request of the Transcontinental Railway Commission to investigate the charges. Now, Major Hodgins is summoned to appear here, and he is given the right of counsel by the committee. He is asked to put in charges, and I think his request is a reasonable one: that he should be allowed to retain, at the expense of the government, counsel to represent him in repeating the charges and substantiating them. It is not a matter in which he is personally concerned, it is not a matter in which he personally gains or loses anything; it is a question of importance to the country if he proves his charges, and it is of equal importance, I suppose, if he does not.

Mr. CARVELL.—If you will refer to Major Hodgins' letter to the 'Colonist' you will find he is the man who practically lays the charges and demands an investigation because in one portion of his letter he says that if the increase in cost amounts to three or four million dollars it is time the public demanded some explanation from the government.

Mr. HODGINS.—Quite so

Mr. CARVELL.—It is that charge that he made which brought forth the letter from Mr. Parent.

Mr. BARKER.—The public have now ordered an investigation.

Mr. CARVELL.—So far as I am concerned, while I would not like to say at this moment that I would be opposed to Major Hodgins having counsel, or the government bearing the expense, it does seem to me that it is creating, or carrying out a very bad precedent. If such a precedent exists I think it is a very bad one. Major Hodgins was not asked to write this letter which was published in the Victoria 'Colonist.' He did it simply from his own standpoint or from the standpoint of friends, perhaps, who wished him to do so. It is possible that Major Hodgins may feel his position to be a hardship to some extent, and that he is in an unpleasant position; but he has himself to thank for it, nobody asked him to do it. In what I am going to say now I do not want to be considered as making any imputation against Major Hodgins or his counsel, but we all know it is late in the session and many of us have very important duties to perform both here and at home, and it seems to me that if we employ counsel on both sides then we will be here long after the apple blossoms are in bloom and possibly some months after that.

Mr. HODGINS.—Not if this counsel is employed, I know.

Mr. BARKER.—It ought to shorten the investigation by two-thirds.

Mr. HODGINS.—There are other things besides this to do in the world.

Mr. LENNOX.—What is proposed is to provide an instrument to enable us to find out whether certain imputations made against the management of this work are correct or not. It is of public importance and in the public interest, and such being the case we should aim at anything which will make more certain the question of whether these charges are well founded or not. I think counsel should be employed to assist us in endeavouring to ascertain the bearing of the evidence that is brought before the committee, to analyse it and come to a right conclusion. I am not one of those who believe that competent counsel will prolong the investigation, and I think it is worth while for the committee to consider whether it would not be in the public interest to demonstrate that we are anxious to give Major Hodgins every facility to establish his charges.

Mr. MACDONALD (Pictou).—Certainly.

Mr. LENNOX.—We should consider whether it would not be right for the country to pay counsel. There might be the question of another counsel also for you to consider.

Mr. CARVELL.—What would you think?

Mr. LENNOX.—I would offer no objection to the commission being represented by counsel, but they have the power to do that anyway and they can pay for counsel if they see fit. But a very prominent counsel, a man in whom we would all have faith

APPENDIX No. 5

to bring forward charges, and who would see that the public got justice in this matter is what we might want. That would be all right and I think I would see no objection to it.

Mr. CARVELL.—What do you think of the suggestion that we should have one counsel ?

Mr. BARKER.—That is not fair to Major Hodgins.

Mr. MACDONALD (Pictou).—In some instances counsel for a committee have been appointed to deal with the presentation of the case.

Mr. LENNOX.—That would be the second counsel that I spoke of.

Mr. MACDONALD (Pictou).—It think we might very well dispense with counsel for the commission and counsel for Major Hodgins and let such counsel for the committee act in the presentation of the facts. However, perhaps the best way would be to let that matter stand over until Tuesday. Personally I do not think there is any precedent for the request, and I would like to look into it first before expressing an opinion against it possibly. No harm can come from letting the matter stand.

Mr. LENNOX.—I don't think so. This is a matter we can only make a recommendation on in any case.

Mr. MACDONALD (Pictou).—Certainly it is a matter to some extent of precedent and authority.

Mr. LENNOX.—And we may look into the McGreevy-Connolly case also.

Mr. CARVELL.—I would not take it that the act of any one committee of this House would have a binding precedent up any other committee. It would be different if you could find some authority on parliamentary usage.

Mr. BARKER.—It is only a question of what is fair and reasonable, whether we would recommend to the House that it be allowed. We cannot do it ourselves.

Mr. MACDONALD (Pictou).—Then that matter will stand over until Tuesday.

Mr. HODGINS.—The matter of subpoenaing witnesses will stand over until Tuesday as well ?

Mr. MACDONALD (Pictou).—I want to say as far as I am concerned that I propose to ask the chairman to direct Major Hodgins, when he comes on the stand on Tuesday, to tell us about these charges he makes against the commission; he does not need papers to prove them. Men cannot go around making serious charges against public men in any position in the country without coming down to business as quickly as they can. We want to know whether these men appointed by the government deliberately entered into a conspiracy to get over-classification for the contractors.

Mr. HODGINS.—You are generalizing there largely.

Mr. MACDONALD (Pictou).—I am dealing with what is in the record.

Mr. HODGINS.—You do not, I presume, speak by the record. Our desire is to get down to close quarters as rapidly as possible, and we are suggesting a way to do that.

Mr. CARVELL.—Your remarks apply to over-classification.

Mr. MACDONALD (Pictou).—Here is a statement by Major Hodgins: 'If Monsieur Poulin, the engineer appointed by Monsieur Parent to replace me on the western district, has allowed the introduction of classification similar to that in Quebec, this will account for an increase in the estimated cost of the line. If this increase amounts to three or four million dollars it is time the public demanded some explanation from the government.' That can be disposed of by the production of Poulin's estimate.

Mr. MACDONALD (Pictou).—I want to know what ground Major Hodgins had for making that statement, and I want to get it quickly.

Mr. LENNOX.—We anticipate that certain documents will be required, and we should have them here on Tuesday, so that if Major Hodgins, when put upon his oath, says 'I want to refer to certain documents in order to substantiate what I say,' the documents would be before the committee, not in the hands of Major Hodgins.

Mr. MACDONALD (Pictou).—I presume the commission will have their counsel, and I would suggest that Mr. Hodgins, K.C., and who ever is counsel for the commission should confer about that.

7-8 EDWARD VII., A. 1908

Mr. LENNOX.—I think that Major Hodgins should furnish a minute of what documents he foresees that he will require.

Mr. MACDONALD (Pictou).—Or let his counsel confer with the counsel for the commission. The counsel on both sides can settle that without any difficulty.

Mr. PARENT.—Any documents which the committee orders will be here in the matter of half an hour.

Mr. HODGINS.—Yes, but there are some other documents that we want.

The CHAIRMAN.—Make your list of what you want, but I do not think we will allow any papers to come before the committee before we hear Major Hodgins.

Mr. BARKER.—Somebody else has got something to say about that.

The CHAIRMAN.—I am only one member of the committee, and that is my opinion, that is all.

Mr. HODGINS.—I wish to make it quite clear that I am entering a respectful protest against it. I think that in fairness to Major Hodgins when he is on the stand he should have the documents which he considers necessary to refer to.

The CHAIRMAN.—Certainly.

Mr. HODGINS.—And that the committee should have those here before Tuesday.

The CHAIRMAN.—I don't agree with that.

Mr. MACDONALD (Pictou).—I have indicated a course which I think ought to be satisfactory. You can confer with the counsel for the commission, whoever he may be, and explain to him what you want. If when you come on Tuesday you think it is unfair we will order production, at least I will be in favour of that.

Mr. BARKER.—That is all we want.

Mr. LENNOX.—That is a reasonable solution.

The committee adjourned until Tuesday morning at 10.30.

TUESDAY, May 12, 1908.

The committee met at 10.30 a.m., the chairman, Mr. Geoffrion, presiding.

The CHAIRMAN.—The Clerk has just handed me a copy of the charges which have been made by Major Hodgins before the committee. There seems to have been a misunderstanding as to the session of the committee this morning, and on that account Mr. Hodgins was given until this morning to submit his charges, which have just been deposited in my hands. I think everybody, the members of the Transcontinental Railway Commission, and the members of this committee, are entitled to have in their possession those charges before we commence the examination of witnesses; so I think it would perhaps be better to adjourn the examination of witnesses and the further proceedings of this committee until to-morrow morning. I would like to have the opinion of the committee on that matter.

Mr. BARKER.—Is it proposed to go on with the examination of witnesses without any papers?

The CHAIRMAN.—Well, as I understand it, during the examination of the witness there will probably be some questions which will have to be asked Major Hodgins, and that, when he says—at least that is according to my opinion—that before he can answer those questions he requires to see certain papers in order to enable him to make proof of his charges, and to give his evidence, then those papers are to be forthcoming.

Mr. BARKER.—I do not understand it that way; I take it that any member of this committee should have those papers; I want to have them in order to examine the witness. I intend to try to do my duty here, and when either Major Hodgins, or any other man, is being examined, I intend to examine him effectively if possible, within the full scope of the reference, and it is absolutely impossible for any person

APPENDIX No. 5

to know what he ought to ask the witness until the papers are here, so that we can cross-examine on them.

Mr. CARVELL.—To what papers do you refer?

Mr. BARKER.—I refer to every paper that relates, so far as Major Hodgins is concerned, to whatever items he has brought forward in his charges; beyond that, I want every paper that deals at all with his utterances, whether they are included in these charges or not. Those charges have not been read to us yet, but there was a great deal of discussion on the last day the committee met as to whether Major Hodgins would be at liberty to omit from his charges anything that appeared in his interview or elsewhere. We may want to see for ourselves how far the papers in the possession of the commission bear upon these other branches of his statements, as well as upon the particular matters contained in the charges made before us. In a matter of such tremendous importance to the people of Canada we ought not to enter upon the inquiry, or rather upon the examination of the man who has made such charges as Major Hodgins has made, without seeing the papers, which are the very basis of his charges. It seems to me that to do so would be an absurdity—unless we want to avoid the question.

Mr. CARVELL.—Probably Mr. Barker may have the advantage of some other members of the committee and may know the contents of these charges; I do not, and until I have an opportunity of reading them all over I would not feel like going on with the examination of witnesses.

Mr. BARKER.—I have not yet seen the charges either.

Mr. LENNOX.—I think it would be advisable to have them read now.

Mr. MACDONALD (Pictou).—What is the use of that, it is only a waste of time, because we, each one of us, want a copy, which we can read for ourselves.

Mr. LENNOX.—We want to economize time as much as we can, and that is why I am suggesting that the charges be read now. If this misunderstanding had not occurred we would have had these charges handed in yesterday and you and I would have had a copy now.

Mr. CARVELL.—I was going on to say that at a previous meeting in this committee there was some reference made by Major Hodgins to reports of Grand Trunk Pacific officers. I would like to know whether Mr. Barker would consider that we have any right, before any evidence is given, to order that those papers be brought here?

Mr. BARKER.—You mean with regard to these charges?

Mr. CARVELL.—Yes.

Mr. BARKER.—If they come within these charges, certainly; if they do we certainly should have not only the Grand Trunk Pacific Company's statements, but every paper we can get that will enable us to cross-examine the witnesses.

Mr. CARVELL.—Would you consider that a letter written by one Grand Trunk Pacific official to another would be binding upon this House, and that the letter ought to be brought here unless it was sworn to?

Mr. BARKER.—It would depend upon what it is.

Mr. CARVELL.—Then it would seem to me that the proper course is to have the witnesses sworn. Major Hodgins makes very, very serious charges against the Trans-continental Railway Commission; Major Hodgins has a perfect right to be sworn himself and to ask for the production of any witnesses in Canada; as far as I am concerned I don't care how many there are, or where they come from, I am agreeable that they should come here at the public expense and be sworn. If the production of papers is necessary to enable these witnesses to give their evidence I think then that it is time enough to decide that they should be produced.

Mr. BARKER.—The point I want to make is this, that it is not a question of Major Hodgins, it is a question for this committee whether they are to be possessed of the papers in order to enable the members of the committee to examine witnesses.

The CHAIRMAN.—The question presents itself in this way to me, that we have

here the statement of charges,—what is contained in that statement we do not know, there may be a repudiation of some of the charges that we have heard. Major Hodgins may say, I repudiate certain of the charges; they were made in mistake.

Mr. HODGINS, K.C.—He does not say that.

The CHAIRMAN.—We do not know. Are we going to ask for papers until we know whether there are charges relating to those particular matters or not? The proper way of proceeding is to have Major Hodgins go into the box and to examine him, and as a preliminary to read these charges and give all the members of the committee time to become seized of the nature and scope of the charges made. Then we can proceed with the examination of Major Hodgins, and, as necessity arises, we can ask for the production of the papers he needs. I do not see how we can ask for the production of papers now when we do not know what the charges are, we do not know anything about them.

Mr. LENNOX.—I want to see the committee get to work, and that is the reason I take the attitude I do. I think the first thing for us to do is to ascertain what the charges are. We have nothing particular to do for the moment except that, and we can apply ourselves very usefully just now to finding out what those charges contain. But in reference to what the chairman says as to ordering papers to be produced before we know what Major Hodgins' charges are, we know, whatever attitude Major Hodgins may take, what has been referred to us by the House, that is perfectly evident. There are the statements contained in various papers laid on the table of the House, including Major Hodgins' letter to the public press. From our knowledge of that we know perfectly well, as a committee, that although we may not be able at present to define fully all the documents that we may require, we know that we will, necessarily, require certain documents. I would like to ask Mr. Hodgins if he refers to the documents that he knows, or that he anticipates, he will require, in the course of the examination, in this statement?

Mr. HODGINS, K.C.—I do, certainly.

Mr. LENNOX.—One reason why I wanted that statement of charges read was, that I propose before we part, so that we will be able to get some work done when we meet again to-morrow, if it is to-morrow we meet, to move that certain documents be placed in the hands of the clerk of the committee to-morrow, so that when we meet we will not be in just the same position as we are to-day, unable to do any work. Major Hodgins' counsel tells me there are certain documents which will serve his particular purpose for the present, and I have prepared a couple of motions which I propose to offer for the consideration of the committee, for the production of such documents as will be really required to-morrow. If those documents are produced we will probably be able to do some useful work to-morrow; if not we will be in the position that we will have to stop again until they are produced. I therefore, Mr. Chairman, suggest that as we have nothing else to do we may as well have the charges read.

Mr. MACDONALD.—It might be as well for everyone to understand how we happened to come here this morning. After the adjournment of the committee the other day Mr. Hodgins, K.C., came to me and asked if it would be possible for this committee to be further adjourned until Wednesday, as he expected to have a case to try in Toronto. I consulted personally with the members of the commission, or some members of the commission, and found that they were very, very reluctant to agree to the further adjournment. I intimated to Mr. Hodgins that, as far as I was concerned, I would offer no objection to the matter standing over until Wednesday. He was uncertain as to whether or not his engagements would require that he should have the matter stand over until Wednesday and he was to advise the clerk of the committee on that point. I left Ottawa, myself, on a business engagement for Montreal, with the assumption that the matter was not coming up until Wednesday, and I understand that members of the commission had the same view until late yesterday afternoon; they supposed this matter was not coming up until Wednesday. Immediately on ascertaining that Mr. Hodgins had changed his

APPENDIX No. 5

plans and could come here to-day, I went to the clerk of the committee and pointed out to him that, personally, I had made engagements on the understanding that the committee was not to meet until Wednesday, and that I thought the committee should not meet until Wednesday in accordance with that arrangement. Mr. Hodgins, on being consulted about the matter, asked until noon to-day to file his charges. Personally, I made engagements on the assumption that this committee would simply meet formally this morning and adjourn until to-morrow. The members of the Transcontinental Railway Commission are not here; they were under the impression that nothing was to be done, of any kind, to-day, but that the further proceedings would stand over until to-morrow. For myself, I do not propose to take any step to-day that we would not take until the whole proceedings have begun regularly and formally and until the other side are here, and therefore, under all these circumstances, in the absence of the Transcontinental Commissioners and their counsel, the whole matter, in my opinion, should stand over until to-morrow morning. My honourable friend need not be afraid; he will have ample opportunity to move all the motions he wants for papers. And further, apart from any other question, Major Hodgins must be here and tell us what he knows about these charges. As far as the papers connected with classification are concerned no objection will be offered to their production. It would be unfair to the gentlemen against whom these charges are being preferred if we should proceed with the present meeting when it was clearly understood last night that it should stand over until Wednesday morning and when the commissioners of the Transcontinental Railway are under the assumption that Mr. Hodgins would not file his charges formally until 12 o'clock to-day.

Mr. HODGINS.—Perhaps I am responsible for the misunderstanding to a certain extent. I was not clear, in speaking to the members of the committee when I would be prepared to file the charges but I informed Mr. Todd, secretary of the committee, on Saturday morning that I would be prepared to do so on Monday.

Mr. CARVELL.—Why were the charges not filed by 6 o'clock last evening?

Mr. HODGINS.—They were in my hands ready to file, but when I understood, for the first time, that the Transcontinental Railway Commission were under the impression that the meeting of the committee was not going on to-day I asked, as I was not quite satisfied with the arrangement of the charges, 'I suppose there is no hurry to put them in? I would like to get until noon to-day.'

Mr. CARVELL.—Who did you ask?

Mr. HODGINS.—I asked Mr. Macdonald, Mr. Barker and Mr. Lennox.

Mr. MACDONALD (Pictou).—Mr. Macdonald stated that he had no objection.

Mr. HODGINS.—Certainly. However, I did not take advantage of that.

Mr. MACDONALD (Pictou).—The commission were so informed, and it would be unfair for the committee now to proceed with the hearing of charges against men who are under the impression that the meeting is not to go on this morning and that the charges are not to be filed until 12 o'clock.

Mr. HODGINS.—Till 12 o'clock?

Mr. MACDONALD (Pictou).—Yes, that is what you said to me.

Mr. HODGINS.—I was afterwards advised, Mr. Macdonald, that that was not agreeable to the other members of the committee. I saw Mr. Carvell and he objected, consequently I felt bound to have the charges here at the opening of this meeting.

Mr. CARVELL.—I take the ground that whatever is done by this committee had better be done by the committee in open court.

Mr. HODGINS.—It is a good rule.

Mr. CARVELL.—If it is worth considering at all it is worth considering before the committee.

Mr. BARKER.—I agree to that. Let me say as to my knowledge of what occurred, and I think I can speak for Mr. Lennox also. We never heard of any thought or intention of laying the matter over until Wednesday, until Mr. Todd, the clerk of the committee, came to us about half-past 5 o'clock yesterday and said that he was informed—

7-8 EDWARD VII., A. 1908

I think he said by Mr. Macdonald—that the Transcontinental Railway Commissioners could not attend to-day.

Mr. MACDONALD (Pictou).—I was also informed that.

Mr. BARKER.—I am only saying what Mr. Todd informed us—that the commissioners could not attend, that they were under the impression that the intention was to adjourn the meeting until Wednesday, and, therefore, they would not be present and the investigation could not go on. Under those circumstances, of course, we were willing to consent but we asked that the other members of the committee might be seen also so that there should be no mistake about it. We had nothing to do with the matter, directly or indirectly, except being told by Mr. Todd at half-past 5 yesterday that the meeting was not going on this morning.

Mr. CARVELL.—About 9 o'clock last evening Mr. Todd came to me and stated that there had been a proposition made that the meeting should go over until Wednesday. He also said that Major Hodgins had not filed his charges. I told Mr. Todd that I would be present at half-past 10 this morning in the expectation that Mr. Hodgins would file the charges according to the agreement. The charges have not been filed, and as far as I am concerned I am not prepared at this stage to go on with the investigation. I have not seen the charges and I do not know what they contain. Therefore, I do not see that we can very well proceed.

Mr. MACDONALD (Pictou).—My suggestion the other day was that counsel for Major Hodgins and counsel for the Transcontinental Commission should consult together and ascertain what papers were wanted, and then it would be for the committee to say whether they should, or should not, be furnished as the case may be. There will be ample opportunity afforded to bring all necessary papers here but I say, under the circumstances, that it would be unfair to proceed with the case in the absence of counsel for the Transcontinental Commission.

Mr. BARKER.—And I say that it is unfair to go on without having the papers before us.

Mr. LENNOX.—No counsel can object to the production of such papers as will enable us to properly pursue the investigation which has been referred to us. The documents connected with this case are public documents and have a right to them.

Mr. MACDONALD (Pictou).—Would it not be better to hear counsel upon the subject?

Mr. LENNOX.—I do not think it is necessary to hear them on the point as to whether the documents we require shall be produced or not.

Mr. MACDONALD (Pictou).—I do not think we should go on without counsel for the commission being here. What harm will it do to adjourn until to-morrow?

Mr. LENNOX.—It means delay and loss of time. The session is moving along and there should be no unnecessary delay that will prevent the prompt completion of our work.

Mr. MACDONALD (Pictou).—Well, I absolutely decline to go on with our meeting to-day under the circumstances.

Mr. BARKER.—I move that the charges be read.

Mr. MACDONALD (Pictou).—I move in amendment that the meeting be adjourned until to-morrow in view of the misunderstanding which has occurred, and that the whole matter stand over until that time.

The amendment declared carried on division.

Committee adjourned.

May 13, 1908.

The Committee met at 10.30 a.m.

Mr. BARKER.—At the last meeting it was suggested by Mr. Macdonald that copies of the charges should be sent to each member of the committee and to the commissioners, so, I suppose, we may take them as read now.

APPENDIX No. 5

The CHAIRMAN.—I understand the commission is represented by counsel this morning.

Mr. CHARLES MURPHY.—Yes, I have the honour to represent the commission.

The CHAIRMAN.—Have you anything, Mr. Murphy, to say about having the resumé of the charges accepted as read?

Mr. MACDONALD (Pictou).—Have you anything to say as to the charges as filed in relation to the interview and letter?

Mr. MURPHY.—At this stage, Mr. Chairman, I did not expect to be called upon to make any observations with regard to the charges as filed yesterday, but, in reference to your inquiry, I may say that we wish at this stage to reserve the right to object to certain matter contained in these charges and to certain paragraphs which as we submit are contrary to the agreement reached last week unanimously, I think, by the members of the committee, that the charges as originally contained in the letter of Major Hodgins and his interview published in the 'Daily Colonist' would not be enlarged or reduced. That agreement we submit has not been carried out in the charges as filed yesterday. As I have said, we do not intend to make any formal objection at this stage, but we wish now to have a note made that we reserve the right to object at the proper stage in the giving of evidence. Particularly I may point out that in the newspapers there was no mention of engineers McIntosh and Grant, and there is considerable space in the charge as filed to bring in both of these gentlemen.

The CHAIRMAN.—No objection to that, I suppose.

Mr. HODGINS, K.C.—Perhaps I should say in order to avoid misapprehension—Mr. Murphy speaks of the letter and interview that appeared in the 'Colonist.' What I said and what I still adhere to is that the letters in the 'Colonist' are the basis of the charges. I pointed out that portions of the interview were erroneous.

Mr. BARKER.—I think what occurred last week was this, not that Major Hodgins should not be permitted to reduce. Nothing was said on that subject. All that was said was that he should prepare his charges and submit them, but that would not deprive this committee from going into more than he has put in.

Mr. LENNOX.—The statement does not control the committee. What does control the committee is what has been referred to us from the House.

Mr. HODGINS, K.C.—I renew my application for the assignment of counsel at, of course, the expense of the government for Major Hodgins. I note that in the Trans-continental Act the commissioners are entitled to include in the cost of construction legal expenses. Consequently, they are entirely protected and have not out of their own pockets to pay the expenses of counsel. I think it would be unfair to Major Hodgins, he having been brought before the committee by order of committee appointed by the House for the investigation of this matter as a matter of public interest, that he should be expected to employ counsel and spend what time was necessary in developing and proving his charges.

The CHAIRMAN.—What is the pleasure of the committee about that question?

Mr. BARKER.—I take it, Mr. Chairman, that counsel appearing for Major Hodgins will assist our enquiry in developing it and will help to bring it out more clearly.

Mr. LENNOX.—I said all I need say the other day. I am in favour of that being done.

Mr. CARVELL.—It seems to me it would be establishing a very dangerous custom if every man who has been in the employ of the government of Canada, or of any commission appointed by the government of Canada, chooses to make a series of charges against public officials and then come to a committee of this House and asks to be assigned counsel in order to help him out. The government did not ask Major Hodgins to submit these charges and I have no doubt that when he submitted these charges he had full responsibility of what he was doing. He must have done it for a purpose and according to the claim filed I would say he did it for the purpose of showing why he was dismissed. If a man deliberately puts himself in a position which may be unpleasant, I can see no reason why the country should go

7-8 EDWARD VII., A. 1908

to the expense, at least at this stage of the proceedings, of perhaps hundreds of thousands of dollars in order to enable this man to make political capital. Until something has been done further, my opinion at the present time is that this committee should not furnish counsel for the prosecutor.

Mr. MACDONALD.—I have given some thought to the consideration of this question and there are certain things it seems to me that must be taken into account in regard to the matter. First, Major Hodgins appears in the category of an official who has been dismissed from the service. At least, that is the position he takes himself. According to the principles which would guide a court in dealing with any complaint the charges of a gentleman in that position would naturally be viewed with suspicion and as being animated with some motive. I have looked into all the precedents I can find and I find there are no precedents which would warrant the committee in assigning counsel. In these committees the usual parliamentary practice is that where a party has a matter which he desires to be investigated he should place his material in the hands of a member of Parliament, and if he regards that material as being of sufficient importance to warrant him pledging his position in Parliament by making a charge on his own responsibility, he can do so. In cases of that kind, we find that committees have assigned counsel at the public expense. At the same time, while that is my present view, I am perfectly open to be convinced on the subject. I would suggest that at this stage the application should stand over for further consideration of the committee, and it may be that conditions may arise which would warrant me viewing the matter favourably. At this stage I cannot find any principles on which I can support it.

Mr. BARKER.—In order to make things more clear, I should like to point out that we are here not at the instance of Major Hodgins. Major Hodgins exercised his right as a citizen to place certain facts in the public press. He was liable to slander and anybody could attack him in the ordinary courts of the country. That was his position so far as he was personally concerned. But using Mr. Carvell's language, 'the other man' was not content. He makes a demand to Parliament that Major Hodgins should be brought before a committee of Parliament to explain and prove and make good his charges. Mr. Macdonald has spoken of the practice when charges are made in Parliament. Naturally Major Hodgins could not appear in Parliament. If he wanted the charges made in the House his only course would have been to induce some member to take them up, and what has been said by Mr. Macdonald would probably have followed. But here the person who invites an investigation is the chairman of the Transcontinental Commission, and Major Hodgins is brought here at the instance of Parliament to make good certain charges. Nobody can doubt the great importance of getting at the facts not merely as regards the character of the Chairman of the Commission and of the Commissioners, but as regards the public welfare, not only up to the present time, but as to the continuation of what is alleged to be going on. Nobody can doubt the great importance of this investigation to the country and nobody can question, I think, that it can be better investigated so far as Major Hodgins' side of the question is concerned by the assistance of counsel. I do not think we require precedents to justify this committee in submitting the question to Parliament and asking for authority to allow Major Hodgins counsel at the expense of the country.

The CHAIRMAN.—I am disposed to adopt the views of Mr. Macdonald and Mr. Carvell on that question. I think it would be a bad precedent. Mr. Hodgins, K.C., said the other day we had the precedent of the McGreevy charges. That was altogether different. In that inquiry the men who had made the charges had to retain their own counsel, and it was only when it was found after the inquiry had developed to be in the interests of the country that the government decided to pay the counsel, which had been retained by the private parties. So at this stage of the case I would not be in favour of granting the request of Mr. Hodgins. Later on, as I have said, and as Mr. Carvell has said, if it should be found to be in the interests of the country that

APPENDIX No. 5

the inquiry has taken place then it would be for the committee to entertain the idea of paying the fees of Major Hodgins' counsel.

Mr. LENNOX.—I am not disposed to object to what the chairman has just said. That is, I think we can profitably have a little more information before we decide this question. I am strongly of opinion that counsel should be assigned, but I think the necessity will more fully appear as we proceed further. I am not indisposed to let the matter stand over for a few days. My own idea is that although the matter was initiated by Major Hodgins it has now passed beyond his control to a very large extent. He was by writing those letters the cause of bringing these matters before the public, but the Commission has taken it up and have become the aggressors in the sense, and the country is paying the expense of the commission justifying themselves. I have no objection at all to that. I think that is perfectly right, but I think on the other hand that this is a question of protecting the people against a very large expenditure of public money, and it is my view that where a large amount of money is involved that we should have and the country should have the benefit of counsel assigned to Major Hodgins, so that there may be a thorough inquiry not merely into the specific charges in his letter but into all the questions referred to us by the House.

Mr. BARKER.—Then that stands.

The CHAIRMAN.—Yes.

Mr. BARKER.—Then I beg to move: 'That the Transcontinental Railway Commissioners be required to produce to this committee all papers and records in the custody or control of the said Commissioners relating to or affecting the matters referred to this committee.' That is distinctly within the order appointing us. The House gave us power to order the production of papers and records. Accordingly I move that.

The CHAIRMAN.—Have you anything to say, Mr. Macdonald or Mr. Carvell?

Mr. MACDONALD.—Has the Commission any objections to produce these?

Mr. MURPHY.—The motion as placed in your hands is in very general terms, and its scope is very wide. The Commission do not object to produce any papers that relate to the matters referred to this committee; but they submit that they ought not to be asked to produce papers that refer to matters which, although possibly raised by Major Hodgins, still are subjects of arbitration as between the Commission and the Grand Trunk Pacific. As to these matters the Commission do not think they ought to be required to produce papers.

Mr. BARKER.—I shall bring that up in another form.

Mr. CARVELL.—If Mr. Barker only wants an expression of the principle I would have no objection to his motion because I think that the Transcontinental should be compelled—in fact, I am certain they would be quite willing to produce what papers are necessary. But if it means what it says, then they would have to bring every document in the Transcontinental offices, and I object to that.

Mr. BARKER.—It says all papers affecting this question.

Mr. CARVELL.—Well, that means everything. Everything might affect this question. If it is only to establish the principle that the Transcontinental Commission shall produce any papers relating to this inquiry, I have no objection.

Mr. LENNOX.—What does it say?

Mr. BARKER.—It says, 'All papers in the custody or control of the Commissioners relating to or affecting the matters referred to this committee.'

Mr. CARVELL.—How are the Transcontinental Commission going to know what they are to produce?

Mr. BARKER.—Let them produce under the guidance of the chief engineer everything that he advises them does relate to this, and if we think there is anything more, we will point it out.

Mr. CARVELL.—With the reservation that the commissioners produce here only what they consider to be important, reserving the right to Mr. Barker or anybody else

to make a further application. But I want it to be distinctly understood that it does not mean that they have to turn out everything they have.

Mr. MACDONALD.—I assume that Mr. Hodgins has indicated in his memorandum the papers he wants.

Mr. LENNOX. We will deal with that later on. This is more general.

Mr. BARKER.—I presume they will bring these. We all know now that this inquiry is not going to be confined to Major Hodgins' specific charges and they may have papers relating to their own views.

Mr. MACDONALD.—The inquiry must be confined to what Major Hodgins alleges. We are not going to have an inquiry to satisfy curiosity.

Mr. LENNOX.—We are not going to have that, but we are going to have an inquiry into anything and everything referred to us by the House. Our instructions are to investigate the matters and charges referred to in those papers laid on the table of the House.

Mr. CARVELL.—You ought to specify what papers you want.

Mr. LENNOX.—We will state that as we go along.

Mr. BARKER.—If we think there is anything more that we want we will point it out.

Mr. MACDONALD.—I have no objection to the resolution on the understanding that it relates to matters properly before us.

The CHAIRMAN.—I think Mr. Barker should make it clear. The motion does not say what Mr. Macdonald and Mr. Carvell agree to.

Mr. BARKER.—It says they must be papers relating to matters referred to this committee.

Mr. MACDONALD.—I reserve my right to say what matters relate to this inquiry.

Mr. CARVELL.—The commissioners will bring what they consider to be papers affecting this case. Then it will be for the committee to say later on whether additional papers should be brought or not.

The CHAIRMAN.—Mr. Barker moves this resolution: (Reads.) 'That the Transcontinental Railway Commissioners be required to produce to this committee all papers and records in the custody or control of the said commissioners relating to or affecting the matters referred to this committee.' Is that agreed to?

Carried.

Mr. BARKER.—I have another motion. 'That the First Minister, the Minister of Railways and Canals and the Minister of Finance, and any other ministers or departments, including the Auditor General, having papers or records in their custody or control relating to or affecting the matters referred to this committee be requested to produce the same before the committee.'

Mr. CARVELL.—I would agree to this resolution with the same reservation as in the former one, so far as the Auditor General is concerned, that he produce what may seem to him to affect the question, and if anything further is required we will deal with it as the question comes up.

Mr. BARKER.—That is necessarily a reservation. A man must judge for himself.

The CHAIRMAN.—Is it the pleasure of the committee to adopt this resolution?

Carried.

Mr. BARKER.—I have still another resolution. I move 'That a summons or subpoena be issued to the proper officers of the Grand Trunk Pacific Railway Company, requiring the company to produce to this committee all papers and records in the custody or control of the said company or of its officers relating to or affecting the subject matters referred to this committee, and requiring the officers or persons in charge of any or all such papers and records to appear therewith before this committee and give evidence in regard thereto.'

Mr. MACDONALD.—That is clearly a resolution that we should not pass. If Mr. Mann or Mr. Heaman whose names appear here wrote letters anything stated in those letters is not evidence. Mr. Barker knows that. Anyone of those engineers who are wanted will come here and tell us what they know on oath. I think, Mr. Chairman,

APPENDIX No. 5

that the consideration of this resolution should stand over. It is about time for Major Hodgins to start in and prove his case.

Mr. BARKER.—I have no objection to its standing over in order that we may have an opportunity to consider it.

Mr. MACDONALD.—If any evidence is to be got from the Grand Trunk Pacific, it must be got on oath. We have no right to direct them to produce documents.

Mr. LENNOX.—I wish to move two specific resolutions, with regard to papers which will be necessary in connection with the evidence of Major Hodgins. The first is: 'That the Transcontinental Railway Commission and the government be requested to produce and have before this committee at its next sittings such of the memoranda, papers, writings and documents mentioned or referred to in the statement filed on behalf of Major Hodgins as are in their possession, custody or control.'

Mr. MACDONALD (Pictou).—Is not that covered by Mr. Barker's resolution ?

Mr. LENNOX.—No, Mr. Barker's resolution is more general. This resolution specifies that such papers or documents relating to Major Hodgins' evidence be produced at our next sitting.

Mr. CARVELL.—This refers solely to documents in the possession of the committee.

Mr. LENNOX.—Or the government.

Mr. MACDONALD (Pictou).—I do not see the difference between this resolution and the other one.

Mr. LENNOX.—We have it set forth in the statement by Major Hodgins that there are certain documents which he says he requires in order to give his evidence, and we therefore require that they should be in the hands of the committee. We should have them at the earliest moment. These documents will probably enable us to investigate the evidence he is to give.

Mr. MACDONALD (Pictou).—Are these documents part of the documents referred to in Mr. Barker's resolution ?

Mr. LENNOX.—Mr. Barker's resolution refers to everything required in the whole investigation. The documents I ask for now are documents we immediately require.

Mr. MACDONALD (Pictou).—That is no difference.

Mr. LENNOX.—It is a material difference.

Mr. MACDONALD (Pictou).—What is the use of beginning this inquiry by jockeying ?—A. You pass a general resolution requiring the commission to produce all the documents relating to this matter. Now you go and ask a second one. I suggested the other day that counsel for Major Hodgins should communicate to Mr. Murphy, who I understand is acting for the commission, what documents he wanted. If they do not produce them he can make a motion and I will support it to compel them. But I understand that Mr. Barker's resolution covers every document required.

Mr. LENNOX.—Mr. Baker's resolution is a resolution to ask the commission to prepare and bring to us all papers that we can possibly require in the course of the whole investigation.

Mr. MACDONALD (Pictou).—And what Major Hodgins may require.

Mr. LENNOX.—Major Hodgins was asked the other day to specify what documents he would require for the purpose of corroborating or substantiating his evidence. His own statement sets forth the documents he thinks he will require from the commission and from the Grand Trunk Pacific. When Mr. Barker's resolution was moved, it was recognized by Mr. Macdonald and Mr. Carvell that that was merely affirming the principle of the matter and of course it was given the commission an intimation to prepare and produce those documents, which might take a considerable time. But we want immediately for the purpose of proceeding with Major Hodgins' evidence these specific documents mentioned in his statement. I have moved that the Transcontinental Railway Commission and the government be requested to have before this committee at its next sitting such memoranda, papers, writings and documents as are mentioned in the statement filed by Major Hodgins, and as they may have in their custody or control. Major Hodgins says in his statement, paragraph 13, 'Major Hod-

7-8 EDWARD VII., A. 1908

gins requires for the proving of the above charges documentary evidence in the possession of the commission, of the Auditor General, and of the Grand Trunk Pacific Railway Company or its officials.' And then it goes on to say that those in the possession of the commission consist of the various progress estimates and progress profiles sent in monthly by the engineers in Districts 'F' and 'B,' and so on. Then it says that there are in the possession of the Grand Trunk Pacific certain documents, and it follows that up by mentioning some ten or twelve specific documents or may be more that he knows will be required. I may say in addition to this that as regards jockeying, I disclaim any idea of that kind, and I am sorry Mr. Macdonald has made use of that remark. I assume, and will assume, unless the evidence is strongly to the contrary, that every gentleman on this committee is endeavouring to the best of his knowledge and judgment to advance the interests of the public and to elucidate the matters referred to us. Now, Mr. Chairman, it is absolutely necessary in the interests of the public and the proper investigation of this matter that these documents should be produced. It is not at all in conflict but quite in harmony with the resolutions already passed. The resolution already passed is general and affirms the principle more than anything else. This resolution is specific.

Mr. CARVELL.—I would like to call attention to section 13 of the charges, in which it is said:—

'Major Hodgins requires for the proving of the above charges documentary evidence in the possession of the commission, of the Auditor General and of the Grand Trunk Pacific Railway Company or its officials. Those in the possession of the commission consist of the various progress estimates and progress profiles sent in monthly by the engineers in districts F and B; the reports by the division engineers to the district engineer, and by the district engineer to the chief engineer; all from January, 1907, to the present time and relating to districts F and B.'

And so on. Now, I think it would be unwise and unfair to press Mr. Lennox's resolution as it stands. The substance of Major Hodgins' charges are first that he was sent to Quebec in order to take lessons in classification, where they had no trouble with contractors. He went to Quebec, I do not know the place, but it was near La Toque. Now I cannot see any reason why the progress estimates and what papers are necessary at that particular place, as seen by Major Hodgins at that time should not be produced before the committee; but surely it would be the essence of nonsense to contend that we should pass the time going over all the progress estimates of the work in Quebec since that time, and especially since Major Hodgins was there in 1907. We ought to have all the papers regarding the place where Hodgins was employed, and I think that when Mr. Lennox considers this matter he will see that it will be much better to change his resolution and put it in such shape that we can vote for it consistently rather than vote it down. As it stands I will have to vote against it, and I do not want to do that, because I do not want anyone to be able to say that I am trying to balk the investigation when as a matter of fact I am anxious for a full investigation. I am willing to have every document brought here bearing on the charges.

Mr. LENNOX.—I am not sure that I understand what Mr. Carvell means. What part do you object to?

Mr. CARVELL.—According to statement No. 13, as I construe it, it means that you are asking the commissioners to bring here every progress estimate made on that particular work.

Mr. LENNOX.—Yes.

Mr. MACDONALD (Pictou).—(To Mr. Murphy). Have you any objection to producing all the documents required?

Mr. MURPHY.—No.

Mr. MACDONALD (Pictou).—The course that would be adopted by any court would be that counsel for presenting the case would call for a document, and it would be given to him. If he could not get it it would be in the court's hands to decide.

APPENDIX No. 5

Mr. HODGINS.—That would not apply in Ontario at any rate. Before we go into court we have production of everything from the other side, and counsel are allowed to see them and know what is in them.

Mr. CARVELL.—I am not acquainted with the Ontario practice. Do you mean to say that you can call for all documents in the hands of the opposite party, even if not referred to in the pleadings?

Mr. HODGINS.—Yes.

Mr. MACDONALD (Pictou).—Under our practice you would have to go to a judge and give reasons satisfactory to the judge for seeing the papers. The answer to the point you raise is that if your contention is correct the committee should adjourn for one week, or some time at any rate, so that you can see these documents and have some time to study them.

Mr. HODGINS.—Undoubtedly.

Mr. MACDONALD (Pictou).—When your client, in his letter and interviews to the press, undertook to malign public men, including the commissioners and Sir Wilfrid Laurier, nearly a month ago, he did not have documents at all. I took the position at the opening of the inquiry that the first thing he should do was to go on the stand and say why he made those statements. The counsel for the commission have offered now to give you those documents as you go along and you can put your man into the box and let us begin the proceedings.

Mr. HODGINS.—The offer has just now been made. I happen at the present juncture to be the counsel for Major Hodgins and I am bound to present what I think is the fair view, and I hope the committee will give it attention. The gist and basis of the whole of the charges of over-classification. The proof of which appears in the documents in the hands of the commission and the Grand Trunk Pacific.

Mr. MACDONALD (Pictou).—What about the reflections upon the members of the commission and other public men? That is the material point. As to the other points you raise, what about the clause in the Grand Trunk Pacific agreement which says that all these matters be left to arbitration? I propose to insist upon you proceeding at once to show whether these charges are true or not.

Mr. HODGINS.—I suppose you will allow me to finish my statement?

Mr. MACDONALD (Pictou).—I do not want any dodging. I want to get to business.

Mr. BARKER.—That is not fair on the counsel.

Mr. HODGINS.—I do not think you seriously mean that as a reflection, Mr. Macdonald.

Mr. MACDONALD (Pictou).—We have been from day to day wasting time, and I sincerely do desire to get to work.

Mr. HODGINS.—The gist of these charges is not the dismissal of Major Hodgins. He has accepted the situation. He is out and he does not want further employment with the commission. He takes this stand upon over-classification and he wants you to investigate and give him his chance to prove. I say as his counsel, that it is not possible for me to prove it without producing the actual documents to demonstrate from the monthly returns sent in by resident and district engineers to the chief engineer and approved by the commission. In these will appear the sort of classification that is carried out. I contend that it is impossible for any resident engineer in charge of 250 miles of road to repeat from memory the data as to classification objection, &c., and to suggest that I shall be asked without having seen them, and have them produced only to-day, to go on and examine the witness, is something the committee should not ask me to do. I venture to say that no court in the land would say that if you cannot prove charges without data out of your own mouth, we will not allow you to produce the documents or papers.

Mr. MACDONALD.—No one proposes that. We want to be fair.

Mr. HODGINS.—We cannot proceed without these papers and without opportunity to read them and to point out whether they are erroneous in view of the evidence.

7-8 EDWARD VII., A. 1908

Mr. MACDONALD.—No one expects you to do that. What do you mean by saying that you cannot give evidence before you get the documents.

Mr. HODGINS.—If the committee chooses to put in the forefront Major Hodgins' dismissal and the reasons therefor, there is a certain amount of evidence as to which the documents are not so material. But I do not desire to begin my case without them. I treat the dismissal as a matter of very little importance, in fact, I feel so strongly on the other point that I would be content to rest my case upon that alone.

Mr. CARVELL.—We prefer to take up the whole case.

Mr. HODGINS.—If the committee directs me to go on with the questions affecting the dismissal and make that the opening of the investigation, perhaps that could be done. But I want, and I hope to put, in the forefront of the charges, the fact of over-classification.

Mr. CARVELL.—Pages 2, 3, 4 and 5 and part of 6 are the charges and consist of statements that there has been a change in classification in small matters ranging from \$50 to \$300 or \$400. I assume by some engineer named McIntosh. Do you mean to contend that this committee should consider for one moment that we are going to discuss and come to a finding upon actions and doings of engineers on the road unless you can show that they did it on the orders of the commission, or unless it bears upon the commission? The gist of these charges in the first place is that Major Hodgins was dismissed because he would not classify as the commissioners wanted him to classify. We are not here to discuss what resident engineers might have done. If your contention is to direct attention entirely as to what classification may have been made by these engineers, I want to know what connection that has with the matter. I do not care about it unless they were acted upon by the commission. If there was anything wrong in this and you cannot bring it home to the commission, I submit that we have a right to hear it here.

Mr. HODGINS.—I do not understand that the arbitration is for the protection of the Grand Trunk Pacific solely. The point is whether money is going out on your engineers' certificates and whether three or four million dollars in the aggregate has been excessively spent that way.

Mr. CARVELL.—As I understand it you want this committee to say whether the resident and district engineers are properly classifying this work?

Mr. BARKER.—On the evidence; we are not going to judge except on the evidence.

The CHAIRMAN.—(To Mr. Hodgins). Do you not think that the proceedings could be shortened if you were to meet Mr. Murphy and try to come to an understanding on the papers which I understand they are willing to produce, and if the commissioners refuse to produce papers which the committee thinks is fair to produce, then we will make them. There is no possible reason, it seems to me, to refrain from putting Major Hodgins on the stand and commencing the investigation, and in the meantime you could agree with Mr. Murphy about the documents which will be necessary.

Mr. HODGINS.—With reference to the chairman's reasonable suggestion, I must say that I am responsible for Major Hodgins' case. I accept the onus and I only ask the committee to enable me to present my case in my own way. Give me the papers and a reasonable time, appoint the time yourself, and I will undertake to go on then and undertake to call Major Hodgins, and if you ask me to call him first I will do so.

The CHAIRMAN.—Do you mean to say that you cannot produce your evidence in any way without the papers?

Mr. HODGINS.—If I cannot show that there is over-classification it is idle for me to say that the commissioners knew of it. I have to prove its existence, and I intend to do so. What I suggest is that the committee enable me to have a reasonable time to go over the papers and when I come again, if I have the papers I want, I will go on from day to day.

Mr. MACDONALD (Pictou).—I find in charge two the following: 'The root of all

APPENDIX No. 5

the trouble between the commissioners and Major Hodgins is over-classification, and the commissioners wanted him to change his ideas as to classification based on a good many years' experience on construction to the classification that is allowed to the contractors in Quebec (under the head of "common excavation," loose rock and "solid rock.") This classification to its fullest extent is adopted and approved by the commissioners in their memorandum laid on the table of the House on April 24, 1908, and exceeds that recommended by the chief engineer in his letter to the commissioners dated September 24, 1907.) There is a direct imputation in Major Hodgins' charges on Sir Wilfrid Laurier, Premier of this country, which as a member of the committee I intend to hear what Hodgins has to say about before we go into a long preamble. Then again there is this statement: 'Major Hodgins was removed for other reasons, and that no investigation was allowed and that his opinion and the opinion of the next senior engineer on the district were smothered.' I think these are grave insinuations. I think they should at once be dealt with. I am willing to give you all the material that you want immediately on that charge. I do not think that Major Hodgins has any right to make such insinuations regarding public men of this country, more particularly as I understand that he did not ask Sir Wilfrid for an investigation at all, unless he is ready to say why he made them.

Mr. HODGINS.—I entirely disclaim any desire to make political capital, and unless you force me to bring it in I shall make no political charge. If you force me to do so I shall then have to decide. I have not made it an issue and I do not propose to make it an issue.

Mr. MACDONALD.—I have read from the charges including quotations from a letter of Hodgins.

Mr. HODGINS.—Exactly. Of course it is in the letter, but if it is insisted on making it a political matter I shall have to consider it.

Mr. MACDONALD.—Do you think it fair and honourable to take the position that you are going to take apparently, that you will not withdraw the charges and that you are willing to let the imputation go abroad that Sir Wilfrid Laurier would not give Hodgins a hearing?

Mr. HODGINS.—I understood from you that no charges were to be dropped.

Mr. CARVELL.—Will you undertake that Major Hodgins will withdraw that?

Mr. BARKER.—Is it in the charge?

Mr. CARVELL.—Yes.

Mr. HODGINS.—I do object to being asked at this moment and this stage, as to any of the charges in the letter, and as to whether I, as his counsel, will withdraw them or not. I am prepared to take the responsibility of conducting the case and of conducting it in my own way. I have indicated my views. I am more concerned for the bona fides and good faith of charges made by a relative of mine in this matter, and am anxious that he have the fullest opportunity to prove them.

Mr. CARVELL.—Do you want to drop everything except classification?

Mr. HODGINS.—I am perfectly willing to stand or fall on that.

Mr. CARVELL.—Are you prepared to withdraw the other charges and announce them false?

Mr. HODGINS.—No.

Mr. CARVELL.—Then we had better investigate the whole thing.

Mr. HODGINS.—The question of whether six or seven thousand dollars of classification was wrong is a small part of the inquiry here as compared with the charge of bad faith and fraud on a part of one man or the commissioners. The total is not the small sum named though but something we claim between two and four million dollars.

Mr. LENNOX.—Mr. Carvell has assumed that this is a mere matter of the position that Major Hodgins occupied, and possibly a matter of the classification of six or

seven thousand dollars of material. It is nothing of the kind; it is a matter of improper classification on the road generally.

Mr. CARVELL.—With the knowledge and consent of the commissioners.

Mr. LENNOX.—It is not a matter with or without the knowledge of the commissioners. What is referred to us is to ascertain whether improper classification has been adopted on the Transcontinental Railway. It is a matter of whether the commission were guilty of improper conduct or not. The question, I repeat, is whether there was improper classification, and the position of Major Hodgins is a matter of indifference. The second question is whether the commissioners were aware or responsible for it, and I propose to keep the inquiry as broad as that, whatever attitude Mr. Hodgins may take.

The CHAIRMAN.—I think that the proposition I make to Mr. Hodgins is a fair one, to come to an understanding with Mr. Murphy, the counsel on the opposite side as to the papers to be produced. I know that generally between lawyers they can agree on these things pretty well. I think Mr. Murphy and Mr. Hodgins will agree to that, and that perhaps there will be very few papers, probably none, that they will refuse, and then we will be the judge as to ordering the production of papers if they are refused. I am of opinion, Mr. Hodgins, that your witness should be immediately put on the stand, and commence the investigation with any charge you like. We must insist on commencing. We are all making speeches and I find myself making one.

Mr. HODGINS.—I quite accept that. I want to allow the investigation to stand, however, until I have had an opportunity of conferring with Mr. Murphy.

The CHAIRMAN.—I think you should put Major Hodgins on the stand and commence the investigation.

Mr. HODGINS.—That is not my way of accepting the onus which is clearly put on me, and I do ask you to allow me to commence in my own way. I want to see the papers and when I come back I will be willing to accept your ruling as to whether Major Hodgins should go on the stand.

The CHAIRMAN.—Then there is nothing you can commence and elicit now?

Mr. HODGINS.—Nothing that I can commence and finish.

The CHAIRMAN.—I understand that your charges will be improper classification?

Mr. MACDONALD.—Do you say that he was wrongfully dismissed?

Mr. HODGINS.—I say that he was wrongfully dismissed but we are not going to trouble the country with that even if it was unjustifiable, he is not looking for recompense.

Mr. MACDONALD.—What do you say, Mr. Murphy, about the proposition?

Mr. MURPHY.—It seems to me that my learned friend is endeavouring to get the committee to take a lenient view of the conduct of his client. Undoubtedly when Major Hodgins wrote that letter to the 'Colonist' on the 16th of April last, either he knew that the assertions and aspersions that he cast upon the Premier, upon the chairman of the commission, and upon the other commissioners and upon certain engineers were true or were not true. If they were true he should be in a position to go ahead now without papers at all to prove those statements; if they were not true he should withdraw them. In any event I submit there should be no adjournment until Major Hodgins has been placed upon oath and made to tell what facts were in his knowledge or possession at the time he wrote that letter. He may have in his possession a number of the papers relating to this matter and if so there may be no necessity for the commission producing them. That can not be ascertained without Major Hodgins in the box. But I submit that it is most unfair and unjust that these adjournments take place day after day and that these statements, untrue statements we allege and can prove, made with regard to gentlemen in public life, should be allowed to go broadcast from day to day and no effort made to withdraw or prove them. If he proposes to go to that extent I would not offer serious objection, but it is quite evident from the position that he is taking now that this one small item which

APPENDIX No. 5

he alleges was over-classification and which we will prove is fair and just classification is a very very insignificant part of the charges he makes.

Mr. HODGINS.—That is why we want the papers to prove the balance.

Mr. MURPHY. Exactly. That is where they are at. They are in a position where they want papers from the commission to try to prove charges which we contend have no foundation.

Mr. CARVELL.—Can you prove charges of personal misconduct on the part of Mr. Young?

Mr. BARKER.—We are not raising that question.

Mr. MURPHY.—It has been raised and spread from day to day. We are ready to go on with the investigation at once.

Mr. BARKER.—The commission have the papers and if they are all right why not produce the papers?

Mr. MACDONALD.—Mr. Murphy has said he is willing to produce the papers.

Mr. CARVELL.—There is another point. Mr. Murphy says that he is willing to put the papers at the disposal of Mr. Hodgins immediately and the question is whether the committee will proceed to investigate the aspersions made on the commissioners and other public men by Major Hodgins, or whether that must stand over until Mr. Hodgins has seen the papers that Mr. Murphy is to give him, and whether in the meantime we will go into the question of classification.

Mr. HODGINS.—I will go into the whole thing.

Mr. MACDONALD.—As an honorable man I think Major Hodgins should be prepared to make good his aspersions or withdraw them. He must have had the material.

Mr. CARVELL.—On page 2 there are such items as station 3571, 150 yards of common excavation and 50 yards loose rock and so on over some six pages. Major Hodgins must have some knowledge of the statements he makes in regard to these.

Mr. BARKER.—That is all in the papers produced in the House.

Mr. CARVELL.—Then why can't he go on?

Mr. HODGINS.—I want those estimates showing details of these things and exactly what position on the line they are.

Mr. CARVELL.—Well, I think that Mr. Hodgins, K.C., should be able to take up the one hour and a quarter that we have left before this committee adjourns in an examination of Major Hodgins without the papers. Personal fraud almost is charged on the part of the commission, and I do not think that he will attempt seriously to make this committee understand that he cannot go on with something. Let us get away from this six or seven thousand dollars of wrong classification.

Mr. HODGINS.—I do not claim six or seven thousand dollars, I claim it runs into the millions.

Mr. CARVELL.—Put your witness on the stand and prove it.

Mr. HODGINS.—I want the papers.

Mr. MURPHY.—We have the papers with us now. In the meantime there should be some foundation laid showing why they think they are entitled to them.

Mr. MACDONALD (Pictou).—I submit that the chairman's suggestion should be carried out.

Mr. LENNOX.—If that is carried out by conference between the two counsel this motion can stand as a notice of motion to come up later on.

Mr. BARKER.—We have heard a great deal about procedure. The committee, by its majority, have decided that Major Hodgins must prove his case, and immediately the committee undertake to dictate how he shall prove his case. I never heard in my life of a judicial body, as I hope we are, undertaking to put such an imposition on a counsel, telling him that he must prove his case and that he must go on with certain portions of it. If there was the bare fact that one million dollars or two million dollars were being paid out now to contractors improperly that is more than they are entitled to under the contract, or that the commissioners are guilty of mere negligence or of a continuation of corruption—those are questions we have got to deal with and

7-8 EDWARD VII., A. 1908

settle here, but we should not dictate to Major Hodgins' counsel. We are not to tell him that he must take up this or that before what is after all the most important question for the people of Canada, namely whether millions are being spent contrary to the contract.

Mr. LENNOX.—Counsel must be allowed to take his own line.

Mr. MACDONALD (Pictou).—I do not think anybody is raising any question of that kind. It will not do for the committee to keep out of sight the fact that this matter arises out of certain charges by Major Hodgins in which he made reflections of the most severe character upon prominent public men, and that part has been referred to us. Now, his counsel will say whether he is going on to prove that or whether he is not. I notice that Mr. Barker does not indicate whether he thinks he can prove it or not.

Mr. BARKER.—Do you know whether he can or not?

Mr. CARVELL.—We know he cannot.

Mr. MACDONALD (Pictou).—All I say about that is that so far as I am concerned I am prepared to hear the evidence, but I think in common fairness, which should actuate any private individual, in a case of this kind, and more especially as the commission have asked to have that reflection removed—I think we would only be exercising common fairness in asking Major Hodgins to either prove his charges or remove them.

Mr. LENNOX.—I do not know that there is any question of immediate proof. It must be done as rapidly as circumstances will permit. But is always left to counsel to decide what line of action he should take. There is one point I should like to make clear. In a court of law before you get to trial each party has to put in an affidavit as to what documents relate to his case, and he must produce and deposit them in court for examination by the other parties so that before the day for trial arrives each party knows what the other side is relying on. Now, Major Hodgins, through his counsel, asks to-day that as his evidence largely depends upon documents many of which passed through his hands in the employment of the commission, he should have the opportunity of examining these documents before he is put on oath. I am very anxious to get on with this case. I have called attention to the necessity of having those documents here immediately.

Mr. MACDONALD (Pictou).—What about the other side? What about Mr. Murphy seeing the documents Mr. Hodgins has?

Mr. LENNOX.—I think that ought to be done.

Mr. HODGINS, K.C.—I am quite agreeable.

Mr. MACDONALD (Pictou).—That ought to be done on oath.

Mr. HODGINS, K.C.—And the commissioners on oath too.

Mr. CARVELL.—Major Hodgins says in his statement that the commissioners wanted him to change his ideas as to classification to the classification that is allowed to the contractors in Quebec. Now, that is just the whole thing. It is a direct charge against the commissioners. And then he goes on through the next four or five pages to give instances. Now, Mr. Hodgins does not require to have documents to prove whether the commissioners asked him to make false classifications or not. That is what Major Hodgins should tell us at once.

Mr. LENNOX.—But he also tells us that he requires the estimates to show improper classification.

The CHAIRMAN.—I think we had better proceed. I am of opinion, if it is agreeable to the committee, that Mr. Hodgins should put his witness on the stand so as to commence. We want to get acquainted with him. We can ask him how old he is and how long he was in the service of the commission.

Mr. HODGINS, K.C.—I will do that.

Mr. LENNOX.—We can get on with the formal parts.

Mr. HODGINS, K.C.—I have no objection to that. What I have said is with regard to having the right to conduct my own case.

APPENDIX No. 5

Major HODGINS, sworn.

Mr. HODGINS, K.C.—I understand the committee has called him to begin the investigation.

The CHAIRMAN.—We do not want to force you to go on with the charges until you think you have the papers to prove them.

By Mr. Hodgins, K.C. :

Q. Major Hodgins, you are the person who wrote the letter to the 'Colonist' on April 16?—A. I am.

Q. You were in the employ of the Transcontinental Commission as district engineer, I believe?—A. Yes.

Q. For how long?—A. About three years.

Q. Was that all on District F?—A. Entirely.

Q. The chairman has expressed some desire to become acquainted with you personally, and I should like myself to ask you what experience you have had. Your profession is that of civil engineer, is it not?—A. Yes.

Q. You have been engaged in railway construction most of your life?—A. Most of my life.

Q. You began with what company?—A. The Canadian Pacific Railway.

Q. In what part of the country?—A. In Manitoba and British Columbia.

Q. Were you with them long on the prairie and mountain sections?—A. From 1882 until the road was finished. That would be about 1886, I think.

Q. You were engaged in construction work there?—A. Entirely.

Q. You were supervising construction work there?—A. Yes.

Q. Subsequent to that, where were you employed?—A. At the city engineer's, Toronto, for a short time. I again went away and worked on the short line through Maine with the Canadian Pacific Railway.

Q. For how long?—A. Three years.

Q. Were you engaged on construction work there?—A. Altogether.

Q. You followed that, I understand, by moving to Windsor or near there?—A. Yes, I was transferred to another branch of the Canadian Pacific Railway, between Toronto and Windsor.

Q. On construction still?—A. Yes.

Q. Had you the same chief engineer all along?—A. No, various chief engineers.

Q. Who were the chief engineers?—A. Mr. James Ross was chief engineer on the Canadian Pacific Railway and afterwards Mr. Lumsden. Mr. W. T. Jennings was chief engineer on the branch from Toronto to Windsor.

Q. And you completed your work with them, remaining until the work was finished?—A. Practically.

Q. After that, you went to Mexico, I believe?—A. Yes.

Q. How long were you there?—A. About two years.

Q. Were you engaged on construction work there?—A. Yes.

Q. As engineer?—A. Yes.

Q. Then I think you remained at Nelson, in British Columbia, for some time practising your profession. When did you again take up railway work?—A. In South Africa.

Q. What position did you hold in South Africa?—A. I was in charge of construction work principally.

Q. During the war?—A. During the war and afterwards.

Q. For how many roads?—A. All the new roads in the colony of the Transvaal and also of the Orange Free State.

Q. All the new roads built during the war through the Transvaal and the Orange Free State?—A. Yes.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Was any one over you in that work, or were you in charge?—A. I was on Sir Percy Girouard's staff. He was director of railways.

Q. After the war was over, what position did you occupy?—A. Superintending engineer.

Q. Of what?—A. Of construction and survey in both those colonies.

Q. And you remained how long in that position?—A. About three years.

Q. Then you returned to Canada, and were appointed to District F?—A. Yes.

Q. Now, would you consider, or do you say that the work which you have been through gives you the necessary qualification to act as district engineer in District F?—A. I hope so.

Q. Do you think so?—A. I do.

Q. And were you qualified to deal with the classifications under the contract?—A. I think so.

Q. Now, I just want very shortly to get an idea of the extent of the work in this district that you were on. What is the length of District F?—A. About 386 miles.

Q. And that extends from Winnipeg, does it?—A. From Winnipeg to a point near Lake Nepigon.

Q. Through what sort of country?—A. A portion of the prairie and the balance more or less heavy rock.

Q. How much prairie?—A. Sixty or seventy miles and the balance chiefly rock.

Q. Is it a fact that on this division the bulk of the work is in rock?—A. Yes.

Q. When you were first employed you had the position of district engineer, had you not?—A. Yes.

Q. You were employed on it some time before McArthur became contractor?—A. Yes.

Q. What work were you engaged on?—A. Surveys.

Q. How long did that take before McArthur's contract was let?—A. About a year, I think.

Q. Had it been entirely finished when the McArthur contract was let and finally revised?—A. Practically so. There was a small portion that had been rather hastily done in order to get the surveys and estimates in by January 15. I had promised to do so, and the commissioners were advertising for tenders.

Q. Did you receive any correspondence about that?—A. About which?

Q. Dealing with the running of the balance of the survey too rapidly?—A. Yes.

Q. I would like a copy of that letter. Have you the letter?—A. I left it in my desk at Kenora and the correspondence is there.

Q. It was official correspondence, was it?—A. Yes.

Mr. MURPHY.—What was the date?—A. About December or January.

Q. What year?

By Mr. Hodgins, K.C.:

Q. You know the date of the contract. That was about January, 1906, and the letter was previous to that.—A. It would be about December, 1905, I think.

Q. After the contract was let and during construction was that small end of which you have spoken completed so far as survey is concerned?—A. It was all completed. I put in a survey and estimate.

Q. Was it revised?—A. Yes after that.

Q. How long was that small section?—A. You are referring to revision. Revision takes place in a great many places, wherever we see we can improve the line we run new lines for the purpose of improving and reducing the cost.

Q. Did you succeed in so doing?—A. I did.

Q. To what extent?—A. I do not remember the exact figures, but it was, I think, over a million dollars.

Q. Was that by change of location?—A. Change of location and change of grade and improvements on the line generally.

APPENDIX No. 5

Q. How many lines did you run in surveying?—A. In surveying those changes we would run various preliminary lines to see whether it was possible to make them and finally boil it down to the final location.

Q. How often had the work to be gone over in order to arrive at the final location?—A. You mean the whole thing?

Q. Yes?—A. We had the lines first explored. Then, the preliminary line is run. Then the first location is made and then a revised survey and final location. That is for the main lines. Of course, some of those improvements might not have had such elaborate work and revision would be done quickly.

Q. After the McArthur contract was let, was any of that work necessarily done in your office?—A. Yes, my work was principally in the office unless there was something going wrong on the line.

Q. In that case, what would you do?—A. I would go out and investigate.

Q. What was your original estimate upon which the commission asked tenders for the cost of the line?—A. Thirteen million dollars.

Q. That was the value on which McArthur's contract was based, and that was your estimate?—A. Yes.

Mr. MACDONALD.—That is approximately, I suppose.

Mr. HODGINS, K.C.—Oh, yes.

Q. To what extent was the cost reduced by those changes which you were able to make throughout?—A. I am speaking entirely from memory. It was reduced, I think, to \$11,660,000 odd dollars, not including track material. Track material would bring it up to \$13,000,000 or \$14,000,000.

Q. Would bring both up, would it not?—A. Yes.

Mr. HODGINS, K.C.—Well, you had better include it in both cases.

WITNESS.—McArthur has nothing to do with the supplying of the materials, so we get the two estimates separate.

By Mr. Carvell:

Q. Would that include the sleepers?—A. That would include sleepers.

By Mr. Hodgins, K.C.:

Q. Would both have included sleepers?—A. Yes. McArthur's contract was, as I say, estimated about eleven and three quarter millions, eleven millions six hundred and sixty thousand odd. I am not certain of these figures, I am just speaking from memory.

Q. That was the second estimate?—A. His thirteen million contract was reduced by these changes made by the engineers to say twelve millions.

Q. Now you made an answer a moment ago that track material would bring it up to a certain figure?—A. Yes, there would be the addition of the price of all the rails and track material, &c., not included in McArthur's contract.

Q. You are speaking of the cost of the road. I was speaking of the cost so far as McArthur is concerned?—A. Well, that would be thirteen millions reduced to say twelve millions.

Q. Is it possible to go over this division? Are there roads convenient, or how is it possible to get over the division?—A. On foot principally. There may be some roads now.

Q. Were there any when you were on?—A. You could get to one or two places on the road on the Canadian Pacific Railway.

Q. As district engineer, could you get over the road in any way except on foot?—A. On foot and canoe.

Q. What was your staff on that road on those 386 miles?—A. About 250 miles were under construction, and I think there were three location parties on the balance.

Q. Had you the supervision of these three location parties?—A. Yes. I had the supervision of everything, supplies, transport and everything else.

MAJOR HODGINS.

Q. Then, so far as the construction work went on under McArthur's contract, what was your staff?—A. I had a resident engineer about every ten miles.

Q. That would mean about twenty-five of them on the 250 miles?—A. Yes.

Q. Were they civil engineers?—A. Yes, they may not all have been members. They were young civil engineers.

Q. At all events they were appointed by the commission to do that work?—A. Yes. Of course, some of those resident engineers are very experienced men, but not all of them, and over them were division engineers.

Q. How many division engineers had you?—A. About five.

Q. That would give them about fifty miles apiece?—A. Forty or fifty miles.

Q. Then you, as district engineer, were over them?—A. Yes.

Q. From whom did you get your general instructions as district engineer?—A. From the chief engineer.

Q. That is Mr. Lumsden?—A. Yes.

Q. Who instructed the division and resident engineers?—A. I did, or my assistants.

Q. You had an assistant district engineer?—A. Yes, Mr. J. A. Heaman.

Q. Is he in the employ of the Transcontinental Railway Commission now?—A. No.

Q. Is he a witness you desire to call in this investigation?—A. I do, very much.

Q. Where is he to be found?—A. At Kenora.

Q. Who were the division engineers, the five under you?—A. Mr. Richaen, Mr. McIntosh, Mr. A. G. McFarlane, Mr. M. C. McFarlane and Mr. McTaggart.

Q. When did McArthur take the contract?—A. I forget the exact date on which it was signed, but I think he began work in April. The first cutting he put in was in April or May.

Q. Was that in 1906?—A. Yes, he got his first estimate in May, 1906.

Q. Well now, speaking generally, what did his contract cover, the making of the right of way, the constructing of the right of way?—A. Well, it is a large contract. It covers a good deal and includes practically all construction so far as I can remember.

Q. I just want to get two or three headings?—A. It includes clearing, grading, bridges, culverts, everything more or less connected with construction.

Q. Rock cutting?—A. Rock cutting, prairie work, everything.

Mr. CARVELL.—Does that mean the whole work for bridges, or just the masonry work?—A. The masonry work.

By Mr. Hodgins:

Q. What work did he undertake first?—A. Clearing first.

Q. When you left the work in September, 1907, was the clearing done on that 250 miles?—A. Almost done.

Q. Not completed?—A. Oh, no.

Q. What percentage left still undone?—A. I do not remember the percentage, but I think the estimates would show. If I had it here I could refer to it, but I will make a guess. There was about 10 to 18 miles unfinished, certain portions untouched. I know I had an assistant engineer and I know it was impossible for him to let out his work because the clearing had not been done.

Q. Do you remember when going over or examining the contract whether he was obliged to clear to a distance on each side of the right of way?—A. Yes, 100 feet.

Q. When you say almost finished, except 18 to 20 miles, do you mean to the extent of 100 feet on the right of way?—A. Not altogether, there was a slash in some places.

By Mr. Carvell:

Q. Do you mean 50 feet on each side of the centre of the line or 100 feet?—A. 50 feet except at stations, where it was a little wider.

APPENDIX No. 5

By Mr. Hodgins:

Q. When you left was the construction work going on on the whole of the 250 miles?—A. Well, it was under way, but every cut was not opened up.

Q. Were there any miles or sections of any kind on which no work had been done?—A. Yes; some untouched.

Q. To what extent had the work been entirely untouched?—A. That is rather a hard question.

Q. Roughly speaking?—A. I could not give you an estimate in miles from memory. It is shown on the progress profiles.

Q. What do you mean by that?—A. The monthly profiles show the amount of work that had been excavated.

Q. Do you mind explaining what they are?—A. A section of the line, and each month the amount of work that has been completed is marked off in various coloured points so that you can see exactly how much is done and how much is untouched.

Q. To be done?—A. Yes, to be done.

Mr. HODGINS (to Mr. Murphy).—I should like to have these progress profiles for June, 1907.

Q. (To Witness). Now, here is a list of men which I will put in showing what number of men McArthur had from the time until you left. Is this a correct statement?—A. Yes, that was made up in one of my offices.

EXHIBIT No. 1.

	FORCE.	Men.
May, 1906.		300
June.		459
July.		545
August.		969
September.		1,075
October.		1,352
November.		1,416·6
December.		1,828
January, 1907.		2,057·4
February.		2,761·1
March.		3,044·3
April.		3,382·9
May.		3,709·4
June.		3,887·4
July.		4,319·3
August.		4,210·6
September.		3,869·4
October.		
November.		
December.		

Q. I see they are reduced to decimals in some cases?—A. Yes. It is the average men per month.

Q. For instance, in November 1,416 men. That is the average, I suppose?—A. Yes, the largest number of men employed was in July, 1907, when it was 4,319·3.

Q. What do you say as to the number of men that McArthur had on this work, considering its extent? Were they sufficient at any time?—A. He never had enough to finish on time.

Q. Would you just look over that list and tell me if in all those months was the number of men that ought to have been there to do the work within the time the contract required on the work?—A. No.

7-8 EDWARD VII., A. 1908

Q. Taking the largest number, 4,319 in July, 1907, was that a sufficient number of men to do the work?—A. No, but it was a vast improvement on what he had had there, and as far as I am able to judge was about all that McArthur could get.

Q. Yes, I understand that the prices of labour had gone up?—A. Yes, and men at that stage were very hard to get.

Q. Yes, of course. But whatever the reason the fact remains that there was not sufficient men?—A. No, there was not.

Q. What effect would that have on the work?—A. It would delay the progress, and make it more costly in some cases.

Q. More costly to whom?—A. The contractor. He had camps and equipments to supply more men, I imagine.

Q. He had camps and equipment but he did not have the men?—A. Yes, that is it.

By Mr. Carvell:

Q. How is this list made up?—A. From much fuller reports to the engineers, giving details of the cuttings; each engineer can tell at any time what a particular piece of work costs. He has timekeepers all over the line whom the commissioners pay for, and their duty is to keep time, to make reports and supply information, which enables the finding out what such and such a piece of work is costing. That list is just a boiling down of all those various timekeepers' reports.

By Mr. Hodgins:

Q. The timekeepers are stationed all along the line with the resident engineers?—A. Yes.

Q. They count the men, horses and teams?—A. Yes, and so on. That is reported to the divisional engineer and by him to the chief.

Q. They report to the divisional engineer and he to the chief?—A. They report to the resident engineer, who sends it on. I am not quite certain of the course by which it reaches the chief engineer.

Q. So that the chief engineer has exactly the detail of men working?—A. Yes, and every engineer on the work has also got a detail.

Q. What is the object of keeping that close tab on the number of men and horses?—A. To be able to say how the work is progressing, which is a very useful thing to know.

Q. Do you know whether any notice was given to the contractor in June, 1907, dealing with the number of men employed and the progress of the work?—A. I know there was a notice given in December, at least I think it was December, he was notified that if he did not put on more men and teams the chief engineer would.

By the Chairman:

Q. When did he say that?—A. I think it was December. He was also notified that if his estimate was not raised to half a million a month there would be trouble. I reported that at the rate of progress certain cuttings would take years to complete. I think it was December that there was a notice from the chief engineer.

Q. If you cannot speak of the date I will ask the commission to produce the notice?—A. I complained that he had not enough men on.

Mr. CARVELL.—It is not fair to ask him for dates if he has not got them. The papers perhaps will show.

Mr. HODGINS.—There were two notices. I would like to have them produced by the commission. One I can give the date of, was June 27, 1907. It is specifically mentioned in the charges.

Mr. MURPHY.—By whom given?

Mr. HODGINS.—By Mr. Lumsden to the contractor.

The WITNESS.—I gave McArthur a notice that if he did not put on more men I would take steps to put on more men and reported what I had done to the chief

APPENDIX No. 5

engineer, and I believe he was either written to or some one told him the force would have to be increased. That was in the winter time.

By Mr. Hodgins:

Q. Probably December, 1906?—A. Yes, I think so.

Mr. HODGINS.—Well, I will put in these copies of letters.

EXHIBIT No. 2.

June 27, 1907.

CIRCULAR TO DISTRICT ENGINEERS.

A. E. HODGINS, Esq.,
District Engineer,
Kenora, Ont.

DEAR SIR,—I beg to advise you that Mr. Gordon Grant has been appointed inspection engineer on this railway. His duties will be exclusively in the field, and he will report directly to me. He will be subject to my orders and instructions, and when called upon by him you will please furnish him with all the information he may require, and facilitate him in getting over the work. He will confer with you in regard to any suggestions he may have to make in regard to the work, but will issue no orders.

Yours truly,

HUGH D. LUMSDEN.

EXHIBIT No. 2a.

June 27, 1907.

GORDON GRANT, Esq.,
Inspecting Engineer.

DEAR SIR,—Inclosed please find copy of a letter I have to-day sent to J. D. McArthur, contractor, District 'F.'

It is not to be expected that he can comply literally with this, but on going over the work it would be well if you would, at these heaviest portions, look into the best way of increasing the amount of work done, utilizing material where wanted without wasting.

This contract was let more than a year ago and, no doubt, the contractor will now be asking to waste from a number of cuttings which he should have had nearly completed by this time, but on which he has as yet done little, and where material for filling in is as scarce as it is on this portion of the contract, this should not be allowed at our expense.

Yours truly,

Enclos.

(Signed) HUGH D. LUMSDEN.

EXHIBIT No. 2b.

June 27, 1907.

J. A. McARTHUR, Esq.,
Contractor, Winnipeg.

DEAR SIR,—As the progress made by you on the work under your contract with the commissioners is not satisfactory, and the numbers of men, horses and plant are not sufficient for the completion of the work within a limited time, I beg to notify you that if by July 15 next you do not increase your force of men, horses and plant on the various cuttings mentioned hereafter, or take other means of increasing the work done per month on each of the cuttings to the multiple of 1,000 c.y. per month, as shown,

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

in brackets at each point; (2) meaning increasing work to 2,000 c. y. per month; (3) meaning increasing work to 3,000 c. y. per month, &c., &c., I shall be compelled to take action under clause 22 of your contract. Should you neglect before the date stated to increase your force and plant at the various points mentioned to insure the approximate yardage per month being moved at each of these points, I shall proceed to employ such additional men, horses and plant as I may think necessary.

The cuttings where the increases are required from the Winnipeg river westerly are as follows:—

Mileage 137 (3); 141 $\frac{1}{4}$ (2); 142 $\frac{3}{4}$ (3); 144 (2); 144 $\frac{1}{4}$ (2); 145 $\frac{3}{4}$ (2); 146 $\frac{1}{4}$ (4); 147 (3); 148 $\frac{1}{4}$ (4); 148 $\frac{1}{2}$ (4); 148 $\frac{1}{2}$ (3); 149 $\frac{1}{4}$ (2); 149 $\frac{1}{2}$ (2); 150 $\frac{1}{2}$ (3); 151 $\frac{3}{4}$ (2); 153 $\frac{1}{4}$ (3); 154 $\frac{1}{2}$ (2); 155 (4); 156 (3); 156 $\frac{3}{4}$ (3); 158 $\frac{1}{4}$ (2); 159 $\frac{1}{2}$ (3); 161 $\frac{1}{2}$ (3); 162 $\frac{1}{2}$ (3); 163 $\frac{3}{4}$ (3); 165 (3); 166 (2); 166 $\frac{3}{4}$ (3); 168 $\frac{1}{4}$ (3).

The cuttings where the increases are required from the G.T.P. junction Mile O westerly to the Winnipeg river are as follows:—

Mileage 39 (4); 47 (2); 48 $\frac{1}{2}$ (4); 50 $\frac{1}{2}$ (2); 51 $\frac{1}{4}$ (2); 52 (4); 53 $\frac{1}{2}$ (2); 54 $\frac{1}{4}$ (2); 55 (4); 64 $\frac{1}{4}$ (4); 79 $\frac{1}{4}$ (2); 79 $\frac{3}{4}$ (2); 80 $\frac{1}{2}$ (2); 82 $\frac{1}{2}$ (2); 83 $\frac{1}{4}$ (3); 83 $\frac{1}{2}$ (3); 86 $\frac{1}{2}$ (2); 87 (3); 87 $\frac{1}{2}$ (2); 88 (2); 90 (2); 93 $\frac{1}{4}$ (3); 99 (2); 99 $\frac{1}{2}$ (2); 99 $\frac{3}{4}$ (2); 102 $\frac{1}{4}$ (3); 103 $\frac{1}{2}$ (3); 105 (3); 109 $\frac{1}{2}$ (4); 109 $\frac{3}{4}$ (2); 112 $\frac{1}{2}$ (4); 113 (2); 113 $\frac{3}{4}$ (2); 124 $\frac{1}{4}$ (2); 124 $\frac{3}{4}$ (3); 126 $\frac{1}{4}$ (2); 128 $\frac{1}{2}$ (2); 131 $\frac{1}{2}$ (3); 133 $\frac{1}{4}$ (4).

In many of these cases where the material from cuttings has to be hauled from both ends the increased force is only required on the material to be hauled in one direction.

Trusting this will have your immediate attention, I remain,

Yours truly,

HUGH D. LUMSDEN.

By Mr. Hodgins:

Q. Now, I want you to look at that letter about the cuttings west from the Winnipeg river and those from Grand Trunk Pacific to Mile O, and tell me if you can say anything by simply looking at the numbers of miles or say whether you would want access to the profiles or estimates dealing with these miles, because I want to get at some idea as to the seriousness of the complaints?—A. This letter to the contractor was based entirely on a report sent to Lumsden. I called his attention to this, and went rather fully into it, telling him how many years it would take at the rate the contractor was going. He wrote then on June 27, according to this other letter. It must have been in May that I called attention to it, because I took it up with the commission and Mr. Lumsden in Winnipeg, and I think it was in May.

Q. Can you throw any light without seeing your letter on the seriousness of the want of men in this particular place with regard to the work?—A. I am relying altogether on my memory. It is rather a severe test. I cannot trace anything from that.

Q. I want to understand this expression, 'The contractor will now be asking to waste from the number of cuttings which he should have nearly completed by this time, but on which he has yet done little, and where material for filling in is as scarce as it is on this portion of the contract, this should not be allowed at our expense?'—A. I think I told Mr. Lumsden that the work had been delayed so long that the contractors were talking of wasting the material coming out of the cuts. At the same time allowing them to borrow more.

Q. What do you mean by wasting? Is that literally throwing on one side?—A. Yes. Blasting out rock and borrowing to make up the embankment.

Q. Is that more expensive?—A. Yes, you pay for two yards and only get one if a cut is wasted in order to get it done quickly. You certainly pay them for it, and if it is done deliberately against the engineer's orders they should not be paid for it, but it has to be proved to be a deliberate waste.

APPENDIX No. 5

Q. Taking that letter of 27th of June as to not being satisfied with the work of the contractor, had you in your office staff sufficient engineers' assistants?—A. Not in the office.

Q. I see that an assistant was appointed or recommended in July?—A. I had asked once or twice, I think, for a second assistant, another assistant district engineer, because the work at the time was more than we could handle. We were doing so much location and the change of location had all come at once. When we got the location plans completed we would have been less busy.

Q. Were the duties that you had to perform in your office of importance to the road?—A. I think so, certainly.

Q. Could they have been performed out on the road if you had been walking up and down the track daily—these duties that you were required to perform?—A. The most important things were to get as cheap a line as possible and to have as good a location as possible. More money is saved in that than walking up and down listening to the complaints of contractors that were without justification. Everything was going all right until, I think, the month of July, 1907, then the Grand Trunk inspector on the line began to object to the classification. I agreed with him.

Q. When the objection of the Grand Trunk Pacific engineer was made to what estimates did it refer?—A. I think it was the June estimates.

Q. You think it was the June estimates?—A. Perhaps it would be the July.

Q. We will come to that a little later on. I will file now this letter from C. A. Young, one of the commissioners.

EXHIBIT No. 3

COMMISSIONERS OF TRANSCONTINENTAL RAILWAY.

OTTAWA, ONT., June 4, 1907.

(Personal.)

A. E. HODGINS, Esq.,
District Engineer,
Kenora, Ont.

MY DEAR MAJOR,—I am in receipt of yours of the 1st instant, and note fully the bundle of reports that Mann has brought up concerning the appointment of an inspector. The position of inspector was one that I had been working on for a long time; I realized that, both at the head office and the district offices, there was so much office work to be done when construction was going on that it made it impossible for the engineering staff we had to devote the time that they should devote to going over the work. Finally we decided to appoint a man whose duty it would be to remain on the work constantly and not have any office work whatever. I may tell you privately that in the selection of a man for this work, it was considered by some of the board that we should have a high class and high priced man, and Mr. Barclay (who no doubt you know) was offered the position, but he did not consider the remuneration sufficient, and declined. It was never offered to any of our district engineers, for the reason we did not wish to disturb them in their present positions; and in looking around, Mr. Grant—who was represented as a very good man—was suggested; I think the suggestion came, in the first place, from Doucet, and Grant was appointed.

The appointment of this man cannot possibly be considered a reflection on our district engineers. The position was not offered to Doucet, Hoare or any one else, outside of Barclay. It is certainly promotion for Grant, and might have the appearance of his being promoted over your head, from a minor position, but, as stated, we did not wish to disturb the district engineers in their positions, and we preferred

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

taking a man, if at all suitable, already in our employ rather than bring in an outsider. The question of his being a western or an eastern man, of course, cuts no figure; as a matter of fact, Grant was brought from British Columbia to take the position in Quebec in the first place.

As for any complaints regarding classification, we have not heard them, and do not think there is anything in the report.

I expect to see you when I go west, and will discuss the matter more fully with you. In the meantime, keep your shirt on. Would it not be well that both yourself and inspector go over the work with Mann.

Yours sincerely,

C. A. YOUNG.

Q. What about that expression 'keep your shirt on'? Had there been any discussion which that points to?—A. Yes, I had objected to a junior engineer being promoted over my own head, and the various other district engineers, and given the position of inspecting engineer. I could not imagine what duties an inspecting engineer would be required to perform.

Q. Why?—A. Inspecting the work of men senior to him. He could not advise us on anything of importance. We had inspecting engineers on the work appointed by the Grand Trunk Pacific and they were instructed to act with us in the general supervision of the work we had under our control. We were to discuss everything with them and they were to have access to all plans and papers and in the event that we had a disagreement it was to be reported to the chief engineer.

Q. You see what Mr. Young says in his letter as to the appointment of an inspecting engineer so that he might be out on the work all the time. Were there any engineers on the work all the time in the employ of the Transcontinental?—A. Yes, every day, resident and divisional engineers, that is all that is required on every road. Other roads did not, however, have also the inspecting engineer as the Grand Trunk Pacific had.

Q. What was the necessity of appointing an inspecting engineer so far as you know?—A. If you will allow me to use a western expression you can search me.

Q. That is you cannot give us any reason?—A. Unless he was to be a second or assistant chief engineer. There is an assistant chief engineer and he came out to the work once or twice. Still I believe he was told he was to stay in the office.

By Mr. Murphy:

Q. You do not know that?—A. Yes, I know that.

By Mr. Hodgins:

Q. Mr. Young in that letter says he has heard no complaints as to classification. He uses the words 'As for any complaints regarding classification, we have not heard of them.' Did you interview any of the commissioners in Winnipeg in May?—A. Yes, about the end of May I think they were there.

Q. This interview in May, I mean May of 1907, would be previous to that letter?—A. Yes.

Q. Before I deal with that interview I want to ask whether you had gone over the line, whether you knew it and knew the men under you on it?—A. I had, I had gone to the principal portions of the line. There were portions on which there was no work going on, and it was not necessary to go on, but I had been on the principal portions of the line and my assistant had been.

Q. And did you confer with the district and divisional engineers with regard to it?—A. Yes, certainly. Saw them once or twice a month.

Q. That would apply to May, 1907?—A. Yes. It was when I found what I considered excessive classification was creeping in that I realized I had neglected outside work for office work. I admit that I would have liked to have spent more time outside.

APPENDIX No. 5

Q. Had there been any complaints up to June, 1907?—A. Complaints of what?

Q. With regard to disputes of classification, had any been officially reported?—A. Yes, in the ordinary way. You generally hear complaints, but nothing serious that I can recollect. There were no complaints in writing. We would discuss the affairs of the whole district when I saw them.

Q. Did you have any complaints from McArthur previous to that?—A. I do not think he put his complaints in writing. He complained various times and his engineer Mr. Hazelwood. I asked them to specify whether the complaints they had referred to classification or measurements, and to specify what particular places they disputed my engineer's classification or measurements, and I found it difficult to get them to come down to anything they would say that it was general all over the line. Mr. McArthur once complained of our measurements of the whole line; he said the contractors were not getting full measurements. Well, I considered that was absurd. Of course I had confidence in my men on the work. I believe that no such a thing should occur. One man or two might probably in a month underestimate, but as a rule you could not condemn such a staff as I had. No one would believe they were underestimating or undermeasuring. I could not get McArthur to get down to a specified case until shortly before I left, and then he mentioned a certain contract, Prefontaine's, I think, in which he said the engineer had not paid him enough and I immediately said I would put in an engineer to remeasure it. He said that the classification was too low generally. I asked him if he could state any particular point and he said no. I asked him for another contractor who had complained and he named a man named Welsh, I think, and I immediately sent out word to the divisional engineer and I think I sent out the assistant engineer to adjust it.

Q. Are these the only two specific complaints from McArthur?—A. The only two I can remember.

Q. You could not get him to specify instances?—A. No. I several times offered to go over the contract with him and get him to specify any places where he was not properly treated. I said I would put off everything else and go with him and he could not name a day. I met him once on one trip on the Winnipeg river, that was about the only time I had seen him on the work. I wanted him to go over the work and over the plans and decide it on its merits. I considered that his complaints were more or less trivial.

The committee adjourned.

TUESDAY, May 19, 1908.

The committee met at 4 o'clock p.m.

Mr. BARKER.—Before you declared the committee adjourned last Wednesday, Mr. Chairman, there was an order given by you to the clerk to have another subpoena issued.

Mr. MACDONALD.—There was some discussion, but I do not think the motion was carried.

Mr. BARKER.—Some gentlemen went away before the chairman gave the order to the clerk, but that does not matter.

Mr. HODGINS, K.C.—I made the motion. I desired to call Messrs. Heaman and Mann, and we asked that they be subpoenaed along with Mr. Armstrong, and I was surprised to learn on coming here this afternoon that no subpoena had been issued and the witnesses had not been summoned.

Mr. MACDONALD.—There was some discussion as to the advisability of subpoenaing a whole lot of witnesses.

Mr. LE:NOX.—It might have been after you left. There was some confusion, and

7-8 EDWARD VII., A. 1908

Mr. Hodgins made the motion. It was discussed with the chairman and agreed to. Mr. Hodgins did say he required some witnesses to be subpoenaed then.

The CHAIRMAN.—I understand that Mr. Armstrong is here.

Mr. HODGINS, K.C.—Yes, but I do not propose to call him before Heaman and Mann. He belongs to District 'B,' and I want witnesses belonging to District 'F' first.

Mr. MACDONALD.—We can order him to be subpoenaed to-day.

The CHAIRMAN.—Is it the pleasure of the committee that a subpoena be ordered for Messrs. Heaman and Mann?

Mr. HODGINS, K.C.—I also ask that Mr. Woods, chief engineer of the Grand Trunk Pacific, be subpoenaed. He has official custody of the documents and may have to be called first.

The CHAIRMAN.—What does the committee think about that?

Mr. BARKER.—I move that these three witnesses be subpoenaed.

The CHAIRMAN.—It is moved that Mr. Woods be added to the other two. What date?

Mr. Hodgins, K.C.—What time does the committee propose to sit? If they could be here by Thursday I would be glad to call Messrs. Heaman and Mann.

Mr. MACDONALD.—I thought you were going to call some of the regular engineers of the commission.

Mr. HODGINS, K.C.—When we discussed that it was stated that I could not get any as the work would be entirely denuded. I therefore named Heaman and Mann as my next witnesses.

Mr. MACDONALD.—It is not a question of objecting, it is only a question of arranging.

Mr. HODGINS, K.C.—The resident engineers I propose to call are men who know what was said at various times; and who will after Heaman and Mann have been called be able to give their evidence intelligently.

The CHAIRMAN.—Would you be ready to take Mr. Woods up before Mr. Heaman?

Mr. HODGINS, K.C.—Yes, but I would rather have Mr. Heaman. However, I can go on with Mr. Woods.

Mr. LENNOX.—The committee might say Friday.

Mr. BARKER.—If we carry the resolution the details can be fixed as to the order or the day. It is just possible that Mr. Woods may be in Quebec.

Mr. MACDONALD.—What did you say, Mr. Murphy, about the motion?

Mr. MURPHY.—I propose to call Mr. Poulin and I move that he be added.

Mr. MACDONALD.—I presume you do not intend to call him before Mr. Hodgins is through.

Mr. MURPHY.—No, not before Major Hodgins is through.

The CHAIRMAN.—The minutes are adopted then?

Mr. MACDONALD.—Mr. Woods and Mr. Heaman will be subpoenaed for Thursday, then?

Mr. HODGINS, K.C.—Yes, or to-morrow if we get through. Now, let me call the attention of the committee to the disregard of the order which was made for the production of papers that I stated at the very inception were absolutely necessary to my examination. The original estimates of section (F) and section (B) have never yet been produced in this committee. I may say in passing that I attribute no neglect at all to Mr. Murphy. I arranged with him before I left on Thursday that those papers were to be here on Monday and that Major Hodgins would be here on Monday for the purpose of going over with him those papers. He was here on Monday but there was no production. This morning blue prints of copies instead of the originals were produced and although I protested I have not yet seen those originals, so that none of those documents which we have been talking about since the beginning have been produced. Then the correspondence relating to the estimates previous to July 1st, 1907, have not been produced and no reports as to the objections of the Grand Trunk

APPENDIX No. 5

Pacific engineers on district (F) have been produced until September, 1907, although those reports I may say were referred to in the Board minutes as early as July 12. Out of the list of papers which I named giving dates and parties there have only been produced seven out of a total of fifteen or sixteen, I should think. Several of the other papers have been produced and shown to me just a few minutes ago, so I ask the committee if the committee intends their orders to be carried out by the commission to insist that some consideration be given to myself and Major Hodgins and that at all events the documents which are necessary that I should have here should be produced and which it was understood should be here before Major Hodgins' examination was gone on with.

Mr. MACDONALD.—Not before his examination was gone into. It was understood that those papers should be produced but not before his examination.

Mr. MURPHY.—There was no understanding of that kind. My learned friend has correctly stated what his request was after the last meeting of the committee. That request was communicated to the commission and we have produced some hundreds of documents for which I hold receipts from the clerk of the commission.

Mr. HODGINS, K.C.—Dated when?

Mr. MURPHY.—Dated to-day. Blue prints of the plans, estimates and profiles were produced to my learned friend and he stated that Major Hodgins had looked at them but that they would not be sufficient and that they wanted to see the originals. That request was transmitted to the commission and I am informed that the originals are documents of such great importance that cannot be brought up here and left out of their custody. The suggestion has been made that the commission would be very glad to afford Major Hodgins and his counsel under the eye of somebody representing the the commission and familiar with those profiles, an opportunity to inspect and go over the originals if the copies which we have produced here are not sufficient for their purpose. Those profiles and estimates are really the current history of the construction of the road and they form among the most important documents in the custody of the commission.

Mr. CARVELL.—Does not that seem to be a fair offer?

Mr. HODGINS, K.C.—No; some of those originals contain alterations made by Major Hodgins, and the blue prints, being only photographs, are without an indication that he made that check. I stated at the very beginning that I wanted those documents, and I have never been told that there is the slightest objection.

Mr. CARVELL.—You have been told that you can go over them at the office.

Mr. HODGINS, K.C.—I have heard that for the first time to-day. Mr. Murphy suggested before I left on Thursday that we should go over to the office of the commission. I told him that neither Major Hodgins nor I desired to visit the commission and that I wished the documents to be brought here to the clerk of the committee pursuant to the order of the committee. Now, if it is the order of the committee that they should be produced here, it is not reasonable that the commission should disregard that, and say: I won't allow them unless you go to the office.

Mr. CARVELL.—It seems to me a distinction without a difference.

Mr. MACDONALD.—Allow me to make a suggestion as to the practice. It seems to me that the commission should submit the documents to Major Hodgins and his counsel for inspection, and that some officer of the commission should attend here with the documents in his custody and take them away.

Mr. CARVELL.—Are there any marks on the originals that are not on the copies?

Mr. MURPHY.—The copies are exact reproductions.

Mr. BARKER.—Is no member of the committee entitled to look at those documents? I intend to look at them, and I do not know that I am bound to go to the office of the commission.

Mr. MACDONALD.—My suggestion would satisfy your curiosity.

Mr. BARKER.—It is not curiosity. It is my duty to look at those papers.

7-8 EDWARD VII., A. 1908

Mr. MURPHY.—The commission are quite prepared to do what Mr. Macdonald suggests.

Mr. LENNOX.—While the committee are in session any document considered by any person, whether it is the original or not, to be necessary should be here. What should be done afterwards is a matter for further consideration, but undoubtedly the papers should be before the committee when it is sitting. In many cases I presume it would be found that copies of the documents would serve the purpose, but in some cases we will have to have the originals. We want to accommodate ourselves as far as we can.

The CHAIRMAN.—Are the copies an exact reproduction of the originals?

Mr. MURPHY.—They are.

The CHAIRMAN.—Then I don't see much difference.

Mr. LENNOX.—That may be in most cases, but there are cases where the copies might not show the different stages the work had gone through, such as Mr. Hodgins says, where Major Hodgins made alterations.

Mr. MURPHY.—These are shown on the copies.

Mr. CARVELL.—Major Hodgins has the advantage over everybody else, in that he knows what documents he wants, and I am satisfied that the committee will be prepared to order those documents to be brought here if they are considered necessary. Of course, if he has too high a sense of dignity to go to the commission office—

Mr. BARKER.—I do not think that is a proper thing to say. He has told us he only heard of it to-day for the first time.

Mr. MURPHY.—It was suggested last week.

Mr. CARVELL.—I heard Mr. Hodgins say that neither he nor the Major would go to the office. If papers are wanted they can be brought here and put on the table, but they must be taken away again by the official in charge. I do not think they ought to be left here. I am only too willing that Mr. Hodgins should have every original document on this table.

Mr. BARKER.—I want it understood very clearly that this committee is not confined to Major Hodgins or his charges. There is a far broader inquiry here than that. Whether Major Hodgins wants to see them or not, if this committee orders the production of the papers, the papers ought to be here.

Mr. CARVELL.—There won't be any difficulty in getting a look at the papers.

Mr. HODGINS, K.C.—I would like to call attention to what I said when the matter was up before (reads): 'I contend that it is impossible for any resident engineer in charge of 250 miles of road to repeat from memory the date as to classification objection, etc., and to suggest that I shall be asked, without having seen them until to-day, to go on and examine the witness, is something the committee should not ask me to do. I venture to say that no court in the land would say that if you cannot prove charges out of your own mouth we will not allow you to produce the documents or papers.

Mr. MACDONALD.—No one proposed that. We want to be fair.

Mr. HODGINS, K.C.—We cannot proceed without those papers and without opportunity to read them, and point out whether they are erroneous in view of the evidence.

Mr. MACDONALD.—No one expects you to do that.'

Mr. HODGINS, K.C.—So I fully understood we would have those papers.

Mr. CARVELL.—Can you point out any papers you have asked for and that have been refused?

Mr. HODGINS, K.C.—Yes, I can. I will tell you the name of one paper, namely, item 3, page 11 of the charges. The August estimate, from which Major Hodgins struck out over-classification.

Mr. CARVELL.—Who did you ask?

Mr. HODGINS, K.C.—I asked this committee to direct the production of papers.

Mr. CARVELL.—You are not treating us fairly. Did you ask the commission?

Mr. HODGINS, K.C.—I asked Mr. Murphy for the production of the papers.

Mr. CARVELL.—Where was he?

APPENDIX No. 5

Mr. HODGINS, K.C.—In his office.

Mr. CARVELL.—Did you suppose that he had them in his office?

Mr. HODGINS, K.C.—No, he was to get them and have them here on Monday. The papers are not here yet. I have not seen them.

The CHAIRMAN.—I think the committee wants to be reasonable. We do not want trouble if we can help it. But we understand that the commission does not want to bring all its papers, which are important documents, here if they can possibly do without it. If the copies are exact copies of the originals with notes and everything why should we not admit them?

Mr. BARKER.—We want to see the originals.

The CHAIRMAN.—Let them go on. Why should we not admit them?

Mr. BARKER.—Because I prefer to see the originals, and intend to. The commissioners can send clerks here with the papers.

Mr. MACDONALD.—Let us get back to the proposal. Let Mr. Murphy or the commissioners bring in charge of one of their officers the original documents that Mr. Hodgins wants. Let them remain in the custody of the clerk. We, of course, as well as Mr. Hodgins, will have the privilege of examining them.

Mr. LENNOX.—And in addition to that we will have to have also what is the practice in other committees, where any member may see documents in the intervals while such are under the custody of the clerk.

The CHAIRMAN.—Let it be understood that the documents which are not considered sufficient as copies be named by Mr. Hodgins and be brought here in the charge of an officer of the commission, left here with him during the meetings of the committee and examined by Mr. Hodgins and members of the committee, and then taken back to the commission.

Mr. LENNOX.—We want also what we observe elsewhere that if members of the committee desire during the recesses of the sittings, to look over the documents the clerk will also be here for that.

Mr. CARVELL.—I think the perusal of two or three documents will satisfy the curiosity of our friends and that we ought to go on with the examination.

Mr. BARKER.—We have been a week at this now and it seems to be impossible to make people understand that we want to see the originals.

Mr. CARVELL.—I think my honourable friend is looking for a grievance.

The CHAIRMAN.—Suppose that we bring the originals and compare them with the copies and if they are found to be exactly similar to the originals let the commissioners take back the originals. Is that fair enough?

Mr. BARKER.—It would be except that there might be cases where the witnesses might want to see the original documents. Documents written by one man and sent to another may have been marked or altered and we must have the documents here. The copies will not show that.

Mr. CARVELL.—So far as I am concerned there will not be any objection to bringing any document and letting it be examined.

Mr. HODGINS, K.C.—Some documents have not been brought here.

Mr. CARVELL.—You will not say that any documents have been refused?

Mr. HODGINS, K.C.—I don't understand what you mean. I arranged with Mr. Murphy that they would be brought here on Monday and that is not carried out.

Mr. CARVELL.—You will have them.

Mr. HODGINS, K.C.—I have a right to look for them to-day.

Mr. CARVELL.—You have seen the copies and know what is in them. Will you say that you are not in a position to examine without the original documents?

Mr. HODGINS, K.C.—On that point I am not.

Mr. CARVELL.—It looks to me that Mr. Hodgins is looking for a grievance. So far as I am concerned I don't want to give them any, and I propose adjournment until eight o'clock so that Mr. Hodgins can examine the documents. I do not want him to

7-8 EDWARD VII., A. 1908

have a grievance and I want to adjourn so that he can see them. We had better adjourn and get him these documents.

Mr. PARENT.—What is it that you want? We will produce it. We don't want any more delay.

Mr. MURPHY.—My suggestion is that a list of the documents be made in writing and that we get them out.

Mr. CARVELL.—To avoid misunderstanding name your documents. I want Mr. Hodgins to say that he wants these documents or that he does not want them.

Mr. HODGINS, K.C.—I have said so.

Mr. CARVELL.—What are they?

Mr. HODGINS, K.C.—Various progress estimates and profiles of district F and B. Reports of division engineers to district engineer and by him to the chief engineer from January, 1907, to the present time, also those relating to district B.

Mr. CARVELL.—Of those which do you require to begin this afternoon?

Mr. HODGINS, K.C.—I require the profiles and progress estimates December, 1906, January, 1907, February, 1907, March, April, May and June. These are Mr. McIntosh's division of district 'F' and also the August estimates covering the same division. Then for the examination of Major Hodgins on matters referred to in his charges, I shall want the estimates from January, 1907, to September, 1907, covering Mr. Richan's division. The others that I have mentioned will be required for the other witnesses.

Mr. CARVELL.—Then you cannot properly proceed with the examination of witness this afternoon? You cannot go on without those documents?

Mr. HODGINS, K.C.—I say that I can proceed to a certain distance and then shall have to stop, and I want to look at these documents before I can proceed again.

Mr. CARVELL.—If you say that you cannot go on I want to adjourn in order to give you an opportunity to see those documents.

Mr. HODGINS, K.C.—I can go so far and when I get to that point I shall have to stop.

Mr. MACDONALD.—I am sorry that I shall have to go to the House on business. How would it be to give Mr. Murphy the list and he could give you the papers which you call for. I am anxious to facilitate matters and the examination of Major Hodgins can go on in my absence.

Mr. HODGINS handed to Mr. Murphy a written statement comprising the papers already named in the foregoing which he required.

Mr. MURPHY.—Does this comprise all that you want the originals of?

Mr. HODGINS, K.C.—No, there will be more I expect, but that is all I want for Major Hodgins' examination so far as I know. I intend to proceed by asking as to some papers mentioned previously. There is no objection to their production I suppose?

Mr. CARVELL.—There is no objection to any production.

Mr. HODGINS.—I have explained that there is non-production.

Mr. CARVELL.—I know that the commission is anxious to have everything here. I am objecting to Mr. Hodgins or members of the committee trying to create the impression of anybody keeping back documents. They are trying to create that impression before the country.

Mr. LENNOX.—We are not so much concerned about the country as about facts.

Mr. CARVELL.—I am concerned a little. Sometimes there has been a concealed attempt to raise the question that we are trying to keep back documents and I propose to ask the committee again to adjourn for the time being so that Mr. Hodgins may see the documents.

Mr. MACDONALD.—I think we should go on with the examination of witness. I am going out but it can go on providing that nothing controversial is raised during my absence.

APPENDIX No. 5

Examination of Major Hodgins resumed.

By Mr. Hodgins, K.C.:

Q. Major Hodgins, I think on the last occasion we had got down pretty well to an interview which took place with some members of the commission. A number of them in Winnipeg some time either in May or June, 1907. Do you remember whether that was in May or June exactly?—A. Either the end of May or early in June.

Mr. HODGINS (to Mr. Parent).—Can that date be stated so as to save trouble?

Mr. PARENT.—About the 9th of June.

By Mr. Hodgins, K.C.:

Q. Then in Winnipeg you met the commission?—A. Yes.

Q. Who were there?—A. I think they were all there.

Q. Was McArthur there?—A. He lives in Winnipeg, yes.

Q. Did you have any discussion with any members of the commission with regard to the McArthur contract?—A. Yes.

Q. Who did you speak to, who was the conversation with?—A. I am not certain whether McArthur was there, but it was to all the others, I think.

Q. What was said to you by any commissioners dealing with the McArthur contract?—A. We discussed the advisability of more men going on the work in consequence of a statement I had put in showing the amount of time it would take to finish up some heavy cuttings.

Q. I see from the minutes of the board a letter dated May 9, written at Ottawa, and copies of that and the chief engineer's letter of 15th of May directed to be sent to McArthur. Would that be in answer to the statement you refer to?—A. Possibly.

Q. At all events you complained about something to the commissioners. How did the discussion arise?—A. I do not know whether we discussed it generally. I think they were there a couple of days.

Q. Now, what was said about the want of men?—A. Well, I understood that the chief engineer saw him or that he had written a letter.

Q. Did you talk to any individual member?—A. Yes, more or less.

Q. With Mr. Young?—A. Yes.

Q. What was that conversation?—A. Well, that was perhaps about the work and the state it was in.

Q. Yes, what was the state at that time?—A. He spoke about the trouble he was having about the McArthur contract.

Q. Trouble he had had or was having about the McArthur contract?—A. Yes, and that something ought to be done. McArthur was complaining about not getting enough measurement and not enough classification. I said that the engineers we had were giving him correct measurements. They were all experienced men, and as far as I knew classification was not a very serious matter so far as we had gone. I told him how much mixed material excavation and loose rock had been returned up to that date, and he said that he did not understand it; something ought to be done for McArthur. I said I was doing all I could; we were estimating as high as we could, so I understood from the engineers. Then he referred to Quebec. He said that in Quebec he understood there was more classification to be done, but the prices were lower there, and the contractors all seemed to be satisfied. There was a row on in District 'F' and no trouble in Quebec.

Q. Yes, and what further?—A. He said why I did not do as Doucet did.

Q. Yes?—A. I said I did not think there was any difference in what Doucet was doing and what I was doing. If Doucet was put on my district he would do what I was doing, and if I was on his I would do the same as he was doing. It was an engineering thing, and I suggested that he had better leave the engineering question alone, as he admitted that he did not understand classification.

MAJOR HODGINS.

Q. You advised him to let the question alone, as he did not understand classification? He admitted that?—A. Yes; but he said that I had better go to Quebec and see.

Q. Yes; see what?—A. See the work done there; get an object lesson.

Q. What was your reply?—A. I said I did not require an object lesson; I had enough experience to know what to do in my own district, and had not time to go to Quebec. I wanted to go out on the work as soon as the snow was off; it was about going off then.

Q. You wanted to go out on the work when the snow went off?—A. Yes.

Q. Did you have any talk with Mr. Reid?—A. I expect so.

Q. Do you remember any?—A. Yes, we were there all together in the hotel, and we all talked together about conditions.

Q. Who do you mean by all?—A. I talked to them all.

Q. Mr. Reid, Mr. Young, Mr. Parent?—A. Yes.

Q. Well, what was the talk with Reid in Winnipeg?—A. I think I suggested to Mr. Reid that it would be better if Young left the engineering part of the work alone; that he was a good-natured man, and liked to help everybody, but did not understand much about it.

Q. What did Mr. Reid say?—A. He agreed. He said: Yes, that the commissioners had their work to do, and they did not know anything about various engineering questions.

Q. Was anything said between you, Young and Reid and Lumsden, that you recall in Winnipeg in the discussion as to the chief engineer, for instance?—A. Yes, there was something. I think I told Mr. Reid and Young and Lumsden that one of the contractors' engineers wished that Mr. Young was chief instead of Lumsden, or something of that kind.

By Mr. Murphy:

Q. Who said that?—A. One of the contractors' engineers.

Q. What did he say?—A. That he wished Young was chief engineer instead of Mr. Lumsden.

By Mr. Carvell:

Q. You told this to the three of them?—A. Yes.

By Mr. Hodgins, K.C.:

Q. Was there anything said about the chief engineer when Mr. Lumsden was not there, between you, Reid and Young?—A. I do not remember whether there was on that occasion or not when we discussed Mr. Lumsden.

Q. On any occasion in Winnipeg?—A. I think in discussing the question with Young and in reference to the Quebec work, he said that I referred too much to Mr. Lumsden, and I said that Mr. Lumsden required me to refer to him; that I had to do what Mr. Lumsden wished.

Q. Well, he said?—A. Well, he said that Doucet did not refer very much to Lumsden.

Q. Yes?—A. He advised me to do the same thing; he said I ought to be experienced enough to know what to do myself.

Q. Yes?—A. I said that so long as I was subordinate to the chief engineer I considered it my duty to refer everything I considered necessary.

Q. Yes. Did he say anything then; what was his answer?—A. Nothing on that occasion.

Q. Did he say anything on any other occasion?—A. Very much the same sort of discussion took place in Ottawa.

Q. Yes, when?—A. I think it was the time I went down to appear before the board after Mr. Grant put in his charges against the engineers on the district. I had

APPENDIX No. 5

to wait two or three days before the board met. I saw Mr. Reid. I told him that when I came down the way things were going I had got disgusted and thought of resigning, but when I had read Grant's report I intended to fight it out, not so much that I cared personally, but for the statements he had made against the engineers in the district, whom I considered superior men to Grant.

Q. Well was anything said about the chief engineer at that time?—A. Yes, I said I had just been in to see the chief engineer about getting permission to do some things on the line and he still adhered to his original decision that these must be referred to him, I must get permission from him. I said 'It won't make very much difference.' It was on the question of borrowing rock—the contractors wanted to borrow rock—and borrowing rock would eventually have been necessary in building roads. I mentioned one or two instances like that. He said 'well you ought to act on your own responsibility. You know what to do, we have got confidence in you.' And I said, 'well, I cannot.' He said, 'You ought to ignore the chief engineer.'

Q. He said what?—A. 'Why don't you ignore the chief engineer'?

Q. Yes?—A. He spoke about him being old fashioned, of course, and rather difficult—

Q. Yes, and rather what?—A. And taking some time to give a decision.

Q. Yes?—A. And said his time was taken up with the office and he had quite enough to do, I had better act upon my own responsibility, and that the chief engineer liked to be ignored. I said 'That is rather a strong way of putting it but as long as the chief engineer is there I have got to report to him.'

Q. Yes?—A. He said 'The trouble with you is that you are too much of a military man, you are too loyal to your chief.'

Q. Now what was that conversation in reference to?—A. That began with reference to Mr. Grant's report.

Q. But when he spoke of ignoring the chief engineer and acting on your own responsibility that was as to what?—A. He said this way: 'We want the work done, we want the work carried on, we don't want any kicking because a great many complaints are made.' I said 'These complaints should be made to the chief engineer, through the district engineer, and not direct to the commissioners.' I said, 'We know how to deal with them.'

Q. Well now was anything said at that time about stripping?—A. Yes. They mentioned talking about being more generous in a general way.

Q. More what?—A. More generous in a general way. He said 'I hear some of your engineers measure the stripping.'

Q. Measure the stripping?—A. Measure the stripping of a rock cut. I said 'Yes, it is customary to do that.' He said 'No, it is trifling, it should not be taken into consideration.' I said, 'When it is trifling it certainly is not measured. If a man has got to go around with a dust pan and a broom to scrape it up we are not going to measure it or take it off the contractor, but if it amounts to anything that can be measured in any appreciable quantity then it has got to be measured and classified according to the classification it happens to be.'

Q. What did he say to that?—A. He did not say very much. That is about all I think.

Q. What do you mean—just explain because I do not quite understand—what was the question there about the measurement or classification of strippings?—A. What question?

Q. You said that the engineers measured the strippings, measured them as what?—A. The stripping is the mixed material that overlies rock, and if that lies over the rock in such quantity that it can be measured—

Q. Yes?—A. Say a couple of feet deep or more than that, or even less in some cases, that is measured and classified according to the material it happens to be. If

it is earth it is put in as common excavation. If it is a mixture of loose rock it is put in as loose rock.

Q. Then what was said when you were discussing about how it should be measured?—A. What was said? In what way?

Mr. MURPHY.—I object, Mr. Chairman to any leading questions. I have already allowed a couple of such questions to go.

The WITNESS.—The question of strippings came up with reference to the question say of liberality by the engineers.

By Mr. Hodgins, K.C.:

Q. Yes. Liberality in what direction, that is what I want to know?—A. He gave it as a sort of instance. He said 'I don't know anything about engineering.'

Q. What I want you to make clear is what his idea was that he was conveying to you about the measurement of strippings?

Mr. MURPHY.—What did he say, not what his idea was?

Q. As conveyed to you?—A. I don't know what his idea was but I said to him, 'You have evidently been listening to Grant, you have not been listening to Mr. Lumsden.'

Q. Was this Mr. Reid or Mr. Young?—A. Mr. Reid.

Q. What was said about it?—A. That was all.

Q. What was said by him about his measuring?—A. He gave it as an instance. He said, 'I understand some of your engineers measure the stripping of a rock cut.' Well I don't think that he knew what he was talking about. He had heard probably that it was considered improper to measure, or unreasonable for engineers to measure stripping.

Q. That is what I want you to explain?—A. And I explained to him there were different kinds of stripping, there was stripping that could be measured and had to be measured, no one could get away from it. The stripping that he probably referred to was immaterial, as I illustrated to you—the stripping you would have to scrape up with a broom and dustpan.

Q. Was all this talk of stripping with Mr. Reid?—A. It was in Mr. Reid's office. We discussed things generally.

Q. Was Mr. Reid alone or were any of the other Commissioners there?—A. He was there alone.

Q. This was in Ottawa?—A. Ottawa, yes.

Q. Did you have any other conversation, either in Winnipeg or Ottawa, with any Commissioners with regard to the classification of material in your district?—A. Well, as I said, I had a conversation with Mr. Young about classification in Winnipeg.

Q. In Winnipeg. Is that what you detailed to us?—A. Yes.

Q. Or had you other conversations?—A. I had spoken to him several times about it.

Q. What did he say to you?—A. I said it did not amount to very much at the time.

Q. What did not amount to very much?—A. The classification in the district up to date, up to say July or June.

Q. In what way did it not amount to very much?—A. We had not encountered very much in comparison with the amount of rock, or say the proportion of loose rock and common excavation returned to date was much less than the proportion of solid rock.

Q. What started this conversation?—A. In Winnipeg?

Q. Yes?—A. The condition of the contract.

Q. In what respect?—A. Lack of men.

Q. Yes?—A. And the report I had put in.

APPENDIX No. 5

By the Chairman:

Q. Is that not the same interview that you mentioned a few minutes ago?—A. Yes.

Q. That is the same one that you had in Winnipeg? That is what you related before?—A. Yes.

By Mr. Hodgins:

Q. Well here is your letter of 9th May to Mr. Lumsden (reads):

EXHIBIT No. 4.

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

KENORA, May 9, 1907.

DEAR SIR,—Based on the April rate of progress grading on the following divisions should be completed as follows:—

Division 5 M 0 to 47—on 3 years 8½ months.

6 M 47 to 90—on 5 years 5½ months.

7 M 90 to 131—on 2 years ½ month.

8 M 131 to 181.6—on 2 years 1½ months.

9 M 181.6 to St. B. should have track laid by end of this year. There are very few men on at present owing to frost.

The above estimate is based on total yardage, not on certain large cuttings that can only advance at a certain rate per month.

Division 5 and 6 should advance more rapidly during the summer months, and there is no reason why the greater portion of division 5 should not be completed in a year if sufficient men are put on. The progress profile shows little work opened up, but I have been assured by Mr. Webster that sufficient plant is now on this division on Philipp's contract to proceed rapidly, and that several cuttings have been opened since the April estimate was taken.

In order to compare McArthur's rate of progress with that of the branch line, would it be possible to get the total yardage of rock and earth on the branch or the total estimated cost, and work out a comparison with Mr. McArthur's rate of progress, taking into consideration the Foley Bros. started the branch in Sept., '05 and McArthur in May or June, '06?

Taking the branch at 200 miles, and the main line, McArthur's contract at 250 miles, McArthur has 5 miles to build for every four on the branch.

Yours truly,

A. E. HODGINS,
District Engineer, 'F.'

Q. Was the letter I have just read put in as Exhibit 4 the one which created the discussion?—A. In Winnipeg?

Q. Yes?—A. There was another statement I put in. It was a detailed statement of all the cuts that had not been opened up, a long list and it gave the amount of time, the number of months that had been spent on them, and how long at the same rate of progress it would take to finish them.

Q. I would like to have that report?—A. I think it was on that Mr. Lumsden based his letter. I gave him that in Winnipeg.

Q. On that date?—A. When we were up there.

Q. Or earlier?—A. No, that was when we came up there, that is on the 9th of June. Possibly this had something to do with it, but the detailed list I gave him would be—

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Well, they have that detailed list here, I think. You wrote that letter on the 9th of May, didn't you?—A. Yes. (reads): 'List of heavy cuttings, showing approximate time of completion.'

Q. What is the date of that letter?—A. June 6.

234

EXHIBIT No. 5.

H. D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

KENORA, June 6, 1907.

DEAR SIR,—I am sending you a list of cuttings, showing the amount of cubic yards excavated, and still to be excavated, and reckoning that these cuttings can be worked at the rate of 1,000 cubic yards per month, the last column shows the number of months required to finish from June 1st. I have sent Mr. McArthur a copy. Some of the cuttings are not advancing at the rate of 1,000 cubic yards per month, but in order to fix a uniform rate for comparison, we consider 1,000 cubic yards per month not too much to expect.

Yours truly,

A. E. HODGINS,
District Engineer.

LIT OF HEAVY CUTTINGS, showing Approximate Time of Completion.

Mile.	Cubic yards in cut.	Cubic yards excavated.	Cubic yards still to excavate.	Time to finish, reckoning 1,000 cubic yards per month from 1st June, 1907.
39	38,300.....	Nil.	38,300	38 East.
47	32,200.....	2,400	30,806	15 each way.
48½	{ 4,000 earth.....	Nil.	4,000 earth	32 East.
	{ 41,609 rock.....	Nil.	41,600 rock	10 West.
50½	16,130.....	Nil.	16,130	16
51¼	24,550.....	Nil.	24,550	8 East. 16 West.
52	{ 36,110.....	1,500	34,610	32 West.
	{ 20,300.....	Nil.	20,300	12 East. 8 West.
54¼	18,295.....	Nil.	18,295	15 West. 3 East.
55	47,600.....	Nil.	47,600	36 East. 11½ West.
64½	47,500.....	2,150	45,350	38 West. 10 East.
79¼	{ 13,800 West.....	1,800 West	12,000	12 West.
	{ 14,000 East.....	1,550 East	12,450	12½ East.
79¾	14,735.....	Nil.	14,735	15
80½	16,700.....	900	15,800	16
82½	20,230.....	3,950	16,280	16
83¼	25,600.....	Nil.	25,600	25
83½	17,830.....	Nil.	17,830	18
86½	{ 525 tunnel 10,300 West.....	1,560	9,080	9 West.
	{ 6,700 East.....	Nil.	6,360	6 East.
87	25,000.....	900	24,100	24
87½	18,200 West.....	970	17,230	17
88	425 ft. tunnel.....			
88	425 ft. tunnel { 12,600 West.....		12,500 West	12½ West.
	{ 9,500 East.....		9,500 East	9½ East.
90	11,930 West.....	100	11,930	12
93¼	22,950 East.....	1,550	21,400	21½
99	13,590.....	880	12,710	10½ West.
99½	14,830.....	Nil.	14,830	15
99¾	11,310.....	Nil.	11,310	11
102¼	17,550 West.....	1,170	16,380	16
103½	23,450 West.....	1,750	21,700	22
105	17,650.....	1,100	16,550	16½
109½	37,510 East.....	1,080	36,480	36½
109¾	15,900 East.....	310	15,590	15½
112½	37,510 West.....	1,400	36 110	36
113	17,550.....	Nil.	17,550	17½
113¾	15,450.....	Nil.	15,450	15½

APPENDIX No. 5

LIST OF HEAVY CUTTINGS, showing Approximate Time of Completion—Continued.

Mile.	Cubic yards in cut.	Cubic yards excavated.	Cubic yards still to excavate.	Time to finish reckoning 1,000 cubic yards per month from 1st June, 1907.
124 $\frac{1}{4}$	11,600	11,600	11,600	11 $\frac{1}{2}$
124 $\frac{3}{4}$	23,990 West.....	1,200	22,790	22 $\frac{3}{4}$
126 $\frac{1}{4}$	13,600 East.....	2,100	11,500	11 $\frac{1}{2}$
128 $\frac{1}{2}$	Tunnel 500-25, 330 West 35.....	4,500	16,030	16
131 $\frac{1}{2}$	18,230 East.....	4,300	13,930	14
	16,350 East.....	Nil.	15,050	15
	16,350 East.....	1,300	15,050	15
133 $\frac{1}{4}$	26,680 Waste.....	Nil.	26,680	26 $\frac{1}{2}$
	24,130 West.....	4,000	20,130	20
	600 ft. tunnel.....			
137	29,950	9,100	20,850	21
141 $\frac{1}{2}$	1,075 East.....	Nil.	1,075 West	1 West.
	22,170 East.....	6,469 East	15,698 East..	15 $\frac{1}{2}$ East.
142 $\frac{1}{4}$	12,252 East. 618 waste	4,936 East	7,316 East	7 $\frac{1}{2}$ East.
	17,578 West.....	5,140 West	12,438 West	12 $\frac{1}{2}$ West.
142 $\frac{3}{4}$	32,667 West.....	2,126 East	22,830 West	22 $\frac{1}{2}$ West.
		8,311 West		
144	20,931 East	Nil.	14,180 East	14 $\frac{1}{2}$ East.
	5,342 West.....	6,750 East	5,342 West	5 $\frac{1}{2}$ West.
	17,560 East.....	2,780 East	10,600 East	10 $\frac{1}{2}$ East.
144 $\frac{1}{4}$	9,030 West.....	5,226 West	3,800 Wst	4 West.
145	3,550 East.....	Nil.	3,550 East	3 $\frac{1}{2}$ East.
	12,130 West.....	3,324 West	8,810 West	9 West.
145 $\frac{3}{4}$	9,275 East.....	4,169 East	5,100 East	5 East.
	10,170 West.....	70 West	10,100 West	10 West.
146 $\frac{1}{4}$	32,929 East.....	3,997 East	28,930 East	29 East.
	3,762 East.....		2,923 East	3 East.
147	19,621 West.....	839 East	19,565 West	19 $\frac{1}{2}$ West.
	3,700 Waste.....	56 West		
148 $\frac{1}{4}$	3,316 East.....	1,406 East	1,910 East	2 East.
	27,790 West.....	609 West	27,180 West	27 West.
148 $\frac{1}{2}$	18,751 East.....	1,930 East	16,820 East	17 East.
	2,882 West.....	2,946 West		
149 $\frac{1}{4}$	13,333 East.....	2,450 East	10,880 East	11 East.
	4,100 West.....	West	4,100 West	4 West.
149 $\frac{1}{2}$	13,700.....	3,790 West	9,910 West	10 West.
150 $\frac{1}{2}$	3,837 East.....	2,915 East	920 East	1 East.
	14,222 West.....	Nil.		15 West.
151 $\frac{3}{4}$	10,420 East.....	Nil.	10,420 East	10 $\frac{1}{2}$ East.
	3,620 West.....	Nil.	3,620 West	3 $\frac{1}{2}$ West.
153 $\frac{1}{4}$	417 East.....	75 East	340 East	
	23,990 West.....	5,470 West	18,520 West	18 $\frac{1}{2}$ West.
154 $\frac{1}{2}$	7,670 East.....	3,580 East	4,090 East	4 East.
	15,020 West.....	6,320 West	8,700	9 West.
155	12,200 East.....	5,710 East	6,490 East	6 $\frac{1}{2}$ East.
	24,360 West.....	6,360 West	18,000 West	18 West.
156	18,420.....	3,560 East	14,860	15 East.
156 $\frac{3}{4}$	20,790 East.....	4,910 East	15,880 East	16 East.
	2,074 West.....	Nil.	2,074 West	2 West.
158 $\frac{1}{4}$	3,280 West.....	1,000 East	2,280 East	2 $\frac{1}{2}$ East.
	9,860 West.....	320 West	9,540 West	9 $\frac{1}{2}$ West.
159 $\frac{1}{2}$	3,670 East.....	4,220 East	Nil.	
	19,550 West.....	6,700 West	12,850 West	13 West.
161 $\frac{1}{2}$	12,980.....	170	12,810 West	13 West.
162 $\frac{1}{2}$	11,683 East.....	250 East	11,433 East	11 $\frac{1}{2}$ East.
	490 West.....	Nil.	490 West	
163 $\frac{3}{4}$	15,490 East.....	3,450 East	12,040	12 East
	4,040 West.....	4,340 West	Nil.	
165	15,810 East.....	3,420 East	12,390 East	12 $\frac{1}{2}$ East
	6,270 West.....	1,400 West	4,870 West	5 West
166	8,907 West.....	3,685 West	5,222 West	5 $\frac{1}{2}$ West
	10,083 East (possible waste).....	1,145 East	8,938 East	9 East
166 $\frac{3}{4}$	12,135 East.....	1,605 East	10,530	10 $\frac{1}{4}$ East
	6,960 West.....	5,700 West	1,260	1 $\frac{1}{2}$ West
168 $\frac{1}{4}$	3,030 East.....	3,000 East	Nil.	
	17,648 West.....	7,030	10,610	10 $\frac{1}{2}$ West

Winnipeg River crossing mile 135.

And then it gives the material and the cuttings.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Was that given to Mr. Lumsden in Winnipeg?—A. I think I brought a copy up; he either had his copy or I had my copy with me.

Q. Was any reference made to that letter in the conversation with Mr. Young and Mr. Reid?—A. Yes—well, not with Mr. Reid, I do not think; they were all there then; I have no doubt they all knew about it, that Mr. Lumsden discussed the question with them.

Q. Was any reference made to it in the discussion in Winnipeg?—A. Yes.

Q. What was the reference made to it? What was said about it by them?—A. In conversation with Mr. Young he said: 'Mr. McArthur claims that he is not getting enough classification, and short measurement by some of the engineers.'

Q. Yes?—A. I told him I did not think that was the case; that if he was losing money it was his own fault.

Q. That, then, followed the conversation that you detailed to us that took place in Winnipeg with Mr. Young?—A. Yes.

Q. Very well. Did you leave Winnipeg with the commissioners?—A. Yes, we went down in their car.

Q. Was there any further discussion in the car on the way down?—A. It was decided that I should go to Quebec.

Q. I just want to know how it was decided—what was said?—A. Mr. Young, I think, said he had been speaking to me about going to Quebec, and he asked the chief engineer if he did not think I ought to go, or would he give me permission to go, something like that, and the chief engineer consented.

Q. He consented. That was on the way down from Winnipeg to Kenora?—A. On the way down, before I got off.

Q. Then, was there anything more said about it than you have told us?—A. Not on the car; I do not think so.

Q. Not on the car. Was there anything said about holidays?—A. I said I hadn't very much time, and I did not particularly want to go down to Quebec to see anything; if I was going to have a holiday, I would sooner spend it some place where there wasn't any railway. I hadn't had a holiday for three years.

Q. How was the date for the Quebec trip fixed?—A. They told me to meet the commissioners in Montreal, I think it was, on a certain date; I think I afterwards telegraphed them to find out, and I went down to Quebec on that date, about the 17th.

Q. How did you ascertain the date you were to meet them in Quebec?—A. They told me what time they proposed to leave Ottawa and I would meet them in Montreal.

Q. In Montreal?—A. In Montreal.

Q. What date did you meet them in Montreal?—A. I forget what date I left. I think it was between the 15th and the 17th of the month, and I went straight down to Montreal.

Q. Well, then, the trip to Quebec took from the 17th, did it, until the 25th?—A. About that time.

By Mr. Murphy:

Q. Was this in June?—A. In June.

By Mr. Hodgins:

Q. I am putting in this letter of June 6 (Exhibit 5). Now, where did you meet the commissioners, Montreal?—A. I think I went up to Ottawa, and then they left the same day, and we went down to Montreal.

Q. Yes, where did you go from Montreal?—A. We took the boat to Quebec and stopped in Quebec that night.

Q. Who were with you on the trip? Who did you find formed the party?—A. All the commissioners, the chief engineer and the other district engineers.

Q. What other district engineers?—A. I think they were all there with the exception of Mr. T. S. Armstrong.

APPENDIX No. 5

Q. Can you give me the names of the other district engineers?—A. Mr. Poulin from North Bay, Mr. Molesworth from Ottawa, Mr. Dunn from New Brunswick.

Q. And yourself?—A. And myself.

Q. Mr. Doucet was not there, was he?—A. We met him in Quebec.

Q. Now, you went down, as you say, you went down by boat from Quebec?—A. Yes.

Q. Had you any conversation with the commissioners on the way down?—A. Yes.

Q. Or with any of them?—A. Yes.

Q. What was the conversation about?—A. I had a conversation about the appointment of the inspecting engineer.

Q. Who was present when this conversation took place?—A. I had several conversations about it.

Q. Who did you have the conversations with?—A. I think with two or three of the commissioners, Mr. Young, Mr. Reid, Mr. McIsaac, and then I had a conversation with Mr. Young, I think it was.

Q. When?—A. When we were on the boat.

Q. On the boat going down; now what was said? You said you had a talk about that appointment, what was said in connection with it?

By Mr. Lennox:

Q. Were these separate conversations, Mr. Hodgins?—A. Well, we discussed the appointment, I was doing considerable kicking about it.

By Mr. Hodgins:

Q. You?—A. And Mr. Reid said that the appointment was made and it would have to go, that it was their intention, it was no slight on the district engineers, the appointing of a junior man above them, that it was the intention of the commissioners to have a uniform classification all over the line and that Mr. Grant had been selected.

By Mr. Murphy, K.C.:

Q. Who said that?—A. I think it was Mr. Reid.

By Mr. Hodgins:

Q. To have a uniform classification all over the line?—A. All over the line, yes.

Q. Yes?—A. And Mr. Grant had been selected. He had been recommended to them and that was the end of it. That was the substance, I think, of the conversation.

Q. Recommended by whom?—A. Recommended by Mr. Doucet as the best man he had.

Q. What was said about his qualifications?—A. Well, he had been assistant district engineer in Quebec and as such had had charge of classification there.

Q. Had charge of classification in Quebec?—A. And it was a difficult section to classify.

Q. Yes?—A. Therefore, they presumed he had had more experience in classification than others.

Q. They wanted a uniform classification?—A. They wanted a uniform classification.

Q. Did they say what the uniform classification, what the standard was?—A. No. They told me afterwards that the Quebec classification was to be taken as the standard.

Q. Was to be taken as the standard. Who said that?—A. Mr. Young, I think.

Q. Was anyone present besides Mr. Young when that statement was made?—A. I don't remember. There were a lot of us together. We were on the boat. We were sitting at the stern of the boat—Mr. Reid, Mr. Young and Mr. McIsaac, and I think Mr. Dunn was there. Mr. Poulin, I think, was there for a short time. I cannot remember all who were there.

Q. Well then you got to Quebec and did Mr. Doucet join you?—A. We went to Mr. Doucet's office and then we drove over some of the work.

7-8 EDWARD VII., A. 1908

Q. I mean when you got to the city of Quebec where did you go to? Is Mr. Doucet's office in the city of Quebec?—A. Yes.

Q. You went over what work with him and the others?—A. We drove over some of the work near Quebec.

Q. Near Quebec?—A. Drove down and saw the viaduct.

Q. The what?—A. There is a viaduct there.

Q. Not this Quebec bridge?—A. We passed the Quebec bridge.

Q. Standing then, I suppose? From there where did you go?—A. The next morning we went to Three Rivers, I think it was.

Q. Just follow on to where you went?—A. And then took the train up to some station, and then took the boat. We went down the river.

Q. What river was it?—A. The St. Maurice.

Q. And you went to where?—A. To La Tuque, a town called La Tuque, or the landing opposite La Tuque.

Q. Then you disembarked, I suppose?—A. We got off there, yes; and we drove over the work—a portion of the work.

Q. Drove over the work in cabs?—A. No, in wagons, in carriages.

Q. All drove over it?—A. I think so, yes.

Q. Did you all remain in the carriages, or did any of you get out?—A. First of all, we drove towards the St. Maurice river, I think it was—some river—and saw where some of the bank had been blasted out. Then we came back and drove over the line, and then we got to this large tunnel cut.

Q. The large tunnel cut?—A. What I call a tunnel cut. I don't know the mile or the station.

Q. But you know the cut, I suppose?—A. Yes. Then I got out.

Q. Well, now, did any one else meet you down there or in Quebec; did any one else join your party?—A. I believe the contractors came up.

Q. The contractors came? What contractors?—A. The contractors on the work.

Q. What are their names?—A. There were several of them. I don't know; I don't remember their names now.

Q. Did any other engineers join you down there?—A. Well, Mr. Woods came and Mr. Armstrong.

Q. Mr. Woods is assistant chief engineer?—A. Assistant chief engineer for the Grand Trunk Pacific.

Q. And Mr. Armstrong is what?—A. Inspecting engineer for the Grand Trunk Pacific at Quebec, and there were several of Mr. Doucet's engineers.

Q. Was his assistant district engineer there?—A. Yes, Mr. Huestis.

Q. And Mr. Hervey?—A. Mr. Hervey was there, and Mr. Davis from Quebec. Mr. O'Brien, I think, was there.

Q. He is a contractor, is he not, or engineer?—A. A contractor. Either Mr. Macdonald or Mr. O'Brien.

Q. Yes. Was Mr. Davis there, do you know?—A. Mr. Davis was there.

Q. Then, there were the commission, yourself and the other district engineers?—A. The district engineers and some of the contractors.

Q. The district engineer was there and some of his assistants?—A. Yes, there was a large party.

Q. Did you get out and go and make an examination of any of the work?—A. I examined this large cutting.

Q. Did you go right through it?—A. It was not through. I went into one end of it, and then I walked over the upper portion of it and down to the other side.

Q. Now, just describe the cutting?—A. The western end, I think it was, we first came to was a mass of loose rock, boulders—I did not see any very large ones, a very nasty looking cutting—and on the upper portion of it there was some sand, wet sand, and loose rock. That was being wasted in carts or scrapers—carts, I think—and the other end of it was loose rock. I did not see any solid rock in place.

APPENDIX No. 5

Q. You saw no solid rock in place?—A. I asked the engineers how they classified it.

Q. What engineers?—A. Mr. Doucet, and he said '85 or 86 per cent.

Q. He said 85 or 86 per cent?—A. I thought he meant loose rock.

Q. You thought what?—A. I thought he meant loose rock.

Q. Yes. From what you saw how would you have classified it?—A. Well, I did not examine it enough to give an opinion on that.

Q. From what you saw what would be a fair and proper classification?—A. Well, I spoke afterwards to Mr. Armstrong about it.

Q. Yes?—A. And I asked him if it was—there some remark one of the contractors made which made me ask Mr. Armstrong if it was 86 per cent solid rock or 86 per cent loose rock, and he said 86 per cent solid rock.

By Mr. Barker:

Q. Who said that?—A. Mr. Armstrong.

By Mr. Hodgins:

Q. Yes?—A. Then I asked him what his company were going to do about it. He said he did not know. I said: 'It is a pretty heavy percentage,' and he said: 'Yes.'

Q. Then, what further? Was that before or after you got through the whole cutting?—A. We had walked through the cutting.

Q. Yes?—A. And I made some remark about the chance or the possibility, of getting a line around it, and avoiding such a heavy cut. It had really been laid out as a tunnel, but when they found there was no solid rock in place they abandoned the tunnel idea and took it as an open cut.

Q. As an open cut?—A. And classified it as 86 per cent of solid rock, so I was told.

Q. I ask you again what was a fair classification?—A. I asked Mr. Armstrong, we looked at it, it would take a lot of estimating and measuring, and he said, forty per cent would be about a pretty liberal measurement. I could not really give an estimate of it because I do not know how much boulders were in it, there was very little work on it, and we were not there more than 10 or 15 minutes.

Q. Can you say whether 86 per cent was a fair or unfair classification?

Mr. MURPHY.—You are leading the witnesses; he said two or three times he could not give the classification.

Mr. HODGINS.—That is his estimate of classification—I am now dealing with a totally different thing. I am asking him whether 86 per cent is a fair or unfair classification, that is of solid rock.

A. 86 per cent seemed to me a very extravagant classification.

By Mr. Murphy:

Q. That is your opinion on a 10 or 15 minutes inspection?—A. Yes.

By Mr. Hodgins:

Q. Just describe what the cutting was so far as you saw it; it was open and consisted of?—A. Loose rock, cemented material, sand, wet sand, and boulders; I was told the largest boulders they had come across so far was a boulder of about 200 yards in size, one of the engineers told me that.

Q. That is 200 cubic yards?—A. 200 cubic yards.

Q. You were in there, from where it was open to the other end?—A. Yes, we walked all through it.

Q. Was there any difference in formation, so far as you could see, at the other end, from what you saw at the open end?—A. It was evidently a slide come down from the side of the hill, of course I do not know whether they had any solid rock in it or not.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Not where it wasn't opened up, of course. Then did you continue your examination further?—A. No, we walked on towards one of the contractors' houses.

Q. Yes?—A. And met the rest of the party.

Q. Did you have any conversation then with them, or with any of the party, with the commissioners, with regard to the classification? Or with anyone else?—A. When we were going away I went to Mr. Lumsden—the train had stopped, and we went off to some little fishing hut which was near there, waiting, and I wanted to hear what he had to say. I asked him if a certain piece of work I had seen there was to be taken as standard. I referred to a large house that Mr. Armstrong told me was being built for the division engineer, and I said to Mr. Lumsden, 'I saw a house down on the line, is that house to be taken as standard'? He turned away and said, 'I don't know anything about it.'

Q. Did you say anything to him about this La Tuque cutting?—A. No, he gave me to understand, by his way, that he did not want to discuss anything and I went off.

Q. So you went off. Then you came back to Quebec, I suppose, with the party; or did you come?—A. No, I stayed down there over the Sunday.

Q. You stayed down there over the Sunday?—A. Yes.

Q. Did you meet any of the party in Quebec?—A. The party went off, they all went away except the Quebec men.

Q. Did you have any talk with any of them?—A. Yes, I saw Mr. Armstrong.

Q. Is that the Grand Trunk Pacific engineer?—A. Yes.

Q. Did you have any conversation with him?—A. We had a long talk about the work generally.

Q. Did you discuss with him the La Tuque cutting?—A. Yes.

Q. Did you discuss the classification upon that division, 'district B'?—A. Yes, we had a long discussion about various things.

Q. What was said?—A. You had better get Mr. Armstrong to tell you.

Q. You give us your version of it?—A. He said the classification was very high, and I said, 'What are you doing about it'? He said, 'I am reporting it to my people.' I said, 'What are they doing'? and he replied that he did not know, that they hadn't done anything just yet. I said, 'Is there very much more classification of that kind?' And he said, 'It is pretty general all over the district.' I said, 'Are you going to dispute it?' and he said he presumed they would. I asked him what it was going to amount to in Quebec and he said he hadn't made a very close estimate of it, but he was pretty certain that it would amount to nearly two million dollars, that his company would object to.

Q. To nearly two million dollars. What did he say would amount to two million dollars?—A. The difference in what we called 'over-classification' then.

By the Chairman:

Q. In one district?—A. In the Quebec district.

By Mr. Hodgins:

Q. In District B. From what you saw in Quebec, in that district, were you prepared to adopt that standard of classification as applying to your district?—A. No—what I saw and heard.

Q. What you saw and heard. Did you have any conversation after your return with any of the commissioners on the subject?—A. Not on that trip. I went up and went back to work.

Q. You went back to your own work?—A. Yes, to Kenora. I did not see them again—oh, yes, I went to Ottawa and I saw Mr. Lumsden, I think, I do not know whether I saw any of the commissioners. He asked me or told me to go back and go over the work with Mr. Grant, and I refused point blank to go over the work with Mr. Grant.

Q. Mr. Grant had not then gone out?—A. He was going.

Q. Did you discuss the Quebec classification with him?—A. No.

APPENDIX No. 5

Q. Did you have any talk with any of the commissioners about the Quebec classification after you returned home?—A. I do not think so, in Ottawa.

Q. You did not think so, in Ottawa?—A. No, I had none.

Q. Did you afterwards, after Mr. Grant had been all over your district?—A. I do not know whether I discussed Quebec classification, I discussed what classification I would not allow on my work.

Q. With whom did you discuss that?—A. I think with the board.

Q. With the board?—A. I am not certain. The minutes of the meeting—everything that was said at the time was taken down in shorthand, but I have never seen the report.

Q. What was the date of that meeting?—A. It was the time I went down to answer about Mr. Grant's charges.

Q. About Mr. Grant's charges, that was the day you were present before the board?—A. Yes.

Q. According to the records, as far as I can see, that was on the first of August, because I see on the 31st of July you and Mr. Grant were notified of the meeting, to appear before the board on the first of August?—A. Yes.

Q. Then you and Grant were before the board on that day and you say that everything was taken down in shorthand and you have not seen it since?—A. No, with reference to that question about discussing classification I told several of them afterwards—

Mr. CARVELL.—Now Mr. Hodgins—

The WITNESS.—I think it is immaterial.

Mr. CARVELL.—Just confine your evidence, please, to what took place between the commissioners and the engineers.

By Mr. Hodgins:

Q. Speaking of that interview on the first of August when you were before the board was the question of classification that you were to adopt discussed?—A. I cannot say from memory. I have never seen the notes. A great many questions were discussed then.

Q. Then we will get back to your interview with Mr. Lumsden when he requested you to go out with Mr. Grant and you refused?—A. Yes.

Q. That would be towards the end of June would it?—A. Just after the trip from—

Q. Just after the trip?—A. From Quebec. I think I came up from Quebec on a Monday to Ottawa and left—

Q. Did Mr. Lumsden tell you what instructions he had given to Mr. Grant?—A. I asked him whether we were to take instructions from Mr. Grant and he said no. Mr. Grant had been appointed against his wish and he would see that he did not give any instructions to the engineers.

Q. He would see that he would give no instructions to the engineers. That is to any of the engineers that were on the line?—A. Yes, and I believe he sent a letter out to that effect.

Q. But did he tell you what his instructions to Grant were, what Grant was to do?—A. Yes, he said that Grant was to go over the line and report to him.

Q. And report to him. Then you went from there back to Kenora, I suppose?—A. Kenora.

Q. To your office?—A. Yes.

Q. And what were you doing between that time and the time that Grant's report was sent to you, or rather I will put it down to the time the July estimates reached you at the end of July? Were you in Kenora or down in Ottawa, or where were you?—A. What date was that?

Q. After you got back in June and went up at the end of that month to Kenora. You were back again in Ottawa. You were in Ottawa on the 31st July, because your

reply to Grant was dated at Ottawa on that date?—A. Do you mean after I saw Mr. Lumsden in Ottawa and went back to Kenora?

Q. Yes?—A. I went out on the line. I think I met Mr. Grant in my office.

Q. Did he finish his inspection then?—A. I don't remember.

Q. You don't remember?—A. And I went down to Ottawa after that.

Q. You went down to Ottawa after that? Now, what took place between you and Mr. Grant in your office at Kenora?—A. We discussed the question of classification.

Q. Yes, and what was said about it?—A. He said that the Commissioners wanted the contractors to make money.

By Mr. Murphy:

Q. What was that?—A. The commissioners wanted the contractors to make money and not have any disputes up there. I said: 'That is very pleasant. How do they propose to do it?' He said: 'The only way to do it is to classify them out of the hole.'

By Mr. Hodgins:

Q. The only way to do it was to classify them out of the hole. Yes?—A. I said: 'There is very little to classify on this district.'

Q. Yes?—A. 'It is nearly all solid rock. You cannot classify that any higher'; and I showed him that if I turned all the common excavation that had been returned on the division, outside the prairie, into loose rock, it would not amount to more than \$400 a mile. So the classification of my district was at that time a very small amount.

Q. That is the classification outside of solid rock?—A. Yes.

Q. Well, then, what further took place?—A. He said he knew that, but in Quebec it was different, there was more material to classify in Quebec.

Q. Yes, well?—A. I said: 'From what I have seen there and heard, there will surely be a scandal over the Quebec classification.' He said: 'No, there won't. There never will be any inquiry into it.'

Q. Yes?—A. I thought he was talking pretty wild.

Mr. MURPHY.—We cannot hear the witness.

The WITNESS.—I thought he was talking pretty wild. He left the office about that time, and I walked with him as far as the corner. Then I turned down to my house and he went on to the hotel.

By Mr. Hodgins:

Q. Now, was there anything said about La Tuque?—A. Yes.

Q. What was said?—A. I asked him about the classification there, and he said it was 86 per cent. Originally he said the engineers put it at about 30.

Q. About 30? What engineers did he refer to?—A. The engineers on the work, and he had been sent over the line to re-classify the whole district.

Q. Yes?—A. He had raised it to 80.

Q. He had raised it to 80? Well?—A. And that the Grand Trunk Pacific engineers kicked, and it was raised to 86.

Q. When they kicked it was raised to 86?—A. Yes. I said: 'That is a pretty expensive kick.'

Q. Did he give any explanation as to why it was raised to 86?—A. I did not ask him very much more.

Q. Now, that was some time in July?—A. He had either finished his inspection of the district or was going over another portion of it.

Q. Did he discuss with you the matters which appeared in his report subsequently?—A. Oh, no.

Q. Did he ask for any explanations from you?—A. He said something about a drain or a ditch that had not been paid to a certain sub-contractor named Guy Campbell, I think, and I said that I had seen about that.

Q. You had seen about that?—A. Yes; McArthur said there was only the amount of about \$3,000.

APPENDIX No. 5

Q. Yes?—A. And I had given instructions to have the engineers——

Q. You had what?—A. I had given instructions to the engineers on the work—on this contractor's piece of work—to measure up what the abandoned work was, and some houses, and it was adjusted next month.

Q. It was adjusted next month? Outside of this, did he discuss at all with you the matters which appeared in his report subsequently that month?—A. No.

Q. You did not?—A. He said something about Mr. McIntosh being a good man to classify.

Q. He said something about what?—A. About Mr. McIntosh. I had recommended that Mr. McIntosh be appointed assistant district engineer and he said he was going to recommend him when he got down to Ottawa.

Q. Yes, what did he say about his capacity, or his qualification?—A. He said that he apparently seemed alive to the affairs of his division, that he was very pleased with him; he said he was a very good man and praised him up, and I told him I thought he was.

Q. Did he say anything about the other engineers on your division?—A. No.

Q. He said nothing about them?—A. Not that I remember.

Q. You have gone over his report carefully?—A. Yes.

Q. Have you given us now all that took place in that interview with him regarding any matters which afterwards appeared in the report?—A. As far as I can remember, yes.

Q. Then he made his report, when did you first see it?—A. After I came to Ottawa.

Q. How did you come to go to Ottawa?—A. Mr. Lumsden wired me to come down.

Q. Do you remember the day you got there?—A. No.

Q. How soon before the 31st of July, when you put in your answer?—A. I had just arrived, probably the day before.

Q. Had you your record with you?—A. Nothing.

Q. You had nothing with you, and your answer was put in then, under these circumstances?—A. Yes.

Q. The 31st of July is the date of the letter, you were here the day before, and you were asked to appear before the board on the following day?—A. Yes.

Q. And you did so?—A. I did.

TUESDAY, May 19, 8.30 p.m.

The examination of MAJOR HODGINS resumed.

By Mr. Hodgins:

Q. I want to question you about an interview with Mr. McIntosh after Mr. Grant was in your office in Kenora. Who did you see after he went away on the following day?—A. After Mr. Grant's interview?

Q. Yes?—A. Mr. McIntosh.

Q. And what took place between you?—A. He said to me 'You have always been a good friend to me and I want to give you a piece of advice. I advise you to fall in line with what the commissioners want. It is no use bucking up against them about classification.'

Mr. CARVELL.—I do not want to raise objections but I do not think we are here for the purpose of taking evidence about what some man may have said to Mr. Hodgins unless you connect it with the commissioners. Therefore, I am going to object.

Mr. HODGINS.—It is a matter of inference, I suppose.

Mr. BARKER.—It cannot affect the Commissioners unless Mr. Hodgins goes further.

Mr. CARVELL.—I am going to object to this kind of evidence being given at all.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Mr. BARKER.—Supposing Mr. Hodgins were going on to connect the matter with anybody, the chief engineer or anybody else, he must prove this first. It is not bringing any charge against the commisisoners.

Mr. CARVELL.—As you very well know, in an ordinary case a judge would say, 'Gentlemen of the jury I rule this out entirely.' But this thing goes to the country and Major Hodgins a fortnight from now will say 'I thought I could connect the commissioners but I failed.' The damage will then have been done. Mr. Hodgins knows this is not the proper way to carry on an investigation.

Mr. BARKER.—I certainly do not know it.

Mr. CARVELL.—I know it and I am surprised that you do not. I would not want to make a confession like that if I were you.

The CHAIRMAN.—Certainly I think it is not quite regular to have the witness saying what this person or that person may have told him. There may be no end to it.

Mr. CARVELL.—Certainly not.

The CHAIRMAN.—He may want to tell what fifty or a hundred persons may have told him.

Mr. CARVELL.—Supposing this man goes and tells Mr. Hodgins something which the commissioners may not have told him. You are putting that forward as evidence against the commissioners. All I can say is that I protest against this kind of evidence being given.

Mr. BARKER.—All right make your protest. If the Chairman chooses to rule it out it won't be given.

The CHAIRMAN.—I will let Mr. Hodgins proceed for a while longer but I am afraid I will have to rule the evidence out if he goes too far.

The WITNESS.—I won't say anything more, sir.

The CHAIRMAN.—We cannot have these insinuations as to what this person or that person may have told some other person who told him about it.

Mr. HODGINS.—I may just as well state, there is no secret about it, the circumstances and the reason why I wanted to ask the question. I have shown the discussion with regard to the appointment of Grant, why he was appointed, that he went over the work, that he came in and discussed the question of classification and recommended McIntosh. I propose to ask what information was conveyed to Major Hodgins by McIntosh immediately after Grant had left.

Mr. CARVELL.—Well, I certainly object to it.

Mr. MURPHY.—The major has told us that he had previously recommended McIntosh himself.

Mr. BARKER.—Certainly.

Mr. CARVELL.—We cannot have what McIntosh may have told Hodgins, or any chit chat of men on the work unless the commissioners are connected with it.

Mr. HODGINS.—I certainly thought that evidence was to be given relative to what was said.

The CHAIRMAN.—I think you will have to connect the commissioners directly with any conversation which may have been had with Major Hodgins or anybody else.

Mr. CARVELL.—Evidence of this kind is secondary evidence and not proper evidence.

Mr. HODGINS.—Do I understand the ruling of the committee to be that this is merely an investigation to ascertain how far the commissioners may be affected and not an enquiry in the public interest into what took place in connection with District F and the classification thereon?

The CHAIRMAN.—In a court of justice the judge would not entertain testimony showing that a certain person, or a witness, had a certain conversation, without connecting that with one of the principals. I don't think any court of justice would do it.

Mr. HODGINS.—What I am disputing is that there are any principals in this matter. I think I have a right to go into the suggestions of the parties for the purpose of showing from whom they emanated.

APPENDIX No. 5

The CHAIRMAN.—I do not want to rule you out of order just now. Later on if it goes too far I will have to stop you.

Mr. PARENT.—Mr. Chairman, we would like you to give these gentlemen all the chance possible to prove their case. We are here and as far as we are concerned we wish to let Major Hodgins say what he pleases.

Mr. CARVELL.—Even with that I want to see this investigation held down somewhere to proper limits or else we shall get into trouble by departing from the proper rules of evidence.

Mr. BARKER.—Some members seem to be treating this case as a court martial against Major Hodgins. I have said over and over again that if Major Hodgins retired from the case and refused to go on with it we would ourselves continue the investigation and probe it to the bottom.

The CHAIRMAN.—We must have some rules of evidence.

Mr. BARKER.—This is no trial of anybody. It is in the public interest.

Mr. CARVELL.—It is going to be very close to a trial of the commissioners.

Mr. BARKER.—You are making it that.

Mr. HODGINS.—What rules of court are to govern?

The CHAIRMAN.—The ordinary rules of court.

Mr. HODGINS.—I was given the Nova Scotia and New Brunswick rules of court as the practice for not getting the papers I asked for.

The WITNESS.—I would rather not repeat the conversation.

Mr. BARKER.—It is not a question for the witness, he has got to answer the questions put to him.

Mr. CARVELL.—We will see. Go on with your questions.

The WITNESS.—I won't say anything more, gentlemen.

Mr. BARKER.—If Mr. Hodgins does not choose to answer I will put the question and have it answered. We are not going to have any witness come here and say that he won't answer.

Mr. HODGINS.—I don't think Major Hodgins takes that position at all.

The WITNESS.—I would rather not answer.

Mr. HODGINS.—If Major Hodgins says he would rather not answer, I, as his counsel, feel, under those circumstances, I would rather not ask him to do so.

Mr. BARKER.—I will put the question if you will not.

Mr. CARVELL.—The question has been answered.

Mr. BARKER.—If it has been answered that is enough. I would like to have the last question put to Major Hodgins and his answer to it read by the stenographer. Question and answer read by the stenographer.

By Mr. Barker:

Q. Is that all you have to say upon that point?—A. That is all I have to say.

Mr. CARVELL.—You could not have been listening, evidently.

Mr. BARKER.—I thought there was something more, that Major Hodgins had not finished his answer, and I wanted to get the whole story.

The WITNESS.—That is all I have got to say.

By Mr. Hodgins:

Q. Will you look at the progress estimates for July, 1907. Those are signed by whom?—A. Mr. McIntosh, division engineer, and Mr. Miller, resident engineer.

Q. You find attached to that a typewritten page as a supplement to form 4?—A. Yes.

Q. Residency 25, division 6, showing the amount of material previously returned as common excavation and loose rock now transferred to solid rock?—A. Yes.

Q. Did that accompany the original progress estimate?—A. That accompanied that estimate.

Q. I do not see that that is signed, that copy?—A. Yes, there has been a signed copy sent down.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. There was a signed copy sent down?—A. Four or five copies signed and sent in. Four, I think.

Q. Then you sent these down with a letter to Mr. Lumsden, chief engineer?—A. Yes.

Q. Before I pass from this supplement to form 4, that contains, as I read it—you will tell me whether I am right—the items of yardage taken from common excavation and from loose rock and transferred to and added to the solid rock?—A. Yes.

Q. Now, how many yards of common excavation are transferred to solid rock by that?—A. 875.

Q. And how many of loose rock?—A. 4,980.

Q. Making a total of 5,855 yards? That would make on that estimate alone a difference of how much, roughly speaking?—A. Of \$6,000 or \$7,000.

Q. It is estimated here at \$6,703. Do you know whether that is correct or not?—A. No.

Q. Now, looking at the progress estimate itself. Take Anderson and Johnson. What are these, stations or miles?—A. Stations.

Q. Station 3,517 to 18, what do you find there for solid rock?—A. 1,100 yards.

Q. What do you find for loose rock and common excavation?—A. Nothing.

Q. Nothing? Is there any evidence of an alteration there?—A. Yes.

Q. Can you tell, from looking at it, what it was?—A. No.

Q. You cannot tell?—A. No.

Q. Then take 3,523 to 3,520, what do you find for solid rock?—A. 4,220.

Q. Anything for common excavation and loose rock?—A. No.

Q. Any evidence of alteration?—A. An alteration in common excavation.

Q. I want you to take those items and see what the previous progress estimate was. Trace those items back, please. I want to see how early those have been made, the common excavation and loose rock, before the transfer took place?—A. What is the station?

Q. Take 3,517 for June. How does it appear in the June estimate?—A. 900 yards of solid rock, 50 yards of loose rock, 150 yards of common excavation.

Q. Now, go back and see how far back that extends, that same classification. Just look in May and in April?—A. May, 750 yards solid rock, 50 yards loose rock, 150 yards common excavation.

Q. How many yards of solid rock?—A. 750.

Q. I see it appears as 900 in June. Then take April for that same station, 3,517 to 18?—A. 250 yards solid rock, 50 yards loose rock, 150 yards common excavation.

Q. Then, that loose rock and common excavation is the same back to April?—A. Yes.

Q. And March, how do you find that?—A. 250 yards solid rock, 50 yards loose rock, 150 yards common excavation.

Mr. MURPHY.—Is that the same?

Mr. HODGINS.—Much the same.

The WITNESS.—Excepting the solid rock. In the solid rock there is a decrease.

By Mr. Hodgins:

Q. The solid decreases as you go back, I suppose?—A. The solid decreases, yes.

Q. Then take February, how do you find it?—A. 150 yards solid rock, 50 yards loose rock, 150 yards common excavation.

Q. Then take January, how do you find it there?—A. No solid rock, 50 yards loose rock, 150 yards common excavation.

Q. Then December, 1906, what do you find there?—A. No solid rock, 50 yards loose rock, 150 yards common excavation.

Q. Then, am I right in saying that that appears from December right on to be the same for loose rock and common excavation?—A. Yes.

Q. Does that mean that they were classified in December, or earlier, just in that way and so remained down to June?—A. So remained down to June, yes.

APPENDIX No. 5

Q. And is the December one signed by McIntosh?—A. Yes.

Q. What is the custom? Do you require them to be signed by the resident engineer and the division engineer?—A. The resident engineer and the division engineer.

Q. Now, do you know any reason why those items, classified as far back as December, 1906, as common excavation and loose rock, should be made into solid rock in July, six months afterwards?—A. No.

Q. Did you go over the work with regard to those two items?—A. Yes, I went over it twice.

Q. You went over it twice? Did you find out what those items referred to?—A. I did not make a very thorough examination the first time.

Q. Well, the second time, then?—A. Yes.

Q. What did you find?—A. I found it was common excavation and loose rock according to specification.

Q. Was that report to Mr. Lumsden, chief engineer?—A. Yes.

Q. Now, take up the next item?—A. Are you going over them all?

Q. Yes, I am going over them all but I am trying to shorten them up as much as I can. Now take station 3523.

Mr. BARKER.—I think you had not completed the history of that. He said he looked over it twice, what was the result of his investigation?

Mr. HODGINS.—I was going over all these items, but I will complete this if you wish.

By Mr. Hodgins:

Q. After your inspection what action did you take in connection with it?—A. Cut it out of the estimates—I passed it in the first estimate that came.

Q. Yes, in July?—A. When I got this statement I had not been out to see it, and I told Mr. Lumsden about it, I met him in Winnipeg a few days afterwards, and said I was going out on the work to inspect it.

By Mr. Barker:

Q. You inspected this section that you have just been speaking of?—A. Yes.

By Mr. Hodgins:

Q. Then we have the August estimates here.

Mr. BARKER.—Did he inspect it.

Mr. HODGINS.—Oh yes.

Mr. BARKER.—He hasn't said so.

Mr. HODGINS.—Pardon me, he said he was out and saw it twice.

Mr. BARKER.—I want to know what he saw.

Mr. HODGINS.—Well, I will ask him so as to make it clear.

By Mr. Hodgins:

Q. When you went out to inspect and go over this work what did you find, these items of 50 yards and 150 yards to be properly under the specification?—A. Common excavation and loose rock.

Q. Then I produce and show to you the original estimates in August. Will you look at these, they are signed by McIntosh?—A. Yes.

Q. How were they returned to you in August?—A. The same way as they were returned the previous month.

Q. That is what?—A. Is this the one? (Indicating return).

Q. Yes, 3517?—A. 1,100 yards of solid rock, no loose rock, no common excavation.

Q. What change did you make in that estimate before you sent it in?—A. I changed, or had it changed back to what it had been previously.

Q. And it so appears in red ink upon this original estimate for August. Now, I will put in this letter.

MAJOR HODGINS.

EXHIBIT No. 6.

No. 541.

KENORA, ONT., September 14, 1907.

H. D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—With reference to the changing of classification on Mr. McIntosh's division, Res. 25 in the July estimate.

Sta. 3517, 150 cu. yds. com. ex. was returned in April last and 50 yds. of loose rock was also returned in that month. This is still the material originally returned and cannot be made into solid rock no matter how liberal the classification is.

The same can be said of 200 yds. com. ex. returned in April in cut 3523-70.

Cut 3972-54. 70 yds. com. ex. returned in Jan. last 40 yds. loose rock returned in the same month. This consists of a little stripping and a little mixed material at the mouth of the opening. This item is small, but there has been some waste in this cutting. I do not see how any extra liberality can be made in the interpretation of the specifications, to call this mixed material solid rock.

Cut 4009-14. There is altogether too much waste in this cutting, even if it were possible to consider 400 yds. loose rock as 400 solid rock. The waste in this cutting is certainly deliberate. There is a small amount of overbreak. The bank made up from this cutting is very wide in places, showing carelessness on the part of the sub-contractor or station men.

Sta. 4027-33. 100 yds. com. ex. and 1,060 yds. loose rock were transferred under the heading of solid rock. This is stripping. You will see from the progress profile that it overlies the solid rock.

Sta. 4076. 30 yds. com. ex. and 830 yds. loose rock, transferred to 860 yds. solid rock. There is a pocket of pure sand in this cut, which in my opinion is a stretch of imagination to call loose rock. The 30 yds. com. ex. occurs at the west end of the cutting and was returned in Feb. as com. ex.

Sta. 4143-39. 50 yds. com. ex. 200 yds. loose rock, east end and 90 yds. com. ex. west end, transferred to solid rock. This is a very bad cutting and has been classified very liberally in loose and solid rock. The solid rock consisting of boulders. Mr. McIntosh informs me that he classified this to show a profit of \$600 on Mr. McArthur's prices to date. It is impossible to estimate the amount of boulders. The east end of this cutting, Sta. 4143, has a gravity track and loaded cars run down themselves; a single horse pulls them up. There are five men shovelling in this cut and two cars. Owing to the length of time it takes the horse to pull the empty car back to the pit, I noticed the men were idle most of the time I was there. However, this cutting shows a profit on Mr. McIntosh's classification.

Sta. 4162-82. 820 yds. loose rock transferred to solid rock. Here there is more sand than loose rock showing. Mr. McIntosh informed me he increased the solid rock in order to bring it to a profit to the contractor at Mr. McArthur's prices.

Sta. 4178-58. 120 yds. com. ex. transferred to solid rock. There have been 5,250 yds. loose and 1,700 yds. solid rock returned in this cutting. It is more a loose rock cutting than a solid rock cutting, and if it is permitted to transfer 120 cu. yds. into solid rock, there is no reason why the balance of the cut should not be treated in the same way. The solid rock in this cutting consists of boulders. The cut is a little wet. No com. ex. has been given. Mr. McIntosh acknowledges the classification high, and said he had to do this in order to keep the men at work.

Sta. 4190. 550 yds. loose rock transferred to solid rock. This was excavated in February. I can see no reason why it should not still be called loose rock. It certainly is not solid rock.

Sta. 4201-37. 65 yds. com. ex. and 900 l. rock transferred to solid rock. Mr. McIntosh informs me that all the stripping in this cutting is returned as solid rock, although it might rightly be called loose rock. 50 per cent of this stripping returned

APPENDIX No. 5

as loose rock and the balance solid will be, in my opinion, extremely liberal classification. The difficulty in Mr. McIntosh's classification is that he has gone beyond the limits of liberality. In this cutting the stripping is no use in a rock bank and should have been wasted. The portion taken out this summer is only about 3 ft. deep.

Sta. 4213-42. 50 yds. loose rock transferred to solid rock. The item is very small and is hardly worth considering.

I am of the opinion that if all the common excavation referred to in the above cuts were returned as loose rock, the loose rock left as previously returned, the contractors would be very liberally dealt with.

With reference to the cutting station 4240 and 4250, between these cuttings there is a fill, and some juggling has been going on in the estimates for the last month.

Mr. McIntosh ordered that 2,700 yds. of loose rock in the cut near Sta. 4240 should be turned into solid rock in the month of July, and in cutting starting at 4250 the same number of yards was returned as loose rock instead of common excavation, which it surely is, being the finest sand cut that can be found on the line. This should not have occurred, and I report the matter to you to deal with.

I have also to report to you that Mr. McIntosh allowed his resident engineer on Res. 25 to add some 660 yds, to the estimate on cutting 3848, west of the Wabigoon river. The resident engineer did this to cover up the extravagant classification that he had given to station men when they were quitting. The men have gone away, and unless the same men come back to work this out, this cut will be estimated to contain 660 yds. more than has been taken out, to say nothing of the very liberal classification in loose rock, being a clay cutting, with the exception of a little lump of solid rock encountered near the mouth.

The last time I was over Mr. McIntosh's works I found at Sta. 3400 to 3402, mile 64, that some 900 yds. pure muskeg had been returned as solid rock. The resident engineer informed me that this muskeg was taken out by station men and the contract paid them 23 c. a yard. It was wasted to the side. The reason for returning this as solid rock, claimed both by Mr. McIntosh and the resident engineer, was that it was a pocket in a rock cut. I ordered Mr. McIntosh not to let this sort of thing occur again, and to return it and classify it correctly. The resident engineer estimated the day I was there that some 1,800 yards of muskeg had been taken out to date, and he would have returned all this as solid rock if I had not stopped him. You can conclude from this what sort of classification has been made on Mr. McIntosh's division since the June estimate went in.

Mr. McIntosh claims that he was not influenced by Mr. Grant's remarks, but something has influenced him to classify in this extravagant and improper way.

It is to be noticed that he is the only engineer picked out by Mr. Grant as one capable of classifying properly, and Mr. Grant suggested to me that Mr. McIntosh be appointed assistant district engineer, with headquarters at Winnipeg river, and that the whole of the classification in this district be left in his hands.

Under ordinary circumstances Mr. McIntosh should be discharged, but as something has influenced him to classify in this extravagant way, I thought it better to refer the matter to you rather than deal with him myself.

If common excavation and loose rock are to be lumped wholesale into the column for solid rock against my orders, I wish to be relieved of all responsibility.

I told all the engineers to be as liberal as they possibly could in the classification of mixed material, and always to give the contractor the benefit of the doubt if any sort of argument could be used to classify this material as loose rock, but they must strictly draw the line in returning solid rock where solid rock does not exist.

Yours truly,

A. E. HODGINS.

District Engineer.

Q. Now will you take the next item, Stations 3523 to 3520, 200 yards common excavation?—A. What month?

MAJOR HODGINS.

Q. Just take that in July, that is 3523 to 3520. Is there any common excavation or loose rock in that?—A. No.

Q. There is not, now have you traced that back? That item of 200 yards of common excavation, transferred to solid rock, back through these estimates?—A. Yes.

Q. Now, just let us see if we can find that in December, instead of going through all these returns?—A. I do not think it is in December, I think it is in January.

Q. It is in December, is it?—A. No, in January.

Q. In January, 1907?

By Mr. Murphy:

Q. What is in that?—A. In January, 1907, 200 yards of common excavation, no loose rock, 800 yards of solid rock.

By Mr. Hodgins:

Q. Is that 200 yards of common excavation carried down through the estimates from January down to July without change?—A. Yes.

Q. Then did you, in your inspection, investigate that item?—A. Yes.

Q. And did you report upon that?—A. Yes.

Q. To Mr. Lumsden?—A. I did.

Q. What did you do with it in the August estimate?—A. I put it back into common excavation—put 200 yards back into common excavation.

Q. What should it, in your investigation, properly have been classified at?—A. Common excavation.

Q. Do you know any reason why, after having remained in the estimates from June, to July as that, it should have been changed in July?—A. No.

Q. I see this is changed in red ink in the August estimate, put back?—A. Yes.

Q. Now, will you take the next item of 70 yards common, and 40 yards loose rock in 3972 to 3969, how far back will these items go?—A. That began in December, the common excavation, there were 40 yards of common excavation returned for that cut in December.

By Mr. Murphy:

Q. How much 'loose'?—A. There was no loose returned until January. In January there were 30 yards of common excavation, that made up the 70.

By Mr. Hodgins:

Q. That makes up the 70, and in January appears 40 yards of loose rock?—A. 40 yards of loose rock.

Q. That is the item, does that go through the estimates from then on until July?—A. Yes.

Q. Did you investigate that?—A. Yes.

Q. What did you find that ought to be, at your investigation?—A. Put back where it had been originally.

Q. And in this August estimate did you do so?—A. Yes.

Q. I think I asked you if there was any reason why it should have been changed in July, but there is no harm to ask it again?—A. No.

Q. Now, can you tell me the next item, 400 yards of loose rock in 4009 and 4014; when did that first come in?—A. I haven't a note of that here, I will have to look that up—in January.

Q. In January, 1907?—A. No, there is nothing returned in January, 4009?

Q. 4009?—A. 150 yards of solid rock returned in January—4009, 400 yards of loose rock

Q. Do you find it?—A. No loose rock returned for that cut in January—now, wait—

Q. Perhaps you can find it in your letter what that was?—A. 4009 to 4014 in June, 400 yards of solid rock returned.

APPENDIX No. 5

Q. Yes, in the June estimate. Now how do you find it in the July estimate for 4009? What was the solid rock in the June estimate?—A. It had 200 yards of solid rock returned and 400 yards of loose.

Q. Now, look at the July estimate?—A. 4009 to 4012—4,770 solid, no loose, no common excavation.

Q. That 400 has disappeared, that has been transferred apparently according to this?—A. Apparently.

Mr. BARKER.—Transferred from what?

Mr. HODGINS.—From loose rock to solid.

By Mr. Hodgins:

Q. Did you investigate that?—A. Yes.

Q. Did you report that to Mr. Lumsden?—A. Yes.

Q. Just look at this letter and see what the explanation is? See if you can make that anything clearer to us, I do not understand it.

Mr. MURPHY.—What letter is that?

Mr. HODGINS.—That is the letter, Exhibit No. 6.—A. Can I have the profile?

By Mr. Hodgins:

Q. Yes, if you want it; can you make it out from reading that letter, or do you want the profile?—A. Oh, never mind about the profile.

Q. What is the explanation of that?—A. (reads) '4009, there is altogether too much waste in this cutting, even if it were possible to consider 400 yards of loose rock as 400 yards of solid rock. The waste in this cutting is certainly deliberate, there is a small amount of overbreak, and the bank made up from this cutting is very wide in places, showing carelessness on the part of the sub-contractor or station men.'

Q. Then what did you do with that in the August estimate?—A. I put it back in the August estimate into loose rock.

Mr. BARKER.—I understand the witness is reading, I would like to know whether he says upon oath that what he did is correct.

By Mr. Hodgins:

Q. Well, I will ask him. How did you find upon your examination that ought to be classified?—A. I can only speak from notes.

Q. Quite so?—A. I haven't got the whole thing in my head; here are the notes I took.

By Mr. Carvell:

Q. Were the notes made as the result of personal examination, or from information given you by someone else?—A. Personal examination; here are the notes I made on the back of this paper, on the work.

By Mr. Murphy:

Q. When?—A. At the time I was inspecting it.

Q. When was that?—A. I should think between September 12th and 14th, according to this letter. I wrote this letter on the 14th, I had just come in from the work.

By Mr. Hodgins:

Q. Then what do you say? You are entitled to look at your notes, I think. How do you say that 400 cubic yards should be classified?—A. As loose rock.

Now, look at the next item, please; that 4027 to 4033, 100 yards common excavation, and 1,060 loose rock transferred to solid. Now can you tell where these items—take that item of 100 yards—where that first appeared?—A. It was in February March, April May and June estimate.

Q. I see, then take 1,060 loose rock transferred?—A. They began that work in January.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Yes?—A. There was 50 yards of loose rock returned that month, 650 in February, 1,250 in March, 1,340 in April, 1,760 in May, 1,960 in June and 900 in July.

Q. That is, as I understand it, that it had been classified from month to month as loose rock to the extent of 1,960 yards?—A. Yes.

Q. Of which 1,060 yards were transferred in July?—A. In July.

Q. To solid rock?—A. And 900 was left in the loose rock column.

Q. Now, did you investigate that?—A. I investigated the whole thing.

Q. And how did you find that that ought to be classified?—A. As it had been classified originally.

Q. And did you disallow that, or transfer it back in the August estimates?—A. I transferred it back in the August estimates. I did the whole of these.

Q. Did you report that to Mr. Lumsden in the August estimates?

Mr. MURPHY.—When was it reported?

Mr. HODGINS.—It is all reported in this letter of September 14; if there is anything different, you understand, I will mention it.

By Mr. Hodgins:

Q. What is the next item?—A. Station 4,076 to 4,079, 30 yards common excavation; 830 loose rock transferred to—

Q. Solid?—A. Solid as 850 yards.

Q. When did that item of 30 first appear?—A. In my notes here, February.

Q. February, 1907—what about the 830?—A. The note is here, 730 yards returned in it of loose rock in February, and in April 830.

Q. Now, did they remain the same through these estimates, from those dates, down to the time of the transfer?—A. Yes.

Q. And did you go out on the work and examine into that?—A. Yes.

Q. And did you determine how that ought to be classified?—A. Yes.

Q. And in your judgment how should it have been classified?—A. I put it back to what it was originally returned.

Q. Yes, and in your judgment was that the right way of dealing with it?—A. Yes.

Q. Now look up your notes with regard to that and see what the circumstances were; how did you report that to Mr. Lumsden according to that letter?—A. (reads) 'Station 4076, 30 yards com. ex. and 830 yards loose rock, transferred to 860 yards solid rock. There is a pocket of pure sand in this cut, which in my opinion, is a stretch of imagination to call loose rock. The 30 yards com. ex. occurs at the west end of the cutting and was returned in February as com. ex.'

Q. Is that statement a correct description of the situation as you found it on the ground?—A. That is a correct description.

Q. Did you transfer that back?—A. I transferred it, I had transferred all these before I went out the second time.

Q. In the August estimates?—A. In the August estimates.

Q. What is the next item?—A. (Reads) '4143 to 4146, 50 yards com. ex. and 280 yards of loose rock turned into 339 yards of solid rock.'

Q. Did you investigate that?—A. I investigated them all.

Q. Now, just tell me when these first appeared in the estimates?—A. From this note, in February.

By Mr. Murphy:

Q. Can you tell us without reference to the note?—A. I would have to turn up all these returns in order to do so.

Mr. HODGINS.—We have gone over all these returns?—A. It is easily checked up by these papers.

By Mr. Barker:

Q. Were these notes made at the time?—A. I made these notes in my office at the time.

APPENDIX No. 5

Mr. PARENT.—Are you going to produce these notes?

Mr. HODGINS.—They are here on the book, I understand.

Mr. PARENT.—But if you refer to them as a matter of evidence, they should be produced.

Mr. HODGINS.—If anybody wants them, they can be produced, I do not care; the record is in the commissioners' office in the form of a letter, but if you want these you can have them.

Q. The question, I think, was when did this first appear?—A. I will look it up—February.

Q. That is as to the 50 yards?—A. As to the 50 yards.

Q. And as to the 280 yards?—A. I cannot say from these notes; I will have to look it up.

Mr. MURPHY.—What are these answers being based on? Are the notes the basis of the answer or the letter put in as an exhibit?

Mr. HODGINS.—I have gone over all these, and if you want to take up the time now we will turn them up in the returns, but we have done that already.

Mr. BARKER.—I think the question is fair; the notes were made on the spot immediately after the examination.

Mr. HODGINS.—I understand these are all made by the witness after going through the returns.

Mr. MURPHY.—I understood the witness to say he could not answer now after reference to his notes.

A. You see, I have a note here; here is the item I wanted to talk about—280 yards. I have a note there of 440 yards, and I could not connect these two together without looking it up. I took these notes in my office when writing the letter. There is a list of the items. I haven't got the information with reference to this particular one.

Mr. HODGINS.—Never mind about explaining more than one item; we will have to look the others up afterwards. About the 280?—A. What is the station?

Q. 4143; it was started in December and came right along?—A. I do not see anything in December.

Q. Here it is—4143 to 4146?—A. (Reads): '4143 to 4146, in January, 50 yards loose rock.' 50 yards common excavation was returned.

Q. That is probably the 50 yards that you found in February, that goes back as far as December. Then you make these two loose rock, you find the 50 yards?—A. 50 yards.

Q. What is solid?—A. No solid.

Q. Now, take February.

Q. Now, 4143—50 yards of common excavation—the same 50?—A. 440 yards of loose rock and 60 yards of solid.

Q. Do your notes indicate what those progress estimates show?—A. The notes show that in March 1,150 yards of loose rock were returned.

Q. In May?—A. I have not got April, possibly there was no change. In May, 19,060, and in June, 2,680.

Q. Let us look at June?—A. 4143. In June 50 yards of common excavation, 2,680 loose, 770 solid.

Q. That is 4143, is it?—A. 4143.

Q. Now, what is shown in June for solid rock?—A. 770.

Q. And what is it in July?—A. 1,100.

Q. What is the loose rock for June?—A. That is June, is it, which you have?

Q. You have got July in your hand. Just look at June. Give me the June common excavation?—A. 50 yards.

Q. And give me the June loose rock?—A. 2,680.

Q. Now, look at the July, how much loose rock is there?—A. 2,400.

Q. That is a decrease of 280 yards?—A. 280.

Q. And the common excavation in June of 50 yards has disappeared?—A. Yes.

Q. Now, adding the 330 yards to the 770, how much do you make of solid rock?—
A. 1,100.

Q. That is the amount, is it not, returned in June?—A. Yes.

Q. Now, did you go over that and investigate it?—A. I did.

Q. And, in your judgment, how should it have been classified?—A. I thought the first classification was all right.

Q. And what did you do with it in the August estimate?—A. Put it back to what it had been originally returned.

Q. And reported that to Mr. Lumsden?—A. Yes.

By Mr. Barker:

Q. What is the result—50 yards of common excavation turned into solid rock and 280 yards of loose rock converted into solid rock, drawing the prices of solid rock?—A. Yes, sir.

By Mr. Hodgins:

Q. The next one is 4153, 90 yards of common excavation transferred. Where did that first appear?—A. January.

Q. Just look at the June estimate now, and see if that appeared. It is 4153?—
A. 90 yards in June.

Q. Of common excavation?—A. Common excavation, yes.

Q. Now, in July, in 4153, there is no common excavation?—A. No common excavation.

Q. And what is the difference in the solid rock between what it was before and what it is now?—A. Well, there might have been some solid rock moved during that month.

Q. See if the total is increased in 4153?—A. 480.

Q. I see in July 4153 is returned as 1,100 solid rock and common excavation?—
A. But that additional solid rock, that is in that month, would be the additional work that had gone on.

Q. Except the 90?—A. Except the transfer.

Q. Now, did you investigate that on the ground?—A. I investigated all these.

Q. You reported it and disallowed it in the August estimates?—A. I disallowed it before.

Q. Not before the August estimates, did you?—A. The month before I made this report.

Q. Now, take the next item: 4162, 820 yards of loose rock transferred to solid rock?—A. 820.

Q. Yes?—A. Well, in June there were returned 2,820.

Q. Well, now you will have to trace that back. Just look at May?

By Mr. Murphy:

Q. What is that, solid?—A. Loose. Just a transfer of 820. 2,000 remain.

By Mr. Hodgins:

Q. Then, what is the loose rock in May?—A. 2,340.

Q. That is only 480 yards, so you will have to go back further than that to account for the 820. Then take April?—A. It was probably changed in some previous month.

Q. I just want to trace it back. What is the number?—A. 4162.

Q. The loose rock is returned as 1,860?—A. What month?

Q. In April 1,860 and in May 2,340. Now, add the two together, and how much do they make?—A. 860.

Q. That is a little more than 820. That would carry it back how far, to the April estimate?—A. The April estimate.

Q. Will you look at your letter and see if that recalls anything to you (handing

APPENDIX No. 5

letter to witness); you did investigate that on the ground?—A. Yes. (Reads): 'Sta. 4162. 820 yds. loose rock transferred to solid rock. 'Here there is more sand than loose rock showing. Mr. McIntosh informed me he increased it to solid rock in order to bring it to a profit to the contractor at Mr. McArthur's prices.'

Q. How should that 820 have been classified?—A. As common excavation.

Q. It is transferred from loose rock here?—A. It should have been classified as loose rock.

By the Chairman:

Q. It should have been classified as loose rock?—A. I take it so, sir. I don't remember the actual item.

Q. Your letter says there is more sand than loose rock showing?—A. I told Mr. McIntosh to go over his classification all over. I would not make the classification. I left it to him to make a re-classification.

By Mr. Barker:

Q. In this case?—A. In this case.

By Mr. Murphy:

Q. But you changed it afterwards?—A. I put it back to what it had been originally. It was originally loose rock, and he jumped it up to solid rock, but it was not solid rock.

By Mr. Hodgins:

Q. In the August estimate you altered that, making the 2,000 yards of loose rock 2,820 yards and taking the 820 from the solid rock?—A. Yes.

Q. That was also reported, was it not?—A. Yes.

Q. Take the next one, 4178, 120 yards of common excavation. Look up your notes and see when it was first classified by McIntosh?

By the Chairman:

Q. Those notes which you are continually referring to, tell the committee under what circumstances they were made, and when?—A. Made on the work while I was investigating. I had these pieces of paper, and these are some notes on the back of them that I made on the work.

Q. You took your own notes?—A. My own notes.

Q. On the work?—A. On the work.

Q. And you wrote them in your office?—A. These notes as to what date the item first appeared in the estimate I got in my office by looking up the same sheets. I had copies of these sheets in my office.

Q. When you went over the work you took your own notes?—A. Took these notes—

Q. In what way?—A. And they formed the basis of this letter.

Q. You took your own notes on the back in pencil, and when you went back to your office you put them into shape?—A. In the shape of a letter.

By Mr. Hodgins:

Q. Now, 4178, the 120 yards of common excavation appeared first in January?—A. First in January.

Q. That was transferred in July. Now what do you have to say as to that?—A. There is no reason why it should not have been left in common excavation.

Q. Was that transferred by you in August?—A. They all were, yes.

Q. The whole sheet as it stood, and that was afterwards reported? Now take the next item 4190, 500 yards of loose rock. I think you will have to trace that?—A. In February 400 yards of loose rock was reported.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. You had better just see where that commenced?—A. 4190. No common excavation, 400 of loose rock and 40 of solid. It was evidently the commencement of the cut.

Q. That is February. Now look at March please?—A. 4190. No common excavation, 900 yards of loose rock, 150 yards of solid.

Q. That is more than 550?—A. It is more than 550.

Q. So that must have started as far back as February and March?—A. February and March.

Q. And that was investigated by you?—A. Yes.

Q. And how should it be classified?—A. The same as it had been before.

Q. The next item, please?—A. 4201. 65 yards common excavation, 900 yards loose rock. Transferred to solid rock 965 yards.

Q. Now have you notes on that?—A. (reads): 'A portion of stripping taken out, 2 or 3 feet deep. 50 per cent of this loose rock and 50 per cent solid would be liberal. Where can the line be drawn. McIntosh has drawn no line. Stripping should have been wasted. It is no good in the bank with the solid rock.'

Q. Perhaps your notes were extended a little more when you came to write the letters. Just look at the letter?—A. (reads) '65 yards common excavation and 900 yards loose rock transferred to solid rock. Mr. McIntosh informs me that all the stripping in this cutting is returned as solid rock although it might rightly be called loose rock. 50 per cent of this stripping returned as loose rock and the balance solid rock will be in my opinion, extremely liberal classification. The difficulty in Mr. McIntosh's classification is that he has gone beyond the limit of liberality. In this cutting the stripping is no use in rock bank and should have been wasted. The portion taken out this summer is only 3 feet deep.'

Q. What did you do with this item, transfer it back to where it was?—A. I transferred all these items back before I went out. I went out after I had transferred them and made those notes afterwards.

Q. And reported to Mr. Lumsden?—A. Reported to Mr. Lumsden.

Q. You never saw the September estimates?—A. No.

Q. Now take the last item 4213. 50 yards of loose rock. Just look up and see if that appears first in June?—A. What is the item?

Q. 50 yards of loose rock, 4213?—A. 4213. No common excavation, 50 yards of loose rock, 50 yards solid rock.

Q. Now the loose rock is transferred in July. What do you say as to that? It is hardly worth considering?—A. Hardly worth considering. You see I told Mr. McIntosh that I was not going to classify this. I told him he would have to classify it and have it in proper shape by the September estimate and I left this to him to do it.

Q. And before the September estimate came out you were dismissed?—A. The day after I wrote this letter, or a couple of days afterwards, I got the letter from Mr. Lumsden. The letters crossed, I expect.

By Mr. Barker:

Q. Before you go on. Who made the original estimates that were replaced by you?—A. I don't understand that?

Q. The estimates which were transferred by Mr. McIntosh, who made them originally and certified to them?—A. He and the resident engineer were responsible for it. They were on the work all the time.

Q. Did he send the certificates to you?—A. Oh yes.

By Mr. Hodgins:

Q. Was it his duty and that of the resident engineer to classify?—A. It is the resident engineer's duty to classify and consult with the division engineer. They are the men that are on the work. They know more about it and can give a better opinion.

APPENDIX No. 5

By Mr. Carvell:

Q. Than whom?—A. Than anyone else that goes on the work unless he studies it out.

By Mr. Hodgins:

Q. Now this is the letter of McIntosh attached to that which forwarded the estimates for the month of July to you?—A. Yes.

Q. And on the back of the attached sheet are your notes. I will put those in as requested.

EXHIBIT No. 7.

THE COMMISSIONERS OF THE TRANSCONTINENTAL RAILWAY.

WABIGOON FALLS, July 27, 1907.

MAJOR A. E. HODGINS,
District Engineer, N.T.C. Ry.,
Kenora, Ontario.

DEAR SIR:—Enclosed herewith please find estimates for the month of July. I have made some changes in the classification, changing certain amounts which were returned as loose rock into solid, and common excavation into loose rock on Residencies 25 and 25. A statement is attached to the estimates showing the amounts transferred. The amount transferred on Residency 26 is 2,300 cubic yds., from loose rock to solid, Station 4,240.

On Residency 25 the items are shown on memorandum attached. These transfers I have deemed advisable to make at the present time as having regard to the cost of working and material they should be promptly classed as rock excavation.

The estimate this month shows an increase over last month of \$35,024. The force at the present time is over 900 men (written in pencil '712 in June.') Several new camps are now being built and conditions generally improving.

The force on this division has not been affected as yet by the usual summer restlessness of labour.

I am forwarding to you a blue print showing the location of new camps, and new roads which have been built.

Yours truly,
F. J. McINTOSH,
Division Engineer '6.'

NOTES ON BACK OF LETTER.

4162+82	L.	S.	
May.	2,340	460	
June.	2,820	580	
July.	2,000	1,880	
4178	L.	S.	C.E.
July.	4,610	1,540	
	4,420	610	120
4190			
February.	400	40	
March.	900	150	
April.	1,300	250	
May.	1,350	650	
June.	1,350	1,100	
July.	800	2,150	
		3,515	

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

4201	L.	S.	C.E.	
July				
June	900	1,700	65	
May	700	1,600	65	
April	450	1,350	65	
March	300	850	65	
February	300	180	65	
January	35	0	65	
4213				
June	50	50		
July	0	650		
	L.R.	C.E.	S.	
June	2,680	50	770	
July	2,400	0	1,100	330

EXHIBIT No. 8.

SUPPLEMENT TO FORM 4—RESIDENCY 25, DIVISION 6.

Showing amount of material previously returned as common excavation and loose rock, now transferred to solid rock.

Station to Station.	Yardage deducted from common excav. item 6.	Yardage deducted from loose rock, item 5.	Yardage adds to solid rock, item 4.
Anderson & Johnson :—			
3517 ÷ 11.6—3518 ÷ 80	150	50	200
3523 ÷ 70 —3520 ÷ 50	200	..	200
Chas. Peterson :—			
3972 ÷ 54.4—3969 ÷ 37	70	40	110
4009 ÷ 14 —4012 . . . . .	..	400	400
4027 ÷ 33 —4030 ÷ 35	100	1,060	1,160
4076 ÷ 75 —4079 ÷ 65	30	830	860
4143 ÷ 39.5—4146	50	280	330
4153 ÷ 62 —4149 ÷ 35	90	..	90
4162 ÷ 82 —4168 ÷ 10 . . . . .	..	820	820
4178 ÷ 58 —4173 ÷ 10	120	..	120
4190 —4192 ÷ 65 . . . . .	..	550	550
4201 ÷ 37 —4197	65	900	965
4213 ÷ 42 —4214 ÷ 75 . . . . .	..	50	50
	875	4,980	5,855

Station 4051 to 4230, 4,591 acres clearing deducted from Chas. Peterson and transferred to D. C Galbraith.

(Written in pencil :
 Cut 4068 sand and gravel.
 Cut 4250 to 57
 148 3-3158 E. R. 6894 E. June
 168 5838 6894 E. July
 All July work classed as L x s
 Work done previously harder than
 since.)

Correct.
 Wabogoon Falls, July 28, 1907.
 (Sgd.) A. P. Miller,
 Res. Eng. 25.
 (Sgd.) F. J. McIntosh,
 Per A. P. M.
 Division Eng. "6."

(Classification will be reduced when more L. R.)

APPENDIX No. 5

EXHIBIT No. 9.

No. 541.

KENORA, August 6, 1907.

H. D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa, Ont.

DEAR SIR,—I send you to-day, per Dominion Express, J. D. McArthur's progress estimate for month of July, comprising single copies of Forms Nos. 4, 5, 98, 45 K (Division Engineer to District Engineer and District Engineer to Chief Engineer), and 45 X, triplicates of Form 101 and statements relating to same, two copies of extra order No. 23, and one only of order No. 37, two copies of this last order being already in your possession.

I inclose herewith a copy of a letter from Mr. McIntosh relating to an error of 100 c. yds. of loose rock on Residency 25, Stn. 3974-50; this item was erroneously entered in June and has been deducted in the current estimate.

A statement is attached to Form 4, Residency 25, showing certain amounts, which were previously returned as loose rock and common excavation, now returned as solid rock.

Mr. McIntosh writes *re* same:—

'These transfers I have deemed it advisable to make at the present time, as, having regard to the cost of working and material, they should be properly classed as rock excavation.'

You will also notice on Residency 26, that 33 c. yds. of dry masonry have been deducted, and a like amount has been added to item 17, paving.

On Form 45 X, appears an amount of piling delivered, this material is off loaded at the material yard, and it would not be fair to enter this under item 10 on residency 39, as it will be split up and used on several residencies. In due course, it will be deducted from Form 45 X and entered under items 10 and 11.

The extra work appearing under order No. 23 is the first progress under this order. Form 101 covering same will be sent to you as soon as received from Mr. A. G. MacFarlane.

For explanation of extra work at Neck lake, see my letter of yesterday's date. Form 101 for this will also be sent you as soon as received.

Yours truly,

A. E. HODGINS,
District Engineer.

I have also put in a letter of the 6th August transmitting the progress estimates for July to Mr. Lumsden. (Exhibit 9.) I will refer to two paragraphs in it. The letter transmits the daily estimates comprising single copies of forms Nos. 4, 5, 98 and so on, and statements relating to estimates. Now these are the paragraphs I referred to (reads):

'I inclose herewith a copy of a letter from Mr. McIntosh relating to an error of 100 cubic yards of loose rock on Residency 25, Stn. 3,974-50; this item was erroneously entered in June and has been deducted in the current estimate.'

'A statement is attached to Form 4, Residency 25, showing certain amounts which were previously returned as loose rock and common excavation, now returned as solid rock.'

Mr. McIntosh writes *re* same:

'These transfers I have deemed advisable to make at the present time, as, having regard to the cost of working and material they should be properly classed as rock excavation.'

Now that is a quotation from McIntosh's letter contained in your letter of the 6th August, 1907. Did you see the chief engineer personally after writing that letter? —A. What is the date of that?

MAJOR HODGINS.

Q. August 6?—A. No.

Q. Well, I understand that Mr. Lumsden went up there about the 12th or 13th August?—A. August? Let me see. I forget. I saw Mr. Lumsden up there. It would be about the time he was in Winnipeg.

Q. About 6th of August?—A. And I spoke to him about it, and told him I had sent it to him.

Q. What discussion took place between you and him as to these July estimates?—A. I said I had noticed that there were several cases where the solid rock estimates had jumped in that month out of the usual average, and the only way I could account for it was that somebody had suggested to the men, the engineers on the line, to return solid rock with more liberality than I was inclined to do.

Q. Did you mention to him to whom you referred?—A. Yes. I said to him, 'Mr. Grant has just been over the line and the solid rock estimate has jumped.'

Q. Did you get any instructions from him?—A. He told me to go over the work with reference to these—

Q. With reference to what?—A. To these items.

Q. To the items that McIntosh had transferred?—A. That McIntosh had transferred.

Q. Now I will fix the date of that interview accurately a little later?—A. 'Mr. Lumsden,' I said, 'I do not like the look of that sudden jump and McIntosh has not given me a very satisfactory answer.'

Q. What did the chief engineer tell you to do?—A. When I told him I was going he said 'Yes, you had better go as soon as possible.'

Q. Now have you prepared and can you give the totals in the division showing the difference between the classifications immediately before and immediately after Mr. Grant's visit?—A. Yes.

Q. Is that it in your hand?—A. This is it, yes (producing document).

Q. Now take McIntosh's division.

Mr. MURPHY.—Is that going to be filed.

Mr. HODGINS.—Yes, I will file it with pleasure.

The WITNESS.—Division 6.

Q. Now the solid rock total to the end of June was how much?—A. To the end of June?

Q. Yes?—A. I have not got the totals.

Q. There is June (pointing to document)?—A. The May progress is 28,996 yards.

By Mr. Murphy:

Q. What is that, solid?—A. Solid.

By Mr. Hodgins:

Q. Now the June progress?—A. June progress, 31,368.

Q. And in July?—A. 58,104.

Q. That is an increase over the previous month of 26,000 yards?—A. And the August, 44,721.

Q. Now take the loose rock in May? How much is that?—A. The May progress?

Q. Yes?—A. 9,925.

Q. And June—A. 10,193.

Q. And July?—A. 8,258.

Q. That is a decrease in loose rock? Now take the common excavation?

By Mr. Murphy:

Q. What was it in August?—A. 24,442.

By Mr. Hodgins:

Q. Then take the common excavation in the May progress?—A. 4,008.

Q. And the June progress?—A. 11,942.

APPENDIX No. 5

Q. And the July progress ?—A. 365.

Q. And the August ?—A. 14,005. All these figures should be taken in connection with the force account too. These are only notes I had a man in the office make.

By the Chairman :

Q. You say these were notes that were made in your office ?—A. In my office at the commencement.

Q. Men in your office made these notes out ?—A. Went over the estimates and compiled them. All the divisions are there.

By Mr. Hodgins :

Q. What divisions are shown there ?—A. Four out of the five.

Q. What is McIntosh's division, No. 6 ?—A. No. 6.

By Mr. Carvell :

Q. Was there any difficulty or any transferring of quantities in any other division except No. 6 ?—A. No transfer like this. I got no statement of it.

Q. Was there any transferring at all ?—A. I do not know of any.

By Mr. Hodgins :

Q. No other engineer transferred them in that same way ?—A. The engineer I had checking these estimates in the office never reported anything else to me.

By Mr. Murphy :

Who is he ?—A. Mr. Ruddick, who had sole charge of these estimates, checking them up and adding them at the end of the month, that was his work.

Q. Is he the man that made up this list ?—A. Yes.

By Mr. Hodgins :

Q. Was he then in the employ of the Transcontinental Commission ?—A. Yes.

By the Chairman :

Q. These notes you say were prepared by one of your employees ?—A. From these documents (indicating estimates).

Q. From these very documents ?—A. Not these identical ones, these are made out in triplicate or quadruple.

By Mr. Lennox :

Q. What are these documents ?—A. Progress estimates, one copy was kept in my office and the others were sent away.

By the Chairman :

Q. And those documents, from which this data was taken, are signed ?—A. You can find all this information in these documents—they are signed, oh, yes.

By Mr. Hodgins :

Q. Those documents, from which these notes are taken, are exact duplicates of the originals which are produced by the commission ?—A. Yes.

Q. And they are still in your office at Kenora ?—A. I presume so.

Q. They were left there by you ?—A. Yes.

Q. Who gets the other copy, the commissioners only appear to have one ?—A. There are two.

Q. At all events there are two, one is kept by you, and the other is kept by them ?—A. The Auditor General, I think, gets a copy; I know there are an enormous number of them signed every month.

Mr. HODGINS.—I put that in.

MAJOR HODGINS.

EXHIBIT No. 10.

DISTRICT 'F,' WINNIPEG EAST.

Division.	Date.	Solid rock.	Loose rock.	Common Ex-cavation.	—
5	To end of April.....	37,827	6,741	23,771	} C. F. Richan's Division.
	May progress.....	16,167	6,959	15,772	
	June progress.....	19,166	15,065	15,230	
GRANT INSPECTION.					
	July progress.....	19,908	27,100	23,489	
	August progress.....	22,416	27,848	32,666	
	Totals.....	115,484	83,713	110,928	
6	To end of April.....	78,781	22,943	9,326	} F. J. McIntosh's Division.
	May progress.....	28,996	9,925	4,008	
	June progress.....	31,568	10,193	11,942	
GRANT INSPECTION.					
	July progress.....	58,104	8,258	385	
	August progress.....	44,721	24,442	14,005	
	Totals.....	242,170	75,761	39,666	
7	To end April.....	221,754	43,981	42,279	} A. G. Macfarlane's Division.
	May progress.....	72,133	8,322	6,465	
	June progress.....	63,588	7,917	17,213	
GRANT INSPECTION.					
	July progress.....	91,324	11,651	16,250	
	August progress.....	113,044	26,783	942	
	Totals.....	561,843	98,654	83,149	
8	To end April.....	269,014	37,232	76,568	} Mr. Macfarlane's Division.
	May progress.....	44,742	5,957	1,779	
	June progress.....	47,739	6,137	7,948	
	July progress.....	58,367	9,458	8,411	
	August progress.....	47,908	12,976	4,886	
		467,770	71,760	99,592	
		1,387,267	329,888	333,335	

The above figures show the sudden jump on solid rock and decrease on the lower priced materials immediately following Mr. Gordon Grant's inspection trip over my district about first week in July 1908. May progress gives the cubic yards in each material handled during the month.

Mr. HODGINS.—The following is a letter of September 7 from Major Hodgins to the chief engineer :—

EXHIBIT No. 11.

'H. D. LUMSDEN, Esq.,

'Chief Engineer,

'Ottawa.

'KENORA, September 7, 1907.

'DEAR SIR,—I inclose herewith two letters from Mr. McIntosh giving reasons for making change of earth and loose rock to solid rock, Residency 25, July estimate.

'I have altered this classification in the August estimate to that which was originally sent in during the month prior to July estimate, and as Mr. McIntosh objects

APPENDIX No. 5

to this I have agreed to go over the cuts in question again with him, as I do not like to alter any division engineer's estimates unless consents and is convinced that my decision is just.

'Mr. McIntosh admits that most of the material in question should be classified as solid rock, because it costs as much as solid rock to take out. Mr. McIntosh's letter also states that he has not estimated by force account in his July or August estimate.'

By the Chairman :

Q. Major, what do you call 'force account,' what is that ?—A. It is the cost of the work plus 10 per cent.

Q. The cost of the work, a calculation is made ?—A. All the wages.

Q. And the 10 per cent, what is that ?—A. The 10 per cent is to cover the use of tools and the contractor's general expenses, and profit.

By Mr. Barker :

Q. 'Force account' does not necessarily mean 10 per cent profit ?—A. That was what it meant, 10 per cent, it is referred to in the specifications.

The CHAIRMAN.—It means 10 per cent ?

By Mr. Barker :

Q. You take 'force account' and technically it may mean 10 per cent or 15 per cent ?—A. In this case it is 10 per cent, because the specifications limit it to 10.

Q. It means 'cost plus percentage.'—A. Cost plus a percentage which is agreed upon with the contractor.

Mr. HODGINS (continues reading) :

'I might also add that there seems to have been a misunderstanding about the instructions I gave after you left for Ottawa, that none of the engineers were instructed to classify solely by force account by me.

'With reference to the last paragraph of your letter, Mr. Heaman has visited Residency 35 (Scott), and reports that classification can be claimed to be according to the specifications, but not so liberal in Mr. Heaman's opinion as it should have been. He has instructed Mr. Scott how to classify in order to bring it up to the uniform standard I have laid down. I think in the next month's estimate Mr. Scott's classification will be satisfactory to all concerned. I might add Mr. Scott was governed in his classification in the first instance by Mr. Mile's opinion of what it should be, and when Mr. M. C. Macfarlane was appointed he did not care to increase the classification made by Mr. Macfarlane's predecessor as it would have caused some minus quantities to appear in the estimate. Mr. Macfarlane's interpretation of the specification is more liberal than that of his predecessor. I have been over a greater portion of the work since I returned from Ottawa and Mr. Heaman has been over the balance, but we both agree that even if Mr. Grant did not give any direct instructions to engineers how to classify he caused a good deal of trouble by remarks he made to resident engineers and other with reference to classification. I therefore intend spending the greater portion of this month going over the line and bring the classification to a uniform basis, and intend to be generous in the interpretation of these specifications with reference to classification of common excavation and loose rock, but I would not allow the introduction of solid rock into cuttings where it does not exist.

Since Mr. Grant's trip over the line I have had to reduce the classification in two places which clearly showed a disregard for the specifications. The items were not very considerable, but I have notified the engineers that a repetition of this sort of thing will mean their discharge.

'Yours truly,

'A. E. HODGINS,
'District Engineer.'

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

That is the letter of September 7. Now the letter of September 9, from the same to the same, is as follows: (Reads.)

EXHIBIT No. 12.

(Private and confidential.)

KENORA, ONT., September 9, 1907.

H. D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—In looking over Mr. McIntosh's estimates I notice that his monthly return for common excavation amounted to very little over 385 c. y. for July estimate, the estimate immediately following Mr. Grant's inspection, and then jumped to 14,005 c. y. during August.

Com. excavation, McIntosh's division, to end January..	5,287	c. y.
“ “ “ “ February .	5,742	“
“ “ “ “ March. . .	6,672	“
“ “ “ “ April. . .	9,326	“
“ “ “ “ May. . .	13,334	“
“ “ “ “ June. . .	25,276	“
“ “ “ “ July. . .	25,661	“
“ “ “ “ August. .	39,666	“

The amount of common excavation returned in July as solid rock, it having previously been returned as common excavation, and which I altered on the August estimate, is only 875, so that it does not account for the large falling off of common excavation in July.

I went over Mr. McIntosh's division just before the August estimate was put in, and I told Mr. McIntosh I would not allow some of his classification. I did not go closely into classification in each cut, as resident engineers were busy on their estimates. I told Mr. McIntosh his classification was high generally.

I am now going up to go over the 13 cuttings where common excavation and loose rock were transferred to solid (5,855 yds.) in July, and am taking Mr. Heaman up to go over the whole division with Mr. McIntosh and report. I cannot understand why 12,942 c.y. common excavation were moved in month of June, 385 c.y. common excavation were moved in month of July, and 14,005 c.y. common excavation were moved in month of August.

I may not be able to prove it, but I am inclined to believe that McIntosh was influenced by Grant's ideas of classification, which in my opinion are extravagant.

Previous to July estimate, Mr. McIntosh's classification was not alarmingly high. I will report to you later.

Yours truly,

A. E. HODGINS,
District Engineer.

Then follows the letter of September 14, that the inspection had taken place, which is, I understand, already in. (See Exhibit No. 6, page 138.)

Mr. CARVELL.—What is this, a private letter from Mr. Hodgins to Mr. Lumsden?

Mr. HODGINS.—It is marked 'Private and Confidential,' but it is on the business of the railway; it is information conveyed to the chief engineer for the good of the commission, I suppose.

Mr. CARVELL.—I am not finding fault, Mr. Hodgins, I merely wanted to know.

Major HODGINS.—I marked a good many of those letters 'Confidential,' so that they would not go through the office by the ordinary stenographer, and be discussed in the office.

APPENDIX No. 5

By Mr. Hodgins :

Q. Now, immediately following those two letters, stating that you were going over the whole division, I understand you received from the chief engineer, a letter, also marked in the same manner, asking for your resignation; it is just as well to fix that date?—A. Yes.

Q. This is dated September 12 (reads) :

EXHIBIT No. 13.

‘Personal and Confidential.

‘THE COMMISSIONERS, TRANSCONTINENTAL RAILWAY.

‘OTTAWA, September 12, 1907.

‘MY DEAR HODGINS,—Owing to the state of feeling in regard to the work under your charge I have come to the conclusion that it will be necessary for me to recommend that a change be made and some one else put in charge, but before doing so I am dropping you these few lines, and would suggest to you that you at once make application for a month’s leave of absence, so as to give you time to look round.

‘Please wire me in cipher on receipt of this if you concur in my suggestion.

‘Yours very truly,

‘HUGH D. LUMSDEN.

‘A. E. HODGINS, Esq.,

‘District Engineer,

‘Kenora, Ont.’

Q. You received that letter under what circumstances? Where did you receive that?—A. In Kenora, I had just come in from the work, I think I got it on Sunday or Monday.

Q. When you say you had just come in from the work, what do you mean?—A. I mean from the line.

Q. But what had you been doing out there?—A. I had just been on this inspection of McIntosh’s division.

Q. And had you begun the inspection announced in that letter of September 9?—A. Oh, yes.

Q. You say there, ‘I am now going up to go over the 13 cuttings where common excavation and loose rock were transferred to solid (5,855 yards) in July, and am taking Mr. Heaman up to go over the whole division with Mr. McIntosh and report.’ That is on September 9?—A. Yes, Mr. Heaman came up with me and we went over McIntosh’s division together.

Q. Had you completed that inspection which you had announced when that letter reached you?—A. No.

Q. And I suppose on the receipt of that letter you practically stopped your work?—A. I did.

Q. Yes. Did you have any communication with Mr. Lumsden shortly afterwards with regard to the classification of divisions 5 and 6 in your district?—A. I think I wired him.

Q. Have you the telegram? You have the telegram produced, is it not, I have seen it—I think it is dated the 22nd—it was produced this morning. I will read the translation—it was sent in cipher by Major Hodgins to the chief engineer :

EXHIBIT No. 14.

‘KENORA, ONT., September 22, 1907.

(Translation.)

‘If McIntosh tries to justify his classification refer to Mann and Heaman. Ask McIntosh how much experience he has had in classification, what position he held

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

prior to joining T.C. Ry. Ask Grant same questions, both records would be interesting. If their opinion is against Mann's, Heaman's and mine, reclassification divisions 5 and 6 is absolutely necessary. I was stopped in the middle of it by your letter. Waiting reply to my message about leave.

'A. E. HODGINS.'

Now, at that time, or rather just previous to that letter, had you received a communication from Mr. Mann, the district engineer of the Grand Trunk Pacific?—A. Yes, I got a letter from him as I was coming out.

Q. These letters were forwarded, were they not, or were they, to the chief engineer?—A. Yes, I presume so, I got them just about the time I was leaving; I could not say.

Q. Now, the letter of September 6, which I will put in, with the additional letter of September 9, which is explanatory, is as follows:—

EXHIBIT No. 15.

'GRAND TRUNK PACIFIC RAILWAY,
ENGINEERING DEPARTMENT,

'KENORA, ONT., September, 6, 1907.

'Major A. E. HODGINS,
'District Engineer, Section "F,"
'Kenora, Ont.

'DEAR SIR,—I have recently been over the ground between the east end of Canyon lake and the English river.'

Is that on your district?—A. Yes, that is the end of it, under construction.

Q. (Continues reading):

'And would like to call your attention to some points on this work, particularly classification. As regards the portion of work between the C.P.R. crossing at Rennie and the east end of Canyon lake, I have already expressed myself to you as having no fault to find.'

Just there, had you been in communication with Mr. Mann from time to time?—A. Oh, yes.

Q. How long had he been on the work, from the commencement?—A. No, he only came on soon after the construction started.

Q. And he had represented the Grand Trunk Pacific there?—A. In joint supervision with me.

Q. (Continues reading):

'The same cannot be said, however, for divisions 5 and 6.'

Whose divisions are those?—A. McIntosh's and Richan's.

Q. (Continues reading):

'I find that at many points on these divisions *the classification is too liberal, while at some points it is excessive*. I can't tell in some cases just what classification has been allowed for the reason that there is no distinction made between solid rock in classification, and in place; that is solid in boulders and in mass. In some cases, however, as between Canyon lake and the Wabigoon river, where the solid in place in some of the cuts had not been touched at the time I saw it, *an amount of solid has been allowed that quite evidently was not based on the measurement of boulders found that would class as solid under the specification. Loose rock has also been allowed in quantities that could not possibly be given if the specification were followed as the only guide*. I do not wish it to be understood that I am asking that the specification should be strictly followed in this matter. In consideration of the somewhat unusual difficulties under which this work has been carried on, this would, I think, be unjust to the contractor. On the other hand, it would not seem safe to classify solely by the cost of the work to the contractor, particularly to trust the average field man with the

APPENDIX No. 5

free use of such a method. This would seem to call for special experience, and among other things, the ability to judge of the quality of management displayed on the part of the contractor, both principal and sub. Supposing this management to be reasonably good, the cost of work as shown by *force account, &c., would be useful*, and I think, necessary guide to classification, in material that is classifiable. *Rock in place does not, however, come under this heading*, and the contractor's profit or loss must depend on his own exertions.

'As I have already said, there seems no cause for complaint as regards classification, as a whole, on divisions 7, 8 and 9.

'Moreover, as I find it necessary to object to, and ask for a reclassification on divisions 5 and 6, and wish to ask on behalf of the company only what is fair, and even liberal, will go further and say that on a large proportion of divisions 7, 8 and 9, the classifications might, in my opinion, be more liberal. Some of the resident engineers, as for instance, Mr. Sunstrum, are high enough, and in a few points perhaps a little too high, but on the whole these divisions might be treated more liberally. I noticed also in many places small pockets and thin stripping of bad material composed largely of roots, stones and water in cuts otherwise solid rock. These, I think, might be measured in with the cut; and if the contractor wishes, wasted on the side. A moderate amount of this material is of no use in the fill, as will usually not more than fill the voids in the rock. *In such stripping, however, should not be included pockets of muskeg* of such size that they can and are taken out by station men. I am of the opinion that a reclassification of the entire work would not result in any reduction of the estimate to the end of July; there might be some increase of which the contractors on the western end would get the benefit. A more uniform classification, even if a little liberal, would also be more easy of defence and more creditable to all responsible.

'In one particular the contractor has been treated most liberally on all the divisions. That is the matter of overbreak and waste. It is impossible to avoid the conclusion that much of this is intentional. It occurs often at places where every yard is needed, and where for every yard wasted a yard will have to be borrowed. There are many points on the work, too numerous to mention now, where overbreak and waste *are excessive*. In places blocks of stone of five to ten yards are thrown from one to two hundred feet from the line into the bush. As a particularly bad example of waste, I might mention the cut at station 3365, mile 64, where a large amount of material is wasted that is needed in the fill, and where it still might be brought back.

'I give the following as examples of *over-classification, &c.*

'Sta. 4260, Mile 31, east end of cut.

'Sta. 4170 " 79, both ends of cut.

" 4150 " 79, noted as bad cut but classified very liberal.

" 4150 " 79, noted as heavily over-classified (east end).

" 4065 " 77, appears to be heavily over-classified. It will be necessary to have solid in classification, and solid in place, if any separated before it can be judged.

" 4010 " 46, example of large waste.

" 3846 " 73, very liberal.

" 3836 " 73, decidedly too liberal.

" 3784 " 72, east end. Decidedly too liberal.

" 3750 " 72, west end. Decidedly too liberal.

" 3365 " 64, example of excessive waste.

" 2750 " 53, much over-classified.

" 2730 to 2660, miles 51 and 52. These are bad cuttings and need liberal treatment, which they are getting.

Sta. 2373, mile 45, east end of cut. Classification extremely liberal.

Sta. 1873 to 1899, mile 36. Classification appears decidedly too liberal, but it will be necessary to separate portion from 1890 to 1899 before it will be possible to say to what extent. Main portion of cut is dry sand.

MAJOR HODGINS.

Sta. 1548, mile 30, excessive classification.

Sta. 1475 to 1491, mile 28 to 39. Am not able to get at the total quantities for this cut. The return of July gives 5,285 cubic yards of loose rock in material that can be called nothing but sand. At the beginning of the cut there is a small amount of material that could be classified, but a hundred yards would be sufficient for the whole cut. Unless some mistake in the figures this is one of the most striking examples of over-classification on the work.

Sta. 1383 to 1390, mile 27. This is very similar to the last. A large amount of loose rock appears for July material that is sand, without any boulders in sight.

Sta. 1258, mile 24, this borrow is over-classified or no borrow should be taken from here at all. This fill and a number of large fills on divisions 5 and 6, might be made up by train fill at train fill prices and at a profit to the contractor, and excellent sand borrow is available. No borrow need or should be taken that would exceed the price of train fill flat.

Sta. 1060, mile 21, decidedly too liberal classification.

Sta. 1038, mile 20, noted as needing liberal classification.

Sta. 1025, mile 20, box culvert. Noted as very poor sample, being made up mostly of stone so small as to be not much above the class of spauls.

Sta. 932, mile 18, decidedly over-classified; very loose material.

Sta. 915, mile 18, decidedly over-classified.

Sta. 886 to 890, mile 17, over-classified. (Ditch.)

Sta. 886, mile 17. A very poor sample of box culvert.

It must be said that the box culverts on this end of the work are very poor, whether dry masonry or laid in cement. If no better stone is available, they should all be laid in cement of a good quality, and no dry boxes should be built under sand fills. As to quality of cement being used at this end of the work Mr. Heaman can give you some information.

There are other points on the line where there is room for criticism, but those given above are the most striking examples. I find it difficult to get at the exact conditions on Mr. Richan's division, as the figures I have given details for the month of July only, and totals mile by mile. For a thorough understanding of the work, I will need to have all information cut by cut, &c., and solid rock in place, and classified solid should be separated. Will be greatly obliged if you will arrange so that I can get this information in future estimates.

In conclusion I wish to say again that I do not wish to ask for anything unreasonable as regards this matter of classification. My instructions as to what may be considered allowable are very liberal. I find it impossible, however, to accept such classification as specified above.

Yours truly,

W. E. MANN,
District Engineer, G.T.P.R.

The explanatory letter of September 9 is as follows:—

EXHIBIT No. 16.

GRAND TRUNK PACIFIC RAILWAY,

KENORA, ONT., September 9, 1907.

Major A. E. HODGINS,

District Engineer, Transcontinental Ry.,
Kenora, Ont.

DEAR SIR,—I would like to add a few words to my letter of the 6th instant on the subject of classification, with reference particularly to the short portion of the work east of the east end of Canyon lake, Mile 81.

Mile 81, can you say whose division that was in?—A. Mile 81?

Q. About the east end of Canyon lake, Mile 81?—(No answer.)

APPENDIX No. 5

(Continues reading):

'As I have said, there was on the whole up to the time I saw it, no cause for complaint as to classification from this point west, while to the east it is quite different. I had been able to see only a small portion of this latter under the June estimate, and thought then that the classification was extremely liberal, even too much so, and intended calling your attention to it. I decided, however, that as this work was undoubtedly bad, it would be better to let this go until I could see it again. I was surprised to find that under the July estimate the classification was much higher, a large amount of solid rock classification having been added. As for instance of change in classification in the July estimate, would call attention to the east end of cut 4250 to 4257. By the June estimate the quantities moved are solid rock 148 c. y., loose rock 3,158 c. y., common excavation 6,894 c. y. For the July estimate this becomes solid 168 c. y., loose 5,838 c. y., and common excavation 6,894 c. y. This is all the work returned in July and classified as loose and solid rock. From an inspection of the cut I have no hesitation in saying that the work done before July was harder than what was done since, and that even up to the end of June the classification was too high in this cut.

'The other cuttings from 4140 to 4200, I had noted as bad, but classified very liberally. The July classification is, however, altogether too much so. No doubt this work is costing the contractor high, but this could not be otherwise with the inadequate plant in use, and the haphazard, spasmodic way in which it is being handled.

'In saying in my letter of the 6th, that I think the classification might average a little more liberally on the western divisions, I do not mean it to be inferred that I think the men on those divisions are not allowing all, and even a little more than a strict interpretation of the specification will admit. It seems, however, work on which a decidedly liberal interpretation of the specification is necessary. Hence my suggestion that classification on those divisions might be raised. If this would help forward toward the earlier completion of the work it would be worth the extra cost.

'Yours truly,

W. E. MANN,
'District Engineer, G.T.P. Ry.'

Committee adjourned.

WEDNESDAY, May 20, 1908.

The committee met at 11 o'clock a.m.

The examination of Major Hodgins resumed.

Mr. HODGINS.—I have already put in the letter of September 14 from Major Hodgins to Mr. Lumsden (Exhibit No. 6), and referred to it so far as it related to these items. I wish to call the attention of the committee to what there is in the letter beyond that (reads):

'Mr. McIntosh ordered, that 2,700 yards of loose rock in the cut near Sta. 4240, should be turned into solid rock in the month of July, and in cutting starting at 4250, the same number of yards was returned as loose rock instead of common excavation, which it surely is, being the finest sand cut that can be found on the line. This should not have occurred and I report the matter to you to deal with.

I have also to report to you that Mr. McIntosh allowed his resident engineer on Res. 25, to add some 660 yards to the estimate on cutting 3848, west of the Wabigoon river. The resident engineer did this to cover up the extravagant classification that he had given to station men when they were quitting. The men have gone away, and unless the same men come back to work this out, this cut will be estimated to contain

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

660 yards more than has been taken out, to say nothing of the very liberal classification in loose rock being a clay cutting with the exception of a little lump of solid rock encountered near the mouth.

'The last time I was over Mr. McIntosh's work, I found at Sta. 3402, mile 64, that some 900 yds. pure muskeg had been returned as solid rock. The resident engineer informed me that this muskeg was taken out by station men and the contract paid them 23 cents a yard. It was wasted to the side. The reason for returning this as solid rock, claimed both by Mr. McIntosh and the resident engineer, was that it was a pocket in a rock cut. I ordered Mr. McIntosh not to let this sort of thing occur again, and to return it and classify it correctly. The resident engineer estimated the day I was there that some 1,800 yards of muskeg had been taken out to date, and he would have returned all this as solid rock if I had not stopped him. You can conclude from this, what sort of classification has been made on Mr. McIntosh's division since the June estimate went in.

'Mr. McIntosh claims he was not influenced by Mr. Grant's remarks, but something has influenced him to classify in this extravagant and improper way.

'It is to be noticed that he is the only engineer picked out by Mr. Grant as one capable of classifying properly, and Mr. Grant suggested to me that Mr. McIntosh be appointed assistant district engineer, with headquarters at Winnipeg river, and that the whole of the classification in this district be left in his hands.

'Under ordinary circumstances Mr. McIntosh should be discharged, but as something has influenced him to classify in this extravagant way I thought it better to refer the matter to you rather than deal with him myself.

'If common excavation and loose rock are to be lumped wholesale into the column for solid rock against my orders I wish to be relieved of all responsibility.

'I told all the engineers to be as liberal as they possibly could in the classification of mixed material and always to give the contractor the benefit of the doubt if any sort of argument could be used to classify this material as loose rock, but they must strictly draw the line in returning solid rock where solid rock does not exist.

Yours truly,

'A. E. HODGINS,

'District Engineer.'

Now I will read the letter of September 3 from Major Hodgins to Mr. Lumsden :

EXHIBIT No. 17.

'Private and Confidential.

'KENORA, ONT., September 3, 1907.

'HUGH D. LUMSDEN, Esq.,

'Chief Engineer,

'Ottawa.

'DEAR SIR,—I hope you have not forgotten that it would be necessary for you to continue your investigation of Mr. Grant's charges in his report on this district.

'So far I have only shown the report to two engineers, Messrs. Heaman and McIntosh. Both said it was a misrepresentation of facts and was unprofessional.

'I showed it also to Messrs. Hazelwood and J. D. McArthur, who said that a report like that should not have been sent in. Mr. Hazelwood said that any little kick, such as the want of a drain and a few other things had been exaggerated 1,000 times.

'I asked Mr. McArthur if he thought it fair, and I told him that I had not showed it to the engineers on the work, and asked him to have the charges against the engineers denied from his office as he knew them to be untrue. He replied that he could not do that, as it would make him appear a fool in the eyes of the Commissioners, as Mr. Grant was sent up to help him out.

'Yours truly,

'A. E. HODGINS,

'District Engineer.'

APPENDIX No. 5

Q. Who is Mr. Hazelwood?—A. He is Mr. McArthur's engineer, the contractor's engineer.

Q. This is a letter you received from Mr. McArthur, dated August 9, 1907 (exhibiting letter)?—A. Yes.

EXHIBIT No. 18.

'(Personal.)

WINNIPEG, August 9, 1907.

'A. E. HODGINS, Esq.,

'District Engineer, Transcontinental Ry.,

'Kenora, Ont.

'MY DEAR HODGINS,—I hear that you arrived safely home and trust that you had a successful trip.

'I have heard nothing from the east for three weeks or more, so that if you contemplate coming into the city Monday night or so I wish you would let me know so that I would arrange to meet you, as I would like to have a chat with you.

'I must congratulate you on the July estimate, as there is some encouragement in receiving an estimate like this, and if things continue along this line I am positive that I will see daylight soon.

'Trusting that this will find you enjoying the best of health as it leaves me at present, I am

'Yours very truly,

'J. D. McARTHUR,'

Q. I notice in one of the letters a reference to a meeting of the commissioners with Mr. Grant and the chief engineer on August 23. I want to ask you if you were present at that meeting, or were notified of it?—A. No. It was in Ottawa, I believe.

Q. It was in Ottawa, yes? Then I will put in and intend to ask you some questions about a letter from Mr. Parent, the chief commissioner, on August 24, to the chief engineer, Mr. Lumsden (reads):

EXHIBIT No. 19.

OFFICE OF THE CHAIRMAN,

'August 24, 1907.

'HUGH D. LUMSDEN,

'Chief Engineer,

'DEAR SIR,—Herewith you will find copy of a memorandum I sent to-day to the secretary of the board, and copy of his reply, which explain themselves.

'It has become evident to me that things have not been conducted so far in district 'F' as they should. This fact was particularly impressed on the commissioners as a result of conversations we had with the engineer in charge, Mr. Hodgins, and also of complaints made repeatedly by the Grand Trunk Pacific Railway Company regarding the unsatisfactory progress of work on that section. With a view of securing fuller information on the various parts of the work now under way, namely in district 'F,' the commission deemed it advisable to appoint an inspecting engineer who would keep us posted as desired, and Mr. Gordon Grant was called to fill the position. He went over the ground and made a report which was submitted to the board, showing that the engineer in charge of district 'F' and his staff of assistants, with a few exceptions, had not devoted to the work in hand all the attention which could reasonably be expected. Among other things it was stated that the district engineer and his assistants had neither of them since construction began gone over the work as they should have done. In the opinion of the inspector reported to the board the classification of the work has been faulty. In his report replying to that of

7-8 EDWARD VII., A. 1908

Mr. Grant, Mr. Hodgins suggests as a remedy for these defects, that the resident engineers should be the ones to look after the classification. For my part, I entirely disagree with this view. Such a policy would certainly not be conducive to the uniformity desired, and judging from our present experience there, we would very likely have as many different ways of classifying the work as there are engineers. In certain cases the classification would be too strict, and on others, not enough. And again, some engineers on their own judgment might be inclined to put under the arbitrary description of 'force account' items which should be duly classified. This practice cannot be allowed under any circumstances, and entirely contrary to the contracts.

'There is a letter from Mr. Hodgins, dated the 6th inst., addressed to you, which should have been submitted to the board, together with document No. 4 attached, so as to give every available information on the subject.'

Q. Just here I would like to ask whether that letter I put in yesterday, of August 6, and the document No. 4 attached, are the ones we have been referring to as relating to that transfer of classification from common excavation and loose rock to solid rock?—A. I presume so.

'They came to our notice incidentally. It would appear from its contents that after certain items had been classified a change was deemed necessary, and other classifications made which it would seem received his approval.'

Q. Is that last statement true?—A. I passed the July estimate when it first came to my notice because of the explanation Mr. McIntosh had made in that statement which was attached, and I saw Mr. Lumsden. I wrote to Mr. Lumsden about it, and also saw him and told him I was going out to look over it. I did not like the sudden jump in classification without any reason, and I put it down to Mr. Grant's being on the work.

Q. I want to fix the date of that interview with Mr. Lumsden?—A. I cannot fix it. I think it was about the 12th or 13th, the time he came up to start the investigation on the work.

Q. The 12th or 13th of what?—A. Of August. He was up there about that time.

Q. Where did the interview take place?—A. This took place in Winnipeg. We had gone from the work to Winnipeg. I think I sent back to the office to get that statement of Mr. McIntosh's showing the change and showed it to him in the hotel, and told him I had already sent it to him.

Q. The statement is made that this classification had received your approval?—A. It may be claimed that it had received my approval because I had passed it in one estimate.

Q. The July estimate?—A. The July estimate.

Q. And after that you had seen Mr. Lumsden about the 13th of August?—A. I had seen Mr. McIntosh after that, and his explanation was not satisfactory and I cut it out of the August estimate.

'Such a state of affairs shows that there has surely been negligence somewhere in the management of this district, and, from a consideration of these facts, the natural inference would be that the district engineer is not competent to handle properly such work as he is now entrusted with. Under the circumstances, it is the duty of the chief engineer to take whatever means are required to put a stop to conditions which have already existed too long. Among the points of first importance requiring your attention is to find and suggest a way to the different district engineers and others to ensure, as much as possible, a uniform classification according to the plans and specifications on which the contracts are made with the contractors. It is essential that there be no misunderstanding on the subject. In this connection I might point out that the Commission never authorized any one, nor can it do so, to disregard in any respect the letter of our contracts and specifications, which must be the only guide to go by, and that for no reason can anything be paid to the contractors or their sub-contractors which is not provided for in the same. At the same time it must be borne in mind

APPENDIX No. 5

that contractors are entitled to a fair and reasonable classification, based as already stated. We cannot deprive them of what is rightfully their own under the contracts and specifications.

‘It was mentioned to you that Major Hodgins had stated that he had changed the classifications of certain items of work in order to meet our wishes. In that case he should be informed at once that no such changes should be effected, as any instructions to that effect must come direct from you; and, moreover, inasmuch as the Commissioners never instructed him yet in that sense, nor did they express the desire to Mr. Hodgins to make any such changes interfering in any way with his right to make classifications just and reasonable, based upon the specifications.

‘Furthermore, in order to avoid the risk of any difficulty later on, it should be made a rule, as far as possible, that the classifications receive the approval of the engineer representing the Grand Trunk Pacific Railway at the various points where there is work going on.

‘In conclusion, as documents explaining changes made in certain estimates of District ‘F’ were added to the same after they had gone through and without our seeing them, I must decline the responsibility of certifying to the said estimates before being furnished with a full explanation of the matter.

‘Awaiting a reply at your earliest convenience,

‘Yours truly,

‘S. N. PARENT,
‘Chairman.’

Q. I now propose to hand in Mr. Lumsden’s letter in reply to Mr. Parent, which reads as follows:—

EXHIBIT No. 20.

THE COMMISSIONERS OF THE TRANSCONTINENTAL RAILWAY.
OFFICE OF THE CHIEF ENGINEER,

OTTAWA, August 27, 1907.

Hon. S. N. PARENT,

Chairman, Transcontinental Railway Commission,
Ottawa, Ont.

DEAR SIR,—In reply to yours of the 24th instant, I beg to say in regard to the unsatisfactory progress of the work in district ‘F’ that, in my opinion, this was attributable to the lack of labour and its quality, and not to the engineers on the work.

The district engineer, or his assistant, were not, in my opinion, on the work actually under construction as much as they should have been, but how far the latter’s movements were governed by orders from his superior I am unable to say.

In regard to the classifications of the work, I am now, and always have been, of the opinion that the resident engineer on the work is the proper person to make the classification in the first instance, as he sees the work from day to day, and makes the necessary measurements. That his classification should be confirmed, or amended, by the division engineer, who should go over the ground with the resident engineer several times during the month, and this should be further confirmed or amended by the district engineer, or his assistant, who should go over the work with the division and resident engineer as frequently as possible, and see that the classification is as uniform as practicable throughout the district.

In regard to Mr. Hodgins’ letter to me dated the 6th inst., this together with other letters and forms accompanying the July estimate, should have been handed by my accountant (who checks the estimates) to my assistant in my absence, and then sent to the board, but as heretofore these had not been asked for they were not sent. I shall see in the future that this is complied with.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Mr. Hodgins' conduct in issuing, without authority from me, orders to his division engineers to classify cuttings by use of force account, irrespective of the actual material in them, was unwarranted, and on his informing me of his having done so, I told him I did not and would not approve of any such order without authority from the commissioners. He gave me as his reasons for so doing that he understood this was the wish of the commissioners, and further stated that he had given these instructions owing to the statements made by Mr. Grant, inspecting engineer to sub-contractors and others, and also stated that he was influenced to do this from his knowledge that many of the sub-contractors would throw up the work if something was not done at once, and he relied on having a decision in regard to this matter before the end of August. As you are aware, Mr. Grant in his replies to questions asked him by me, denies having given any instructions, or having told the contractor, or his sub-contractors, that they were being unfairly dealt with by the engineers on the work, except on Scott's residency.

I have informed Mr. Hodgins both by wire and letter that you do not approve of his instructions; the classification must be as per contract and specifications; and the division engineers should be notified to so classify, and accompany their estimates with a letter stating that they have so classified, failing which the estimates will not be approved by me.

I also sent a letter to Mr. Hodgins enclosing copy of questions asked Mr. Grant and his replies thereto (copy attached).

In view of the present state of feeling in regard to district 'F' I have come to the conclusion that it might be well to replace Mr. Hodgins by appointing some engineer, who must be of good standing and extensive experience on construction in a rough country, in charge of this district, and that he be given another assistant district engineer as well as the present one, such assistant also to be a man of considerable experience on such work.

I agree with the idea that as far as practicable the classification on each district should receive the approval of the Grand Trunk Pacific engineer, and such approval should be obtained from time to time in writing, if possible.

I beg to hand you herewith copy of July estimate together with forms and letters referred to.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

I am going into force account a little later. I will not say anything with respect to the reference to it in the letter at the moment. On August 27th when Mr. Lumsden wrote from Ottawa was he in possession of your views with regard to that change in the July classification?—A. In August?

Q. Yes?—A. Well it was cut out of the August estimate.

Q. This letter written by him to you is dated on the 27th August. You say your interview with him was on the 12th or 13th August at Winnipeg?—A. Yes.

Q. I am asking you now so as to get it down to a focus was he aware at the time of writing that letter of your views?—A. Yes. We had discussed the subject of the transfer of common excavation and loose rock to solid rock. We could not understand it, neither of us could understand it. I discussed with Mr. Lumsden the question which was in that statement showing that so many yards of common excavation and loose rock had been transferred to solid rock and neither of us could understand it.

Q. So at the time you spoke to him in Winnipeg he knew that you were going to investigate, in fact he told you to do so?—A. Yes.

Q. Had you at that time approved of the change of classification or afterwards did you approve of it?—A. I had approved of it in the July estimate.

Q. You had passed it?—A. I had passed it—

Q. Do you know anything about his approving or disapproving of it?—A. I was not going to hold up the whole estimate for a small item like that.

APPENDIX No. 5

Q. Did you approve of it when you met Mr. Lumsden and talked it over with him?—A. No, I understood it was stripping and the mixed wash of material you generally get when you are approaching rock.

Q. I am asking whether there was any justification for the statement that you had approved of this change of classification, that is all?—A. Excepting as I say in that estimate.

Q. And were you in that letter disapproving of it?—A. I told him, Mr. Lumsden, why I had signed the estimate. I told him I had passed the estimate. I think I had just got back from a trip when the estimate came in.

Q. And what did you tell him?—A. That I would go on the work and look at it, and he said yes I had better do that at once.

Q. And the result of that is shown in your letters which have been put in?—A. Yes.

Mr. CARVELL.—That would be the letter of September 6.

Mr. HODGINS.—September 14 and the previous letter. I think they were put in last night. I would like to get the letter from Mr. Lumsden to the chief commissioner dated Ottawa, November 19, 1907.

Document produced.

Mr. HODGINS.—I will now put that letter in (reads):

EXHIBIT No. 21.

OTTAWA, November 19, 1907.

Hon. S. N. PARENT,
Chairman,

DEAR SIR,—In regard to the last clause but one in Major Hodgins' letter to you dated the 9th inst., I may say that Major Hodgins did, as he states, take the responsibility of issuing the instructions to his division engineers, even though I told him I did not, and would not, approve of them without written authority from the commissioners, and I did not then and there order him not to do so, as he personally knew the feelings of his sub-contractors, or their intentions, better than I did, as mentioned to you in my letter of 27th of August. I did cut short my trip of inspection and hurried back to Ottawa, and verbally reported to the commissioners on the 19th instant. Major Hodgins doubtless believed that in issuing such instructions he was doing what he thought best as a temporary expedient, pending a decision which was sent him by wire on the 24th August, and I may say that the issuing of those orders by him was not my reason for suggesting a change of district engineers.

Yours truly,

HUGH D. LUMSDEN.

Q. Now, dealing with the question which is referred to in that letter, which Mr. Lumsden says was not his reason for recommending a change, you were asked for, I believe, and reported to the chief engineer, your reasons for suggesting the use of force account in connection with the classifications. Now, I propose to put in and read that letter, and then I want to ask you the circumstances under which the suggestion was made. The letter shows exactly what the witness did, it is from Major Hodgins to Mr. Lumsden, dated September 4, as follows:—

EXHIBIT No. 22.

'H. D. LUMSDEN, Esq.,
'Chief Engineer,
'Ottawa,

'KENORA, September 4, 1907.

'DEAR SIR,—In reply to yours of the 24th August, 1907, the reasons I had for giving the order to classify partially by force account were as follows:—

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

'The contractors were losing money on mixed material because of the continuous wet weather we have been having for the last two months.

'The rate of wages has risen from 17½c. to 25c. per hour since the contract was signed, and the quality of the labour very poor.

'Contractors claimed that if they did not get some of Mr. Grant's promises they would pull out, and that the government should not expect to get the work done for less than cost.

'Force account as a guide for classification, not as Mr. Grant suggested, but in the manner I explained to the engineers, would be justifiable under the present conditions.

'On the double tracking of the Canadian Pacific Railway resident engineers classify altogether by force account plus 10%. On the Grand Trunk Pacific branch similar classification to that I suggested is in force, and I am given to understand that force account classification is done on District ',' 'B.'

'After having explained these conditions to you at Mr. Willett's, and after the discussion between Messrs. Macfarlane, Willett, yourself and myself, it was finally agreed that it was the best thing to do under the circumstances, only you had no authority to sanction it. I informed you that I thought the commissioners would sanction my actions, as something had to be done at once. I pointed out that this re-classification could not be made in one estimate, as there was not sufficient time, and that there was ample time for you to return to Ottawa, lay the matter before the board and wire me before the estimate went in. I sent no written instructions to engineers.

'Since I received your wire instructions have gone out not to classify as I suggested, and the estimate will not be based on my suggested classification.

'The classification I proposed was in mixed material only, not solid rock, and in some cases we would not have been able to classify contractors up to the cost of the work. It would have amounted to very little and would have cheered everyone up and helped things along for the next month or two, when I hoped labour would be more plentiful. In many cases cuttings are going behind for want of sufficient men to work them.

'Yours truly,

'A. E. HODGINS.'

By Mr. Murphy:

Q. Now, I wish you would just tell me what the situation was on that District 'F' at the time that the chief engineer came up and saw you, about the 12th or 13th of August?—A. I had gone up on the work to investigate in connection with some of Mr. Grant's charges. I had first gone to the Winnipeg river, Mr. Willett's camp.

Q. When was this?—A. Just before Mr. Lumsden came up; it would be about the 8th or 9th of August. That date can be verified by a letter; there is a letter from Mr. Willett about it—and I met Mr. A. G. Macfarlane and Mr. Willett at their camp. We went over some of the work and discussed the classification. The contractor, Mr. Dutton, was kicking a good deal about classification in large cuttings and was kicking on the classification generally on Mr. Willett's work. Mr. Dutton was rather inclined to abuse these two engineers for not classifying as high as had been classified on Mr. McIntosh's division. We discussed the question pretty generally, classification and one thing and another, and Mr. Dutton said if he got some of the promises Mr. Grant made him that was all he wanted, but if he did not he would pull out.

By Mr. Hodgins:

Q. If he did not get that he would pull out?—A. He had 60 miles of work, he was the largest sub-contractor on the contract. I asked him what promises Mr. Grant had made him, but he laughed and said he would not tell me. Then I think he went away, and Mr. Macfarlane, Mr. Willett and I discussed matters generally. Oh, Mr. Dutton said, if he 'got enough to pull him out even,' those are the words he used, on that work, that was all he wanted.

APPENDIX No. 5

Q. What would have been the effect of his pulling out, that is what I want to get at?

Mr. MURPHY.—I do not know whether this is permissible, this talk between this witness and a sub-contractor.

Mr. BARKER.—I presume it will explain why he acted in a particular way.

Mr. MURPHY.—I submit it is not proper evidence.

Mr. HODGINS.—It is perfectly good evidence.

Mr. LENNOX.—It is the best kind of evidence we can have as to why he acted in a certain way.

Mr. CARVELL.—Supposing these statements are all untrue.

Mr. BARKER.—That this conversation never took place, do you mean?

Mr. CARVELL.—That this sub-contractor made a lot of statements to this witness which were not true.

Mr. BARKER.—Still that would be the cause of Major Hodgins acting in a certain way.

Mr. HODGINS.—There cannot be any possible ground for shutting out the statements made by those on the work.

The CHAIRMAN.—You asked the witness what his opinion was, or what his understanding was of the words which were uttered.

Mr. HODGINS.—Pardon me, no, I did not.

The CHAIRMAN.—Then what do you take it to mean?

Mr. HODGINS.—My question is, what would the effect on the district be of Mr. Dutton pulling out.

The CHAIRMAN.—That is asking the question of the witness, what he understood it to be.

Mr. HODGINS.—No, pardon me, everybody understands what pulling out means—throwing up the contract—I want to know what effect the carrying out of that intention would have on the work.

Mr. MURPHY.—It was more particularly the question preceding that to which I directed the attention of the committee and to which I objected. This enquiry will be interminable and practically of no effect if conversations that may have taken place between Major Hodgins and all kinds and conditions of people are allowed to be repeated here according to the major's recollection of them. Mr. Dutton is not connected in any way with the commission.

Mr. CARVELL.—It will be simply impossible to send for every man on the work, if Major Hodgins chooses to bring his name into it, the commissioners will have the right to send for Mr. Dutton and every other man on the work, conversations with whom are repeated by Major Hodgins.

Mr. HODGINS.—Why not, if you say they are untrue, you can call them.

Mr. CARVELL.—I say, rule such evidence out and we wont have to call them, then. What I say is let Major Hodgins confine his evidence to what was said and done by the commissioners and any of the commissioners' agents or engineers; that is perfectly good evidence, but when it gets down to what may have been said between Major Hodgins and some entire outsider, I think it is entirely a stretch of imagination to give it as evidence.

Mr. BARKER.—Mr. Carvell is trying to get back into what was stated at the beginning; this is not a court martial of Major Hodgins nor a trial of the commissioners.

Mr. CARVELL.—It is a trial of the commissioners.

Mr. BARKER.—That is not the case, this is a question referred to us by Parliament to investigate.

Mr. LENNOX.—As I understand it among the matters referred to us is the question whether there has been improper classification.

Mr. CARVELL.—Oh no, to find out whether the charges by Major Hodgins are true or untrue.

7-8 EDWARD VII., A. 1908

Mr. LENNOX.—Among other things to ascertain whether there has been improper classification, the others are incidents.

Mr. BARKER.—We may as well settle the question at once. This committee are empowered to investigate not merely Major Hodgins' charges, but everything bearing upon the papers submitted to us.

Mr. CARVELL.—I submit that this committee is here to enquire into the truth or falsity of Major Hodgins' charges.

The CHAIRMAN.—That is it.

Mr. CARVELL.—That is all there is to it and I protest as strongly as I know how against any evidence being taken here except what will bear upon those charges.

Mr. LENNOX.—Here is what is referred to us:—

'Resolved: That the memorandum of the Chairman of the Transcontinental Railway Commissioners to the Prime Minister, of date the 23rd April, and laid on the table of this House on the 24th instant, and the papers accompanying same, together with the letter of Major Hodgins to the public press therein referred to, be referred to a special committee of five members, with instructions to investigate the matters and charges therein mentioned.'

Now we have to go to the papers laid on the table of the House and we have to include the letter of Major Hodgins, and whatever statements are contained in any of those papers we are to investigate; and one important statement contained in these documents laid upon the table of the House, and the most important statement contained in them is with reference to the question of the improper classification, and that I certainly propose to investigate, unless it is shut off by force.

Mr. BARKER.—All these papers are submitted to us.

Mr. MURPHY.—That does not cover the point I have raised. The witness was not discussing the improper classification which he alleges, with the commission or their agents, that is the reason why I objected.

Mr. HODGINS.—One of the charges is that Major Hodgins was removed for other than the alleged reasons, that the reasons given were not the true ones, and I propose to prove that Mr. Parent in his communication to the press, and also indirectly in the letter I have read, gives as a reason that Mr. Hodgins intended to change the classification by suggesting force accounts plus 10 per cent. Mr. Lumsden has said that was not the reason for suggesting his removal. I am now proceeding to give—I have the perfect right to give—the reason that actuated Major Hodgins in making the suggestion in order to show that the commissioners were entirely unjustified in saying that is the reason for his removal, as the chairman alleged. It is perfectly good evidence when a man is in a certain situation and has to take certain action, and his good faith in regard to this is impugned and he is dismissed for it, to show that the statements made to him by people connected with the work, and who were seized with the situation of the work itself, to show the grounds upon which he acted. He has a perfect right to demonstrate that he acted in good faith and in the interest of the commission, if they sought to show that as a reason for his dismissal, in order to throw aside the charge that he was dismissed for refusing to over-classify. No committee, it seems to me, with a reference to them such as this, can afford to shut out evidence from Major Hodgins to show the situation actually existing and accept no statement made by the contractor and by the sub-contractor which would show what was going to happen if a certain thing was done.

Mr. CARVELL.—I have no quarrel with Major Hodgins' statement at all, but that is not the point we are discussing. Major Hodgins is entitled to state here what he thinks are the true reasons why he was dismissed but that does not justify him in going outside of the commission, its officers and agents entirely, bringing in extraneous matters, conversations with outside parties, and putting that forward as his reasons for taking certain action. That is giving something to this committee and to the public which is not proper evidence; conversations of that kind do not in any way bind the commission or bind the government. I am not so much opposed to Major

APPENDIX No. 5

Hodgins giving a statement as to why he resigned, but I do object to my friend, his counsel, attaining that object by improper methods and improper evidence.

Mr. BARKER.—It seems to me that the question is one much broader than that. Mr. Hodgins wished to explain why he took the action he did; when he recommended a certain system of dealing with the classification, subject to correction from Ottawa, through the chief engineer. He is going on to explain what the condition of things was, and what he heard from the men performing the work; that condition, and what he heard from these contractors were the circumstances that induced him to make that proposition. If that is not evidence in an enquiry of this kind I cannot conceive what is evidence.

Mr. MURPHY.—May I point out that the witness has not assailed, attacked, or impugned what was done on the work of these two engineers, Willet and Macfarlane, who are in charge of Dutton's work; he has been speaking of McIntosh's work; it would be a different thing. If he had something to do with the classification by McIntosh, on which Dutton could speak, but this is a different part of the line altogether; I submit it has nothing to do with the point.

Mr. LENNOX.—That is not the point, the witness's counsel desires to show why he took certain action; he wants to show that this man made certain statements to him, that he would throw up the work if he had taken a different course, and the question is what would have been the effect of this sub-contractor had pulled out.

Mr. MURPHY.—That is not the point.

Mr. CARVELL.—Mr. Murphy is raising objection to questions that were asked prior to that.

The CHAIRMAN.—Answer the question.

By Mr. Hodgins:

Q. What would be the effect on the progress of the work if Dutton had pulled out as he suggested?

Mr. MURPHY.—Now, did he suggest that?

Mr. HODGINS.—Well, he has already sworn that he did say it?

A. He did say it.

By Mr. Hodgins:

Q. What would be the effect on the progress of the work done if he had pulled out at that time?—A. It would have delayed it considerably, it would have led to a lot of confusion and delay, one contractor pulling out would have frightened a good many men away.

Q. How many miles of track had he?—A. 60.

Q. 60 miles, out of—what was McArthur's contract, 250?—A. 250. I thought that the situation was very serious, serious enough to take some immediate action and report the matter to the board, they could enquire into it.

Q. Having that view of it, then you met Mr. Lumsden, I understand?—A. He came up, I think the next day; I went down to Kenora and he came up the next day.

Q. Did he tell you what his purpose in coming up was?—A. He came up to go over the line and enquire into the charges made by Mr. Grant against myself and the other engineers in the division.

Q. To investigate the charges made by Mr. Grant against you and your assistant and resident engineers?—A. Yes.

Q. To what extent did he go over the line at that time?—A. He just went over about five miles from the Winnipeg river.

Q. About five miles. He says in his letter he cut short his trip and hurried back to Ottawa to get a decision?—A. When he came up I laid the situation before him, and I told him that I had instructed Macfarlane and Willet to go over their piece of work and find out what the difference between the classification by force account and the classification that Willet had put on that particular piece of work would be, if they

7-8 EDWARD VII., A. 1908

could, in order that when Mr. Lumsden and I came up we would be able to compare the two.

Q. Yes?—A. And when he came up I explained all this to him. We walked over the work and saw some cuts where the classification was in dispute. He questioned Willet very closely about the classification in each cutting and made notes of it in each cutting as to what classification had been given, while Mr. Hazelwood and Mr. Tye, the contractor's engineers, were there; they objected to some of the classifications, but when Mr. Lumsden came back to Willet's camp I understood from Mr. Macfarlane, the resident engineer, that Willet's classification was entirely satisfactory.

Q. To whom?—A. To him.

Q. Who is 'him'?—A. To Mr. Lumsden.

Q. Then you met at Willet's camp?—A. We met at Willet's camp.

Q. Who were present?—A. Dutton and Tye, Hazelwood, Macfarlane, Willet and myself.

Q. Now, what information had Mr. Lumsden as to the state of affairs on the division and the situation at that moment, which you say you regarded as serious?—A. He had come up to settle everything up there.

Q. He had come up to settle everything?—A. Yes.

Q. What knowledge had he? What knowledge did he get from you and others in regard to the situation and its seriousness?—A. We all discussed the situation; he talked to every one there—to the contractors, the contractors' engineers and to us.

Q. Yes?—A. And he did not suggest anything. He said something had to be done, or ought to be done. Then I suggested that I would take the responsibility upon myself until he could come down to Ottawa and see the board and wire me to give an order to classify the disputed material in mixed cuts by force account.

Q. That you would classify the disputed material by force account?—A. I would not allow the introduction of any solid rock which did not exist. He said that was an easy way of getting over the disputes between the contractors and the engineers. On mixed cuttings there was continual dispute with the contractors' engineer, Mr. Hazelwood. When Mr. Lumsden was going over the work with Mr. Willet there was some question came up as to the amount of loose rock to be allowed in a certain cut, and Mr. Hazelwood claimed that if one yard was allowed there the whole cutting should be loose rock. The argument seemed to be never-ending one way and the other, and I thought this was the quickest and easiest way of settling it.

Q. Did Mr. Lumsden disapprove of it and forbid it?—A. No; he did not disapprove of it and he did not approve of it. He said to me: 'You must distinctly understand I can give you no authority.'

Q. And at that conversation what did you say?—A. I said that I would take upon myself the responsibility, as I thought this was what the commissioners wanted—to keep the work pushed on.

Q. What did he say to that?—A. I asked him if he would cut his trip short and go down and take this matter up with the commissioners, and the inspection on the line with reference to Grant's charges might rest for a little while.

Q. That Mr. Grant's charges might rest until this was settled?—A. He said he would have to go to Winnipeg anyway before returning to Ottawa, but that he would return to Ottawa. I went on to Winnipeg with him, I think, the following day.

Q. On the following day?—A. Yes.

Q. Did you have any discussion with him again?—A. No, but he had with Mr. McArthur; I think he had a conversation with Mr. McArthur.

Q. Had he any conversation with you?—A. No; before he went away he called me up to his room to read a draft of a letter I think he was going to put in.

Q. Put it to whom?—A. To the board; and then he went—

Q. Was that the same day or the day after he arrived?—A. The day after he got in.

APPENDIX No. 5

Q. And he left for Winnipeg; did you go with him?—A. I went to Winnipeg with him.

Q. Did he return from Winnipeg to Ottawa?—A. He went straight to Ottawa, and he was to send me a wire, 'Yes' or 'No,' in five days from the day he left Winnipeg.

Q. And you got the wire?—A. I got the wire saying the commissioners would not approve.

Q. Then had any change, in fact, been made? Had the orders been acted on, in fact, between the two dates?—A. No. I got a statement from every divisional engineer stating that these estimates had not been based on my order.

Q. So that whatever the suggestion was it was never carried into active operation?—A. No.

Mr. MACDONALD.—Do I understand the major to say that although he suggested to Mr. Lumsden as to what was to be done, nothing was done under it?

Mr. HODGINS.—Nothing was done under it.

Mr. MACDONALD.—How were matters conducted then?

By Mr. Hodgins:

Q. How were matters conducted then? You say this suggestion of yours as to force account was not acted upon and Mr. Macdonald wants to know what was done?—A. The order from Mr. Lumsden was that the commissioners insisted that the specifications should be carried out.

Q. Would that annul any change in the basis of classification in your division?—A. Oh, that settled that question.

Mr. MACDONALD.—That is not the point, the question I wanted to ask was what was done during the five days that intervened.

By Mr. Hodgins:

Q. What was done by your engineers during the five days which elapsed after your order had been given?—A. With regard to carrying it out?

Q. Yes?—A. I do not suppose it would be very much, it would have taken two or three months to adjust everything under that order.

Q. It would take two or three months to adjust it on that order?—A. Yes.

Q. Do you know to what extent they had gone on with it during those five days?—A. Some of them hadn't done anything, they hadn't taken notice of it, they could not.

By Mr. Carvell:

Q. When you suggested 'force account' did you mean that they were to go back for, say, two or three months or was it only to be from that time forward?—A. They were to investigate every case of dispute, wherever there would be disputed classification, instead of letting that dispute go on until the end of the work with the possibility of their being a lawsuit about it, that was my way of settling it, and I offered my suggestion.

Q. That it was to be retroactive and also to govern in future?—A. Only in cases where the material was in dispute.

Q. I understand that it was only in case of dispute, and that it would include the 5,000 or 6,000 yards of common excavation or loose rock that had been transferred to solid rock?—A. Yes, we would have got what the actual cost had been, we would have compared our own timekeeper's book with the record of the contractor.

By Mr. Barker:

Q. Instead of paying the schedule price for solid rock?—A. Yes, and arrived at a fair estimate of the cost. Of course in some cases, if the work had been very costly it would have been impossible to have brought the contractors out even on that basis.

But that of course would be their own fault if they had not done the work as cheaply as they might have.

By Mr. Hodgins:

Q. Do you mind explaining what force account is?—A. The actual cost of the work.

Q. Whose actual cost?—A. The contractors.

Q. What contractors? McArthur's or the sub-contractors?—A. It would be the wages that are paid to the men actually on the work.

Q. Take McArthur. He had sub-let this 60 miles to Dutton. Now had Dutton sub-let that?—A. Oh, yes.

Q. The sub-contractor had sub-let?—A. In some cases, yes.

Q. Then we step down four or five times before getting to the man who actually did the work?—A. Yes.

Q. And is force account based on the cost of that man or to McArthur?—A. Well force account would be based on the actual wages paid including the foreman to which 10 per cent is added.

Q. By the man who actually did the work?—A. Yes, that would be the cost of the work. Then 10 per cent would have been added to that.

By the Chairman:

Q. And the use of the plant?—A. That includes the use of the plant, tools and a profit. It is practically the actual cost, there is very little profit in it.

By Mr. Hodgins:

Q. It is not based, as I understand you and I want you to make it clear, it is not based on the contractor's prices?—A. Well it might have been say practically at cost or it might have been put into the estimates at so many yards of loose rock and so many yards of common excavation.

Q. At the contractor's prices?—A. At McArthur's prices.

Q. That is what I say, at McArthur's prices. When you speak of force account, plus 10 per cent, I want to get what the basis of that is. For instance, take solid rock and apply force account to that. You would take the cost to the man who actually did the work, would you not? How much would he get per cubic yard?—A. Yes, certainly, but not the sub's prices. I see what you mean. If the commissioners had approved of that way of classifying it would have been based on McArthur's prices, not on the sub's, do you see. Supposing the cost of a piece of work would be say \$1,700 and it would be rock work—

(.) Let us take something there is no dispute about. As Mr. Barker points out solid rock is a mistaken illustration. Take loose rock?—A. To reduce that \$1,700 to yards you divide by the price that McArthur was getting, not the price the sub was getting.

Q. That is only the arithmetic to make it harmonize with the contractor's prices. What I want to get at is, supposing you apply force account to loose rock?—A. Yes.

Q. Whose cost would you take as a basis, the 60 cents? What is McArthur getting?—A. 60 cents.

Q. Would you take as cost the 60 cents or what it cost the man who actually did the work?—A. Oh, no, McArthur's prices.

Q. I don't think you understand.

Mr. MURPHY.—The witness should explain himself. He may not be giving it the way it is wanted, but let him give his own explanation.

By Mr. Lennox:

Q. I understand it is this way: if you take the number of men that are on the work—

Mr. MURPHY.—I decidedly object to this.

The CHAIRMAN.—I think so. We have no right to give the answer of the witness.

APPENDIX No. 5

By Mr. Hodgins:

Q. When you speak of force account you mean the actual cost of the work?—A. The actual cost of the work plus 10 per cent.

Q. How do you ascertain that?—A. By taking the time of the men on the work, the wages.

Q. Taking the wages paid by whom?—A. By the contractor.

Q. I don't know who the contractor is. By whom? Give us an instance?—A. By McArthur.

Q. Paid by McArthur. Was McArthur paying those men who were actually doing the work or had he sub-contracted it out and that man had sub-contracted it again?—A. He was responsible for the wages.

Q. I don't care whether he is responsible or not. I want to know how you arrived at the basis of the cost of the work. You take the wages that were paid by the man who is doing the work?—A. Exactly.

Mr. MURPHY.—Cannot the witness answer himself?

The CHAIRMAN.—You must leave it to the witness to answer. Ask a question and let him answer.

Mr. CARVELL.—I think it is a misunderstanding between the witness and counsel.

The CHAIRMAN.—I think so.

The WITNESS.—I am in the dark.

Mr. BARKER.—Every interruption sets him back.

The CHAIRMAN.—I know, but we must have the evidence from the witness in a regular manner.

Mr. LENNOX.—I understand that any member of the committee has a right to ask the witness a question at any stage.

The CHAIRMAN.—Certainly.

Mr. LENNOX.—I think I can explain what the witness wants to get at. It is the actual cost of the men and the horses plus 10 per cent.

The CHAIRMAN.—Why not let him explain that himself.

Mr. LENNOX.—As a member of the committee I have a perfect right to ask him that.

The CHAIRMAN.—Yes, but not to answer for the witness.

Mr. BARKER.—Let him answer.

The WITNESS.—The actual cost includes everything.

By Mr. Hodgins:

Q. Of course it includes everything but we want to know how you are going to make it up?—A. From our timekeeper's record.

Q. From the timekeeper's record of the men. Does the timekeeper keep a record of what each man whose time he keeps is getting per hour or per day?—A. Yes.

Q. And he notes that?—A. Yes.

Q. Who does he find that out from?—A. He counts the men on the work.

By Mr. Barker:

Q. How does he get the rate of wage paid?—A. From the contractor. From the sub-contractor on the work, the man who pays.

By Mr. Hodgins:

Q. What I want to get, if you can give it to me, is an accurate description of the person he gets it from. We know that McArthur has a contract for 250 miles and Dutton for 60. Is it either of these that he asks for the wages of the men or someone else? Who does he ascertain the rate of wages from?—A. From the book-keeper of the sub-contractor, the man who is doing the work.

Q. Is the sub-contractor doing the work?—A. Yes. It may not be Dutton but somebody else.

Q. That is the cost is it?—A. That is the cost.

Q. And that is the cost to which 10 per cent is added?—A. Yes.

Q. And if you ascertained that, you said a moment ago, in some cases you could not bring the man out even?—A. Yes.

Q. How is that?—A. There may not be enough yards in the cutting.

Q. Enough yards at McArthur's prices?—A. At McArthur's prices.

By the Chairman :

Q. In your experience as an engineer, under what circumstances do you generally apply that system of force account in the construction of railways?—A. If there is anything the contractor is asked to do that is not mentioned in the contract.

Q. If what?—A. If you want the contractor to do any kind of work that is not mentioned, or specifically mentioned, in the contract, that is not included in the general description of the work he has to do, there is a clause in our specification—

By Mr. Barker :

Q. Which specially provides for that?—A. That such work is done in that way. Extra work we call it.

By Mr. Hodgins :

Q. Paid for in that way?—A. Paid for in that way.

By Mr. Barker :

Q. That is for work not mentioned in the schedules?—A. It is generally in every specification. Sometimes it is 15 per cent. Clause 35 of the specifications reads:—

'In addition to the foregoing contract price the Commissioners will pay to the contractor for extra work, or for work done under written orders of the engineer not covered by this agreement, but done in the proper execution of this contract, and for which prices are not named herein, the actual cost of such work, with an additional ten per cent on the cost of labour and material for the use of tools, contractor's plant, superintending and profit, but such actual cost shall not exceed the reasonable market value of such labour and material, as the case may be.'

By the Chairman :

Q. That is for extra work?—A. An additional ten per cent.

Q. But do you apply it to contracts generally sometimes?—A. It altogether depends.

Q. How is that?—A. It altogether depends. You must have—an engineer could not do it on his own authority. He must have higher authority for it.

By Mr. Hodgins :

Q. He must have higher authority for it. An engineer cannot do it under his own authority, he must have—?—A. He must have authority from his superiors.

By Mr. Carvell :

Q. Before you leave this branch of the case. If force account, that is the actual cost, including the wages, and ten per cent added, applies, and it amounted to more than the cutting would figure out at McArthur's schedule of prices, according to your proposition would the commission be paying more than the contract provides for?—A. You see, we don't go into any of those things.

Q. It is a fair question and I want a fair answer. If force account, plus ten per cent, applies and figures out more than the cutting would figure out according to McArthur's prices, then, under your proposition, would the commission pay more than the contract provides for?—A. It would just depend how that cut was classified. The dispute was this: that we were not giving enough classification. Therefore, it is to be presumed that this way of getting out of it, this force account arrangement, would have increased it.

APPENDIX No. 5

Q. You are not answering my question?—A. I do not quite catch onto it.

Q. You understand the point?—A. No; I do not, honestly. Let me get it now.

Q. Major Hodgins, I will get you down to loose rock?—A. Yes.

Q. I want this thing understood. We will say that the contract price was 60 cents for loose rock, that the one cut would be loose rock and there were 100 yards of it?—A. Yes.

Q. That would be \$50?—A. Yes.

Q. Classifying it according to the contract?—A. Yes.

Q. Now, if you carried out force account, and took out of that cut 100 yards and it came to \$75 actual cost, then, as I understand it, the commission would be paying \$75 for that work?—A. Yes.

Q. That is right, is it?—A. Yes.

Mr. HODGINS.—Be fair to the witness. He said it was only in case of dispute.

Mr. CARVELL.—I do not care what he says; I want to get the right understanding of this matter.

The WITNESS.—\$75 would be the actual cost.

By Mr. Carvell:

Q. Now, I want you to tell me what is the difference between adding on \$15 by force account and adding on \$15 by a change in the classification?—A. You must get authority for both.

Q. That is the only difference, is it?—A. You must get authority.

Mr. CARVELL.—That is a fair answer.

Mr. HODGINS.—The witness said you must get authority for both.

Mr. MACDONALD.—That makes no difference. That is not an answer to the question.

Mr. BARKER.—What he says is this, and Mr. Carvell wants to ignore a very important part of what he has stated.

Mr. CARVELL.—No, I do not. I think I am at the gist of the whole question.

The WITNESS.—You see, the contractors claimed this—

By Mr. Hodgins:

Q. Mr. Carvell has asked you a question based on the specifications for loose rock in which he says there is no doubt as to how it is to be classified. If there is no doubt as to how it is to be classified would any question as to the application of a different principle come in?—A. It would not.

Q. This is only, as I understand, in case of a dispute as to classification, the contractor claiming that it should be a higher classification?—A. Exactly.

Q. And the engineer claiming a lower classification?—A. Classified as he put it in.

Q. This, as I understand, is an arbitrary way of extending cost to the man who does the work, adding 10 per cent and paying him that amount?—A. Exactly.

Q. And if you want to turn that into yards at McArthur's prices you get the larger price and with less yards the result may be that perhaps you will not cover the actual cost—I mean that the contractor won't get what he expects.

Mr. CARVELL.—By force account he will get the cost?—A. He would come out even. He said that was all he wanted. We discussed it and the engineers there, Mr. Macfarlane and the others, agreed that was the easiest method.

Mr. CARVELL.—It prevents contractor from making a loss.

Mr. HODGINS.—It makes all the difference whether you arrive at the cost on the basis of the lower price because the contractor doing the work is paid less per yard.

The WITNESS.—When this question came up I was against it and I said I would not do it. The next morning I said to Mr. Macfarlane 'Well it will certainly settle the disputes and the wrangling and I think it is the easiest way.' Mr. Grant certainly suggested using the cost, the timekeeper's notes, as a guide to engineers to classify.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

So I said we would do it. I was strongly recommended to do so by Mr. Macfarlane and I think Mr. Willet and it was put up to the board to decide.

Q. It was put up to the board to decide. Then you wrote a letter to the chairman on November 19, 1907, in consequence of what you saw in the press as to his giving the reasons for your dismissal?—A. Yes.

Q. Do you remember that press item?—A. Yes.

Q. Did you forward to the chairman a clipping of the press item?—A. I don't remember.

Q. Is that the statement in the press which you referred to when you wrote, I am surprised to see in the press your reasons for my dismissal' (exhibiting newspaper clipping)?—A. Yes.

Q. This statement was said to be made by the Chairman of the Transcontinental Railway Commission in Ottawa and the date is November 5th:—

EXHIBIT No. 23.

CHAIRMAN PARENT EXPLAINS CASE.

GIVES THE REASONS OF THE COMMISSION IN RETIRING ENGINEER HODGINS.

Ottawa, November 5.—The Chairman of the National Transcontinental Railway Commission, Hon. S. N. Parent, made a statement to-day in reference to the removal of Major Hodgins, the engineer in charge of the division of the line to the west of Superior Junction, and the resignation of his assistant, Mr. Heaman. Mr. Parent stated that all the correspondence in the case would be laid before Parliament and it would clearly show that there can be no criticism of the action of the commission in removing Major Hodgins. It will be found, Mr. Parent says, that the commission acted in the best public interest in handling a matter in which the expenditure of public money is involved. The trouble has its foundation in an attempt to have the work carried on upon Mr. Hodgins' division contrary to the terms of the specifications under which the contracts were let. It was proposed by the engineers to change these specifications on their own authority in some cases and to allow the contractors the cost of construction and 10 per cent additional for profit instead of compelling the contractors to do the work under the terms of the original contract. This the commission would not tolerate.

The letter is as follows (reads):—

EXHIBIT No. 24.

KENORA, ONTARIO, November 9, 1907.

Hon. S. N. PARENT,
Ottawa.

DEAR SIR,—I was surprised to see in the press your reason for my dismissal, and only conclude that Mr. Lumsden did not represent to you what the circumstances were and what action I proposed to take, subject to the Board's approval.

Did he tell you that the situation was serious, that sub-contractor Dutton (McArthur's largest sub-contractor) threatened to leave the work and throw up his contract if he did not get some of the promises made to him by Mr. Grant, and unless I did something to guarantee him that he would not lose money; it was no use his wasting his time. He also said Mr. J. D. McArthur had told him the engineers had their orders from the commission. (Engineer Tye confirmed this.)

I told those present that I understood that the chief engineer had received orders the day I left Ottawa to do something to settle all disputes and get the work done.

The chief arrived, but suggested nothing; approved of the classification the contractors said was too low; offered no advice, but sat and listened to all we had to say.

I proposed the easiest way to settle cases of disputed material other than rock was to ascertain the cost and classify enough loose rock to bring the contractors out even,

APPENDIX No. 5

adding ten per cent for use of tools, office expenses and profit. The chief said he had no authority to do this, and admitted that something should be done.

I proposed then that I would give the orders and be responsible until he laid the case before the board. He agreed to this, and told me to remember he could give me no authority. I said if he laid the case forcibly before them they would agree to it, because it was a sound business proposition.

Messrs. A. G. Macfarlane, Willet, Hazelwood, Tye, the chief and myself were at Willet's camp at the time. The first two have notes in their diaries of what took place. In justice to me, you ought to ask for copies of these notes.

I told the chief I thought it was what the commissioners wanted, if we could believe what Grant had said, and it would put it up to them to say if they backed him up or not; the air was full of rumours.

I told the chief I would act as commissioners Young and Reid had advised. They told me to take as much responsibility as I could and push the work along and report after, and under all circumstances not to delay the work pending a decision from Ottawa. The chief admitted that it was a good way out of the difficulty, and again said: I can give you no authority. I replied: You can get the authority when you return to Ottawa, and wire me. He agreed then to cut short his inspection over the district and hurry back to Ottawa in order that I might know what the commissioners decided before the estimates went in. In the meantime, it was understood that I was to go ahead unless I heard from him. We figured out that I should have a wire in five days, and as it would take about three months to adjust all disputes included on the lines I laid down, the contractors and engineers would not be wrangling over little things, earth was earth, and loose rock was indefinite in the specifications on account of the plough test. The bulk of the contract was solid rock and was not to be included. When I told him I would not allow solid rock to be included he was perfectly satisfied.

We went to Winnipeg together, and he had lots of time to change his mind and order me not to do it if he had wished to. Instead of that he reminded me of a somewhat similar case on the Canadian Pacific Railway short line through Maine, when he took over the management and Mr. James Ross took the contract; and I understood him, he was going to use this in his argument to the board in favour of my action.

I explained all this to Mr. Young in Winnipeg, who told me that the commissioners could not do what a board of railway directors might, because the latter did not have to submit it to parliament. This was news to me.

If the responsibility I took to keep the men on the work, stop wild talk and settle disputes until such time as the board could have the case laid before them and deliberate on it, and took the means of laying the case before the board through the chief engineer, and if, in my judgment, I thought I was doing the right thing, if this is a serious offence, why did not the chief engineer object on the ground and as chief engineer order me not to do it, and if I persisted discharge me?

All I want is fair-play, and if I had differences of opinion with the board and some of the engineers, I have done my best during the three years I have worked for the commissioners.

Yours truly,

A. E. HODGINS.

7-8 EDWARD VII., A. 1908

Now I will put in two other letters (reads)

EXHIBIT No. 25.

S. N. PARENT, K.C.,
Chairman,

G. F. McISAAC, K.C.,

ROBT. REID,

C. A. YOUNG.

HUGH D. LUMSDEN,
Chief Engineer.

P. B. RYAN,
Secretary.

The Commissioners of the Transcontinental Railway,

Ottawa, Ont., Sept. 11, 1907.

Personal:

A. E. HODGINS, Esq.,
District Engineer,
Kenora, Ont.

DEAR SIR,—On my return from the west, I found a report put in by the chief engineer in explanation of your issuing instructions to have the work classified by force account in which he states that you understood it was the wish of the commissioners to do so. I cannot but feel that the chief engineer must have misunderstood you in this matter, as it is quite contrary to the reasons you gave me when in Winnipeg; and as you never received any intimation to classify contrary to the contract and specifications from myself or any of the commissioners, you, I am sure, would not wish an inference of that kind to remain uncorrected.

Please let me hear from you by return mail.

Yours very truly,

C. A. YOUNG.

The answer to that letter is as follows: (reads)

EXHIBIT No. 26.

KENORA, Sept. 16, 1907.

C. A. YOUNG, Esq.,
Commissioner,
Ottawa.

DEAR SIR,—In reply to yours of the 11th instant, I have to say that I did mention to you that I thought I was doing what the commissioners wished, and you replied that you had never spoken in favour of more than a liberal interpretation of the contract. I replied that it was no use beating about the bush, I know what you want, and I think in fairness to me, between ourselves, you might acknowledge this.

The better argument in favour of the style of force account classification I advocated, was that it would relieve the situation temporarily and carry the work on until men were plentiful. I laid stress on this with the chief. He was particularly careful to say that he would not give me any orders, and we agreed that no time should be lost in his return to Ottawa to lay the whole matter before the board and wire me. He did so, and although his wire was delayed the estimates were not made up on force account classification. Possibly you may find out later that my advice was sound.

Give me a fair show, that is all I ask.

Yours truly,

Q. Now I propose to take up for a few minutes the report of Mr. Grant and then I will conclude Major Hodgins' examination by putting in some minutes and letters

APPENDIX No. 5

between the commissioners and Mr. Morse regarding the importance of carrying on the work of this division promptly. The report of Mr. Grant, inspecting engineer, was made to Mr. Lumsden and is dated 23rd July. It appears on the file laid on the table of the House of Commons some time ago. I want to ask you as to the statements in this report and as to their truth?—A. I asked for an enquiry into these and it was never given me. Mr. Lumsden came up and as I say went over five miles and asked me to get some statements from some of the engineers about certain charges.

By Mr. Macdonald:

Q. Who asked for the enquiry?—A. I did.

Q. Who did you ask?—A. When I was brought before the board to answer these charges in Ottawa.

Q. Did you ask anybody else?—A. I was before the board.

Q. Did you ask anybody else for an enquiry?—A. Yes, I have.

Q. Who did you ask? (No answer).

By Mr. Hodgins:

Q. Did you ask anybody else for an enquiry other than asking the board for it on the 21st August?—A. About this particular report?

Q. About that report?

Q. You say you asked the commissioners for an enquiry, did you?—A. Yes, personally.

Q. Did you ask anyone else?—A. I don't remember.

Q. And did Mr. Lumsden come up to begin the enquiry?—A. He came up to begin it, yes.

Q. And he cut it short, as you told us?—A. Yes, he asked me to get a statement from each engineer who had seen Mr. Grant as to the various charges that Mr. Grant was making against them.

Q. Did you get these statements?—A. I got some of them. I was getting them when I received notice that I was discharged.

Q. You were getting them when you received notice that you were discharged. Did Mr. Lumsden, up to the time you were discharged, ever go over the road and complete that investigation?—A. No.

Q. Did you send Mr. Lumsden the originals of a number of those statements?—A. Yes.

Mr. HODGINS.—I asked for their production. I am not going to pretend they are evidence, but I am going to call the engineers to verify them and I want the originals produced by Mr. Lumsden or by the commissioners and placed in the hands of the secretary of the committee?—A. This is what I said about the enquiry—

Mr. HODGINS.—I want the originals with the signatures of the men, because I want to call the men and question them in reference to the matter.

The CHAIRMAN.—You can have them at any time.

Mr. HODGINS.—This is the time I would like to have them.

The CHAIRMAN.—They are not here now, and the engineers are not here.

Mr. HODGINS.—I do not want them immediately, but I want them put into the hands of the secretary at once.

By Mr. Hodgins:

Q. You spoke of having asked for an enquiry?—A. Yes, in my report to the board when I was in Ottawa I wound up by saying, 'As the report is a condemnation of the engineers on the district, and myself in particular, and if this reply does not convince you at the board that matters generally are not in the deplorable condition represented by the report, I must ask you to come up as soon as possible and investigate, and if you cannot come, I would suggest Mr. Butler or Mr. Schreiber.'

Q. Then just before I get into that, I may as well put in a letter of Mr. Lumsden's in connection with it, dated 31st of July, 1907, that is in the return before parliament and is known as Exhibit No. 27, (See page 21.)

Mr. Grant's report, dated the 23rd of July, 1907, is already on file. (Exhibit No. 28. See page 16.)

A. There are some letters I wrote to Mr. Lumsden, I think, in reference to this report after I came back from Ottawa; I haven't copies of them.

Mr. HODGINS.—Will you see, Mr. Murphy, whether there are any such letters on file?—A. There was one with reference to ditching, another one was, I think, in reference to that big cutting, it is mentioned here as the tunnel cut.

By Mr. Hodgins:

Q. Now, he says in his report, after speaking of the great difficulty that the contractors had experienced in solving the problem of labour. 'The various sub-contractors tell me that these were opened up,' that is, some cuts were opened up, 'by station men who quit work after receiving their first estimate, which, in their opinion was too small'?—A. Yes.

Q. He goes on, 'The complaints were on account of the classification being too low, overbreak being held back, waste being deducted or water coming for want of drainage.' What do you say as to the classification being too low?—A. That is the statement from the sub-contractor.

Q. Yes?—A. I do not know anything about it. The engineers—

Q. Is there any basis for that?—A. I do not think so, I can find none. There were one or two instances where some cuttings had been left, but the engineers all had explanations to make about them, it was not their fault.

Q. Then as to the overbreak being held back?—A. They all said they were giving as much as they could, some of them thought they were generous.

Q. That is some of the engineers thought that?—A. Yes, some of the engineers; I think there is a statement from the engineers showing they had given all the over break they possibly could.

Q. Then, as to waste being deducted, is it proper to deduct waste from the contractor?—A. It is, most certainly, if it is deliberate.

Q. Then, 'water coming in for want of drainage'?—A. No connection with this question of waste; evidently there are one or two places where waste had been deliberate and I asked the engineers if they had deducted any wastage for it, and they said not yet, but they had warned contractors if that sort of thing went on they would deduct; anyone who goes over the line will see large quantities of it, and it should properly be deducted. The engineers were easy when they said they wouldn't deduct it if it did not go on.

Q. That is in reference to the sub-contractors' complaints; and as to water coming, if they want drainage, whose duty is it to get rid of the water—to make drains?—A. I don't think it is the district engineer's.

Q. Then, he goes on to say: 'Complaint is also made by the contractors that men leaving for the above causes get to the various centres of labour and reported that the Transcontinental Railway was no place to work, and that no money could be made there. This is a very serious matter for the contractor, who has spent in the vicinity of \$75,000 for labour for which he has got practically no return; men brought in at great expense going out without doing even one day's work, and for which there seems to be no redress. The contractor has let out all his work in sub-contracts.' I suppose that is the case, is it?—A. Yes.

Q. Are there many sub-contracts on this work?—A. I forget the number. They run, I think, from 60 miles down to 10, or 15, or 20, probably.

Q. Does that affect the work at all?—A. It puts a lot of middlemen in; they all participate in the profits.

Q. Then the reference to the fact that in a country like this the divisional

APPENDIX No. 5

engineer can only go over his division by walking, that is correct, is it?—A. Yes, that is correct.

By Mr. Barker :

Q. With reference to the sub-contractors, had the Commissioners any control over the sub-contractors?—A. Yes. They only recognize, I think, the first sub.

Q. That is a matter for the Commissioners?—A. Yes.

Q. Not for the engineer?—A. No; we were notified that the Commissioners, if they were accepted, allowed the contractor to sub-let so much to such and such a man, but there it stopped. The sub-contractors, of course, sub-let again, but we do not pay any attention to that; it is too many middlemen in it.

By Mr. Hodgins :

Q. When you get down to the men who do the work the price is considerably lower than what the contractor's price is, is that right?—A. Yes.

Q. Now, as to classification, Mr. Grant is very emphatic: 'Classification on this work, where the vast majority of it is solid rock, is not a serious matter, and where material has been moved that could be classified—and the greater part of it was moved last winter when it was frozen, such as the opening of cuts, the stripping of rocks, etc. I found from questioning the resident engineers, and from looking over the progress estimates, that the classification given the contractors has been very low, and in many cases absurdly low, and for that reason alone there are probably 1,000 men less on the work to-day than there would have been if the work had been fairly and justly classified. Classification is left entirely to the resident engineers, and they are all too timid to give the contractor what he is entitled to in that line. The only engineer on the work who could produce any statement showing what the profit or loss was on the various cuttings on his work was Mr. F. J. McIntosh, division engineer at Wabigoon river; he looked after the classification on his division, consequently it was more reasonable than on the rest of the work.' Is that the McIntosh whose classification was altered in July?—A. Yes.

Q. And that amount added?—A. With reference to that remark about where material has been moved that could be classified, and the greater part of it was moved last winter when it was frozen, we had a meeting in my office of the engineers and Mr. McArthur and his engineers, Mr. Young and Mr. Lumsden—

By Mr. Murphy :

Q. What was that—what meeting was that?—A. With reference to the stripping of rock and the removal of frozen earth the winter before last, there was a meeting in my office at Kenora. All the engineers were there and Mr. Lumsden, Mr. Young, and it was decided that the classification of frozen earth that winter would be loose rock. We had permission to do that, and all that material was classified as loose rock.

By Mr. Hodgins :

Q. And is that what he says is very low, absurdly low?—A. I could not say; as far as I could gather, Mr. Grant had seen very few of the engineers.

Q. He says: 'And where material has been moved that could be classified—and the greater part of it was moved last winter when it was frozen, such as the opening of cuts, the stripping of rocks, etc.,' and then he says 'that the classification given the contractors has been very low, and in many cases absurdly low.' Does that refer to the classification of frozen stuff into loose rock?—A. It should not, because every divisional engineer was present in the office and they all received instructions.

The CHAIRMAN.—As to that question, you do not know that he refers to that?

A. I could not tell what he refers to.

By Mr. Hodgins:

Q. Those were the instructions given?—A. Any engineer having instructions like that would be only too glad to carry them out; it would help out the contractor.

Q. And this reference in the report must be to that classification as being absurdly low?—A. They had authority from the chief engineer in the case of that frozen earth to put it in as loose rock, but it was only to be material that was frozen, not the balance of the cutting; if they blasted off a foot or two of frost they would be allowed.

Q. He calls attention to it having been taken out as frozen and then he seems to complain in the next sentence as to the resident engineers doing the classification; is that customary?—A. Yes, it is customary for the resident engineers to do the classification, they really know more about the classification of their work than any one man, if they go up and down their work and watch it properly.

Q. That letter of the commissioners that I read of the 26th of August, Mr. Parent, the chairman distinctly disagreed from that, will you give me your views as to that?—A. My own view is the same as Mr. Lumsden's. Of course it is customary; if the resident engineer cannot classify he has no right to be there; a junior man may, of course, be instructed by the divisional engineer, but the man who is on the work is the one who should know more about the work than anyone else.

Q. Taking the next item of complaint, 'overbreak' you got reports from your engineer on that question, didn't you, as to whether there was large overbreak and whether it was held back?—A. Yes.

Q. What is the result of that, as far as you know?—A. I have been taking notes from the estimates, and the overbreak generally amounted to much more than what I imagine they have been giving them. I thought so going over them, they had instructions to give them everything they possibly could, but it is a difficult matter to measure overbreaks exactly with a tape unless you spend a lot of time.

Q. Is there any justification for this statement: 'This overbreak, it appears, has been held back by the engineers without any other reason than that it was just overbreak. I believe that they are paying for a certain proportion of it, but none of them pay for it all, when it was perfectly plain that it was unavoidable.' Is that justifiable?—A. I will leave that for the engineers to contradict, I can't contradict it, but they all contradicted it to me, all that I have spoken to. It was a very unjust statement to have made about engineers on the work, they are giving the contractors all they could, and Mr. Grant did not see them all.

Q. Then the next complaint is as to the waste, and he said, that he only saw two cuts where there had been deliberate waste of rock by heavy blasting, but the waste in both cases would not amount to over a few hundred yards?—A. I think that in the five miles that Mr. Lumsden went over he saw two cases. I am certain he saw one, and that is only on five miles; I have seen it at several other places along the line. If Mr. Grant has measured the waste and the overbreak with the same measure, the contractors, I think would kick.

Q. He says, 'This has been deducted with the result that such cuts are now idle,' is that correct?—A. No, it is not. Speaking generally, and I can only speak generally about this, there are certain statements put in by the engineers in regard to that statement, and they are the only ones who can answer that in detail.

Q. I know that, and I am going to call them, but I want to get your knowledge so far as you have it, as to this statement. As to the surface drainage he says, as to the resident engineers, 'They invariably told me they could get no authority to order ditches to be dug. They had written letters and sent in plans for proposed ditches but had heard no more about them. In many instances there are bogs on top of large rock cuts that must be drained before the cuts are started. The contractors are asking for drains to be laid out and cannot get them. Resident engineers waiting for orders, division engineers likewise.'—A. Well, I had rather experienced men on the grounds there, I was rather proud of that staff of resident engineers and division engineers on my line. They were all older men and men of experience, and I do not

APPENDIX No. 5

think any one of them would have to come and ask anyone else for permission to dig any drain.

Q. You don't think, then, that the resident engineers were waiting for orders, and that the division engineers were also waiting in the meantime?—A. I should say not.

Q. Do you know of any case where one of them asked for authority and didn't get it?—A. I heard when I went out, Mr. Harris said he had written to me and asked permission to put in a drain on some rock cut, and that he had also sent a plan. I said, 'Let us see the letter.' I was in his camp and his instrument man came up and said, 'It was not the district engineer it was Mr. Miles you asked.'

Q. Who was Mr. Miles?—A. Mr. Miles had been the division engineer, and Mr. Harris said, 'I told Mr. Grant I had sent it in to you.' That is the only case I know of, and yet there are a whole lot of them accused of it.

Q. Did you ever get requests, such as spoken of here, for orders with regard to ditches that were not attended to?—A. I should think not.

Mr. MACDONALD.—What do you mean, you say you think not?—A. It is an absurd thing for any engineer to send in to me and ask me to put in a ditch.

Q. The point is whether they did or not, even if it was absurd?—A. No, I never got it, and this is the only case where I was accused of it.

By Mr. Barker:

Q. The question was asked, 'did you ever receive such a plan'?—A. Never; it certainly would have impressed itself upon my memory if I had, because I should have spoken to any engineer about it.

By Mr. Hodgins:

Q. Openings—the size never definitely been settled. 'Whose business it was to settle these questions, I couldn't find out'—when were the sizes of these openings determined?—A. Before the contract was let there were several surveys and profiles made and they are now in the possession of the Commission, probably a year or two years before Mr. Grant came up on the work, and they contain records of all the openings that were put down by the engineers, and not only the size of them but the number of cubic yards that we estimated those openings would require when they were made. Every profile that comes in would have the masonry calculated and the size of the opening put down. In one or two cases, as always occurs on a road before the work is finished, the engineers would suggest increasing or diminishing the size, after they had observed the flow of the stream, or something of that kind, and I think at the time that the report was written there were probably about three openings that were being discussed, a change in the size of them was being discussed over the whole contract. One I know over Macfarlane's river had been referred to Mr. Lumsden, and it was a question which was the cheaper size of span to put in, whether it was cheaper to put in an arch or a steel girder.

Q. Whose business would it be to settle that?—A. My business.

Q. He says here, 'Whose business it was to settle this question I could not find out,' did he ever ask you?—A. No.

Q. And in this question that he referred to as, 'Many instances,' there were three that you speak of which were then under consideration?—A. That is all I can remember now.

The CHAIRMAN.—That is all you can remember?—A. I am quite certain in saying three or four, in fact I think I may safely say that.

By Mr. Murphy:

Q. Three or four instances of what?—A. Where the engineers on the work had recommended a change in the openings. There was one on Richan's division, I do not know whether that was covered or trestle, and there was one on Macfarlane's

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

river, and I was taking that up with the bridge engineer in Ottawa, writing to him as to price.

By Mr. Lennox:

Q. Did you say that one case had been referred to Mr. Lumsden?—A. It had been referred to the bridge engineer, a specialist, and I think I had spoken to Mr. Lumsden about it, or had written to him.

By Mr. Hodgins:

Q. Is the bridge engineer in Mr. Lumsden's office?—A. Yes; I think it was a question whether a span or an arch was the cheaper.

Q. This sentence would give the idea that this sort of thing was existing all over the line, that would have been a most deplorable matter, that is his idea; is there any truth at all in it?—A. No. Such things could not happen with the staff I had there, they were all experienced men, men of much more experience than Mr. Grant; I would back any one of those division engineers.

Q. Had any one of those engineers who were then on the work when Grant went over it, anything to do with the laying out of the work originally?—A. Everything.

Q. And settling these openings?—A. Yes.

Q. They had?—A. They had.

Q. The same men?—A. Well, they might not have been on the same piece of work they had located, but the engineer in charge of the party on location sent in his profiles with all the culverts marked on them, we got the fullest information in regard to the culverts, the masonry and everything else, and it is in the Commissioners' office, and it was another two years before that report was made.

By Mr. Barker:

Q. Everything about those openings?—A. Everything.

Q. The information is already in?—A. Our estimates that we put in are not approximate, they are just as close as men could possibly get them.

The committee rose.

WEDNESDAY, May 20, 1908.

3 o'clock p.m.

Major HODGINS' examination continued:

By Mr. Hodgins:

Q. Grant's next objection was (reads):—

'*Location.*—Long stretches of line have been re-located since the contract was let. The contractors complain that they were delayed in the building of the camps until the location of the line was decided on.'

Is that correct?—A. I think there was only about one place on the line where there was any chance of a contractor claiming anything for delay. Most of the re-locations was done when there were very few men on the work.

Q. Mr. Grant's statement is that long stretches of line have been re-located since the contract was let, and the contractors claim that they were delayed in the building of the camps until the location of the line was decided upon?—A. The engineers who were on the ground can answer that better than I can. I was trying to get these answers from them, and I don't know whether they have put them in since I left.

Q. You would know if any complaints from the contractors reached you?—A. Yes. I had only one complaint.

Q. Is that the instance referred to: 'In one case in particular the line was changed after work had been done and camps built'?—A. Yes; Guy Campbell's.

APPENDIX No. 5

Q. That is the only case you know of?—A. That is the only case I remember.

Q. (Continues reading): 'The contractor complains that he has never been paid for this'?—A. Just before I had the interview with Mr. Grant I had seen the contractor.

Q. Yes?—A. And I had arranged that the two engineers on the ground should go up and adjust this bill. The contractor had not the full details given. He wanted to wait until his time-keeper came back. His time-keeper was away and would not be back for a fortnight. He promised to have it in—

Q. Was that before Grant went up?—A. Before he went to Ottawa. A settlement was delayed some little time afterwards owing to the contractor not being able to supply the necessary information. Mr. Macfarlane the division engineer, I believe, visited him two or three times to get the necessary details, and it was finally adjusted after I left. McArthur told me the amount in question only amounted to about \$3,000. That is all Guy Campbell claimed.

Q. (Reading): 'Sidings have not been graded on the prairie section'?—A. There was a great deal of delay about the location of sidings. We had to report to Ottawa, and they were changed.

Q. And what?—A. They were changed several times.

Q. By whom?—A. I think the assistant chief engineer was dealing with that in Ottawa.

Q. Yes?—A. And Mr. Mann and Mr. Heaman were supposed to adjust them up in my office.

Q. Yes?—A. I had sent in a scheme of sidings showing where I proposed to locate the various sidings, and that was changed.

Q. By whom?—A. By the assistant chief engineer, I think. He sent up another.

Q. Was there any delay in your office?—A. No. Mann and Heaman had the adjustment of the sidings, so that it would be satisfactory to the Grand Trunk Pacific, and we had to report to Ottawa. I turned it over to the two of them, so that instead of a fourth one going in it would be settled quicker.

Q. Then the completion of work within the limit of time. Mr. Grant says:—

'Under present arrangements I see no possibility of this contract being completed within a reasonable or limited time. There are over 16 cuttings or more on the line in which work could be pushed with greater vigor.'

By Mr. Barker :

Q. Is that 60 or 16?—A. 60, I suppose. He got that from the list I gave Mr. Lumsden.

By Mr. Hodgins :

Q. Should that be 60 or 16?—A. More likely to be 60 than 16.

Q. Do you agree that they should have been pushed with greater vigour?—A. Certainly, if there had been more men.

Q. (Reading): 'The majority of these can and will be put through in from twelve to eighteen months by using double shifts.' How did he know that?—A. I don't know. I was trying to urge the contractors to put double shifts on.

Q. Had you succeeded?—A. In one or two cases.

Q. Only?—A. Only.

Q. Out of those 60?—A. Out of those 60.

Q. Do you know how Mr. Grant was able to say when you were not able to get that done?—A. He went over it with the contractors, so I suppose they told him. They may have promised him; I don't know what they have done since.

Q. 'But the long tunnel just east of the Winnipeg river, under the present management of both the engineers and the contractor, will not be dug in twenty years. Until different management is placed on this particular job, it is merely a waste of

7-8 EDWARD VII., A. 1908

time to force work on any other part of the line. Here we have a tunnel one thousand eight hundred feet long on which no work has been done, apart from a little scratching at both ends. The contractor has no reason to give for not having done much work at the west end, but before he can get at the east end the lake has to be drained. How long is that tunnel stated by Grant to be 1,800 feet long?—A. About 600.

Q. 'The contractor has no reason to give for not having done much work at the west end; but before he can get at the east end a lake has to be drained, the surface of this lake being about six feet above grade. A ditch has been dug to do this, but only four feet of water have been drained so far. To make the scheme a success the water should be lowered eight feet. I do not believe this can be done?—A. It was done when he was up there. The surface of the lake—

Q. Do you mean while he was there?—A. The surface of the lake at the time he was there was within about two inches, I think, of the drainage level that was required. I so understood from the resident engineer who had taken the level.

Q. What resident engineer?—A. Willet.

Q. Do you mean at the time that he wrote this report dated 23rd of July or at the time he was going over the work?—A. The time he was up there.

Q. Did he see the lake?—A. He saw the lake but he did not see any of the engineers. He saw the contractors and got information from the contractors. They were lowering it and it had got to the level within two-tenths I think.

Q. At what time?—A. At the time Grant was up there.

Q. Do you mean there on the spot?—A. There on the spot, on the work.

Q. He could have seen if he was on the spot, at the lake, whether it was 8 feet or 2 inches?—A. He could not tell what the level should be. He could not tell what the level was unless he had taken measurements or asked the engineer. He got his information from the contractor. I got mine afterwards from Mr. Willet.

Q. He states that he believes this cannot be done. You say this can be done and was done?—A. It was done. There is a letter I sent to Mr. Lumsden about this.

Q. Do you mean dealing with this particular point?—A. Dealing with this particular point.

Q. You sent a letter independent of your report?—A. Yes, when I got back I went up and looked at it and interviewed Willet and wrote to Lumsden about it.

Q. 'I do not believe this can be done; and as the engineers refuse to pay for the cost of this work, the contractor has quit trying to lower this lake.' Is there any truth in that?—A. The division engineer, Mr. Macfarlane—

Q. Which one?—A. A. G. Macfarlane.

Q. Yes?—A. Wanted me to grant force account on that, force account in payment of the work on the ditch and I said I preferred to classify it. There was a certain amount of that ditch which was excavated in hard material and the balance was soft muck which could not be shovelled or handled and the instructions I gave him was to take out the hard material and the action of the water would drive the muck out.

Q. Yes?—A. And it appeared that when Mr. Grant was up there there was some four men in this muck with buckets endeavouring to take out the muck.

Q. Yes?—A. It certainly was a very foolish thing to do because as fast as they would take it out it would come in again.

Q. What does he mean by saying the engineers refused to pay for the cost of this work?—A. Mr. Macfarlane, because I would not give him an order to put it in as force account work, extra account work, classified it.

Q. Classified it?—A. Yes, I have forgotten what classification he put in.

Q. And that is what he means by the statement that the engineers refused to pay for the cost of the work?—A. I presume so.

Q. That is by force account?—A. I presume so.

Q. In the next paragraph he says (reads): 'In order to get at the east end of the tunnel a large ditch 14 feet deep has to be dug from the mouth of the tunnel to the lake, as right over the proposed end of the tunnel is a bog, and from the end of the

APPENDIX No. 5

tunnel eastwards extends a cut 1,700 feet long.' Is that statement correct?—A. It is about right.

Q. That is the length of the cut?—A. I have forgotten the length of the cutting. It is a long cutting.

Q. Then he winds up in this way (reads): 'The district engineer and the division engineer do not agree as to how the contractor should be paid for this work; neither of them take any interest in it, and owing to the mode of payment the contractor is losing \$1.00 per day per man, so he is in a very unhappy state of mind. This piece of work requires your immediate attention, as there is, practically speaking, nothing being done on it; and under the most favourable circumstances it is a three-year job'—A. I don't know where he got that information from.

Q. Did he get it from you?—A. He did not.

Q. Did he ask you or discuss it with you?—A. I don't remember.

Q. If you had agreed to force account—?—A. I don't think he did, I am not certain.

Q. If you had agreed to force account for that work apparently it would have been done?—A. Force account for the cut?

Q. For the cut?—A. Oh yes. The contractor did not want to go on until he knew what classification he was going to get. This is the particular cut that Dutton referred to. It is the principal cut on his work, the most difficult cut to take out.

Mr. MURPHY.—I don't want to object unnecessarily.

Mr. HODGINS.—What is it you want? I will be glad to answer.

Mr. MURPHY.—It is the suggested answer to the witness that if force account had been adopted apparently the work would have been done.

Mr. HODGINS.—That is the effect of his answer, is it not?

Mr. MURPHY.—I don't think counsel should put questions in that way.

The CHAIRMAN.—I am afraid, Mr. Hodgins, you lead the witness sometimes, although perhaps you do not do it intentionally. I think if you would simply ask questions it would be better and more satisfactory to everybody.

Mr. HODGINS.—Then I will ask questions.

Q. Just tell us again what the trouble was with regard to the condition of this particular work—what caused the trouble, what the contractor wanted and what the engineer wanted?—A. With regard to this large cutting?

Q. Yes?—A. The contractor wanted a higher classification on that cutting than he was getting from the engineer.

Q. Yes?—A. It was wet material.

Q. What classification did he want?—A. That I could not arrive at. I think he wanted pretty nearly all loose rock with this wet material that was hard to take out.

Q. What did you decide to do?—A. It was on this cut that the whole question of force account started.

Q. What did you decide to do?—A. I recommended that that dispute should be settled by cost, plus 10 per cent.

Q. You recommended that, and that was what the contractor wanted?—A. That is what he said would settle the whole difficulty.

Q. That is what he said would settle the whole difficulty?—A. He foresaw that he was going to lose money on it. It was a very big piece of work, a very nasty piece of work to take out, and I would have been only too glad to have helped him out a bit, and so would all of the other engineers.

Q. Now, I will read you this again: 'The district engineer and the division engineer do not agree as to how the contractor should be paid for this work—'?—A. That refers, not to the cut, but to the ditch.

Q. Explain what it does mean with regard to the ditch?—A. I explained that before, that this engineer, Mr. Macfarlane, wanted to pay for that ditch draining the lake at force account.

7-8 EDWARD VII., A. 1908

Q. Yes?—A. And I told him that I preferred to have it classified. That was some months before that.

Q. What is your explanation of the expression 'neither' of them take any interest in it'? So far as you know, what does that refer to?—A. I don't know. Probably Mr. Macfarlane said something to him about it. I don't know how he got that. That is all the light I can throw upon it.

Q. Then we pass on:

'The engineers in District "F" lack confidence in themselves; the evasion of responsibility is the order of the day from the district engineer down to the youngest resident. There is too much letter writing about things that must and should be settled by the men on the ground, if the work is ever to be done.'

What do you say as to that?—A. I should like to see the letters. When this thing came out I sent all my letter books down to the chief engineer, and asked him to go through them and see if there were any objectionable letters that should not appear there.

Q. Is it correct: 'There is too much letter writing'?—A. In my office, no.

Q. Is it true that there is also evasion of responsibility from the district engineer down to the youngest resident?—A. As far as I know, there is no evasion of responsibility.

Q. Do you know of any evasion of responsibility on the part of the engineers in charge of that work?—A. No.

Q. Then he goes on to say:

'It is quite evident that the contractor has never had the good-will or proper co-operation of the majority of the commission's engineers on this district, without both of which it is impossible for the work to be carried on in a proper spirit and a businesslike manner.'

A. What is meant by proper co-operation? I don't understand that.

Q. Is it true that the contractor never had the good-will of the majority of the engineers?

Mr. CARVELL.—Now, Mr. Chairman—

Mr. BARKER.—That is Grant's statement.

Mr. CARVELL.—Is 'good-will' mentioned there?

Mr. BARKER.—Yes.

By Mr. Hodgins:

Q. Is that statement true?—A. I don't know. As far as I was concerned, there was no trouble between any of the contractors and myself. I believe there was some feeling between Dutton and Macfarlane, but I believe that is all over.

Q. Is that all you heard of in connection with the work?—A. That is all I know, of. Of course, occasionally—

Q. Have any of these engineers, other than yourself, been changed up to the present time?—A. Oh, yes.

Q. Well, what changes have taken place? Of course, we know that you were replaced and your assistant engineer, but, other than that, have there been any changes in resident engineers that you know of?—A. Yes. When I answered your first question I had forgotten about two other instances. There was one case where a resident engineer of the name of McDougall had to be changed. I got orders to put him off the work. I did not put him off the work, but took him into my office. He was a very good man, a Scotch engineer, and had been on the Canadian Pacific Railway before he came to us. I put him onto some heavy rock work on Dutton's work, and I had to take him off that and put him in the office. Afterwards I put him in charge of the Winnipeg river bridge, sinking the foundations and the heavy masonry work there.

Q. Do you refer to that as an instance of a change or as an instance where the contractor never had the good-will of the engineer?—A. I believe there was trouble

APPENDIX No. 5

with the contractors. Mr. Hazelwood spoke several times about it. McArthur did, but did not say very much. Webster, another of McArthur's men, spoke against it; and on the second place he was put a sub-contractor by the name of Parsons, I believe, said something about him.

Q. But at all events he was changed?—A. Oh yes.

Q. Had he been changed before this report was written?—A. Yes. I had forgotten about that instance. Of course, he was all right on the work in another place.

Q. The next statement is: 'Neither the district nor assistant district engineer have ever been over the line.' What about that?—A. Well, I have been over the line at certain points. At that time I had not been over the line continuously in any one trip. Mr. Heaman, I think, had been over the most of the line, and the district engineer who was there before Mr. Heaman had been over once or twice. A large portion of the line was untouched.

By Mr. Macdonald:

Q. Did you say that you yourself had been over the line?—A. I had only been over certain portions of it where the principal work was going on.

By Mr. Hodgins:

Q. Was it necessary that you should be walking up and down the line all the time?—A. I did not consider so.

Q. Were you instructed by your chief engineer to do so?—A. No more than to become familiar with the work.

Q. Well were you familiar with the work?—A. I think so. I should have gone out on the line if there was anything I did not know or wanted to see.

Q. Then he says: 'And if the work is to be carried on with proper despatch an assistant district engineer should be appointed whose duties will be entirely in the field—' How many assistant district engineers had you?—A. One.

Q. How many are there now?—A. I don't know.

Q. You don't know. Well we can show that later on: 'And his place of residence will be at or near the Winnipeg River crossing. This man should be given authority to settle all matters relating to borrow and waste ditching, classification, force work, size and kind of structures, &c., &c.' Now who was in charge of that work?—A. The various resident engineers and division engineers.

Q. Was that their duty?—A. It was. If an engineer had been appointed for those duties there would not have been very much more to do for the men in camp. The division engineers' duties certainly would have been nil and it was too much to expect of one man. The classification should be left to the man who has the shortest length of line, that is the resident engineer. It is all he can do and—

Q. Apparently this is Grant's idea—that nobody was competent at all?—A. Well he wanted Mr. McIntosh to be put in as assistant district engineer and he spoke to me about him in my office.

Q. He winds up this report with this kindly reference: 'At present the engineers on this work are no more than so many clerks, simply writing letters and reading the answers, and for all the engineering they are doing, they might as well be left out'?—A. I think you will all have the pleasure of seeing some of those engineers and you can judge for yourselves whether they look like so many clerks or engineers.

Q. Did you find them satisfactory and efficient while you were in charge?—A. I did. There are, I think, the best set of men on the line in District 'F.' That is when I was there. I don't know about after I left.

Q. As I understand when you were shown this report in Ottawa you sent in, without the assistance, as you have told us, of your books and papers, a reply?—A. Yes.

Q. Explaining and controverting what appears in the report and asked for an investigation?—A. Yes.

Mr. HODGINS.—That I propose to put in, Mr. Chairman, as the next Exhibit. I do not intend to read it.

Exhibit 29 to be found at page 22.

Mr. HODGINS.—I have concluded my examination for the present, but I do not want the witness dismissed. I have some other questions to ask him.

Mr. MURPHY.—What are we to understand ?

The CHAIRMAN.—Will you proceed now with the cross-examination ?

Mr. LENNOX.—We need not pursue the examination with the same rigidity as in a court of law. Questions can be asked on anything that arises.

Mr. BARKER.—I do not want the witness dismissed because Mr. Hodgins is through with his examination.

The CHAIRMAN.—Do I understand, Mr. Hodgins, that you are through your examination ?

Mr. HODGINS.—Substantially, yes. I may have to again examine the witness if anything crops up.

Mr. MACDONALD.—Still I assume we understand, Mr. Chairman, that Mr. Hodgins has examined his client so far as he is advised it is proper to do so in support of the charges we are considering.

The CHAIRMAN.—I think so, yes. I think he is through with his examination-in-chief now on all the charges that are before us for investigation.

Mr. LENNOX.—Not necessarily on all the charges that are before the committee for investigation, but all the charges so far as Mr. Hodgins, as counsel for Major Hodgins perceives.

Mr. HODGINS.—I am through with all the examination I think I can profitably make at the present moment. There are other witnesses to be called to prove certain other facts and I may have to recall him again, or ask him other questions, that will, I think, satisfy the committee as to the existence of those charges.

Mr. MURPHY.—This is a somewhat irregular way to proceed, Mr. Chairman, I submit. Charges have been made. I want to know whether Mr. Hodgins has finished his examination and where we stand.

Mr. MACDONALD (Pictou).—We cannot shut the door to the right of committee or consul to ask Major Hodgins any question at any time. Other than that I presume that counsel is through with his examination.

Mr. HODGINS.—I may have overlooked a point or something of that kind that I may desire to ask Major Hodgins question upon, and I do not desire to say that I have closed my examination in that sense.

Mr. MURPHY.—I appreciate that, but at this stage of the proceedings we ought to know whether counsel rests his case as to the charges filed, and whether we are called upon to meet them from the evidence put in.

Mr. LENNOX.—There is only one witness as yet, and counsel does not close his case by any means, only with regard to the examination of one witness.

Mr. MURPHY.—With reference to the closing for the present of the examination of one witness, I wish to point out to the Chairman that should any further questions be asked him, of course the privilege will be extended that the witness can be further cross-examined.

The CHAIRMAN.—Of course, you will have the privilege of cross-questioning him if there are any further questions asked him.

Mr. MURPHY.—With that understanding we will proceed as far as possible with the cross-examination of the Major this afternoon, but I will point out to the Committee now the difficulty of doing so owing to the absence of the extended notes of the evidence which the reporters have not yet had time to extend.

Cross-examination of Major HODGINS :

By Mr. Murphy :

Q. Major Hodgins, was the letter in the *Victoria Colonist* based solely on the

APPENDIX No. 5

assumption that the cost of this work, has been increased by four million dollars?—

A. The cost of the McArthur contract?

Q. The cost of the work of which you spoke in your letter to the *Colonist*?—

A. I based it on what I saw in the interview with Mr. McArthur.

Q. Did you base your letter solely on what you saw in the newspapers presenting the interview with Mr. McArthur?—A. Yes.

Q. You had no other reason for that letter to the *Colonist*?—A. No other reason.

Q. Did you take any steps to ascertain whether that interview with Mr. McArthur was correct or not?—A. No.

Q. Did you make any inquiry at all about it?—A. No.

Q. Had you any additional information?—A. The only additional information I had was in the *Colonist*; I connected that with the letter.

Q. What additional information do you refer to?—A. It is in the letter.

Q. What is it that you refer to? What additional information had you beyond the report of the interview with McArthur?—A. The item in the *Colonist* about the estimates being increased.

Q. What is that?—A. The item in the *Colonist*, the first paragraph in that letter.

Q. 'It is officially announced that the National Transcontinental Railway between Winnipeg and Moncton is to cost \$63,419,466. Mr. Fielding's estimate was \$51,300,000. Mr. Blair put the cost at \$65,000,000. The chances are that when all the accounts are in, Mr. Blair's estimate will be exceeded.' That item, you say, appeared in the *Colonist*?—A. Yes.

Q. And the alleged interview with Mr. McArthur?—A. In the *Toronto World*.

Q. These were the only grounds you had for your letter to the *Colonist*?—A. The only ground.

Q. You have also stated that you have taken no steps to ascertain the correctness or otherwise of the interview reported with Mr. McArthur?—A. No.

Q. Then, as a matter of fact, you are not, I presume, in a position to say whether the interview ever took place?—A. I am not.

Q. You relied solely on what you saw in the newspapers?—A. In the newspapers—there was some report in the *Montreal Star* or *Gazette* about it.

Q. You had not seen it in *Victoria* before you wrote your letter to the *Colonist*, had you?—A. Yes, that came out.

Q. When did it come out?—A. About the time that interview was in the *Toronto World*.

Q. Can you identify that in any way?—A. No, it was a quotation, I think, in the Saturday issue of the *Victoria Colonist*.

Q. Do you know what date?—A. No, I do not.

Q. In any event, that is immaterial, as to the point upon which I am examining you, because you have said that the only grounds upon which your letter to the *Colonist* was based was the interview with Mr. McArthur, and the item in the *Colonist* which you incorporated in your letter to the *Colonist* as to the large increase?—A. Yes.

Q. Then, if Mr. McArthur never gave this interview, and never made the statements attributed to him, you would have no reason for writing this letter?—A. Possibly not.

Q. You say 'possibly not'; I want an answer. Would you have had any other reason?—A. No, I took exception to his making the statement that the changes I had made, or the engineers had made, on the location which reduced the cost a million, were now increasing the cost.

Q. So that, if it be proved that this interview with Mr. McArthur did not take place, or that the statements attributed to Mr. McArthur in the interview are not correct, then there were no grounds for your letter?—A. No ground for my letter. I should not have written it.

Objection by Mr. Hodgins to the question.

By Mr. Murphy:

Q. Now, Major Hodgins, in the amplified charges that you filed here on Wednesday, the 13th inst., you have reproduced in paragraph 3, extending from the top of page 39 in these charges to the bottom of page 44, you have reproduced verbatim your complaints against Mr. McIntosh and his work, set out in your letter of September 14, which is filed here as Exhibit No. 6?—A. Practically.

Q. What is the answer to that question?—A. Yes.

Q. Now, have you any knowledge as to whether the matters originally mentioned in that letter of September 14, and reproduced here by you from pages 39 to 44, have ever been adjudicated upon or adjusted in any way?—A. I have no knowledge beyond what occurred about two months after I left.

Q. What was that?—A. I heard that nothing had been done, that the classification had not been changed.

Q. From whom did you hear that?—A. I think from Mr. Mann.

Q. From?—A. Mr. Mann.

Q. I would like you to be positive about that?—A. I spoke to Mr. Morse about it also.

Q. To whom?—A. To Mr. Morse.

Q. Where did you see him?—A. In Winnipeg.

By Mr. Hodgins:

Q. Who is Mr. Morse?—A. Vice-president.

Q. Of what?—A. Of the Grand Trunk Pacific.

By Mr. Murphy:

Q. What did you say to Mr. Morse?—A. Wouldn't it be better if you called Mr. Morse, he can tell you.

Q. No, I want to know from you.—A. I had a very long interview with him.

Q. How did you come to have the interview?—A. I wanted to ask him about work.

Q. When was this?—A. I think it was towards the end of November; I was going to the West.

Q. Towards the end of November, when you were going West?—A. I was leaving Kenora.

Q. Where did you see Mr. Morse?—A. At Winnipeg.

Q. And you of your own volition went to see him?—A. I went to see him about work.

Q. You mean about being engaged on the work?—A. Myself, yes.

Q. How did this matter referred to in your letter of September 14, 1907, and reproduced in these charges, happen to come up?—A. He spoke about my leaving, and classification generally.

Q. Yes?—A. He said he was very sorry to see I was going.

Q. But you had gone two months before that?—A. Yes.

Q. What else?—A. And that classification was a serious matter.

Q. Was it just general talk of that kind?—A. He said he had reports of classification that I had put in and that they were prepared to accept it, up to, I think it was, the August estimate.

Q. Up to the August estimate. Now, what was said about this particular classification of McIntosh's work?—A. He spoke about classification generally, and he said he had reports from his inspectors that the classification on—I think he referred to two divisions—yes, he referred to the two divisions 5 and 6, they were the only divisions that I make any criticisms of, the other divisions were apparently all right.

Q. Are you now telling us what Mr. Morse said?—A. We discussed Mr. Mann's letter.

Q. Mr. Mann's letter of what date?—A. September 6, the only one of Mr. Mann's letters that has been read.

APPENDIX No. 5

Q. There were two read, one of September 6 and one of September 9, which do you mean?—A. Both of them.

Q. How did you come to discuss them; did you have those letters?—A. No.

Q. Or copies of them?—A. No.

Q. Then how did you come to discuss them?—A. We were talking of classification, and the only classification that was objected to on the district was on these two divisions.

Q. You say you did not have those letters, and you did not have copies of them; did Mr. Morse have the letters?—A. No, Mr. Mann was in the office.

Q. He was present, was he?—A. He was not present then, but he had seen Mr. Morse.

Q. How did you come to discuss these two letters?—A. I could not say we had these letters before us, but we discussed what was in the letters.

Q. You discussed what was in the letters?—A. Yes.

Q. Did you bring the subject up?—A. I can't remember; it came up in the subject of classification.

Q. It came up on the discussion with regard to classification, that is the best you can say about it?—A. Yes.

Q. And did you recall to Mr. Morse this letter of yours of the 14th of September?—A. Which letter was that?

Q. Dealing with this classification of McIntosh's division—A. I do not remember.

Q. You do not remember?—A. No, he wouldn't know anything about that letter.

Q. That is just what I want to know, how much was known and by whom. I ask you if this classification on McIntosh's work, referred to in your letter of September 14, and reproduced in these charges, was discussed on that occasion?—A. The subject matters, both subject matters of the letters were discussed; I won't say the letters themselves were discussed, because we did not have them there. He, I imagine, spoke from what he had heard from Mann, who wrote that letter, and I spoke from my standpoint of what I had observed. We didn't have a long discussion about it, but he discussed the matter of classification generally, and said something about the classification in Quebec.

Q. There was nothing else of any consequence discussed at that interview relating to the subject of this inquiry?—A. Yes.

Q. What was discussed?—A. I urged him to have the whole matter laid before Sir Wilfrid Laurier.

Q. What else?—A. He promised to do so.

Q. You urged him to have the whole matter laid before Sir Wilfrid Laurier, and Mr. Morse promised to do so?—A. He said as soon as he saw Mr. Hays he would see, as well Sir Wilfrid.

Q. What arrangement, if any, was made as to your position in the matter, when it was laid before Sir Wilfrid?—A. No arrangement.

Q. What was the discussion with regard to that?—A. To my position?

Q. With regard to the matter when it would be laid before Sir Wilfrid Laurier in regard to your position?—A. My position?

Q. Yes, in connection with the matter?—A. I said, 'if you are going to take it up'—he had told me he would do anything he could in the way of getting me some work in the West, and I said—'If you are going to take it up, I think, until this matter is settled, that it would not be advisable for you to give me the work now.'

Q. But you went to see him to ask him for work?—A. I had, and I told him I did not think it would be advisable for him to give me a job just then because at that time I was a discredited engineer, and he said, 'I am very glad to see you look at it in that way.'

Q. I understood that you went to see Mr. Morse in order to get work, how do you reconcile that with your statement now?—A. I went to him to ask him what chance there was for work in British Columbia.

Q. Now, you say that in the course of your interview you told Mr. Morse you did not think it would be the proper thing for him to give you employment then as you were a discredited engineer, how do you reconcile those two statements?—A. I say that as he was offering me work—

Q. He didn't offer you work, you went to him and sought it.—A. He had said he would do what he could for me.

Q. And then you say you told him you did not think it would be proper for him to offer you work as you were a discredited engineer; how do you reconcile that with your statement about going to ask him for work?—A. I thought it was the best thing to do. He was very kind in respect to the way he felt about it, I saw he was going to do what he could for me, and I relieved the situation by making that suggestion, and he said, 'I am very glad you look at it in that way.'

Q. Was that said before or after your suggestion to Mr. Morse that he should lay the whole matter before Sir Wilfrid Laurier?—A. That was said as I was going out.

Q. What understanding had you with Mr. Morse on that occasion as to the position you were to occupy towards this matter when it was to be laid before Sir Wilfrid Laurier, or when it had been laid before him?—A. There was no understanding as to the position.

Q. What was said in that regard?—A. There was nothing more said.

Q. I want you to be positive about that?—A. It was left open in that way, that as soon as the matter was cleared up I would be in a position to ask for work.

Q. Was not there a discussion as to what assistance you would give in connection with the matter that was to be laid before Sir Wilfrid Laurier?—A. I said he could call upon me.

Q. I thought so.

Mr. HODGINS.—Let the witness answer.

By Mr. Murphy :

Q. Go ahead, what did you say, that is what I want to know; what was it?—A. That he could call upon me for any assistance I could give, and I think he replied he did not require any assistance.

Q. I would imagine not?—A. He had more information than I had any idea of.

Q. Now, that correctly sets forth the relative attitudes of yourself and Mr. Morse at the end of that interview, does it not?—A. I was feeling rather indignant about the way I had been treated, I do not say he felt very indignant, so I can't say what his attitude was.

Q. You were feeling rather indignant; that is not what I ask you?—A. You asked me about the relative attitudes of Mr. Morse and myself, I do not know about his attitude.

Q. I am asking you about Mr. Morse and yourself as to what took place at that interview?—A. I only know about myself, he was very guarded in what he said.

Q. He was very guarded; you were sore and he wasn't, is that it?—A. Possibly.

Q. You wanted to get even with somebody, he hadn't any special interest in yourself to speak of?—A. Pardon me, sir, I had chucked the whole thing, I felt rather miserable about it.

Q. Now let me direct your attention to some other things you have done. At page 41, at the top of page 41 of your charges, there appears this, 'At miles 29, station 1478 to 1483, the engineer in charge of that section turned in in estimate of July or August, 1907, 6,394 cubic yards of earth and 10,189 yards of loose rock. Judged by the specifications there was absolutely no loose rock in sight, and a thousand cubic yards of loose rock would have been an excessive charge.'

That is the first paragraph, and the second paragraph is, 'At stations 1385 and 1389 the engineer turned in in the July or August, 1907, estimate, 15,076 cubic yards of loose rock and 26,668 cubic yards of common excavation. In this case a few

APPENDIX No. 5

hundred yards of loose rock should have been allowed, as there were a few boulders, but no more, as it was a pure sand cut.'

Where did you get the information on which those two paragraphs were based?
—A. From my assistant.

Q. From your assistant, who is he?—A. Mr. Heaman.

Q. When did you get that information?—A. I had seen him out on the work, he and I had both gone together over McIntosh's work and I went west and he went east. He and Mr. McIntosh had again gone over the ten miles referred to in the transfer that we discussed last night, and then he was to go over the whole of the next division.

By Mr. Hodgins:

Q. Whose was that?—A. Mr. Richan's.

By Mr. Murphy:

Q. Yes?—A. He went over McIntosh's division, but Mr. McIntosh did not go with him, but he went over Richan's and made notes about the 40 miles, I think it was 30 or 40 miles. When I got back to my office, before he got back, I was discharged, and when he came back I asked him what notes he had taken, and he read out a lot of his notes from his note book.

Q. Yes?—A. I told him he would have to report that to the engineer who came up to take my place as he was left there he would have to report it to the chief engineer, and before I left Kenora I asked him if he had a copy of the notes; he said he had not made them out, and that he had spoken to Mr. Foss who came up to take my place, and Mr. Foss said he wanted to keep an open mind and did not want to have any information from either of us. I asked him why he said that and he said he did not know. I got these notes from him, I got no more.

Q. You got these notes from Mr. Heaman, when?—A. He read them from his note book as I was leaving Kenora.

Q. What date was that?—A. I expect it was in November.

Q. I would like you to be reasonably accurate about that, major?—A. Yes, it was in November, I had left Kenora and come west, clean out to the coast, and had been away about a month, I think, and then I came back and got all my things ready.

Q. It was in November you got the data on which these two paragraphs are based, from Mr. Heaman?—A. Yes.

By Mr. Macdonald:

Q. In whose employ was Mr. Heaman at that time?—A. I think he had left.

By Mr. Murphy:

Q. Left where do you mean?—A. Left the commission.

Q. And for whom was he working at that time?—A. I do not know whether he had gone with the Grand Trunk Pacific then or not.

Q. It is not so long ago, surely you can remember that?—A. I do not know what date he went with them; I know he went with them since he completed his time with the Transcontinental.

Q. Is it correct to say that at that time you knew he had left the commission, but you do not know whether he had yet gone to the Grand Trunk Pacific or not?—A. I think he was with the commission.

Q. You say you think he was with the commission?—A. Yes—now, let me see, I left in September—possibly he was with the commission. He was there with them until the end of October or November.

Q. He was with them until when?—A. The end of October or November.

Q. So that you think—A. He was there until a couple of months after I left.

Q. And you think that at the time you returned after this trip of a month and

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

got this data from him, he was still working for the commission—he was still an officer of the commission?—A. Yes, I just asked him for a copy of his notes.

Q. You say you took these notes down; have you them with you?—A. Yes (producing note book), here they are.

Q. You have a sheet in your hand, what is that?—A. It is out of my note book; these are the notes I took down.

Q. These are the notes you took down at the time you got the information from Heaman?—A. Yes.

Q. Will you please read what is on the sheet there?—

EXHIBIT No. 30.

A. '4260—Taken out in winter; at present generous. 50 per cent L. R. in first 150 feet—perhaps a few yds. in balance, but rest pure sand. Now classified as follows: 4250-4059—

200 solid.

6660 loose.

11145 com.

One thousand yards loose would be generous. Got to take engineer's word for 200 solid rock; appearances don't warrant this.

1548—1552-65—

263 E.

1757 L. R.

50 per cent loose rock would be exceeding generous.

Mile 29—1478-1483—

6394 Earth. } Return.
10189 L. R. }

By specification absolutely no loose R in sight. 1000 yds. L. R. would have been excessive.

In other words, Engrs. have given \$3,000 to contractor without apparent reason.

1303-1398—

15076 loose.

26668 com. Ex.

A few hundred yds. L. R. in boulders—as it is a pure sand cut, yet 15076 L. R. is given.'

That is all I got. I said, 'Well, I would like to get a copy of the whole thing when you have made it out,' but I never had it; that is all I got.

Q. When did Heaman go over the work and get the data you have just read from?—A. He was going over it at the time I was going over it, in August.

Q. Well then, are the particulars contained in that sheet the result of his inspection, of Heaman's inspection of the work in August?—A. I presume so.

Q. I want to know definitely?—A. Yes, because it was the detail of his inspection when I was on the work that I wanted to get.

By Mr. Lennox:

Q. I understand you did not get it?—A. No, he had a note book full of it, and I said, 'That is enough,' he had read the whole thing to me before I left.

By Mr. Murphy:

Q. Do you know of your own knowledge whether Heaman was on the work or not?—A. On that? Yes.

APPENDIX No. 5

Q. Do you know that, were you with him?—A. No, I sent him over the work.

Q. You do not know whether these particulars, contained in that sheet and given to you by Mr. Heaman, were obtained by Mr. Heaman personally, or were got by him from somebody else?—A. I presume so; I sent him there.

Q. It is only presumption of yours? You do not know, or do you know? And if so, what was the date?—A. The date he went and took these notes?

Q. Yes?—A. He must have taken these notes about the 16th of August, some time about the 16th of August, either the 15th or 16th, was the date I returned and got Mr. Lumsden's letter. He was out on the work then and he returned a few days after that.

Q. The witness said the 15th or 16th of August. Which do you mean?—A. Give me Mr. Lumsden's letter to me.

Mr. HODGINS.—The date is September 12th.

The WITNESS.—September 12th.

By Mr. Murphy:

Q. What are you fixing by the date of Mr. Lumsden's letter to you?—A. The date of Heaman's and my trip over the work; my last inspection.

Q. And was it on that trip Heaman got this data?—A. Yes.

Q. The particulars of which you have read to us as contained in the sheet, Exhibit 30?—A. Yes.

Q. Are you quite positive about that?—A. I did not go with them. I presume they are.

Q. I am not asking you that. I am asking you as to the time. Are you positive as to the time at which he got that information?—A. Yes, certainly.

Q. You swear positively, do you?—A. I was not with the man. I sent him out over the work to get this information.

Q. In what month?—A. In September.

Q. Then you are swearing, as I understand you, that Mr. Heaman got this information which you have read to us in the month of September?—A. Exactly. As far as I know. I did not get the information.

By Mr. Macdonald:

Q. While he was an employee of the commission?—A. Exactly.

By Mr. Murphy:

Q. You got it from him some time in November?—A. Yes.

By Mr. Hodgins:

Q. While you were an employee of the commission?—A. After I had been West.

By Mr. Murphy:

Q. So Mr. Heaman having obtained this information in September, this work had been done some time prior to that month?—A. Yes.

Q. In what month had the work been done?—A. I presume it was in August.

Q. I beg your pardon?—A. In August.

Q. You say here in July or August?—A. July or August.

Q. Now which?—A. I could not say. I never checked up the estimates. Heaman gave me those figures, and I never checked the estimates to find out whether he was right or wrong.

Q. You see when you make charges against people, you have to be a little particular?—A. Mr. Murphy, if I knew what you wanted me to answer I certainly would tell you. I don't understand your question.

Q. What I am asking you is, in what month was the work done to which you and he referred?—A. It should have been done in July or August.

Q. Which month?—A. I could not say.

7-8 EDWARD VII., A. 1908

Q. In July or August, you cannot say which?—A. I could not say.

Q. You are sure it was not September?—A. September? No, the notes were taken before September.

Q. That is, Heaman's notes were taken?—A. Heaman's notes were taken before September.

Q. Then I want to fix the date?—A. If you call Mr. Heaman—

Q. I want to know was it July or August?—A. Call Mr. Heaman here.

Q. We will have Mr. Heaman here, he will have enough to answer. Just now I want to get this information from you. You cannot say, I understand from you now, whether this work was done in the month of July or the month of August?—A. No.

Q. But you say that it was done either in the month of July or in the month of August?—A. It must have been in some previous month, because I sent him over in September.

Q. Are you quite positive it was done prior to September?—A. I should say so.

Q. You should say so?—A. Certainly. How could it be done after September if he went over in September and get the notes.

Q. I don't know, I am not the witness?—A. I cannot tell you. I did not take the notes. I got the notes from Mr. Heaman; he wrote them out. He wrote these notes out. I said 'I cannot take down any more.'

Q. When you framed those charges, or directed your counsel to frame those charges, what data had you that justified you in stating—

Mr. LENNOX.—That is not a proper question.

The WITNESS.—I have given you all the data I have.

Mr. LENNOX.—I submit it is not proper to go into the relations between counsel and client.

By Mr. Murphy :

Q. I am not asking such a question as that. What reason had you—I will change the form of the question—for saying this work was done in July and August and returned in the estimates of July or August?—A. Because it could not have been done otherwise. The notes were taken in September.

Q. Did Mr. Haman give you the date of the month of July or August?—A. No, I don't think I took it down. Let me see the notes. (After examining document.) No, there is no date here.

Q. So the best answer you can give then is that it was either in the month of July or August that this work was done, exactly which you don't know?—A. Yes, or previous.

Q. Or previous to that?—A. Some month previous to August.

Q. You are positive, anyway, it was before September that Mr. Heaman collected the information?—A. I should say so, yes,

Q. Well, now I would like you to look at the July estimate and point out that return in it, if you please? First of all in whose division was this work referred to in these two paragraphs at the top of page 41 of your charges?—A. Mr. Richan's.

Q. Mr. Richan's division?—A. Mr. Murphy, I think I looked this up the other day when I had the papers.

Q. Just a moment, we will show you the estimate?—A. And checked over these quantities.

Q. I hand you the original estimate for July and I ask you to point out the return of 6,394 cubic yards of earth and 10,189 cubic yards of loose rock if you can find such a return there?—A. I saw it the other day in one of them (after examining estimate). You cannot tell from that. This estimate is put in mile by mile, not cut by cut.

Q. I beg your pardon?—A. This estimate is put in mile by mile.

Q. Is there any reason why you cannot find these quantities?—A. Mile 29, 1,478, plus 40 to 1,531—no solid rock, 6,377 loose rock, 5,756 common excavation.

Q. Yes, but I am asking for these particular figures that you have incorporated

APPENDIX No. 5

in your charges, 6,394 cubic yards of earth and 10,189 cubic yards of loose rock? I do not mean to say that you will find them there?—A. No, the figures are not there.

Q. You cannot find them there. Now take August and I shall be very glad if the members of the committee will be kind enough to allow the witness to give his own story. I think in justice to all parties that ought to be done?—A. I think I checked over these quantities when I had these estimates the other day.

Q. You say you checked over these quantities when you looked at the estimates the other day. And what did you find?—A. I don't remember.

Q. You don't remember?—A. I think I got those items.

Q. You think you got those items. In what estimate do you remember?—A. No, I was looking through all the estimates back from January.

Q. You ought to get them in some of the estimates?—A. I think so, yes.

Q. Can you give us no idea where you checked up those figures the other day, major?—A. Last night when I was looking over the—no, it was when I had the blue-prints.

Q. You think you checked those figures?—A. I think I saw those figures, yes, because I went over the various items.

Q. In some of the blue-prints. Can you identify them now?—A. You have got the originals. If you will give me those estimates I will look it up.

Q. Did you see it in one of the originals or in one of the blue-prints, major?—A. I don't remember now.

Mr. HODGINS.—I am going to call Mr. Heaman.

Mr. MURPHY.—Mr. Heaman or nobody else can prove what is in that charge.

Q. What is the number of the division this work was in?—A. Division 5, residency 21.

Q. Major, I hand you the original estimate for October, District 'F,' Division No. 5, residency 21 (handing document to witness). Look at that and tell me whether you can find there the figures that you have incorporated in your charges at the top of page 41?—A. (Reads): '1478, 6,314 yards commons excavation'—

Q. What are you reading?—A. I am reading the October estimate.

Q. Yes?—A. (Reads): '6,514 yards, common excavation, 2,302 yards loose rock, 350 yards solid rock.

Q. Now I ask you do you find in that estimate 15,076 cubic yards of loose rock and 26,668 cubic yards of common excavation?—A. I am reading 1478.

Q. But I am asking you about stations 1383 and 1398?—A. Yes: 'Common excavation 26,668'—

Q. Cubic yards?—A. Yes.

Q. Of what?—A. Cubic yards of common excavation.

Q. Yes?—A. '15,076 yards of loose rock.'

Q. Of loose rock?—A. Yes.

Q. So that from that estimate it is obvious that the work to which you refer in the second paragraph at the top of page 41 of your charges was not done in July or August, but when?—A. The month of October. It may have been done previously.

By Mr. Carvell:

Q. Is that estimate which you have been referring to an estimate of the work done in September or the work done in October?—A. Of the work done up to the end of October. Everything up to the end of October.

Q. When you speak about October estimate, do you mean a paper made out at the end of the month?—A. The end of the month.

Q. Covering the work done in the month?—A. That was October, was it?

Q. Look at the September estimate, major?—A. The whole mile is here, 1372 to 1425.

Q. What are the quantities?—A. (Reads): 26,768 common excavation, 9,376 loose, 1,500 solid rock.

MAJOR HODGINS.

By Mr. Hodgins:

Q. For what stations?—A. I presume 1,372 plus 80, to 1,425 plus 6.

By Mr. Murphy:

Q. That would embrace what you have given in your charges between stations 1385 and 1398?—A. Yes.

Q. And although the estimate read covers the whole mile the figures given in your charges are in excess of the figures there?—A. The figures here for common excavation 26,768.

Q. You are reading now from the estimate for September and giving the returns for the whole mile?—A. Yes.

Q. And what is the distance between stations 1385 to 1388 mentioned in your charge?—A. Thirteen stations.

Q. 1,300 feet?—A. Yes.

Q. What have you to say about the date when this work was done?—A. That is September. It was returned in September.

Q. Well, it is obvious that it was not done in July or August?—A. Could I see the July estimate?

Q. You have the July estimate?—A. It is not returned here. Yes, I got these in November. Of course, I don't know—

By Mr. Carvell:

Q. The figures in your charge and those in the estimate do not correspond exactly?—A. No, I am 100 yards lower.

Q. You have given 1,500 cubic yards of solid rock. What do you find in the estimate for loose rock?—A. 9,376 yards.

Mr. MURPHY.—That is in the September estimate?

By Mr. Hodgins:

Q. That is on what station?—A. That is on the whole mile, mile 27.

By Mr. Murphy:

Q. As to the work covered by these two paragraphs at the top of page 41, major, what do you say now?—A. How much loose rock was given there in that last one?

Mr. CARVELL.—9,376 yards.

By Mr. Murphy:

Q. So your charge as framed is incorrect as to the date at which this work was done?—A. Apparently so. I can only account for that by having got it from Heaman in November.

Q. Had Heaman made a mistake?—A. Oh, I cannot say that.

Q. What right had Heaman to give you that information in November?—A. Well, he had taken the information. I asked him for the information he got while he was working with me as my assistant.

Q. If Mr. Heaman, as you state, was not then an employee of the commission, how could he get that information at that date from the office of the commission? He had not access to your office at that time?—A. Wait a minute. What is the date?

Q. You say in November?—A. Could anybody fix the date. While I might have left—I don't remember—he was there a month or two.

Q. We are asking you to fix the date?—A. I don't know what date he left. As far as I am able to remember he left a couple of months after I left.

Q. And he gave you this information in November, a couple of months after you left?—A. Before I left.

By Mr. Carvell:

Q. Before he left Kenora?—A. Yes.

APPENDIX No. 5

By Mr. Murphy:

Q. You had been away a month in the fall and you came back to Kenora?—A. Yes. You see when he came off this trip I asked him for his notes and he had not written them out.

Q. You got them from him some time in November, when both you and he had ceased to be employed by the commission?—A. I had.

Q. In any event it is now clear that this work was not done in July or August, as you alleged?—A. Apparently so.

Q. Apparently so. Very well?—A. It was September or October.

Q. In answer to your counsel, major, you stated that you were an engineer of wide experience on construction, did you not?—A. I don't remember putting it in those words. I have had some experience.

Q. Have you had considerable experience?—A. I have had considerable experience.

Q. When were you appointed district engineer for District 'F'?—A. I think in October, 1904.

Q. In October, 1904. At a salary of what?—A. \$4,000.

Q. \$4,000 a year. Were you engaged by the month or by the year or for any stated period?—A. By the month.

Q. You had made application, I understand, for the position that you obtained?—A. Yes.

Q. And you had furnished the commission with the record of your professional experience, had you not?—A. Yes.

Q. Now, what experience had you had on railroad construction prior to your engagement as engineer of district 'F'?—A. I had been on the Canadian Pacific Railway.

Q. At what date did you begin working on railway construction?—A. In 1882.

Q. What was your work in 1882?—A. I was on the Morris branch.

Q. Of the Canadian Pacific Railway?—A. Yes.

Q. And what work did you perform there?—A. Principally levelling.

Q. Is that what they call a rodman?—A. No, I was hired as axeman. That was the only position I could get.

Q. How long did you remain there?—A. I was there till about, I think, the fall, till it froze.

Q. What year was that?—A. That would be 1882.

Q. And what next were you engaged at?—A. I went out on the main line then as rodman.

Q. Where was that?—A. The end of track, I think, was Swift Current.

Q. What position did you hold there?—A. Rodman on the prairie.

Q. What engineer had charge of that work?—A. Mr. Foster, I think.

Q. What year did you say?—A. 1883 that would be.

Q. And how long did you remain on that piece of work?—A. We were on various pieces. I think we eventually got into the mountain.

Q. I am not particular as to the piece of work, but you were working for the Canadian Pacific Railway?—A. Yes.

Q. And who was engineer in charge?—A. Mr. Foster. I think he was the assistant engineer then. We call him resident now.

Q. I think you mentioned Mr. Ross?—A. He was the chief engineer and manager of construction.

Q. Was there a Mr. Marpole an engineer there?—A. No.

Q. Were you ever employed on any work on which Marpole was engaged?—A. No.

Q. How long did you remain with the Canadian Pacific Railway at that time?—A. Until they got through and drove the last spike.

Q. That was in what year?—A. 1886, was it not?

Q. 1885 or 1886. What was your reason for leaving?—A. No more work. We all came out.

Q. What did you next do?—A. I went down to Sherbrooke, on the short line through Maine.

Q. No, I think you were engaged up around Toronto prior to that?—A. That was on the survey for straightening the Don river.

Q. What year was that?—A. You have got me now; let me see—

Q. '85 or '86, wasn't it?—A. I do not know whether it was before that.

Q. Well, if you remained until the Canadian Pacific Railway was completed, and it was completed in 1885, and then you came east?—A. We came out once; they shut down construction on the Canadian Pacific Railway, and I came out. I have forgotten whether the Don work was during the time the Canadian Pacific Railway was under construction or whether it was after it was finished.

Q. You don't pretend to say that you were on two pieces of work at the same time?—A. I will have to look up the date.

Q. You have told my learned friend considerable about it, but you did not tell it all. Isn't it a fact that you came east and worked on the surveys of the Don river after you left the Canadian Pacific Railway?—A. I think that was the time.

Q. That wasn't railway construction work?—A. It was survey work.

Q. That was not construction work?—A. No, survey work.

Q. How long did that last?—A. About one summer.

Q. You were next employed on the Canadian Pacific Railway short line in Maine?—A. Yes.

Q. And who was the chief engineer there?—A. Mr. Ross was when I first went down, and afterwards Mr. Lumsden.

Q. How long were you there?—A. I think about two and a half or three years.

Q. Why did you leave there?—A. The work was finished.

Q. Where were you next employed, I think you said in Toronto?—A. At Windsor.

Q. How long were you employed there?—A. About a year, I think.

Q. About a year. Now in what capacity were you employed on each of these pieces of road by the Canadian Pacific Railway?—A. I started as a rodman with them on the prairie.

Q. You have hold us about that, I am asking you about this short line and the Windsor branch?—A. In the position they call resident engineer?

Q. On both of those?—A. Both of those, on the Ontario extension, near Detroit, there was no division engineer.

Q. There was no division engineer?—A. I was the resident engineer, and I used to look after what I could of his work.

Q. Did you have one or more residencies during that time?—A. Just one.

Q. Where were you next employed?—A. In Mexico.

Q. You were in Mexico, how long were you there?—A. About two years, not quite two years, I think.

Q. What did your work there consist of?—A. Construction work.

Q. Railroad?—A. Railroad.

Q. Now you have spoken about being rodman and resident engineer; were you instrument man before that?—A. I was.

Q. How Long?—A. A few months.

Q. A few months?—A. A few months.

Q. When you were in Mexico where were you employed, about the city?—A. No, Vera Cruz, 70 kilometres out of Vera Cruz; my division went from Vera Cruz out to 70 kilometres.

Q. Were you in the city or were you on the work?—A. I was on the work.

Q. On the work continually?—A. Continually, until I got the fever and then I came out.

Q. That was the reason for leaving there?—A. Yes.

APPENDIX No. 5

Q. When you returned to Canada, where were you next employed?—A. I went to Nelson.

Q. Prior to going to Nelson, I think you stated you were employed out in British Columbia on some work?—A. That is in British Columbia, Nelson is in British Columbia.

Q. Yes, but on some government works?—A. Yes.

Q. What were they?—A. Works in connection with the town sites.

Q. That is local government works?—A. Local government works, they owned the town site and I looked after the grading of the streets, &c.

Q. How long were you employed by the British Columbia government?—A. About seven years, the whole of the time I was there.

By the Chairman :

Q. How many years?—A. I did what work they wanted out there.

By Mr. Murphy :

Q. You had a variety of experience during that time, but not in construction work?—A. Just a small piece of line at Nelson.

Q. Extending from Nelson to where?—A. It was only a short siding.

Q. Of what length?—A. Four or five miles.

Q. Where was that from, do you remember?—A. Which, that work?

Q. Yes?—A. It was building to the Hall mines smelter.

Q. When was that, what year?—A. In '99, I think.

Q. 1896, I think, isn't that it?—A. 1896 or 1897, I think.

Q. There wasn't any railway construction work in that experience of your in British Columbia?—A. No, except that branch.

Q. What else did you do?—A. I went to South Africa.

Q. Now, before that, you were engaged, were you not, in private practice?—A. I was there about seven years.

Q. That is what you mean when you say that the only railway work you did within that period was this small branch?—A. I gave up railway work, practically.

Q. What was the character of private practice, such as yours, in a small place like Nelson, at that time?—A. It was very varied.

Q. Outside of this small railroad branch you built?—A. I was city engineer of Nelson and looked after the waterworks.

Q. Yes?—A. And I did a little bit of architecture, and a little mining surveying, I went out once or twice on a land survey, I was not a qualified land surveyor, but I did the work for other men.

Q. What else?—A. That is about all.

Q. So that during the seven years you were engaged in private practice at Nelson, the only railroad work you did was this short branch you have spoken of?—A. Yes, that is all.

Q. Then you went to South Africa?—A. To South Africa.

Q. What were you engaged in there?—A. After the troops got to Pretoria I was put on the director of railways staff.

Q. What did that staff consist of, and what did the work they were supposed to do consist of?—A. My work was the building of new railways.

Q. Who was in charge of that?—A. I was.

Q. What were your particular duties?—A. Everything.

Q. Everything? You mean everything connected with railroad building?—A. Yes, sir, Colonel Percy Girouard turned over so many troops and so many Kaffirs to me and I had to do the work.

Q. Now, are there any engineers in Canada now who knew you in South Africa, major?—A. Yes.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Name some of them?—A. There are two I saw in British Columbia the other day.

Q. Who are they?—A. Mr. Hirsch and Mr. Calcott.

Q. Are there any engineers on the Transcontinental who knew you in South Africa?—A. Yes, Mr. Bell.

Q. Where is he located?—A. Vermilion Bay; he worked for me once in South Africa.

Q. Where did you live in South Africa while working for Sir Percy Girouard?—A. At Johannesburg principally; my office was there.

Q. That was your headquarters, was most of your work done there?—A. Most of my work? No, my work was scattered over two colonies; I had all the branches. At first I lived right on the work, not in the town, but out of the town, at one of the mines; I made my headquarters there.

Q. But that was not actually on the work?—A. Yes, we were building a line through there from Johannesburg to Verinigan, and it came all through those mines; the line was about 40 miles long, the main line, and the sidings we were building from this main line to the various mines amounted to something like 25 or 30 miles, and I was living in the middle of the mines where the work was going on.

Q. So that you lived at headquarters rather than on the work?—A. It was on the work.

Q. Were your duties largely office duties?—A. No. First I had to form my own staff, pick men up where I could, and most of my staff at that time I am speaking of were really mining engineers; they had been residents at the mines and had been formed into a regiment at Capetown called the Railway Pioneers.

Q. And these men composed your staff at first?—A. Some of them.

Q. How many miles of new line were built under Sir Percy Girouard while you were there?—A. Well, there was that 45 miles to Verinigan—you will have to give me the map if you want that.

Q. Well, roughly speaking—that with which you had something to do, I mean?—A. There was the road to Ermelo Springs.

Q. What was the length of that?—A. I forget how far they built.

Q. Can't you tell us, roughly or approximately, how many miles were built?—A. I do not think it was finished when I left; they probably built 30 or 40 miles; it was a very light road. Then there was the Blomfontein to Modderspoort.

Q. What was that distance?—A. I think about 75 to 90 miles.

Q. Was that completed while you were there?—A. Yes.

Q. Did you have charge of that work?—A. I was in charge of it.

Q. And it was completed under your charge?—A. It was completed; in fact, I had to operate it until everything was finished on it.

Q. What other line was built?—A. The road from Harrismith to Bethlehem.

Q. What was the length of that?—A. Probably 90 miles, I have forgotten the distances.

Q. Well, altogether how many miles would you say were built?—A. Then there was the Springfontein to Jagersfontein.

Q. And what was the length of that?—A. That eventually was going on to Kimberley; I forget the length of these roads.

Q. What do you say was the total mileage of these roads that were built?—A. Of the roads that were completed?

Q. Yes?—A. 300 or 400 miles.

Q. And I understand that these railroads were turned over by the military authorities to the civil authorities later on, is that correct?—A. Yes, when the war was over.

Q. And just about that time, or shortly afterwards, you ceased to have connection with the road? Did you remain there after that?—A. When Sir Percy Girouard left I left.

APPENDIX No. 5

Q. Was there some little trouble between you and the civil authorities?—A. No, they were closing down.

Q. There was no trouble of any kind?—A. No, I got a very good letter from them; they offered me, when they were abolishing the office I held, a position on the Springfontein-Jaggersfontein road or a gratuity of six months' pay.

Q. Have you got that letter?—A. I have it somewhere.

Q. You haven't it with you?—A. No.

Q. But it is a fact that they retained some Canadian engineers in their employ?—A. Oh yes, I believe there are several.

Q. Some of those were there in your time?—A. Yes, they were on the maintenance staff.

Q. Well, now, coming back to district 'F,' what were your duties there, major; had you a printed copy of the general instructions that were issued to all engineers on the work?—A. Yes.

Q. I produce this book, indorsed 'National Transcontinental Railway, Eastern Division, General Instructions to Civil Engineers concerning Surveys and Construction.'—(Exhibit No. 31.) Did you have a copy of this book?—A. Yes.

Q. You were familiar, were you, with the definition of the duties of district engineer, set out on page 6; I will just read them?—A. I don't remember what they are.

(Extract from Exhibit No. 31.)

DISTRICT ENGINEER—DUTIES.

'10. The district engineer is in full charge of all the parties in his district; he is responsible for the faithful execution of all instructions, general or special, which may be given from time to time, as well as for the proper maintenance of discipline in the parties. He will see that the engineers in charge of parties are properly instructed, that they are competent men, and that they faithfully perform the duties entrusted to them; he will instruct the commissariat officer from time to time as to stores required and will make all requisitions for supplies so as to give ample time for purchasing and delivering same; he will certify to all accounts, pay-rolls, &c., and send them in to the chief engineer on the first of every month; he will report to the chief engineer monthly, and oftener when opportunity offers, on all matters of interest affecting the work in his district.

'It will be his duty to know the general character of the country through which the line is being run and to see that ample exploration is made in advance of the preliminary lines.

'District engineers will send fortnightly to the chief engineer, from the reports received by him from his engineers, as called for in section 12, a full report of all the work done in his district.'

You are familiar with that rule, Major?—A. Yes.

Q. Then the definition of the duties proceeds as follows:—

'On the first of every month, he will summarize to date all matters bearing upon his operations, giving progress being made, and such other matters as are of interest and value affecting the work.

'He will forward to the chief engineer, duly approved, pay-roll, expense accounts and bills.

'He will take a blue print copy of the plans and profiles received and forward to the chief engineer's office the original tracings.'

You say you are familiar with those duties as defined under section 10, is that correct, Major?—A. Yes.

Q. Then there is a further rule at page 69, rule 90, with reference to district engineers' reports :

'90. The district engineer will send in to the chief engineer once a month, or
MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

oftener when opportunity offers, and there is matter of interest, full reports of all the work in his district.'

Q. You are familiar with that rule also, Major?—A. Yes.

Q. Then on page 43, section 45, under the heading:

' CONSTRUCTION.

' 45. Ten to twelve miles will usually be allotted to each resident engineer.

' It will be the duty of the resident engineer immediately on reaching his residency to study carefully the specifications, contract and plans, so as to be prepared to decide promptly all questions that may arise within the scope of his authority, and in order to insure this end, he will confer with his district engineer on all points that seem to him to require explanation. He will inform himself fully of all the rules and matter contained in these instructions, and conform his work thereto in every particular. He will do all the instrumental work required on his residency in order that the contractor may rapidly and satisfactorily carry on the work in accordance with the plans, specifications and contract. He will make up monthly and final estimates of all work done in his residency in accordance with Form No. 4 and 5.

' He will treat contractors with courtesy and will give them all the aid necessary to expedite the work, and see that the conditions called for in the plans, specifications and contract are complied with.'

Now, you are familiar with that rule also, Major?—A. Yes, but that rule was changed; when you put division engineers on, the resident engineers reported direct to the division, they did not report to the district engineer.

Q. Do you mean to that extent the immediate control of it was transferred from the district engineer to the division engineer?—A. To the division engineer.

Q. What time was that change made that you speak of?—A. I think when the construction began, it would never do to have the junior, the resident engineer, report direct to the district engineer with an intervening senior man between them; the resident engineers are not division engineers.

Q. I see there is a rule here, 49, requiring that the resident engineer on his arrival at his residency will promptly notify his division and district engineer and the chief engineer, stating his post office, telegraph and telephone address?—A. Yes, he does that through the division engineer.

Q. Did you see that these rules were carried out?—A. I endeavoured to.

Q. There is a rule, 46, I see here: 'The resident engineer will report to the division engineer, if there is one, otherwise to the district engineer.' Does that cover what you spoke of as the change?—A. Yes.

Q. Here is a copy of the *Colonist*, of Victoria, B.C., of April 17, 1908 (handing order of reference to witness). Will you look at that, please, and see if that is the paper and if the letter bearing your signature is the letter which has been copied here in the paper brought down in the House?—A. That is the letter. I did not keep a copy of it.

Q. You did not keep a copy of it, do you mean of the letter or the paper?—A. I have a copy of the paper.

Q. Now, in paragraph 12, on page 42, of the charges that you have filed, you adhere to all the statements contained in that letter of April 16, that is correct, isn't it, major?—A. Yes.

Q. And you accept the responsibility for them?—A. Yes.

Q. Now, do you also adhere to the statements in your interview in the same paper published on the 19th of April?—A. I do not. I take exception to this exhibit.

Q. In what respect do you take exception?—A. I told the reporter that he had misrepresented a whole lot of things which he had not taken down correctly; he had not taken it down in shorthand, but wrote it on a little piece of paper about that size (illustrating), and I believe he wrote two columns; I asked him to make corrections.

Q. Were those corrections made?—A. Some.

APPENDIX No. 5

Q. Have you those corrections?—A. I have not.

Q. When were they made?—A. The following day.

Q. In what particulars was the report of your interview incorrect?—A. There were a lot of words put down to me that I did not make use of; language that was not mine.

Q. Do I understand then that you disavow responsibility for that interview?—A. Yes

Mr. HODGINS.—He does not disavow the whole of it.

The WITNESS.—Well, the way it is written. The man who interviewed me twisted everything up, and put in some of his own words, not mine.

Mr. MURPHY.—Well, it is produced here on the records.

Mr. BARKER.—It is not produced by Major Hodgins.

Mr. PARENT.—No, but it has been produced in the House.

By Mr. Murphy:

Q. Which political party does the *Colonist* support?—A. The Conservative.

Q. Have you any particular friends who are members of the staff of that paper?—A. The reporter was the only one I knew.

Q. By the way, what have you been doing since you went out there last fall?—A. I have not been doing very much.

Mr. HODGINS objected to questions relating to witness' private business.

Mr. MURPHY.—I want to know whether he has been engaged in engineering.

The WITNESS.—No, I was out of engineering.

By Mr. Murphy:

Q. You have not been doing engineering work since. You have already told us that you based your letter solely on the report of the interview with Mr. McArthur and the item that appeared in the paper itself?—A. Yes.

Q. Now, taking up the statements contained in the article, and dealing first with that item as to the cost of the road, can you swear, of your personal knowledge, what the total expenditure will amount to?—A. I could not.

Q. You cannot? Have you any idea at all?—A. Of the total cost of the road?

Q. Yes?—A. No, I haven't made a calculation.

Q. And you have already told us that you knew nothing about whether this interview with Mr. McArthur ever took place, and you took no steps to inquire as to its authenticity?—A. It was not correct.

Q. All you know is that it was not correct, do you know that?—A. I do not say that, no.

Q. You do not say it, but you do not know?—A. I do not.

The committee adjourned.

Thursday, May 21, 1908.

The Committee met at 11 o'clock a.m.

The cross-examination of Major Hodgins resumed.

By Mr. Murphy:

Q.—Major, I want to refer for a few minutes to the evidence that you gave yesterday. You told us that when you were in South Africa on the staff of Sir Percy Girouard, that he gave you a number of troops and that you had to go and build certain railroads? Is that correct?—A. Yes.

Q. Previous to commencing to build these roads did you make estimates of what the cost would be?—A. I had to run the survey first.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Did you make an estimate of what the cost would be?—A. Not on that particular one. During the war I could not.

Q. I am not asking whether you could not, but did you?—A. I did not on that one.

Q. We understand from what you said that the roads were built as a military necessity?—A. Certain ones during the war were built in that way. Afterwards we built them in the regular way.

Q. But the majority of the roads that you mentioned were built during the war?—A. No.

Q. No?—A. Oh, no. We started one from Johannesburg to Vereeniging, and a portion of about I think 18 miles out of Harrismith we built during the war, and a portion to Bloemfontein as far as Sanna's Post.

Q. Was that work ever measured?—A. Yes.

Q. In what way?—A. Cross-sections.

Q. Such a method is employed on the Transcontinental?—A. Exactly the same.

Q. Was it done under contract?—A. No.

Q. No contract?—A. No contract.

Q. Well then in that case you were not called on to exercise your judgment as to classification?—A. No.

Q. And there never was any classification at all on those roads built under the conditions that you mention?—A. Certainly there was classification.

Q. You have just said you were not called upon to exercise your judgment as to classification?—A. On those branches certainly not.

Q. No?—A. No. On those particular ones there is certainly classification.

Q. On the ones built after the war?—A. Yes.

Q. Were the others built during the war?—A. During the war.

By Mr. Carvell:

Q. Built by contract?—A. I was given seven or eight thousand natives and I had to build those portions as best I could. Sometimes the Boers would drive us back and I would have to retire and go on with some other road.

Q. That was during the war?—A. Yes, during the war.

Q. I am speaking after peace had been declared. Was the work done by contract or simply by what is called force account?—A. By contract.

Q. Contract?—A. Certainly.

By Mr. Murphy:

Q. Do you remember who the contractor was?—A. Pauline & Company were the contractors for one portion. They were on the Bloemfontein-Modderpoort Road. Wills & Lyall, an English firm, they also had a portion of that Bloemfontein-Modderpoort road. There was another contractor named Patterson. He was on the Springs-Ermelo road. The Harrismith road I have forgotten the name of the man. He was an American. He had the grading, and other small contractors were given the masonry.

Q. By the contractor or by the government?—A. By the engineer in charge.

Q. Who was that?—A. Captain Armstrong.

Q. Were those contracts by mile, so much per mile, or for a lump sum?—A. No, they were so much per item.

Q. How do you mean?—A. So much for earth and loose rock, so much for shale, &c. I wrote the specifications myself. I have them somewhere.

Q. You wrote them yourself?—A. Yes, I had had to do everything for myself.

Q. You had to do everything?—A. Yes.

Q. Were those contracts awarded by tender?—A. By tender.

Q. Who made the award?—A. The Tender Board.

Q. Is that a government Board?—A. It was a Board made up of certain officials on the railway.

Q. Made up of certain officials on the railway?—A. Yes.

Q. Were you a member of the Board?—A. No. I was not a member of the Board.

APPENDIX No. 5

Q. Was your chief, Sir Percy Girouard, a member of the board?—A. No, there were two Royal Engineer Officers and I think one of the officials in the Stores Department.

Q. Was the Mr. Armstrong you mentioned a member of the Board?—A. Oh, no.

Q. Now, I would like to refer to a point we discussed yesterday for some time. That is with reference to cut 1,383 to 1,398. That cut was on Mr. Richan's Division 5, was it not?—A. 1,383 to 1,398? Yes. I think that is mile 27.

Q. And formed part of Mr. Richan's work?—A. Yes.

Q. You said yesterday you had received information about that contained on the sheet you filed from your assistant Mr. Heaman?—A. Mr. Heaman, yes.

Q. And that information was received on your return from British Columbia in about the first week in November?—A. The notes were received when Mr. Heaman came back from this first trip. He read me over his notes, and told me the classification was in an awful condition in that district. We discussed one or two points and looked at the profiles and afterwards when I was leaving I asked him for a copy of them. He said he had not got a copy with him at the time. He had his notebook, a small notebook, and he read them out and I took them down.

Q. Let us understand this clearly. When you first got the information from Mr. Heaman it was merely a discussion between you?—A. Yes.

Q. Then later?—A. Then later on I got the notes.

Q. In November at a time when you had for a month or more been out of the employment of the Transcontinental Commission?—A. Yes.

Q. You met Mr. Heaman again?—A. Yes, and I asked him for a copy of the notes.

Q. You asked him for the notes and he gave you a copy of the notes?—A. I took down those notes from his notebook.

Q. Now, Mr. Heaman at that time, according to you, was either an employee of the Transcontinental Commission or an employee of the Grand Trunk Pacific?—A. Or the Grand Trunk Pacific.

Q. You are not sure which?—A. Not sure which.

Q. But in any event he was not at that time your assistant?—A. No.

Q. So that he gave you the information at that time simply out of friendship?—A. Yes.

Q. And as affording some information that his former chief asked him for?—A. Certainly.

Q. Now, have you seen Mr. Heaman since then?—A. Yes.

Q. When?—A. I met him on my way down.

Q. Did you write him to meet you?—A. Yes.

Q. And where did he meet you?—A. At Kenora.

Q. And where did he meet you?—A. At Kenora.

Q. When you saw him you were on your way down to Ottawa?—A. On my way to Ottawa.

Q. Where you were summoned to attend as a witness?—A. Yes.

Q. You wrote to Mr. Heaman to meet you?—A. Yes.

Q. Mr. Heaman at that time being, and still is I understand, an employee of the Grand Trunk Pacific?—A. Yes.

Q. Mr. Heaman met you where?—A. At Kenora.

Q. And were you in his company for some time?—A. Yes.

Q. How long?—A. He came down as far as Eagle River.

Q. You and he came down together as far as Eagle River?—A. As far as Eagle River.

Q. Is that another station on the Canadian Pacific?—A. On the C.P.R. The other train crossed and he came back by it.

Q. What took place between you?—A. I asked him if he could give me any more

information. He said he would like to but that as he was working for the Grand Trunk Pacific he considered the information he received was theirs.

Q. Yes?—A. I said 'Will you give me any information about the time when you were working with me,' and he said—he asked me what it was, so I referred to these things and I said 'Is that correct.'

Q. Wait a minute. What notes were those?—A. These notes here (pointing to notes)?

Q. Those two paragraphs at the top of page 41 of your charges?—A. Yes. I said, 'Are those correct as you took them,' and he said, 'Yes.' I asked, 'Can you tell me anything more about it'? He said, 'I would rather not, but if I am summoned as a witness I suppose I will have to tell everything I know.' He said, 'I would like to tell you a good deal but don't ask me to.'

Q. Yes, what else?—A. That is about all.

Q. Was that the time when he gave you the month in which the work was performed as July or August?—A. No.

Q. The months do not appear on that sheet of yours. Where did you get the month?

Mr. HODGINS.—I am afraid I am responsible for that.

A. I expect it was in that way. My cousin asked me what month, and I said put it down for July or August.

By Mr. Murphy:

Q. In any event you did not get it from Mr. Heaman?—A. No.

Q. You made notes on the train between Kenora and Eagle River, did you not?—A. No.

Q. While Mr. Heaman was with you?—A. No, I don't think so.

Q. Are you quite sure that you did not?—A. I think so. There were other matters that I was talking to Mr. Heaman about, but they were private matters.

Q. Well, was it about these private matters you made notes?—A. I think so. When I left Kenora, I left some of my furniture and we checked that over.

Q. We need not go into that. I want to know, Major, on your oath, if you did not make notes on that C.P.R. train with Mr. Heaman about the subject matter of this inquiry?—A. I checked over those notes with him. I read that sheet that I turned in.

Q. Which sheet?—A. That little item.

Q. In your notebook?—A. In my notebook. I read it over to him.

Q. Yes? Were any corrections made in it?—A. No corrections.

Q. Or additions?—A. Or additions.

Q. Are you quite positive you made no notes on that trip?—A. I made no notes.

Q. With reference to the subject matter of this inquiry?—A. No notes.

Q. You are quite sure of that?—A. Quite positive.

Q. Did Mr. Heaman make any notes?—A. I could not say, I don't remember. I don't think he had a notebook.

Q. What understanding did you and he have regarding his attendance as a witness?—A. He said he would come down here if he were summoned.

Q. If he were summoned?—A. Yes.

Q. That is all?—A. I questioned him several times about the work and he asked me not to ask him any questions, he did not like to answer. The only question that he would really answer was, 'He said those are right. (Exhibit No. 30.)'

Q. He said those notes of yours on the sheet you have filed were all right?—A. Yes.

Q. Did Mr. Heaman give you any notes of his own at any time?—A. No.

Q. Any last November?—A. No.

Q. Any on that trip on the train?—A. No.

Q. No?—A. No.

Q. Did he afford you access to his notebook or other records?—A. No.

APPENDIX No. 5

Q. He did not exhibit any to you?—Q. He said he had a book there.

Q. Did he not show it?—A. He showed it to me.

Q. And what did you read in that book?—A. I just glanced through it.

Q. Yes, and what did you see in your glance through it?—A. It referred to Richan's district.

Q. It referred to Richan's district?—A. Yes.

Q. And what was the reference that you read?—A. There was one reference but I have forgotten the—

Q. Well?—A. It was over classified.

Q. Yes, and when did this over classification take place?—A. I don't remember the date.

Q. In any event it was after you left?—A. After I left.

Q. And this is the gentleman you told us a moment ago pretended to be so loyal to his present employers that he would not give you any information?—A. I promised him I would not use it.

Q. But he exhibited his book and gave you the opportunity of extracting from it any information you wished?—A. I did not extract any information.

Q. Well, informed yourself of the contents of that book?—A. Just to that extent.

Q. He gave you that opportunity and this is the man you want the committee to believe is loyal to his present employers?

MR. HODGINS.—That is hardly fair. He did not say that.

MR. LENNOX.—He did not say that and it is not right or fair.

THE WITNESS.—Mr. Heaman and I—

MR. MURPHY.—It speaks for itself.

THE WITNESS.—All right it speaks for itself.

By Mr. Murphy:

Q. Where is that book now?—A. I could not say.

Q. What did you do with it?—A. Handed it back to him.

Q. What correspondence did you have with Mr. Heaman, Major, after you left?—

A. I have had one or two letters from him.

Q. Have you those letters?—A. No.

Q. Where are they?—A. I destroyed them.

Q. Oh. Why did you destroy them?—A. They were private letters.

Q. But you have put in letters here that are marked private and confidential. I don't see that the fact that they were private justifies you in making away with them, as you have now mentioned?—A. Well, they were confidential letters and they referred to other people.

Q. Yes, that was to be expected. Did you keep copies of them?—A. No, I did not.

Q. Has Mr. Heaman copies of them?—A. I could not say.

Q. Did you discuss those letters with him on the train?—A. Yes.

Q. Were any notes made on the train regarding the contents of those letters?—A. No.

Q. Is it not a fact that you had considerable correspondence backwards and forwards with Mr. Heaman?—A. Not considerable; I don't suppose there were more than four letters.

Q. Not more than four letters? A moment ago you said one or two. Now, think again and see if there were not more than four?—A. No.

Q. You mean four letters from you to Heaman and four from him to you?—A. About that, yes.

Q. Now, I shall ask you to produce that correspondence you had with Mr. Heaman?—A. I have not got any correspondence with Mr. Heaman; I destroyed them.

Q. Did you keep copies of the letters you sent?—A. Not a copy.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Well, what was this correspondence about?—A. About a good many things, principally private correspondence. A good deal of the correspondence was about my things that I left in my house.

Q. I don't want any information about that; that is private in the real sense of the term. Was any of the correspondence about the matters that are being inquired into by this committee?—A. Some of it was.

Q. Some of it was. Now, what was that correspondence?—A. I cannot remember all that was in it.

Q. Well, tell us what you remember, as you have destroyed the correspondence?—A. It was principally that—

Q. Begin at the beginning? How did it open up? How did the correspondence begin?—I began with possibly references to private matters. There were several questions I had asked Mr. Heaman that he was unable to give me answers to.

Q. Yes?—A. He gave me no definite information about anything. I got no notes from him as to any particular portion of the line. I asked him once whether the classification on McTaggart and the two Macfarlanes' division was unaltered. I said I did not imagine there would be any change in that, that the only portion of my district that would require re-classification was on divisions 5 and 6, and he replied to the effect that my—

Q. Divisions 5 and 6. Whose divisions are they?—A. McIntosh and Richan.

Q. And he replied?—A. And he replied to the effect that that was all right, that my opinion was all right.

Q. That your opinion was all right. Yes, what else?—A. Then he said he was rather tired of going up and down the line and making notes on classification.

Q. Yes?—A. The chances were that he would be either transferred to British Columbia or District 'C.' I think District 'C' or 'D.'

Q. Yes, and what else did this correspondence contain?—A. I don't know whether I should give the opinion of an engineer on other engineers.

Q. Oh yes, if you had not destroyed this correspondence you know it would speak for itself. Now we are entitled to know what it contained. What else?—A. Is that the ruling of the Chairman?

The CHAIRMAN.—Oh yes, you have to answer that, I think.

The WITNESS.—It was private correspondence.

Mr. CARVELL.—Is the witness to be asked to go into private matters?

The WITNESS.—I would prefer Mr. Heaman to come down.

Mr. CARVELL.—Mr. Chairman, is it your ruling that the witness should proceed?

The CHAIRMAN.—I think as between two engineers talking over the matter—

The WITNESS.—Confidentially.

The CHAIRMAN.—With respect to this investigation we ought to be entitled—

Mr. MURPHY.—One of them being still on the work.

Mr. CARVELL.—He is not in the employ of the commission but in the employ of the Grand Trunk Pacific Railway.

Mr. MURPHY.—Yes.

Mr. CARVELL.—I am taking the same ground this morning that I have taken from the beginning. I don't think we ought to drag into this any improper evidence. I think this would be improper. I don't see what right we have to inquire into the private transactions of Major Hodgins with Mr. Heaman or any other gentleman with whom he had correspondence.

The CHAIRMAN.—Of course, not private transactions, but if anything has transpired in correspondence, or in conversations, relating to the charges which we are investigating I think we ought to get that information. Of course, not private conversations or private affairs discussed in correspondence.

Mr. MURPHY.—I have already said I don't want that.

Mr. CARVELL.—The witness has said these were private references to other engineers.

The CHAIRMAN.—I think he ought to answer that

APPENDIX No. 5

Mr. HODGINS.—What opinions about other engineers?

Mr. MACDONALD.—For what purpose did you desire this evidence, Mr. Murphy?

Mr. MURPHY.—I don't know that we ought to disclose at this stage why we desire this evidence.

Mr. BARKER.—This man is not on oath and he is expressing private opinions upon the character of other officers.

Mr. CARVELL.—That is the point exactly.

The CHAIRMAN.—There was correspondence between them and we have not got that correspondence. Mr. Murphy is trying to find out what was in that correspondence relating to some of these charges.

Mr. LENNOX.—If Mr. Murphy wants to have the information, and if it is evidence touching the subject of this investigation, I think we ought to have it

Mr. BARKER.—We would be glad to hear it, if it is evidence?

Mr. MURPHY.—I don't want any private affairs.

The CHAIRMAN.—Of course, I am in the hands of the committee. My ruling may not be exactly what it should be, but as far as I am concerned, if there is anything in that correspondence that relates to these charges I think it should be told.

Mr. HODGINS.—As I understand it, Mr. Murphy, you want Mr. Heaman's opinion about other engineers?

Mr. MURPHY.—I don't know what the information is.

Mr. HODGINS.—Is that relevant; has that anything to do with this inquiry? Supposing he did say so and so was a bad engineer?

Mr. CARVELL.—And is it of any value to the committee in coming to a conclusion? I cannot see that it is.

Mr. MURPHY.—I cannot say until the witness has answered the question.

Mr. BARKER.—If Mr. Murphy insists upon it we should not object.

By Mr. Murphy :

Mr. MURPHY.—If the answer is irrelevant it can be stricken out.

Q.—What period did this correspondence between you and Mr. Heaman that you have been referring to cover?—A. Let me see. To about April, about the middle of April.

Q.—It began about the middle of April?—A. No, I think the last letter I got from him was the middle of April.

Q. When did you go to Victoria?—A. I was there in December.

Q. You were there from December?—A. Yes.

Q. Are we to understand that from December until April you had this correspondence with Mr. Heaman?—A. About three or four letters.

Q. You had three or four letters between December and April?—A. And April.

Q. From Mr. Heaman?—A. From Mr Heaman.

Q. Does the answer you gave a moment ago mean that your last letter was received from him in April?—A. I think so. I would not be certain, I don't remember the date.

Q. You were uncertain yesterday as to the date at which Mr. Heaman left the employ of the commission?—A. Yes.

Q. Can you tell us whether you had any correspondence with him before he left their employ?—A. No.

Mr. CARVELL.—Yesterday he said it was either the end of October or the end of November, he was not sure which month it was.

Mr. BARKER.—The commission must have the actual date.

By Mr. Murphy :

Q. Now this correspondence you say was destroyed?—A. Yes.

Q. When did you destroy it?—A. I destroyed it when I was coming down here.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. You destroyed it after you had received the summons to come to Ottawa?—

A. Yes.

Q. To attend before this committee?—A. Yes.

Q. Why did you do that?—A. Mr. Heaman asked me to.

Q. Mr. Heaman asked you to. Very well. I don't think we need pursue that much further. Now, in one of these letters Mr. Heaman mentioned that he was tired of going up and down the line and expected to be transferred to a certain section in British Columbia?—A. Yes, or 'C.'

Q. His professional experience had been that of an office man, had it not, largely?—A. Oh, no. Heaman is not here to defend himself.

Q. He will be. I am asking you?—A. And he is a good engineer in the office and out of the office.

Q. How much experience did he have before you got him?—A. I cannot say as to that how much he had, I don't remember.

Q. Would you be surprised to hear that he had not a year's experience?—A. Very.

Q. Would you, too, be surprised to hear that he had not six months' experience?—

A. Oh yes, because he was working for the Grand Trunk Pacific Company when I took him.

Q. At what was he working?—A. Survey.

Q. For how long?—A. I don't remember.

Q. You don't know?—A. The Division District Engineer of the Grand Trunk Pacific Railway at Winnipeg spoke very highly of him.

Q. Who is he?—A. Mr. Kelleher. He is now chief engineer.

Q. Did you ever receive a recommendation from Mr. Mann about Mr. Heaman?

—A. No, I do not think they knew one another until they came here.

Q. But they have become very intimate since?—A. Naturally so, they were associated together on the work.

Q. Mr. Mann was referred to in this correspondence between you and Heaman, wasn't he?—A. I think so. He said something about him being out on the line.

Q. Now at the time this correspondence was being carried on you were not employed by the Transcontinental?—A. No.

Q. Then what right had you to ask for this information?—A. Why hadn't I a right.

Q. I am not the witness. I am asking you what right had you?—A. I had a right.

Q. What did you want it for?—A. I wanted to find out what was going on.

Q. Although you had ceased to have any connection with the Transcontinental?—A. Certainly.

Q. Well, we will find out from Heaman what right he had to give it to you. This book that you speak about seeing on the train, containing Heaman's notes, from which you say you got some information, what book was it?—A. It was one of his notebooks.

Q. One of his notebooks, containing notes made when?—A. I do not remember, I did not look at the date, I did not go through the whole thing. I said, 'Well, if I can't use any information, if you can't give me any information it is no use my looking at these.' He said, 'I would rather not give any information at all to you, I would like to give you all the information I have, but I would prefer to give it when I am called to Ottawa.'

Q. Were the notes in that book made by Mr. Heaman while employed by the Transcontinental?—A. I could not say.

Mr. HODGINS.—He will be here to tell you.

Mr. MURPHY.—Please do not interrupt the witness, let the witness answer. Mr. Heaman will have his own sins to answer for.

By Mr. Murphy:

Q. You must know when the notes in that book were made by Mr. Heaman, and whether they were made while he was in the employ of the Transcontinental or not?

—A. I do not think they were, but I will not be certain; I did not look at the month.

APPENDIX No. 5

Q. I am not asking you that; don't you know that those notes in that book to which you refer were made by Mr. Heaman while he was employed by the Transcontinental Railway Commission?—A. I do not.

Q. You do not?—A. No.

Q. Will you swear they were not?—A. No, I cannot swear about the date because I do not know the month nor the year.

Q. I am not asking you the date, I am asking you whether those notes were made by Mr. Heaman while employed by the Transcontinental Commission?—A. The notes?

Q. In the book that you looked at in the train?—A. No, I do not think they were.

By the Chairman:

Q. You say you do not know?—A. No, I do not think they were.

By Mr. Murphy:

Q. You do not think they were, but you will not swear they were not?—A. No.

Q. Had the book a familiar appearance to you?—A. No, it was an ordinary notebook.

Q. Was it like the book you had seen in use by Mr. Heaman when he was your assistant?—A. No.

Q. Was it a different kind of book?—A. Yes.

Q. Just describe, please, what kind of a book that was?—A. It was an ordinary common notebook.

Q. An ordinary common notebook?—A. Yes.

Q. What shape was it, square or rectangular?—A. Rectangular.

Q. That is, it was a long narrow book, was it?—A. No, it was about, I should say, that wide, and about that long (illustrating).

Q. Do you remember what kind of a cover it had?—A. No, I did not notice.

Q. How long did the trip take from Kenora to Eagle River?—A. We had dinner on the train, and he got off just afterwards.

Well, dinners last for different lengths of time?—A. The timetable will tell you that we got into Kenora about 12, I think, or a little after. I have forgotten the time, the train was on time, and he got off at Eagle River; it was about, I should think, probably two hours.

Q. Would the trip have lasted longer than three hours?—A. Two or three hours.

Q. Two or three hours; you think about three hours?—A. I do not remember now, you can find out in the timetable easily.

Q. But I haven't a timetable, and I have never made the trip.

Mr. BARKER.—Oh, give it up, the man says he doesn't know.

Mr. MURPHY.—I am entitled to this information; I think that observation is uncalled for.

Mr. LENNOX.—The witness cannot give the information, he says he can't.

Mr. MURPHY.—We have not yet reached the stage at which the witness says he cannot give the information, I submit I have a right to an answer.

Mr. LENNOX.—He has given you the means of finding out.

By Mr. Murphy:

Q. Mr. Heaman's request that you would destroy the correspondence which you say you did destroy was in writing, wasn't it?—A. No.

Q. How was it made?—A. He spoke to me on the train about it.

Q. I understood you to say you destroyed that correspondence at Victoria?

Mr. LENNOX.—No, he said he did it while coming down here.

Mr. MURPHY.—I did not so understand the Major's answer.

By Mr. Murphy:

Q. Where was it destroyed, actually?—A. In Toronto.

7-8 EDWARD VII., A. 1908

Q. Did you show it to any person in Toronto before destroying it?—A. I do not think so.

Q. You must remember, it is not so long ago.—A. No, I do not think I did.

Q. Did you show the correspondence to Mr. Heaman on the train?—A. No, I hadn't it with me.

Q. Where was it at the time?—A. It was in some papers I had expressed down to Toronto.

Q. And the request was made by Mr. Heaman on the train, and when you reached Toronto and got those papers, you sorted out this correspondence and destroyed it, is that a fact?—A. Yes.

Q. You do not remember whether you showed it to any person in Toronto before destroying it?—A. I do not think so.

Q. Will you swear you did not?—A. No.

Q. You may have shown it to some person in Toronto?—A. I may.

Q. Did you discuss with any person in Toronto the destruction of this correspondence before you destroyed it?—A. That I do not remember.

Q. Well just think for a moment?—A. No, I do not remember.

Q. Who was present when you opened up those papers which you expressed to Toronto?—A. I do not think anybody was.

Q. Where did you open them?—A. In my cousin's office.

Q. Do you mean your counsel here present?—A. Yes, I took them into one of his private rooms and opened them up, and waited for him to come in.

Q. Yes, was that where they were destroyed?—A. No, I tore them up at my father's house.

Q. Now, is it not a fact that in one of his last letters to you Mr. Heaman told you that objections to a certain cut on this work had been made or would be made to Mr. Woods, the Grand Trunk Pacific engineer?—A. A certain cut?

Q. Cuts, to certain cuts on this work?—A. I do not remember that, I do not think so.

Q. Had been or would be made—that objections had been made or would be made to certain cuts in this work?—A. No, I do not think so.

Q. Objections regarding classification?—A. I do not think so, Mr. Heaman was very firm in saying that he did not want to give me any information.

Q. That was when you met him?—A. Yes.

Q. But I am talking about a letter?—A. No, I do not think so.

Q. I would like you to charge your memory with it?—A. I do not think he made any reference to anything of that kind.

Q. Did he not tell you in one of his letters, and in one of his last letters, that certain objections had been made or would be made to the classification of certain cuts and that these objections would be sent to Mr. Woods, or had been sent to Mr. Woods?—A. I do not think he did.

Q. I would like you to be a little more positive about that if you can?—A. Well, sir, I can't say anything else, I do not think he did, I do not remember.

Q. Did he say anything in one of his last letters about these objections to classification having been made, or that they were going to be made to any other officials, or officers of the Grand Trunk Pacific?—A. Any objection?

Q. To the classification of certain cuts?—A. I am pretty certain that Mr. Heaman did not specify any cuttings at any time in his letters.

Q. I am not asking you that, Major, I am asking you a general question as to the contents as I am advised, of certain of those letters, more particularly the last letters, and I want to know if in some of those letters Mr. Heaman did not state that certain objections to classification had, prior to the writing of the letter, been made, or would subsequent to the writing of the letter, be made, and that these objections would be made to Mr. Woods or some other officer of the Grand Trunk Pacific?—A. I do not think so.

APPENDIX No. 5

Q. Is that the best answer you can make?—A. That is the best answer I can make.

Q. How is it you remember the rest of his letters so well?—A. I do not remember.

Q. You have told us, in a general way, fairly well what they contained?—A. I have told you as far as I can remember.

Q. Just reflect for a moment, Major, and see if you cannot recall a statement such as the one I am asking you about. You read these letters in Toronto again, before destroying them?—A. I went over one or two of them.

Q. And that is only a short time ago?—A. Yes.

Q. So that you ought to be fairly familiar with the contents of those letters?—A. No, I cannot remember that he did.

Q. You cannot remember that he did?—A. I do not remember him referring to anything of that nature, not to any particular point or cutting.

Q. I am not asking you about any particular cutting, I am asking you generally?—A. Yes, he referred to classification on two divisions, 5 and 6.

Q. Yes, what did he say with regard to that?—A. One was about the same, I think he said that 6 was about the same, and that 5 had not improved, or something of that kind.

Q. That 6 was about the same and 5 had not improved?—A. Yes, 5 had not improved.

Q. That, I take it, had reference to the condition of things with which you were familiar at the time you left?—A. He was referring to the classification at the time I left.

Q. What did he say about the representations made to the Grand Trunk Pacific Company or its officers about that classification?—A. I think he referred to it, and said they were still reporting.

Q. He said he was still reporting?—A. He said he was still reporting.

Q. What else did he say?—A. What the company were going to do, he did not know.

Q. He said he was still reporting his objections to the company about this classification, and what the company was going to do, he did not know. What else did he say on that subject?—A. I think that is all I can remember.

Q. Now, just think again, major, you are doing well when you reflect, what else did he say?—A. I do not think that I should be called upon to repeat the contents of these letters.

Q. Oh, yes, this is part of them, I do not want anything that I am not entitled to.—A. Why should I be giving evidence referring to another man's letters? I have asked you to get Heaman down here.

Q. Now, major, we want this information, it was in these letters, they would speak for themselves if you had not destroyed them?—A. Well, you will get it from Mr. Heaman when he comes down here.

Q. No, no, I want it from you now. Mr. Heaman hasn't had those letters as recently as you had them, his memory might not be as good as yours, I think your memory is good.

Mr. CARVELL.—I think the witness is right, I think Mr. Murphy has no right to go into private letters between this witness and Mr. Heaman.

Mr. MURPHY.—Surely the correspondence about classifications, which the major has said in his letters is the root of the trouble between himself and the commissioners, is an important matter?

Mr. CARVELL.—Let us see how this will work out. Mr. Heaman says they are classifying sand as solid rock, that goes on record here as a fact and is published all over the country, and, assuming that Mr. Heaman is telling what is absolutely untrue, you see the position that we are being placed in. I am not saying that as an absolute fact, but it may happen that such is the case. It is the worst kind of evidence that can be given in any court or investigation.

7-8 EDWARD VII., A. 1908

The CHAIRMAN.—I think I shall give the same ruling in this matter that we want to get at the bottom of the charges, and I am of the opinion that everything in that correspondence which the major can remember—we are not asking any private matters at all, we have no right to do that—but anything pertaining to these charges I think we are entitled to know. If he had these letters in his possession I think we would be entitled to ask him to produce them; we have already ordered the production of private and confidential letters.

Mr. CARVELL.—I will take issue with you there again, I do not think we have the right to compel the production of them; we may have them produced, and put in evidence that which may be entirely false. Why should we ask the witness to bring these letters here?

The CHAIRMAN.—We are asking nothing with regard to private matters; but only in regard to the charges we are investigating now.

Mr. MACDONALD.—This whole question whether this evidence is permissible or not depends upon the reason why Mr. Murphy asks that the evidence be given. The letters themselves are not in evidence, and letters which were not public documents, or on the file of the Commission as public documents are not evidence before us. I want to say that myself positively now, because I do not want any misunderstanding about my position on the subject hereafter. I am at a loss to know why Mr. Murphy is going along this line, and I think it would be well for him to indicate why he wants this evidence. If it is for the purpose of discrediting Mr. Heaman, I can understand the possibility of the evidence being offered on that ground, but as a matter of the ordinary principle of evidence being relevant to the issue, these letters are not evidence and would not be received in any court.

Mr. BARKER.—Those letters would not be in evidence if they were here, and it is much worse if we are to take a man's recollection of them. You can put Mr. Heaman in the box and he will prove what you want, no doubt.

Mr. MURPHY.—With regard to private communications giving the character of the rest of the men, I do not want, I have stopped the major several times.

Mr. BARKER.—The rest of it he says he does not recollect.

Mr. LENNOX.—We have wasted an hour already on this subject.

Mr. CARVELL.—We would like to get you on record on this subject.

Mr. LENNOX.—I think we have gone so far it is a pity to stop him now.

The CHAIRMAN.—This position of the Chairman seems to be the right one, according to Mr. Barker. I would like to have the opinion of the committee on this, as it is a very important ruling. I still maintain as my opinion that these letters—of course we have no right whatever to ask for anything that is private in those letters, but I submit that anything that can throw light on these charges which we are investigating we are entitled to know. If the major does not remember, he cannot help it; the letters are destroyed and he cannot produce them. That is the course I take unless the committee objects.

Mr. BARKER.—I do not object. I would be very glad to have a ruling.

Mr. MACDONALD.—My position is that these letters, if they were here, would not be evidence, and such being the case, you cannot give secondary evidence about them, unless Mr. Murphy can give us some reason, or says that he wants this examination for the purpose of discrediting Mr. Heaman, who, I suppose, is Mr. Hodgins' witness.

Mr. HODGINS.—I was asking for a subpoena for him.

Mr. MACDONALD.—The clerk tells me he has been subpoenaed and I can see that there is a possibility on that ground that this may be evidence.

Mr. MURPHY.—That may be the effect as regards Mr. Heaman as Mr. Macdonald has stated, but, to be quite frank with the committee, that is not the basis on which I am putting in this evidence. Major Hodgins says, in his letter to the 'Colonist,' 'The root of all the trouble between the Commissioners and myself was over classification,' and that position was reiterated here by the major's counsel, and I submit that everything that refers to the subject of classification, more particularly a conver-

APPENDIX No. 5

sation or a letter between a former employee who occupied a close and confidential relation to the major, and who is now in the employ of the Grand Trunk Pacific and is still on that work, that anything that took place between these two gentlemen with regard to classification is evidence with regard to, and is relevant to the subject matter of this inquiry, and it is on that ground I offer it.

The CHAIRMAN.—As far as I am concerned I think your contention is right, and unless my ruling or opinion is challenged by the committee, I shall allow the questions to go on. Of course I invite the opinion of the committee on that.

By Mr. Murphy:

Q. So that there is further information within your knowledge, I take it, from your last answer, as to what Mr. Heaman said with regard to classification?—A. He reported to Mr. Mann and Mr. Mann reported to the Grand Trunk Pacific, I believe; Mr. Heaman does not report direct.

Q. What else was said on the subject of classification?—A. You mean in Mr. Heaman's letter?

Q. Yes, in Mr. Heaman's letters?—A. You mean his own opinion?

Q. I am asking you what he said?—A. Well, I do not think anything else in the letter would be evidence. Why do you not call Mr. Heaman and ask him? You ask me to repeat something; it is not evidence for me to repeat what a man said.

Q. I am asking you what he wrote further on the subject of classification, which you say is the root of the trouble between you and the Commission? What further do you recall major?—A. That is all.

Q. That is all you recall. Well then, it is a fact that you wrote the letter to the 'Colonist' after you had received all those letters from Mr. Heaman?—A. I think I got one from him just after.

Q. You think you received one from him just after you had written to the 'Colonist'?—A. Yes.

Q. But the other three or four had been received from him prior to sending your letter to the 'Colonist'?—A. Yes.

Q. Now with regard to the cut on Richan's work, did you ever see the cut itself?—A. I haven't seen it since it has been worked; I saw it before any work was done on it.

Q. You saw it?—A. At least I presume I did, I walked over the piece of ground.

Q. You presume you did?—A. Yes.

Q. As a matter of fact you never saw the cut itself?—A. Not the cut when work was done on it.

Q. You saw the ground before the cut was made?—A. I had been in that neighborhood, but I could not swear to going through that particular cut.

Q. You are just familiar with the formation of the country?—A. I was over that piece. I don't think I was on that since the location or when there was an exploration party going out.

Q. Was that winter time?—A. Yes, it was winter time.

Q. It was winter time. Then the only knowledge you had of the country in which this particular cut was afterwards excavated was gained from a visit there during winter time?—A. Of that particular piece of the line.

Q. That is what I am speaking of?—A. But further west, I was there in the autumn.

Q. Never mind we will get there later. Just about this particular cut the only knowledge you had then was such knowledge as you could have obtained from a winter visit?—A. Yes.

Q. What knowledge did you get of that cut at that time?—A. Nothing at all.

Q. Then what reason have you for saying that is a pure sand cut?—A. I quoted the notes of my assistant.

7-8 EDWARD VII., A. 1908

Q. Ah, you quoted the notes of your assistant. Do we again get back to Mr. Heaman? So that if Mr. Heaman is not correct in the notes he gave you about that cut then your criticism of it fails?—A. Yes.

Mr. HODGINS.—Not necessarily.

The WITNESS.—The only information Mr. Heaman had given me was to say those notes were correct.

By Mr. Murphy:

Q. At the time he gave you this, was he working under you?—A. At the time he took them he was working under me.

Q. But not at the time he gave them to you?—A. No. Well, it is just a question and you can decide. When he came off the work and came back to Kenora with these notes and read them over to me—

Q. Yes?—A. Well, then, it is just a question. If I had written them down I suppose I would have been entitled to them. As it was I did not write them down until afterwards.

Q. In November?—A. Yes.

Q. When you were not entitled to them?—A. That is a question for the committee.

Mr. BARKER.—A question of ethics.

By Mr. Murphy:

Q. Now, who were the two engineers on that cut, at least on the division that that cut is located in?—A. Which cut?

Q. Richan and Pearson, were they not?—A. I think so.

Q. Were they included in the list of engineers that you mentioned yesterday as being amongst the best men you have had working for you?—A. I don't know about Pearson, he is a new man, Richan has worked for a long time.

Q. Did your commendation include Richan?—A. Yes.

Q. It included him?—A. Yes.

Q. How often had Heaman seen this cut?—A. Oh, I fancy he had seen it a good many times.

Q. I don't want your fancies, do you know?—A. Heaman was in charge of that division before Richan went on it.

Q. Do you know how often he had seen this cut?—A. I do not.

Q. So without knowing that you preferred to take Heaman's statement about it in preference to that of Richan?—A. Every time.

Q. Every time?—A. Yes.

Q. Why so?—A. Because I think a good deal of Heaman. He is a better engineer in my opinion than Mr. Richan. I don't wish to discredit Mr. Richan, but I selected Mr. Heaman from all the rest of them and gave him the promotion, with the approval of the chief engineer, to assistant district engineer.

Q. Then when you give a general certificate of character to a staff of engineers you place Mr. Heaman on a higher pedestal, do you?—A. Well, I am just comparing Mr. Heaman with Mr. Richan.

Q. Do you prefer him to all the rest?—A. Well, in some things.

Q. In what for instance?—A. Heaman is a good all round man.

Q. Yes?—A. He is a very clever engineer and in my opinion he is a very fair minded engineer.

Q. Yes?—A. He has got good judgment.

Q. Yes. Any other quality that commends him to you?—A. I think that is the general idea I had of him.

Q. Did you know that any of the other engineers ever exhibited their notes, or books or private memoranda to persons not connected with the work?—A. You will have to ask them.

APPENDIX No. 5

Q. I am asking you. Do you know?—A. I don't.

Q. You have told us Heaman did?—A. Well, to me.

Q. Yes, to you when you were no longer connected with the commission and coming down here under the summons of this committee?—A. Yes.

Q. Did you know any of the other engineers to do anything like that?—A. No, I did not.

Q. When you met the commission in Winnipeg in June last, do you remember Mr. Parent being there with the rest of the commissioners?—A. Yes, in June. Parent and yourself with reference to the work in your district?—A. I cannot remember just now. I talked with him, I think.

Q. Do you recall having a conversation with him?—A. I think I do.

Q. Do you remember what took place?—A. Can you give me a pointer to start with? I cannot remember.

Q. Well, I am not a witness but I have no objection to doing that. Did not Mr. Parent tell you that the work was progressing slowly in your district, and that this was not satisfactory?—A. I discussed with everyone there the condition of affairs.

Q. Yes?—A. And probably spoke to Mr. Parent about it.

Q. You have no difficulty in recalling that Mr. Parent was there with you?—A. Oh, no, he was there. He was there all right.

Q. Do you recall a conversation with him along the line I have just mentioned?—A. On the condition of the work and the slow progress?

Q. Yes?—A. Yes.

Q. You remember that you and Mr. Parent were speaking of the work?—A. Mr. Parent, I think, was on a sofa. I went up to see him. I cannot remember the—

Q. You went up to see him?—A. I remember we had a conversation.

Q. And do you not recollect that conversation was about the slow progress of the work in your district and that was not satisfactory?—A. Possibly that was about the only thing, that was the principal thing to be discussed by us.

By Mr. Hodgins:

Q. That was the principal thing to be what?—A. To be discussed.

By Mr. Murphy:

Q. That was the principal thing to be discussed. Do you remember what reply you made?

Mr. HODGINS.—To what?

Q. When the chairman inquired about the slow progress of the work?—A. Possibly I made reply that the progress was not the fault of the engineers, but the fault of the contractors.

Q. You say possibly you made that reply?—A. That would have been the reply I would have made.

Q. That is what you say now, but what reply did you make?—A. I don't remember. I don't remember the subject of the conversation.

Q. Well, try to recall it, major, as I am instructed it lasted for some time and was of such a character that it ought to be very easily recalled?—A. I had not any long conversation Mr. Parent. If I remember the time that discussions took place there it was a short time in the morning and then we went over to Mr. McArthur's office and sat there for a short time, and then we drove out and went out on the line. I don't remember the conversation.

Q. I am not particular as to the exact place of conversation with the chairman?—A. Well, I am trying to fix this conversation.

Q. Well, I will ask you do you remember telling him there was a friction up there in connection with the work?—A. With the men on the work.

Q. That friction existed in connection with the work?—A. Between the men and McArthur?

7-8 EDWARD VII., A. 1908

Q. No, friction of any kind in the relations between individuals connected with the work?—A. I possibly made some remark about Mr. Young.

Q. Yes, what was that?—A. That he was interfering. I would not be certain whether I spoke to Mr. Parent about that. I am pretty certain I spoke to Mr. Reid.

Q. Yes, you told us that already in your examination-in-chief, but I am asking you particularly as to your conversation with Mr. Parent?—A. I don't remember that very distinctly.

Q. At which, I understand, he asked you as to the cause or reason for the slow progress of the work and complained about it being unsatisfactory. My instructions are that you said this was due to friction that existed?—A. Oh no.

Q. You don't recall it?—A. I would not have said it was due to friction that existed, certainly not.

Q. I am not asking you what you would have said, but what you did say?—A. Well, I did not say that.

Mr. LENNOX.—Is that a proper question to ask?

The WITNESS.—I did not say that, certainly.

By Mr. Murphy:

Q. Well, do you recall the chairman asking you to keep him posted in the future so as to facilitate the proper administration of the affairs of the Commission?—A. Oh no, certainly not.

Q. And the progress of the work in your district?—A. The chairman never asked me to do that. The only man I can report to officially is the chief engineer.

Q. I am asking you about this conversation there?—A. I don't remember now. I certainly did not make that remark to him.

Mr. BARKER.—It was a very improper remark for him to make, if he did.

Mr. MURPHY.—I am asking the witness.

Mr. BARKER.—You are asking if the chairman made a very improper remark.

Mr. MURPHY.—That is Mr. Barker's characterization of it.

Mr. BARKER.—That is the proper characterization of it.

The WITNESS.—You see if I said to Mr. Parent anything about Mr. Young interfering it was referred to in this way—that Mr. Young was doing it out of his good nature.

By Mr. Murphy:

Q. Yes, you have told us that in your examination?—A. I don't remember speaking to Mr. Parent about it.

Q. You don't remember?—A. No. Possibly I might have done so.

Q. You have spoken about difficulties that arose on the work between that time and the time of your leaving the district?—A. Yes.

Q. Difficulties in connection with the work itself and in connection with some individuals there and so on. You have told us about those. Now did you inform the commissioners at the time those difficulties arose?—A. I informed the chief engineer.

Q. You informed the chief engineer. Always?—A. I think so.

Q. In every case?—A. I think so. I cannot recall a case where I did not.

Q. Is it not a fact that you informed persons not connected with the Transcontinental Railway Commission of what you were doing or intended to do about difficulties—

Mr. HODGINS.—What difficulties?

Mr. MURPHY.—Difficulties that arose about the work.

Mr. HODGINS.—In what way?

Mr. MURPHY.—Classification for instance.

The WITNESS.—I don't remember.

Q. Just reflect for a moment?—A. That I informed persons not connected with the work?

Q. Not connected with the Transcontinental Railway Commission of what you

APPENDIX No. 5

were doing or intended to do in connection with these matters?—A. In connection with what matters?

Q. The difficulties that you afterwards complained about and now complain about?—A. Such as?

Q. Classification?—A. Classification?

Q. Yes?—A. The only one I discussed that question with that I can remember would be Mr. Mann.

Q. Mr. Mann? And Mr. Mann is what?—A. The Grand Trunk Inspector.

Q. And was he at the time you discussed it?—A. Yes.

By Mr. Hodgins:

Q. Had he joint supervision?—A. Joint supervision.

By Mr. Murphy:

Q. But did you not discuss these matters with persons not connected in any way with the Transcontinental Railway Commission or inform such persons of them?

Mr. HODGINS.—Give the names.

The WITNESS.—I cannot recall the circumstances.

By Mr. Murphy:

Q. Do you not remember making a statement to the effect that you were allowing, or intended to allow, a certain work in your district to be performed not according to the specifications and not according to Mr. McArthur's contract?—A. No.

Mr. HODGINS.—I am not interposing any objection to the question as far as it goes but it does not go far enough. If intended to contradict the witness afterwards the person to whom the statement is made and sufficient identification of it, must be given. It is not fair for Mr. Murphy to ask if the witness made a statement to persons unknown to such and such an effect. My learned friend must take the responsibility.

Mr. MURPHY.—I am testing the witness' memory and we will come to the point mentioned by my learned friend a little later on.

The CHAIRMAN.—What was your question?

Mr. MURPHY.—I asked the major if he did not make a statement to the effect that he was allowing, or intended to allow, certain work in his district to be performed not according to the specifications and not according to McArthur's contract?

The WITNESS.—No, there is nothing I would do on that work that I would not do after having discussed it with Mr. Mann.

By Mr. Murphy:

Q. I am not disputing that, that is not the point?—A. We discussed the advisability of a change of classification in one or two instances.

Q. I can quite understand there would be some reason for your speaking to Mr. Mann as he was the representative of the Grand Trunk Pacific?—A. Yes.

Q. But I am speaking of persons not connected with the Grand Trunk Pacific and not connected with the Transcontinental Railway Commission and I was asking did you make any such statement as that?—A. Not that I know of. I cannot recall any statement or having discussed it with any person.

Q. Now you stated in the *Colonist* that you changed the location before McArthur had started work in earnest and that you thereby reduced the cost of McArthur's contract over one million dollars.

Mr. HODGINS.—He changed what?

Mr. MURPHY.—The location.

Q. Was not that one of your statements?—A. Yes.

Q. Well, now, can you swear from your personal knowledge that this change of location on your part was true?—A. I changed it as the engineer in charge of the

MAJOR HODGINS.

district. The change probably was made by the various engineers on the division. The surveys were run by them.

Q. That is, the actual manual labour was not done by yourself but by the engineers?—A. By the engineers.

Q. That is not what I am asking?—A. What is it?

Q. You stated in the *Colonist* that you changed the location before McArthur had started work in earnest, and that you thereby reduced the cost of McArthur's contract over a million dollars?—A. Portions of the location.

Q. Here is the clipping from the *Colonist* (reads):—

'Mr. McArthur should have been more definite and explained what 'changes' would increase the estimated cost; change in location and change in the standard of classification both affect the cost of construction. Change of location was made at some points by revision surveys. These improved the line and also reduced the cost of the McArthur contract over one million dollars. I was able to make these revisions before Mr. McArthur started the work in earnest.'—A. Yes.

Q. That is your statement in the *Colonist*?—A. That was, yes.

Q. Now, I want to know if you can swear from your personal knowledge if this change of location was true?—A. That the changes in location reduced the thirteen million?

Q. Reduced the cost of the work by one million dollars?—A. Yes. As far as I was able to gather from calculations made in the office it was.

Q. By whom?—A. By the engineers.

Q. Yes, but I am asking you from your personal knowledge. What is your personal knowledge about the matter?—A. My personal knowledge is that, when I left there the valuation of McArthur's contract was reduced over a million.

Q. By what?—A. By these changes.

Q. Yes. Now, what were these changes?—A. Changes and alterations in the line.

Q. I beg your pardon?—A. Changes and alterations in the alignment, changes in grade, in certain places.

Q. In the alignment?—A. And in the grade.

Q. Those changes in the alignment and grade were not made by you but by the engineers?—A. Under my instructions. They probably would suggest a change or I would suggest it.

Q. Will you then specify each change that was made?—A. I could not.

Q. You could not?—A. Oh, dear, no. They are all on record in the chief engineer's office here.

Q. You cannot specify each change that was made?—A. No.

Q. You say they are all on record in the chief engineer's office?—A. Yes.

Q. Can you tell us what saving was effected by each of these changes?—A. No.

Q. You cannot?—A. No.

Q. Can you tell us what saving was effected by any one change?—A. No. The only record I have about it is—

By Mr. Macdonld:

Q. Can you tell us any one change that was made?—A. No, that would be going into figures. I could not remember the figures of the cost of the change previously.

Q. Not so much the cost of the change, but—

Mr. CARVELL.—The location?

Q. Yes, tell us any one definite change that you did make?—A. No, because they were all worked out in the office, and they would be reduced to dollars.

Q. I am not speaking of the cost. You said this saving had been effected as a result of certain changes, so that we can get some conception of what you have done?

Mr. CARVELL.—And the general location of the changes?—A. No, I could not without reference to—without being in the office.

APPENDIX No. 5

By Mr. Hodgins:

Q. In what office and what papers do you want?—A. The Kenora office. I would have to go over the plans and profiles.

Mr. HODGINS.—The commission ought to produce them. I would like the necessary papers to be produced, and opportunity afforded to Major Hodgins to go over them.

By the Chairman:

Q. Do you mean to say that you cannot give us the nature of one single thing that, as you say, reduced the cost by one million dollars on that section?—A. Oh no, one change did not, but the total changes. Some of the changes would be a little more expensive.

Q. The committee wants to know if you can give one or two of the changes.

Mr. HODGINS.—Illustrate.

A. There was one change—the biggest change that was made was a change of line from Canyon lake. There was a long piece of line changed there, and I had a lot of engineers on it. It is a very difficult piece of country.

By Mr. Hodgins:

Q. Is that a location change?—A. I don't remember now what the figures were on that change, but the total changes—when everything was changed some of those changes when you figured them out in dollars and cents were little more than the original, but the bulk of them, the total balance when these changes were all finished in the office and put together had reduced the cost to \$11,600,000; \$11,667,987.83 was what these changes were figured out at when I was in the office. That is the total was reduced to that amount according to the estimate made in the office.

By Mr. Murphy:

Q. You say according to the estimate made in the office?—A. Yes.

Q. Who made the estimates?—A. Well, it would be compiled by Mr. Heaman and Mr. Ruddick, I think, and Mr. Mann. They all went over it.

Q. By Mr. Heaman and Mr. Ruddick and Mr. Mann? Is that right?—A. I should think so.

Q. Is that correct?—A. I think so. Mr. Ruddick compiled this work for me from time to time.

Q. The book to which you referred you will put in as an exhibit?—A. Yes, I would like to have it back again.

Q. This compilation, was it chiefly by Mr. Ruddick?—A. Totalizing the whole thing up.

Q. Who is Mr. Ruddick?—A. He was a resident engineer at headquarters.

Q. Resident engineer at headquarters?—A. This is his handwriting I think.

Q. He is one of the gentlemen in your office?—A. In my office.

Q. And this compilation was made by him?—A. By him.

Q. Are you or are you not in a position personally to vouch for the correctness of the items going to make up that compilation, or have you depended altogether on what you received from your staff?—A. Well, in a general way I knew there was a considerable saving, but to get the actual amount in dollars and cents I have got to depend upon this statement worked out in the office.

Q. I see. So that was your basis, was it, for the statement to the newspaper that a saving of a million dollars had been effected?—A. The basis that I had estimated with the total, yes. These figures were made in the office. It is on that basis I got them.

By Mr. Barker:

Q. Were they reported to headquarters?—A. Yes. McArthur came to me before

I left, and said he understood that the changes I had made had reduced the cost of the line considerably. I said it had, and he said 'how much?' I said, 'It is over a million dollars.' He said, 'Well, I put in 10 per cent on \$13,000,000. That means \$1,300,000, and if the cost of the line is reduced to twelve millions, I am entitled to \$100,000 back.'

Q. Of his deposit?—A. Of his deposit. He said it would be very acceptable for him to get, and he asked me if his engineer could go over to my office and go over with Mr. Ruddick these details. I said, 'Certainly,' and he sent him over, and I understood that he was going to apply to get a reduction of his deposit.

By Mr. Murphy:

Q. Mr. Ruddick, you say, was the gentleman who made this compilation from the data supplied him by the men in your office?—A. Supplied in my office.

Q. How had it got to your office from the men on the work?—A. In some cases they would work out their own valuation of the line, and in some cases they would not, but they were all checked over in the office.

Q. Had Ruddick ever been over this work himself?—A. No.

Q. A few minutes ago there was an effort made to ascertain from you what some of these changes consisted of?—A. Yes.

Q. And you have mentioned that there were a great many of them, but you did not specify any one in particular?—A. No.

Q. Did not one of the changes consist in this—that the line that had been the first line was abandoned and a new line run?—A. Yes.

Q. Did you ever go over any of these abandoned lines?—A. No. Let me see.

Q. Did you ever go over any of the new lines?—A. Oh yes, I have seen some of the new lines.

Q. You have seen some of them. Did you see enough of them to satisfy yourself that the charges that had been made in the way you have told us were all important and in the public interest?—A. Well, I satisfied myself with the plans.

Q. In your office?—A. Exactly. You don't suppose I could go out on the work.

Q. I am not supposing anything; I am not the witness. I want to know what you did in connection with these changes for which you have claimed credit in the *Colonist* and upon which you have based part of your charges of fraud against the commission and the engineers? That is what I want to know and what I am entitled to get. You say you did not go over any of the abandoned lines?—A. No.

Q. So you don't know anything about them?—A. I do know something about them.

Q. What do you know?—A. I know the lines that have been adopted are an improvement.

Q. You know that because your engineers have told you?—A. I know they are an improvement from the plans. If they are not an improvement the plans are wrong, and I don't believe the plans are wrong.

Q. Very well we will see about that a little later. Now, after the contract was let to McArthur did you go over the line?—A. I have not been over the line, not from one end to the other continuously; I have only been over a portion.

Q. Do I understand that none of these changes were suggested by you?—A. A good many of them were.

Q. A good many of them were?—A. Yes.

Q. From your inspection, made in the office, of the plans?—A. Exactly; you see each one of these engineers would send me in the information regarding the portions of the line that they were running, and of that work I knew they had the best knowledge; I would put them together, one man would adjoin another man, but he would not know anything about that man's portion, so that these all had to be put together, levels and everything of that sort reduced to the same data. They would sometimes suggest a change, and would come into the office to discuss whether they had better run this line or another line, and in other cases after studying the plans I would

APPENDIX No. 5

suggest some changes and say, 'Try another line here, and they would report on it, adopting it or abandoning it.

Q. All this on your part was done in your office?—A. Yes.

By Mr. Macdonald:

Q. Do I understand you to say that they abandoned the line—say one line is contemplated, you did not go with them over this and personally inspect it at all?—A. You see, if I had gone over these lines I would really have to go over them and find out as much as the men who ran them, and if I did that I might as well have sent the engineer into my office to do my work, and do his work myself. When you employ a staff to do the work you have to use them for that purpose.

Q. Would it not be necessary, after the experimental survey had been made by some of your assistants, for you to go over the ground yourself in order to enable you to determine whether it would be prudent to abandon a certain line or not?—A. In some cases it might, but it would take a long time for a man to get the run of the country in his head; any locating engineer would tell you that. If I had gone out on the work I would probably take a good deal of the time of the engineer in charge of that location trying to find out and to learn as much about the country as he would know.

Q. Where was this book from which you are quoting, made up?—A. In my office.

Q. Well, when?—A. There is an entry here, the last in September.

Q. Have you a copy of the contents of this book?—A. No.

Mr. MURPHY.—Then I submit I am entitled to inspect this book.

By Mr. Murphy:

Q. Was that a book that you got in the office of the commission?—A. Yes.

Q. Paid for by the commission?—A. Possibly, yes.

Q. That is our book, then—Mr. Chairman, I want that book.—A. This is a copy of the original book. On all work that I am on, I generally keep a statement of this kind, and this was being prepared for me for my own personal use, and I expected I would have it when the whole work was finished. I used to send it up to Mr. Ruddick every month to fill in the monthly reports, and that is all the value it is to me, just a as a record of this work. I see no objection to the commissioners having it if they wish to claim it, and I will buy a new book and have it transferred, but you have a copy of this in your own office.

Q. We haven't seen it?—A. I think you will find it there.

Q. Coming to the changes in the classification, you state in the *Colonist* that 'The root of all the trouble between the commissioners and myself was over classification, they wanted me to change my ideas, based on a good many years' experience on construction, to classification that is allowed to the contractors in Quebec.' To allow the Quebec classification in your district. Now, major, on your oath are you prepared to swear that is true?—A. In my opinion it is.

Q. In your opinion?—A. Yes, that was the root of the trouble.

Q. But what about that part of your statement that the commissioners wanted you to change your ideas based on a good many years' experience on construction and to allow the Quebec classification in your district?—A. That is also my opinion.

Q. Now, who asked you to change your ideas?—A. Mr. Young suggested that I should do as Doucet did. It was a question he did not understand, but he understood there was a much higher classification given in Quebec. I cannot repeat his words, but I may repeat my impression of the conversation, that there was more classification, or classifiable material in Quebec, and that the prices the contractors were getting there were lower, and there was no trouble; up in district 'F' there was less material to classify, the price was higher and there was trouble; he said, 'Why don't you do as

7-8 EDWARD VII., A. 1908

Doucet does'? I said, 'If Doucet were up here he would do just the same as I am doing, I cannot do anything more. I am giving them all I can, or, at least, the engineers are giving the contractors all they can, they have my instructions to do so, they are experienced men, they have had work before of this kind and they know how to classify.'

Q. Is that what you mean when you say you were asked to change your ideas, based on many years' experience, and allow the Quebec classification?—A. Yes.

Q. That is the conversation to which you refer?—A. One of them.

Q. Where did that conversation take place?—A. In Winnipeg.

Q. When?—A. When the commissioners were up in Winnipeg in the early part of June, because the Quebec trip followed just afterwards.

Q. Who was present when this conversation took place?—A. No one.

Q. Except?—A. Mr. Young and myself.

By Mr. Macdonald:

Q. When did you say that conversation was?

Mr. MURPHY.—When the commissioners were in Winnipeg in the early part of June and the Quebec trip followed.

By Mr. Murphy:

Q. Did you have any other conversation, such as you allege, with any other commissioner about the same subject?—A. About going to Quebec.

Q. No?—A. With reference to Quebec?

Q. No?—A. Or the Quebec classification?

Q. No, with reference to your statement in the 'Colonist' that the commissioners wanted you to change your ideas based on a good many years' experience on construction, and to allow the Quebec classification; I want to know what commissioners you had conversations with who asked you to change your ideas. You have told us that conversation about Mr. Young?—A. I did not put in that they asked me to change the classification, but that they wanted me.

Q. 'They wanted me to change my ideas,' who wanted you?—A. Mr. Young.

Q. Who else?—A. The others.

Q. Who are the others?—A. Mr. Reid, he suggested that I should copy Doucet. Mr. Reid and Mr. Young were the only two commissioners who made any reference to copying Mr. Doucet or working on the Quebec data, and Mr. Grant suggested it.

Q. Just a moment, you say, 'The root of all the trouble between the commissioners and myself was over classification, they wanted me to change my ideas, based on a good many years' experience on construction,' who are they?—A. I include all of them, although I cannot remember any conversation with Mr. Parent or Mr. McIsaac on the subject.

Q. You cannot remember any conversation between you and Mr. Parent and Mr. McIsaac in reference to the matter?—A. No.

By Mr. Macdonald:

Q. Did any conversation ever occur of that nature; have you any reason for saying that? Did the matter come up in your conversation with the other members?—A. No, you see I had a conversation with Mr. Young in which he talked about classification, he admitted he didn't know very much about classification but he reasoned that if the classification in Quebec—if there was more classifiable material in Quebec and there was a lower price for it than McArthur was getting, that I ought to go down there and see it and get an object lesson.

By Mr. Murphy:

Q. Who said this?—A. Mr. Young.

APPENDIX No. 5

By Mr. Macdonald:

Q. Did Mr. McIsaac or Mr. Parent discuss this with you?—A. No, I do not remember.

Q. When you say that you do not remember—did they?—A. No, I will say positively that Mr. Parent never had any such conversation neither directly nor indirectly.

Q. Neither directly nor indirectly—or Mr. McIsaac?—A. No.

By Mr. Murphy:

Q. Then, according to the explanation you have given, your statement in the paper relates to Mr. Young and Mr. Reid?—A. And also to the appointment of Mr. Grant from Quebec, Mr. Grant had had charge of the classification there, and his appointment was insisted upon by the chairman.

Q. How do you know that?—A. I understood that from the chief engineer.

Q. How do you know it?—A. I tell you how I know it, I understood from the chief engineer that he had objected.

Q. Did you have any personal knowledge of that?—A. Oh no.

Q. Let us stick to this statement in the *Colonist* Mr. Grant is not one of the commissioners?—A. No.

Q. Consequently this cannot refer to Mr. Grant?—A. All right.

Q. 'They wanted me to change my ideas'?—A. Yes.

Q. I understand you to say that the word 'they' refers to Mr. Young and Mr. Reid, is that correct?—A. I mean the commissioners as a whole—I do not know—

Q. You have just told Mr. Macdonald that you never had any conversation with Mr. Parent or Mr. McIsaac?—A. Well put your question in another way, ask the committee here to answer that question.

Q. No, sir, I will ask you; you're the man who made the statement, the committee cannot know, except such as you may have told privately, I want to know the history of the thing? A. What is it you want me to answer?

Q. I want to know which of the commissioners your charge in the *Colonist* relates to, 'They want me to change my ideas'?—A. Mr. Young and Mr. Reid were the only two who spoke to me about it.

Q. You have told us about the conversation with Mr. Young?—A. Yes.

Q. Where did that take place?—A. In Winnipeg.

Q. Where, in Winnipeg?—A. At the Royal Alexandra Hotel.

Q. Do you remember the date?—A. Well, I'll have to get the date, it was given last night, I think, the date the commissioners were up there.

Q. Were they there only one day?—A. I don't remember, no; let me see, they came up one night and the next day we went over the line—no, they were there more than one day, I do not remember how many days they were there.

Q. Did this conversation take place the first day they were there?—A. I can't remember.

Q. You can't remember—did it take place the second day they were there?—A. I can't remember.

Q. Do you remember what time it did take place?—A. I do not remember that.

Q. Do you remember what part of the hotel it took place in?—A. Yes, it was in the rotunda, we were sitting on a sofa, or Mr. Young may have been sitting on a chair I do not remember which.

Q. At all events you and he were sitting in the rotunda?—A. Yes.

Q. Who were present, do you say?—A. Just Mr. Young and myself.

Q. And Mr. Young, you say, admitted that he knew nothing about classification?—A. Yes.

Q. He admitted he knew nothing about engineering?—A. Yes.

Q. You and he were discussing some of the troubles on the work in your district?—A. Yes.

7-8 EDWARD VII., A. 1908

Q. Having admitted that he knew nothing about these matters you say he proceeded to tell you about Quebec?—A. Yes.

Q. Now, what were his words?—A. Well, as I have stated, he said he could not understand why there was kicking up on district 'F,' and none down below, and I said, well, it is not in the engineers, if Mr. Doucet was up here he would do the same as I am doing, it is in the contractors, as far as I can understand the contractors in Quebec are much more experienced rock men, they are much bigger men, and that I would do what I could to help McArthur.

By Mr. Macdonald:

Q. You understood that the contractors in Quebec were much more experienced men, bigger men?—A. Much more experienced men, yes.

By Mr. Murphy:

Q. What was the exact conversation, major?—A. I cannot remember the exact words, I can only recollect the impression I received.

Q. And that is what, as well as you remember?—A. He specially made reference to the Quebec work, that was the way Mr. Young put it, and I said it was better to leave that alone. He said, you had better go down and see, or come down and see, I do not know which way he put it. But anyway to see for myself. I said, 'If Mr. Doucet was up here he would do the same as I am doing, and if I were in Quebec I would do the same as Doucet did, there is only one way to classify, and we are both working on the same specifications.'

Q. That if you were in Quebec you would do the same as Doucet was doing?—A. Yes, that is what I said.

Q. So that if you were down in Quebec you would do the same classification that he was doing?—A. No, that is not what I mean, I was speaking then before I went to Quebec.

Q. That was before you went to Quebec?—A. Yes.

Q. Was there any kick about classification in your district?—A. Yes, I could not fasten it to any particular case.

Q. Did Mr. McArthur ask you anything about classification?—A. Mr. McArthur had said very little to me personally, he would speak generally that the men on the work, the subs, were kicking.

Q. Had there been any request for re-classification, re-classifying any of the work?—A. Yes, Mr. Hazelwood, had said once or twice that certain engineers were not giving enough, and I had referred to the engineers.

Q. Had that been said to you?—A. Yes.

Q. And you had referred it to the engineers?—A. I had spoken to the engineers, yes.

Q. And this, you say, was the subject of the conversation with Mr. Young?—A. With Mr. Young.

Q. And this conversation took place, you say, in the early part of June?—A. In the early part of June in Winnipeg.

Q. Was there anything more serious to discuss at that time than the subject of classification?—A. The lack of men.

Q. These were the principal topics of discussion between you and Mr. Young?—A. Yes.

Q. Now, major, you remember putting in a report in answer to Mr. Grant's report?—A. Yes.

Q. Your report is dated July 31st?—A. Yes.

Q. That would be nearly two months', six weeks' interval anyway, between that date and the meeting with the commissioners in Winnipeg?—Yes.

APPENDIX No. 5

By Mr. Macdonald:

Q. When Mr. Young spoke to you in Winnipeg, was Mr. Parent and the other two commissioners there at that time?—A. They were all there.

Q. I mean they were all at Winnipeg, at the time?—A. Yes.

Q. Were they present at the interview?—A. They may have been some place else in the hotel.

Q. Did you regard what Mr. Young had said to you as being an improper proposal?—A. I said—

Q. Did you regard what Mr. Young said to you as an improper proposal?—A. No.

Q. You did not regard anything he said to you as being of sufficient importance to require you to go to the chairman and ask if he agreed with the opinion of Mr. Young?—A. No, I looked upon it in this way—

Q. Did you or did you not look upon it as of sufficient importance to go to the chairman and ask him whether he agreed with Mr. Young's view, or whether this was the view of the commission?—A. No, I considered Mr. Young was talking about something he didn't know anything about, and I was very anxious—

By Mr. Murphy:

Q. He admitted that?—A. He admitted that he did not know anything about it, and said, "Well, go down and see for yourself and get an object lesson."

Q. Now that you have told us that this question of classification and the lack of men were the two topics of discussion at that time?—A. I never considered classification was a very important question at that time on the work. I do not know whether I told Mr. Young at that time that the classified material that could be classified up to that date was a very small amount, I think I figured it out, but whether I told Mr. Young or not, I figured out that if I took all the common excavation that had been returned up to that date or up to about that date in the rocky portion, leaving the prairie portion out, and dumping that into loose rock, that is, giving them 60 cents a yard for it, instead of 30 cents, it would not have amounted to \$400 per mile, and \$400 per mile would not have helped anybody out.

Q. How many miles would you have applied that to?—A. About 170 or 175 miles.

Q. 170 or 175 miles, what percentage of the work was done at that time? Do you remember?—A. Oh no.

Q. Would there be 50 per cent?—A. No, put it in a different way.

Q. Would it be 25 per cent?—A. I will put it in a different way, possibly it might have amounted to \$70,000 on the work that had been done to date.

Q. And what percentage of the work had been done?—A. I don't remember.

Q. Had 50 per cent of it been done?—A. No.

Q. Had 40 per cent of it been done?—A. No.

Q. Had 30 per cent of it been done?—A. About that.

Q. About 30 per cent, was that at the same rate?—A. Of course, if you apply that \$70,000 to one man it might be an appreciable sum.

Q. You are spreading it over that whole line?—A. Yes, you see, McArthur had come to me and told me that his subs owed him money, \$1,200,000 an advance he had made to them, he was going behind and we were discussing some possible way of helping him out, and I said that \$70,000, whether you give it to one man, or distribute it all over the line, I might have mentioned it in that way to show that it was a very small sum—

By the Chairman:

Q. Did you mention it to Mr. Young, do say?—A. I do not know whether I told Mr. Young, but I said that the question of classification on my division up to

date did not amount to very much, as will be seen on a reference to the estimates. Now in June the classification leaving out the prairie section and taking the rocky section, the June estimate returned 999,283, say 1,000,000 yards of solid rock, and only 186,000 odd yards of loose rock and 286,000 of common excavation. If I took all the common excavation, which would be very extravagant to take, all the common excavation to date and turn it into loose rock, that would be adding another 30 cents, he had already received 30 cents for it, that would mean \$70,850. Well, that is a very inconsiderable amount to discuss in reference to classification.

Q. But that is what you did discuss with Mr. Young at that time?—A. I said, "If Mr. McArthur is losing money he cannot be losing it on classification material, it must be on solid rock."

Q. So that no matter what might then have happened the issue between Mr. McArthur and the commissioners could not have been a question of classification in your opinion?—A. He claimed, that his (McArthur's) men claimed they were not getting enough, but I could not get any specified ground or anything else.

By Mr. Carvell:

Q. Had any questions arisen over quantities between the engineer and the contractors?—A. There had been a question, now that I recollect it, down on the first sub-contract out of Winnipeg, I believe I had an engineer named McDougall there, and he said that the sub-contractors had said to him they were not getting enough. I had spoken to Mr. McTaggart, the division engineer, about it; he, I believe, had looked into it, and I had also spoken to my assistant district engineer, who, at that time was Mr. Armstrong, and he had looked into it and they all backed up the engineer.

Q. That is the only instance you now recollect of a question about the quantities?—A. Later on—or I do not remember whether it was in June, or before or after June, Mr. McArthur spoke to me and said he was not getting enough measurement, he used the words "enough measurement and enough classification." I said, "whereabouts?" and he said, "It is general, all my subs are complaining."

Q. His subs were complaining, did he say whether it was only as to measurements or classifications?—A. That is what I wanted to get from Mr. McArthur, and he said, "It is general;" I said, "Tell me who it is, give me one instance?" He said, "I do not know, it is general all over the line." I said, "Let us start from Winnipeg." I forget the first contractor's name, but I said, "Is he kicking?" and he said, "No." I said, "Is Walsh kicking?" and he said, "Yes." I said, "What is the matter with Walsh?" and he said, "Walsh claims he is not getting enough classification on a certain cut, and that the engineers haven't measured enough." I said, "I will change engineers there, I will take the engineer who is the resident engineer on the next west section, and have him measure it, and if he doesn't satisfy Walsh I will get Mr. McTaggart, the division engineer, to go and measure it himself, or I will send Mr. Ruddick out of my own office; I will do anything like that to test it." I said, "Mr. Hazlewood is an engineer, too, and can measure them in Mr. McArthur's interest, and if there are any objections to measurements made by my engineers, Mr. McArthur has his own engineers, and they can measure it; there practically can only be one result in measurement," and I found afterwards that Hazlewood and McTaggart had made really the same measurement.

Q. There was no serious question about measurement?—A. Not that I looked upon as serious, Mr. McArthur looked upon it as serious.

Q. That is what I wanted to get.

Committee rose at one o'clock.

APPENDIX No. 5

THURSDAY, May 21, 1908.

4 o'clock p.m.

Cross-examination of Major Hodgins continued.

By Mr. Murphy:

Q. Before the adjournment this morning, major, you were telling us about the interview you had with Commissioner Young, at Winnipeg, early in June, 1907. You detailed the conversation, the greater part of it at least, and in answer to a member of the committee you stated that whatever was said by Mr. Young did not convey any idea of anything improper to you?—A. Oh, nothing at all.

Q. And that you had not spoken to Mr. Parent, the chairman, about it?—A. I don't remember speaking to Mr. Parent.

Q. Do you know whether Mr. Young had been on the work in Quebec?—A. I could not say.

Q. On this La Tuque work before that conversation?—A. Why, I could not say anything at all about it. I simply thought he was talking about a subject that he did not know, and I don't know whether I said to him that he might be anxious to help the contractor.

Q. That what?—A. I thought he might be anxious to help the contractor, but that was all. The conversation we had did not convey to me any idea on Mr. Young's part that he was doing anything improper, but he was ill-advised in talking on the subject.

Q. And from that you drew the inference that he did not know what he was talking about?—A. Talking on a subject he did not understand as well as I did.

Q. That I take to be the meaning of your answer? You discussed Mr. Doucet and his work on that occasion to some extent?—A. Yes, he referred to Mr. Doucet's work and, as I said, I replied and said that if Doucet were up on my work he would do the same as I was doing, and that if I were on his work I would do the same as he was doing.

Q. And the reference by Mr. Young, as I understand it, to your going down there was for you to see how Doucet was doing things?—A. He said, 'You had better go and see.'

Q. How Doucet was doing things?—A. Exactly.

Q. That is not the occasion on which Mr. Young used the words 'Get an object lesson'?—A. That is the time, yes.

Q. That was the time?—A. Yes.

Q. Did he use those words?—A. I think so. I am certainly under the impression that he did.

Q. Well, I am asking you now whether Commissioner Young on that occasion actually used the words 'object lesson'?—A. Yes.

Q. You swear to that?—A. Yes, to the best of my memory that was the impression conveyed to me, those words, and I have always—

Q. I know that might be an impression. That is, if you have got an impression and want to convey to somebody else in your own language what that impression was you might properly enough say that Mr. Young told you to get an object lesson; but what I am asking is, did Mr. Young actually use those words in speaking to you?—A. I think so.

Q. Well, I would like you to be exact about that because he denies it.

MR. HODGINS.—That is, you are advised that he denies it?—A. I want to be fair now on this.

Q. I understand that, major?—A. He spoke about Doucet and I said, as I told you just now, that if Doucet was on my work he would do exactly the same as I did, and I said that if I was down on his work I would do the same thing as he did, and he said to me, 'Well, you had better go down and see and get an object lesson.'

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Now are you sure those were the exact words?—A. I am not as certain of those words as I am of my own. If Mr. Young denies it why—

Q. Then you would return, as I understand it, to what you said a moment ago, that was the impression it left on your mind?—A. Exactly.

Q. But you did not think it conveyed any improper suggestion to you at the time?—A. Oh no.

Q. Or since?—A. Nor since. My reply to him shows that if I were down there I would be doing it as Doucet was doing it, and if Doucet were on my work he would do exactly as I was doing. We had the one classification to go on and material is easily judged. The engineers I thought were experienced men and in my opinion they were classifying all right. They would ask me on one or two occasions about things and we agreed.

Q. Was it also at Winnipeg on the occasion of the visit early in June of the commissioners that you had the interview that you had spoken about with Commissioner Reid?—A. I spoke about an interview with Mr. Reid in Winnipeg.

Q. Yes?—A. And also in Ottawa.

Q. But I am speaking now about the Winnipeg one. Did the interview that you say took place between you and Commissioner Reid at Winnipeg take place on this occasion early in June?—A. Yes.

Q. Last June?—A. Yes, that one I am referring to.

Q. Where did that take place?—A. In the hotel.

Q. In the Royal Alexandra Hotel?—A. Yes.

Q. Who were present?—A. I am not certain. Mr. Reid and I were alone sitting on the sofa I think, for a considerable period. Mr. Young and Mr. Lumsden had been there but they had gone away.

Q. Yes. What day was this, the first day the commissioners arrived in Winnipeg?—A. I think so.

Q. You think so?—A. Yes, I am not certain.

Q. Well, perhaps you could locate it in another way. Was it the same day as that on which you had the interview with Mr. Young?—A. I think so.

Q. You think so?—A. We were in the hotel altogether. I would not be so certain.

Q. Well, what time of the day was it?—A. I would not be certain about that. I think it was before luncheon. I am not certain on that point.

Q. You think it was about mid-day some time. A little before luncheon?—A. Yes, I would not be certain.

Q. Now just tell us, major what was said at that interview between you and Mr. Reid?—A. I spoke of Mr. Young. I think I said he was interfering.

Q. Yes?—A. And I think Mr. Reid said, 'Yes, it may be. If he is, he is doing it in a good-natured way,' or something like that.

Q. He had a kind heart?—A. Mr. Reid said that if Mr. Young was interfering, he was doing it in a good-natured way. I quite agreed with him.

Mr. BARKER.—We cannot hear the witness.

The WITNESS.—I say I quite agreed with him.

By Mr. Lennox:

Q. Agreed with what?—A. That if Mr. Young was interfering, he was doing it in a good-natured way.

By Mr. Murphy:

Q. Yes?—A. If I did not say it I had it in mind. It is very hard for me to repeat verbatim what these conversations were. I have only got an impression of these conversations in my memory.

By Mr. Macdonald:

Q. Surely you knew more than impressions of conversations before you deliber-

APPENDIX No. 5

ately wrote letters to the public press?—A. Well, the impression conveyed in conversation—

Mr. MACDONALD.—You ought to have more than an impression.

— *Mr. Murphy:*

Q. Well, what else was said, not your impression of what was said, but what *was* said?—A. He said that—I don't want to get those two interviews mixed up.

Q. No, we want to keep them separate?—A. He said that—I think he said something about Mr. Lumsden.

Q. Yes, what else?—A. And he said I probably referred too much to him.

Q. Yes?—A. There were a great many things that I ought to do myself without referring to anybody.

Q. Yes, anything else?—A. He did not speak so plainly in that interview as he did in the interview at Ottawa.

Q. Never mind the interview at Ottawa, we will get that later. I am asking you now about the interview at Winnipeg. I want to clear that up as we go along. Was anything else said by Mr. Reid on that occasion that you recall? (No answer).

Q. Do you recall anything else that was said by Mr. Reid on that occasion?—A. I don't think he mentioned anything about ignoring the chief engineer on that occasion, but he referred to it in this way: that Mr. Doucet did not refer very much to him.

Q. Did not which?—A. Did not refer very much to the chief engineer.

— t Mr. Doucet settled matters himself?—A. Exactly.

Q. Anything else?—A. That is all I can remember just now.

Q. That is all you can remember just now. Then there was no talk about classification on that occasion?—A. I think there was.

Q. Well?—A. Classification and lack of time were the chief topics to be discussed.

Q. That is so far as you are concerned, but I am asking you about this particular interview between yourself and Mr. Reid?—A. Yes, I mentioned to him that McArthur had made some objections to classification in a general way.

Q. You mentioned what?—A. McArthur had made some objection to classification in a general way.

Q. Yes?—A. Not in detail.

Q. Yes?—A. I think that was all.

Q. Now are you quite sure that you mentioned even that?—A. To Commissioner—

Q. Reid?—A. Well, if I did not mention it in that particular conversation I must have mentioned it before, because I interviewed them all, more or less. We were talking together and sitting together.

Q. We are speaking only of the interview between you and Commissioner Reid in Winnipeg at the Royal Alexandra Hotel on the occasion of the commissioners' visit early in June last year. I want to know if at that interview on that occasion there was any talk at all about classification with Commissioner Reid?—A. Oh yes.

Q. Well, now, what was said?—A. McArthur was kicking about classification generally, and there was no possible way of helping them out to a very great extent.

Q. That is not an answer, that is just a statement. I am asking you what was said about classification at that interview?—A. Well, that is all I can remember. I cannot—

Q. What was said?—A. I cannot remember the words that he said.

Q. As near as you can remember?—A. That is as near as I can remember.

Q. What is as near as you can remember? Just repeat it please, and what was said?—A. I told Mr. Reid that Mr. McArthur was kicking in a general way about classification, and it was not a very extensive matter.

Q. I see. Did it end there on that occasion?—A. I think so, yes. I don't remem-

ber now. I am getting those conversations mixed up, Mr. Murphy. I am trying to straighten them out, I don't want to—

Q. Did you not on that occasion tell Mr. Reid or complain to Mr. Reid in a general way about some of your engineers not being satisfactory?—A. Can you give me the name of the engineer?

Q. I am asking you if you made any complaints in a general way to Mr. Reid about the engineers not being satisfactory?—A. I do not remember.

Q. You won't swear you did not?—A. No.

Q. Did you not on the same occasion say to Mr. Reid that you were afraid that if you reported these engineers they would appeal to Commissioner Young over your head?—A. No.

Q. What is the answer?—A. Indeed, no.

Q. Is your answer that you did not say that, or that you don't remember?—A. I did not say it.

Q. You did not say it?—A. No, certainly not.

Q. Are you quite positive as to that?—A. Quite positive. I cannot place any engineers whom I could place that on.

Q. You cannot do what?—A. I cannot fix that on any engineers. I don't know what engineers would have appealed to Mr. Young over my head.

Q. Do you not remember Mr. Reid telling you to report any of the engineers who were not doing work to your satisfaction?—A. No.

Q. Do you recall any statement made by Mr. Reid to that effect?—A. No, I do not.

Q. Do you remember any discussion on that occasion about Engineer Wilkie?—A. No.

Mr. HODGINS.—Who?

Mr. MURPHY.—Mr. Wilkie.

A. No. I do not.

Q. Well, it is strange, but Mr. Reid does. Was there not some discussion about Mr. Wilkie's removal?—A. Wilkie was not removed until after I left.

Q. I am not asking when he was removed, I am asking if there was not some discussion on the occasion of this interview between you and Commissioner Reid about Mr. Wilkie's removal?—A. I don't think so.

Q. Or about Mr. Wilkie wanting removal?—A. No.

Q. Perhaps I do not put it right?—A. I think Mr. Lumsden was the only one I discussed it with, but I don't think it was on that occasion. I don't know whether the question of Wilkie had come up then.

Q. I see. So that taking what you have told us now as being your recollection of what transpired at that interview?—A. Yes.

Q. There was no suggestion of an improper kind made by Commissioner Reid to you?—A. No.

Q. In discussing the matter with Commissioner Reid that day I suppose you were speaking about the general state of affairs on the work as you have explained?—A. I expect so.

Q. You have told us that you mentioned about some complaints made by McArthur?—A. Exactly.

Q. Were those complaints made to you personally by McArthur?—A. McArthur had said once or twice to me, speaking in a general way, that the contractors were complaining, and, as I said before, I always wanted to find out exactly where the complaints could be located.

Q. Naturally?—A. I offered to go out on the work several times with McArthur. I said that at any time he fixed the date I would put off anything and go with him.

Q. You told us that in your examination-in-chief?—A. Yes.

Q. You had a complaint from a sub-contractor named Walsh, did you not?—A. Yes, the one on the prairie, the first contract out of Winnipeg.

Q. Did McArthur continue to make those complaints?—A. I think McArthur

APPENDIX No. 5

spoke to me about Walsh having complained in a general way. Well, I fixed it on Walsh. He first of all told me it was general. I said, 'Can you give me any particular contractor?' He said "Oh no." I said "Well, now, give me the name of one." He said "It is general." I said "Let us start from Winnipeg. What about Wardrope?" That was the first name mentioned. He said no, that Wardrope had not made any complaints. Then I said "What about Walsh?" "Yes," he said, Walsh had complained about classifications and measurements. Then I said I would look into it.

Q. Was that conversation before or after the visit of the commissioners to Winnipeg in June?—A. That conversation was when they were—do you mean with McArthur?

Q. Yes?—A. Or before it?

Q. The conversation you have just spoken of?—A. Before?

Q. Before the visit of the commissioners to Winnipeg in June?—A. Yes.

Q. Had any complaints been made by McArthur just about the time of the visit of the commissioners?—A. No. Let me see now. Yes, McArthur had complained.

Q. He had complained?—A. Complained of his estimate generally.

Q. Did he make complaints after the visit of the commissioners?—A. Yes.

Q. How long after it?—A. I forget the date now.

Q. Well give the date approximately, the same month?—A. No, I was away from there all that month—the balance of the month of July. I don't know whether McArthur made complaints direct or whether I got them from Hazlewood, his engineer.

Q. You are not sure whether McArthur made complaints direct, or whether you received them from Hazlewood, but you do know they were made?—A. Yes.

Q. And about what time after the visit of the commissioners?—A. I think I had a letter from Hazlewood about some re-measurements. That would be in the office at Kenora. I don't know the date.

Q. Hazlewood was one of McArthur's engineers?—A. Yes.

Q. Would that be some time in July?—A. Possibly.

Q. Do you remember any other complaints?—A. There was a complaint. It was not a complaint. Well possibly it was a complaint about Guy Campbell, another contractor not having been paid for some work he had done on an abandoned line and some houses he had put up.

Q. I see. Do you recollect any other complaints?—A. That is all.

Q. What do you mean by this sentence in your letter to the 'Colonist,' "I got no assistance from the chief engineer?"—A. Well first of all in Quebec I asked the chief, I began a conversation with him, to find out his opinion on Quebec classification, the classification I had seen in that cutting. He replied that he did not know anything about it and turned away.

Q. Yes?—A. Then I spoke to him about the difficulties connected with Mr. Grant's appointment, his coming up there as inspecting engineer.

Q. When was that?—A. After we came from Quebec. Before Mr. Grant went up or about the time he was leaving to go up.

Q. What difficulties existed then about Mr. Grant's appointment?—A. He had been appointed as inspecting engineer. I don't know what his duties were. I said "Two men cannot run my district."

Q. Yes?—A. And the chief agreed with me.

Q. Yes?—A. And we discussed the appointment.

Q. Yes, what else?—A. And he said he had issued instructions that Mr. Grant would give no orders up on the work.

Q. Yes?—A. He told me that he had objected to Mr. Grant's appointment but it had been overruled.

Q. By whom?—A. He did not say.

Q. Well that is not explaining what difficulties existed just after your return from the trip to Quebec, about Grant's appointment?—A. That is one of them.

Q. With whom did that difficulty exist?

Mr. HODGINS.—Where do you find the word "difficulty?"

Mr. MURPHY.—I find it in the major's language, in his answer to my question.

Mr. HODGINS.—I thought you referred to this letter?

Mr. MURPHY.—We will get back to the letter after a while.

THE WITNESS.—Then after Mr. Grant's report—

By Mr. Murphy:

Q. No, no. Just wait a moment. You are going too fast now. I want to know major, what do you mean when you say that you spoke to Mr. Lumsden after your return to Quebec?—A. Yes.

Q. In June about the difficulties that existed regarding Grant's appointment?
A. Exactly.

Q. What were those difficulties?—A. I could not see what use an inspecting engineer—

Q. Oh, I see. That constituted the difficulties?—A. Mr. Lumsden—

Q. Never mind, we will get Mr. Lumsden afterwards. So that was the difficulty which existed?—A. Exactly. He discussed it with me.

Q. Were you taking the position that the commission ought to consult with you before they made the appointment?—A. I was consulting the chief engineer.

Q. And complaining?—A. I did complain.

Q. And you kept complaining?—A. I had finished my complaint. I was discussing the situation.

Q. It was a pretty lengthy one? It lasted from here to Quebec and you talked of it day and night?—A. No.

Q. On the boat going down?—Yes, I said what I thought on the boat.

Q. At La Tuque and in Quebec to Armstrong?—A. I did not complain to Armstrong.

Q. You did not say anything to Armstrong about Grant?—A. I expect we talked about it.

Q. Don't you know you did?—A. Yes.

Q. So these difficulties were your own difficulties?—A. Exactly.

Q. Your annoyance at Grant's appointment?—A. Yes.

Q. Why should you have felt so much annoyed?—A. Because a junior man had been put over my head to go up to my district and arrange classification.

Q. Did you know Mr. Grant before that?—A. No.

Q. How did you know he was a junior man?—A. He was an assistant district engineer in Quebec.

Q. Were there other district engineers besides yourself?—A. Yes.

Q. Were they annoyed at Mr. Grant's appointment?—A. I think all were except Mr. Poulin.

Q. All except Mr. Poulin?—A. Yes.

Q. Have any of them ever said so to you?—A. Yes.

Q. Who?—A. They all spoke about the appointment on the boat going down, at least Mr. Dunn did and I think Mr. Molesworth.

Q. They all spoke about it, but were they registering complaints against that?
—A. Yes.

Q. To you?—A. Yes—no, to the commissioners, we were all sitting on the deck somewhere.

Q. I see, it was a general discussion?—A. Yes.

Q. And do you know whether other district engineers went around talking to men like Mr. Armstrong about the appointment?—A. I could not say.

Q. So far as you know the difficulties that you have spoken of here a few minutes ago, consisted entirely with yourself?—A. As far as I know.

APPENDIX No. 5

Q. Now, you have spoken of Mr. Grant being appointed to go over your district, that is only a partial statement?—A. In that way?

Q. Wasn't he appointed to go over the whole of the line, it was not over your district especially?—A. No.

Q. So that as a matter of fact there was no reason why you should take umbrage at his appointment any more than the other district engineers?—A. If I remember aright at the time, my district and the Quebec district were the only districts in which there had been any considerable amount of work done.

Q. But he would have the same inspection over the other districts as the work progressed on them, would he not?—A. Yes—the other engineers discussed it with me.

Q. Further on in your letter to the 'Colonist' you say, 'I thought if the commissioners interfered with me any further Sir Wilfred Laurier would set matters right as soon as I appealed to him.' Now, what interference up till the time you had been speaking of had the commissioners exerted against you?—A. Well, it was the appointment of Mr. Grant, I judged that, and from what I had seen and heard in Quebec, I could not approve of that classification.

Q. What do you mean by the Quebec classification?—A. The classifying of cemented material as solid rock.

Q. Where was that done?—A. That is what I saw in Quebec.

Q. Where?—A. In that cutting, that first cutting.

Q. In that cutting. You referred to a house you saw going up somewhere in that district, and your reference to it and to the question you afterwards addressed to the chief engineer sounded as if you intended your reference to the Quebec classification to cover that house?—A. No.

Q. You did not? Where was this house you spoke of?—A. It was west of the cutting.

Q. At or near LaTuque?—A. Yes, on the other side of a large hill, and we passed it in carriages, we were on one side of the bank and the house was being built on the other side, I could only see the top, but I could see it was a large one.

Q. It was under construction, was it?—A. It was under construction.

Q. How far had it advanced?—A. I think the roof was on it, the chimneys were up, I could not say from where I was whether it was shingled or not.

Q. At what distance were you from the house when you saw it?—A. Well, the bank was between us and the house and I could only see the upper portion of it.

Q. You could only see a portion of it?—A. Yes, I could only see the top of it.

Q. That altered your statement of yesterday very materially?—A. In what way?

Q. You only saw the top of it?—A. Yes.

Q. Who was with you?—A. In the carriage?

Q. Yes?—A. I do not remember—I asked what the building was.

Q. Whom did you ask?—A. Mr. Armstrong, he was there.

Q. Was he in the carriage with you?—A. Yes, I asked him.

Q. Who else?—A. There were two others, four of us in the carriage.

Q. Mr. Armstrong was there, who were the others?—A. I do not remember who the others were.

Q. As a matter of fact you were alone when you saw the house, were you not?—A. No.

Q. Do you still say Mr. Armstrong was with you when you saw the house?—A. Yes, because I asked him what it was for.

Q. But at the time you saw it, was that the time you asked him?—A. Yes.

Q. What was the reply?—A. That it was the division engineer's house.

Q. It was a house on the work?—A. Yes, on the other side of the bank.

Q. But so located that, by reason of the intervening bank, you only saw the top of it?—A. Only the top of it.

Q. You never saw it since, you made no inspection of it?—A. No.

7-8 EDWARD VII., A. 1908

Q. Then why did you ask if that was to be the standard?—A. Because it was a very much larger house than my division engineers had.

Q. It did not mean 'Quebec classification,' that that was to apply to Quebec specifically?—A. No, I had considered how to approach Mr. Lumsden on this occasion.

Q. Oh, you were starting some tactics?—A. No, that is the first question I asked him.

Q. And Mr. Lumsden, you say, did not care to discuss the matter and walked away, or turned away, is that correct?—A. That is correct.

Q. Now you say, 'I thought if the commissioners interfered with me any further Sir Wilfrid Laurier would set matters right as soon as I appealed to him.' Did you ever appeal to Sir Wilfrid Laurier?—A. Not directly.

Q. Not directly—was there any appeal made to him that you know of?—A. Yes.

Q. To set matters right?—A. To have the investigation that I was making when I received my notice from Mr. Lumsden, finished.

Q. To have that finished—I see, what was the result?—A. No answer.

Q. That is how that matter stands, as far as you know?—A. Yes.

By Mr. Macdonald:

Q. I understand you to say you never yourself applied to Sir Wilfrid Laurier for an investigation?—A. I have never written a letter to Sir Wilfrid Laurier; I do not remember writing one, and I am pretty certain I did not.

By Mr. Murphy:

Q. You go on to say in your letter, 'Here I made a miscalculation, the chairman of the commission, Monsieur Parent, got in first and hypnotized the government,' what do you mean by that?—A. Well, he evidently told his side of the case.

Q. How do you know?—A. From the reports I have seen in the papers and the returns made before the House.

Q. Had you any other reason for making that statement that he had 'hypnotized the government'?—A. No.

Q. What do you mean by that expression that he had 'hypnotized the government'?—A. That he had laid his side of the case before the government, and I hadn't a chance to lay mine.

Q. There was no issue between you and Mr. Parent, was there?—A. Apparently I was—

Q. You do not know of any up to that time, there had been no clash or discussion, or friction of any kind between you and Mr. Parent?—A. Well, Mr. Lumsden wrote to me and said that owing to the feeling at Ottawa he was going to make a change, and I presumed it was the remarks I had made in connection with Mr. Grant's appointment.

By Mr. Macdonald:

Q. Why did you select Mr. Parent as the gentleman who was representing everything at Ottawa?—A. Because he was the only one who had communication with the government.

Q. You had no knowledge at all on the subject?—A. No.

Q. It was an inference, which so far as you knew, was absolutely without foundation, as a matter of fact?—A. He is the one who had communication with the government.

Q. Well, as a matter of fact, have you any facts within your own knowledge that will lead you to say that Mr. Parent exercised any influence contrary to you in this matter?—A. Any fact to show that he did?

Q. Yes, other than impressions?—A. I do not think so.

By Mr. Murphy:

Q. Your letter proceeds, 'And I was removed for other reasons, no investigation

APPENDIX No. 5

into my case was allowed,' now, what were these other reasons?—A. The reasons stated by Mr. Parent.

Q. What were they?—A. I have forgotten exactly what they were, they are stated in his letter and in his interview with the press; Mr. Lumsden said that it was because I could not get on with the men and the contractors, and Mr. Parent said that I had given an order to resort to cost, force account, and ten per cent.

Q. But when you say, 'I was removed for other reasons'; what do you mean, reasons other than what?—A. For reasons other than I attributed it to.

Q. 'And no investigation into my case was allowed'?—A. No.

Q. Who declined an investigation into your case?—A. The Minister of Railways.

Q. What had he to do with investigating your case?—A. I saw that a question had been asked in the House, I have forgotten just what it was, but it was said that I had been dismissed and it was asked if an investigation was to take place, and the Minister of Railways said that I had been dismissed because my services were not satisfactory to the commission, and that no investigation was necessary.

Q. That no investigation was necessary?—A. Yes.

Q. That is quite a different thing from refusing an investigation isn't it?

Mr. HODGINS.—'No investigation into my case was allowed,' he said.

By Mr. Murphy:

Q. That is what I am asking him about, and this is his answer now. Did you personally apply for an investigation?—A. An investigation into classification?

Q. Did you?—A. Yes.

Q. First of all, did you apply personally for an investigation into your case?—A. No.

Q. Then did you apply for an investigation into classification?—A. Yes, Mr. James Conmee came into my office.

Q. Wait, now, did you apply?—A. For what?

Q. For an investigation into classification?—A. Yes.

Q. Through whom did you apply?—A. Mr. James Conmee.

Q. What had he to do with the investigation?—A. Just that he was member for the district, he came into my office and I talked the question over with him.

Q. First of all, when was this?—A. I think it was two days after I got my notice from Mr. Lumsden.

Q. Two days after you got your notice from Mr. Lumsden?—A. Yes.

Q. Well?—A. And I spoke to him about it, and I told him what I knew, what I had been doing, and I showed him some correspondence, and I brought Mr. Mann in and let him question Mr. Mann about this matter. Mr. Conmee is an old contractor.

Q. Mr. Mann is one of the Grand Trunk Pacific engineers?—A. He is the Grand Trunk Pacific engineer, and Mr. Conmee questioned Mr. Mann on the matter, and he wired to Sir Wilfrid Laurier and Mr. Aylesworth.

Q. Yes, what did he wire?—A. He wired something to the effect—

Q. Did you see the telegrams?—A. He read the telegrams to me.

Q. Did you see them sent?—A. Yes, one of my men took them down.

Q. Did your man send the message; is he an operator?—A. No, he was my accountant.

Mr. HODGINS.—Are you asking what the contents of the telegram is?

Mr. MURPHY.—Yes.

A. Recommending that the investigation should go on, something to that effect.

By Mr. Murphy:

Q. That this investigation which you had been making and which had been stopped should go on, is that it?—A. Yes, that had been stopped.

Q. That is the investigation you refer to here in your letter?—A. Yes. I also wrote to Mr. Aylesworth, but never got any reply.

7-8 EDWARD VII., A. 1908

Q. You did not get any reply from him?—A. No.

Q. Now this conversation with Mr. Conmee took place in your office at Kenora, did it?—A. At Kenora, yes.

Q. What date was that?—A. The 17th or 18th of September, I think.

Q. The 17th or 18th of September?—A. Yes, I think that was the date.

Q. Do you know what day of the week it was?—A. No, I do not remember.

Q. Can you recall the date of that interview, major?—A. No, except that it was one day or two days after I got Mr. Lumsden's letter, I think.

Q. When you got Mr. Lumsden's letter, what did you do? Did you communicate with him in any way?—A. I wired him not to do anything until I came to Ottawa.

Q. Did you have any further communication with him just about that time?—A. Yes, I applied for three months' leave instead of one, I wired him.

Q. You wired him. So that this interview took place with Mr. Conmee while this correspondence was passing from you to Mr. Lumsden?

Mr. HODGINS.—He did not say that.

A. I do not remember, I haven't got the dates, or the date of the telegram.

By Mr. Murphy:

Q. What was your first telegram, you say it is produced here? What was the text of it?—A. That I would be down in Ottawa, that I would come down to Ottawa.

Q. That you would come down to Ottawa?—A. Yes.

Q. And to do nothing further. That telegram is produced, and reads:

KENORA, Sept. 16.

'Hugh Lumsden, Ottawa.

Please take no action until I arrive Ottawa, leaving Wednesday.

A. E. HODGINS.'

Q. Is that the telegram you refer to?—A. Yes.

Q. Now, was that the same date on which you had the interview, do you think?—A. What interview?

Q. With Mr. Conmee?—A. No, I think I had the interview with him afterward. What is the date of that telegram?

Q. 16th September?—A. Well, that is the date I got my notice. Mr. Conmee came in—

Q. Oh no, you got your notice before that?—A. What is the date of the notice?

Q. 12 September?—A. It would be the 15th or the 16th before I got the notice; it takes three days to come up there.

Q. If the 12th was on Thursday, as it was, and the notice bore date on that day, and was posted that day, when would it reach Kenora?—A. On what day was it dated, the 12th?

Q. Yes?—A. About the 15th.

Q. That would be Sunday, the 12th was on Thursday?—A. Sunday, yes. It was Sunday or Monday I got it.

Q. Now do you remember when you actually received the notice?—A. What day was the 12th?

Q. Thursday?—A. Sunday.

Q. Sunday, the 15th?—A. I got it on Sunday afternoon.

Q. You think you got it on Sunday afternoon?—A. Yes.

Q. I think that is right, you were in your office on Sunday afternoon, the 15th?—A. Yes.

Q. Was Mr. Heaman there?—A. No.

Q. Was Mr. Mann there?—A. No—no, I got it in my house in the evening, the letter was brought over to me.

Q. On Saturday or Sunday, which?—A. On Sunday—I won't be certain.

Q. Then this telegram of the 16th was sent on the following day, Monday?—A. On Monday, yes.

APPENDIX No. 5

Q. You had been out on the line just before that?—A. Yes, I had just come in.

Q. And had you been in your office before you received that notice from Mr. Lumsden?—A. Yes.

Q. Did you get that notice on your visit to the office?—A. No, I got into the office on Saturday about six, and looked over some—I think I got in in the evening—I do not remember now whether I went to the office that day or not.

Q. What time on Saturday did you get to your office?—A. I am trying to think, I came from Vermilion Bay, but whether I came in on the regular train or the mixed train, I cannot recollect.

Q. Well, what time did you get to your office?—A. Some time in the afternoon; I am not sure whether I went to the office or not that day.

Q. You are not certain whether you went to the office that Saturday afternoon or not?—A. I expect I went up there to see if there were any letters.

Q. But you do not remember getting the notice from Mr. Lumsden?—A. Yes.

Q. And the next day was Sunday?—A. No, it was Sunday I got it I think; I think it was brought over with some of my letters.

Q. And then you had this interview with Mr. Conmee?—A. If I could fix the day Mr. Conmee came to my office—he was introduced to me, I had not seen him before and I did not say anything to him then.

Q. That was at your first meeting with Mr. Conmee?—A. Yes, and the next day, after thinking it over, I thought I had better go down and talk to him, which I did and he came over to my office.

Q. And it was after that conversation the telegram was sent?—A. Yes.

Q. Did you ask Mr. Conmee to send that telegram?—A. No, I asked him for advice.

Q. You haven't been able to fix the exact time of getting back to Kenora on Saturday the 14th of September, but you do remember going to your office and getting some letters?—A. No, I am not certain whether I did go to my office; the office would be closed on Saturday afternoon and I am not certain what time I got it.

Q. None of your staff would be there when you got in?—A. No, they would not be there on Saturday afternoon.

Q. And you know for a fact that it was Saturday afternoon when you got back to Kenora?—A. I left Canyon Lake in the morning and rowed down to Vermilion Bay and I think I had lunch there and waited for the train, but whether I came in on the mixed train or the express, I have forgotten. If it was the express, I think the express got in about four or five and the mixed train would come in at any time about eight. I have forgotten now what time it was.

Q. You have forgotten?—A. Yes.

Q. At any rate you knew there would be none of your staff in the office that afternoon?—A. No.

Q. You did not reach Kenora until the afternoon?—A. I could not possibly.

Q. And it may have been the evening, it all depends upon the train you took?—A. Yes.

By Mr. Hodgins:

Q. Was the train on time?—A. I do not remember.

By Mr. Murphy:

Q. Following your telegram of the 16th to the chief engineer you sent another on the 20th, which is produced here?—A. Yes.

Q. That telegram is dated at Kenora, September 20, 1907, and the translation of the cipher message is as follows:

‘Hugh D. Lumsden, Ottawa.

Understand Sir Wilfrid does not wish to interfere, therefore I submit, but think

7-8 EDWARD VII., A. 1908

you might give me leave, for three years' work without any leave. Who is my successor? Want my account audited without unnecessary delay.

A. E. HODGINS.'

Referring now to your telegram of the 16th of September, in which you ask Mr. Lumsden to take no action, and to your telegram of the 20th, in which you say 'understand Sir Wilfrid does not wish to interfere, therefore I submit, but think you might give me leave, for three years work without any leave. Who is my successor? Want my account audited without any unnecessary delay.' Does the language of these two telegrams indicate that you were making some effort between the date of the first and the date of the second to retain your position?—A. Well, I was expecting to hear something from Ottawa. I heard that Mr. McIntosh was going down—Mr. McIntosh telegraphed me that he was going down to Ottawa—

Q. But is it a fact that between these two dates and after the sending of your first telegram you did get busy and endeavour to use interest to retain your position?—A. Yes.

Q. And that is what the reference in your telegram of the 20th is to, 'understand Sir Wilfrid does not wish to interfere,' is it not?—A. Yes.

Q. Now further on in your letter to the 'Colonist' you say under the heading 'Increase Accounted for'—

'If Monsieur Poulin, the engineer appointed by Monsieur Parent to replace me on the western district has allowed the introduction of classification similar to that in Quebec, this will account for an increase in the estimated cost of the line. If this increase amounts to three or four million dollars (33½ per cent), it is time the public demanded some explanation from the government.'

Q. You recall that paragraph in your letter?—A. Yes, I do.

Q. By the way, do you speak French, major?—A. Very little.

Q. Do you write French?—A. No.

Q. Except when you write to the 'Colonist'?—A. How do you mean?

Q. If you do not speak French and do not write French—?—A. I understand French a little.

Q. Why do you put the prefix 'Monsieur' before Mr. Parent's name and Mr. Poulin's name in this letter?—A. Well, it is generally done.

Q. Is it generally done?—A. Yes.

Q. Is that your habit? When you are addressing a man, referring to the chairman of the Transcontinental Commission or this engineer, do you say Monsieur Parent and Monsieur Poulin or Mr. Parent and Mr. Poulin?—A. Generally I would say Poulin. Writing an official letter to him I would address him as Monsieur Poulin.

Q. You would?—A. Yes.

Q. Even in the body of the letter?—A. Well, that would be only an official letter.

Q. But if you were not writing an official letter?—A. I would omit the prefix.

Q. Did you ever write such a letter?—A. Who?

Q. You?—A. To Mr. Poulin?

Q. Did you ever write such a letter with the prefix 'Monsieur' to Mr. Parent or Mr. Poulin? (No answer.)

Q. What is the use of losing time, major? It was just to have a cheap fling at these two gentlemen, was it not?—A. No.

Q. No?—A. No, it was not.

Q. That was not the reason?—A. That was not the reason.

Q. Now is it not a fact that you thought that would be palatable to the readers of the 'Colonist'?—A. No.

Q. That was not your reason in doing it?—A. No.

Q. Well, now, what do you know personally about the appointment of Mr. Poulin? We will use the English prefix.—A. Mr. Foss was sent up there first.

Q. Never mind Mr. Foss. What do you know personally about the appointment

APPENDIX No. 5

of Mr. Poulin?—A. Mr. Poulin came up afterwards and I had several conversations in his office with him before I left.

Q. With whom?—A. With Mr. Poulin.

Q. You say in your letter 'If Monsieur Poulin, the engineer appointed by Monsieur Parent.' I want to know from you what you know personally about the appointment of Mr. Poulin?—A. I know he was appointed.

Q. You do. Do you know, as you allege in the letter, that he was appointed by Mr. Parent?—A. Well, certainly.

Q. You do. Now, let us have the proof of that?—A. Mr. Parent is the head of the commission.

Q. Yes?—A. And all the appointments must be approved by him.

Q. Do the other commissioners have any say in these appointments?—A. I presume so.

Q. You presume so. Don't you know they do?—A. Yes.

Q. You know perfectly well?—A. They all have some say.

Q. So that Mr. Poulin's appointment was just as much the appointment of Mr. McIsaac, Mr. Reid and Mr. Young as it was the appointment of Mr. Parent?

Mr. HODGINS.—Was it?

The WITNESS.—Well, it is a question.

Mr. MURPHY.—The witness can say that just as well as he can make the other statements.

Q. Don't you know perfectly well from your experience during the time that you were appointed by the commission that nothing is done in the way of appointments except by the board as a board?—A. No.

Q. You do not?—A. I do not.

Q. Name me one appointment of any importance—?—A. Mr. Reid has written to me about appointments; Mr. McIsaac has written me about appointments of men they knew, and Mr. Young.

Q. I am not asking you who wrote about appointments, but who made appointments?—A. They are appointed by the commission.

Q. You were appointed, were you not?—A. I was.

Q. Was Mr. Parent chairman of the Transcontinental Railway Commission at the time of your appointment?—A. No.

Q. Who was the chairman?—A. Mr. Wade.

Q. Did Mr. Wade appoint you?—A. I think he did.

Q. Do you know whether he did or not?—A. I am not certain whether I got a letter from him stating that he would appoint me or not.

Q. I am not asking you that. Don't you know perfectly well that Mr. Wade did not appoint you?—A. I do not. I went to see Mr. Wade.

Q. Don't you know that it was the Board that appointed you?—A. I think Mr. Ryan wrote me.

Q. It doesn't matter who wrote?—A. I have not got the letter here.

Q. That is not what I am asking. I am asking by whom appointments are made. With reference to this allegation of yours in the 'Colonist,' you know that is not correct?—A. How do I know it is not correct?

Q. Well, if it is, then furnish us with the proof?—A. Well, I don't know.

Q. You don't know?—A. No.

By Mr. Macdonald:

Q. At the time you wrote the letter of April the 16th, Major Hodgins, had you any knowledge, as a matter of fact, of the proof of this statement that Mr. Murphy is speaking about?—A. No.

By Mr. Murphy:

Q. Now, with reference to this trip to Quebec that was made in the early part

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

of June, all the other district engineers were along, were they not?—A. All but one.

Q. Is it a fact that such a trip as that had been spoken of before?—A. No.

Q. To give the district engineers an opportunity of meeting and exchanging views?—A. I never heard of it.

Q. You never heard of it?—A. No.

Q. By whom were you spoken to regarding that trip?—A. Mr. Young.

Q. Mr. Young. Did anyone else speak to you about it?—A. No. I went down with them when they were going back, and when we came to Kenora Mr. Young brought up the subject again and said—I think he spoke to Mr. Lumsden—and said 'Mr. Hodgins had better go down with us to Quebec,' and I said 'I don't want particularly to go to Quebec.' Then Mr. Young said 'Oh, you had better go.' He asked Mr. Lumsden if I could go, and Mr. Lumsden said yes. So I said 'All right.'

Q. That is all the conversation about the trip that you know of?—A. Yes.

Q. So far as you were concerned?—A. I thought when I got down—

By Mr. Lennox:

Q. Do you mean that Mr. Young had never said at Winnipeg—?—A. I thought when I got down from Winnipeg that I would be the only one going down. I was quite surprised on meeting the other engineers.

Q. You mean that Mr. Young had not spoken to you in Winnipeg about going to Quebec?—A. He had spoken to me and said I had better go down to Quebec and see.

By Mr. Murphy:

Q. You say that when you were spoken to, you got the idea you would be the only one on the trip?—A. I thought so. I was quite surprised to see the other engineers.

Q. That was the idea in your mind when you wrote that letter to the 'Colonist,' was it not?—A. How do you mean?

Q. That you were to be the only one on that trip to go down and get this object lesson?—A. I could only speak for myself surely. I did not know what—

Q. Yes, but when you described this trip in your letter to the 'Colonist' you were very careful to refrain from mentioning that there was anybody else on the trip?—A. How do you mean?

Q. I mean the language you used conveyed the impression that Mr. Young told you to do a certain thing and you went to Quebec?—A. Exactly.

Q. Following his instructions?—A. Exactly.

Q. You carefully, I say, refrained from stating that the other engineers were there with you on that trip and that the commissioners were there? You said nothing about that in your letter to the 'Colonist'? Is that not the fact?—A. Yes.

Q. Why did you suppress those facts?—A. They were not suppressed.

Q. Why did you not mention them?—A. Why should I?

Q. Why should you create a wrong impression?—A. You are creating the wrong impression.

Q. No I am not, I beg your pardon?—A. Pardon me.

Q. (reads): 'Mr. C. A. Young, Commissioner for Manitoba, then advised that I should go to Quebec'—?—A. Exactly.

Q. So far it is a matter between you and Mr. Young?—A. And I have added that when I got to Montreal I found that all the other engineers were going down.

Q. We are not talking about that. We are talking about something which you did several months afterwards when you wrote a letter to the newspapers and created a wrong impression by the language you used. (Continues reading):

'that I should go to Quebec and see how things are managed in that district, where contractors were not kicking, and get an object lesson'?—A. Exactly.

Q. (Continues reading): 'I went and returned determined not to allow Quebec classification to be introduced into the western district as long as I remained in charge'?—A. Yes.

APPENDIX No. 5

Q. Now what impression could any person get, reading that letter of yours, but that you went there and went alone?

Mr. LENNOX.—It does not necessarily convey that impression?—A. I am not writing for the staff. I am writing for myself.

By Mr. Macdonald:

Q. Did you intend to convey the impression that you went alone?—A. No.

By Mr. Murphy:

Q. You did not?—A. No.

Mr. MACDONALD.—Your language would indicate that you had been specially asked to go apart from the other engineers.

Mr. MURPHY.—Certainly.

Mr. LENNOX.—It creates the impression that the conversation was with him alone. It does not say that there was not a party invited at one time. It is the proper way of stating the facts, as we understand them, I think.

Mr. MURPHY.—Well the committee know the facts now in any event.

Mr. HODGINS.—He did not know what the invitations to the other engineers were or know of them.

Mr. MURPHY.—He did because he has told all about it.

Mr. MACDONALD.—Major Hodgins has appealed to the public in regard to matters in which he says he was wrongly treated. The irresistible inference from what he has stated to the press is that he was especially selected to go down to Quebec to learn how to classify incorrectly.

Mr. BARKER.—Would you accuse Mr. Young of deceiving Major Hodgins if he did not tell him he was inviting others?

Mr. MACDONALD.—He indicates that others were not asked to go. You are arguing about something else.

Mr. BARKER.—I am taking your own illustration.

Mr. LENNOX.—Under the circumstances, as we understand them, the language he employed was the proper language.

Mr. MACDONALD.—We understand now that he did not go alone and was not asked to go alone.

By Mr. Murphy:

Q. Now you know, major, that Inspecting Engineer Grant, to whom you took such exception, submitted his report to the chief engineer on July 23rd last?—A. Yes.

Q. And you were communicated with immediately afterwards about that report. were you not?—A. Yes, Mr. Lumsden wired me to come down.

Q. And you did come?—A. I did.

Q. You saw a copy of the report?—A. Yes.

Q. And you prepared a reply to it?—A. The best I could, yes.

Q. How long were you here at that time?—A. I forget now, I was here a couple of days.

Q. You were here a couple of days?—A. The report was not typed out, I believe, when I came and I had to wait for it probably two days or a day and a half.

Q. In answer to your counsel yesterday you said you were here three days?—A. Well three days. I am not certain how long I was here.

Q. All your time was not occupied in preparing an answer to the report?—A. No, I was looking up plans and profiles and writing—

Q. You were looking up plans and profiles?—A. And writing, making notes of what I could gather in the office, in the assistant chief engineer's office, I think it was.

Q. And you were here until the 1st August in any event?—A. Yes.

Q. You filed your report on July 31st or sent it in?—A. That is the date it was written.

MAJOR HODGINS.

Q. It has been filed here as Exhibit 29. I will just read you what you say in that report about classification. Under date of July 31, 1907, you wrote to the chief engineer:

‘CLASSIFICATION.’

‘This is not a serious matter. Very little classified material was moved last winter. All engineers were instructed by the chief to classify frozen material in cuttings for loose rock. Classification is, in my opinion and in the opinion of Messrs. McArthur and Hazlewood, fair, and, with the exception of one or two cuttings, there is no dispute.’—A. Yes.

Q. ‘Classification should be left to the judgment of resident engineers’?—A. Yes.

Q. If they are in doubt they can consult with the division engineer. All the engineers have been instructed by me to classify liberally in loose or solid rock. Mr. McArthur has never asked me to re-classify any particular cutting or sub-contract. Is that true?—A. That is true I think.

Q. ‘Mr. McArthur has never asked me to re-classify any particular cutting or sub-contract?—A. Or sub-contract. It was general. He wanted the work classified generally.

Q. ‘All engineers can provide statements of profit and loss on contracts, and this information is also in the Ottawa office on every contract since the work started’?—A. Yes.

Q. That is what you had to say in your report in answer to Inspecting Engineer Grant’s report on the 31st of July last?

Mr. LENNOX.—That is part of what he had to say.

Mr. MURPHY.—As to classification, yes.

Q. Does that report of yours correctly set forth the true state of affairs on the road on that date?—A. As far as I could judge without having any access to notes or letters.

Q. And you stated that in the opinion of Contractor McArthur and the opinion of his engineer, Mr. Hazlewood, the classification at that time was fair?—A. In discussing this question of classification with Mr. McArthur—

Q. I am asking you was that what you say in your report?—A. Yes.

Q. So at that time, according to your report, there were only one or two cuttings in dispute and you suggested they should be left to the judgment of the resident engineers?—A. Yes.

Q. That is the language of your report?—A. Well, in regard to that classification being fair it was general, general all over the line. I never could get McArthur to get down—

Q. Except in one or two cuts?—A. Yes. I tried several times to get those cuts specified.

Q. And you could not get them?—A. No.

Q. And your report states you instructed the engineers to classify liberally in loose or solid rock?—A. Yes.

Q. Those instructions then had been given before your trip to Quebec?

Mr. BARKER.—Do you state that he says to classify liberally in solid rock?

Mr. MURPHY.—In loose—

The WITNESS.—In loose.

By Mr. Murphy:

Q. In loose or solid rock. That is the fact, that is in your report?—A. Yes.

Q. And these instructions you had given before you went to Quebec?—A. Exactly.

Q. What is your answer?—A. Yes.

Q. So that you had liberal ideas about interpretation long before you visited La Tuque according to your own report?

Mr. HODGINS.—He did not say anything about interpretation.

APPENDIX No. 5

Mr. MURPHY.—Let the witness say.

The WITNESS.—Every engineer likes to have his classification described as being liberal. It is a term that—

By Mr. Murphy:

Q. And you were no exception to the rule?

Mr. HODGINS.—Let him explain.—A. It does not mean that you are to have it illegally made. A lawyer might make a very striking point by the use of the word. It really means fairly.

Q. Yes, fairly?—A. I mean fairly, within due bounds.

Q. So that according to your own statement in your own language, in your own report of 31st July last?—A. Yes.

Q. All parties at that time who were interested in the matter were satisfied with your instructions and your classification, with the exception of one or two cuttings?—A. This is as far as I can boil it down to one or two sittings.

Q. Now, in the face of your report, and the answers you have given here, do you still assert that the root of the trouble between you and the commissioners was classification?—A. Yes.

Q. You do?—A. That is my opinion.

Q. That is your opinion. Well, now, as you have said in your report that everything was satisfactory, with the exception of one or two cuttings, on the 31st July last, how could your trip to Quebec, to get object lessons as you allege, have anything to do with your work at that date?—A. How do you mean? The large increase in the classification came after that trip of Mr. Grant's.

Q. I am not talking about Mr. Grant. I am talking about your trip?—A. Presumably, if I were taken to Quebec it was to increase my ideas of classification. That is what I presume the trip was for.

Q. But this report was different a month at least, a little more than a month, after your trip to Quebec?—A. Yes.

Q. And you state in that report that there was no trouble about classification?—A. As far as I knew.

Q. As far as you knew?—A. Exactly. I had just got back. The June estimate had been in. When I came back from Quebec I signed the June estimate. That was in July. I had not seen the July estimate when it came in.

Q. When did that come in?—A. When I was down there. I had returned from writing this letter in Ottawa to Kenora and signed the July estimate. In fact I came there and signed it but had not very much time to check it over. They had checked it over before I got there.

Q. And that is what you say about that?—A. Yes, I had to go into that. After that I discovered that the classification was high.

Q. But you made no checking yourself?—A. I started out.

Q. You started out. Now on page 6 of your letter to the 'Colonist,' produced here under the heading 'No chance of investigation':

'Before I left Kenora I said to an engineer who knew a good deal about Quebec classification that there would surely be a scandal over it; he replied that any investigation would be blocked.'

Q. Who was that engineer?—A. Mr. Grant.

Q. You said to an engineer who knew a good deal about Quebec classification, and that was Mr. Grant?

By Mr. Barker:

Q. Will you allow me to ask a question here. With reference to what you spoke of a little while ago, do I understand you to say that it was after you made that report at Ottawa and your return to Kenora that you discovered the transference of loose rock and common excavation to solid rock?—A. It was in that estimate.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Take my question as I put it. Was it after you wrote that report at Ottawa?
—A. Yes.

Q. And you returned to Kenora that you discovered the transference?—A. Yes.

Q. Of common excavation and loose rock by McIntosh to solid rock?—A. Yes, exactly. That letter was written on 31st July and the July estimates would come to my office about the 6th of August—any time between the 3rd and the 6th of August. They had to be in Ottawa by the 8th.

By the Chairman:

Q. When you wrote that report had you not discovered any fault in classification at all?—A. No.

Q. You wrote that report on what date?—A. On 31st July.

Q. And according to that report you had not found one single fault in the classification all over the line?—A. No. Afterwards I think there was a copy of a letter from Mr. Mann to that effect, too.

By Mr. Murphy:

Q. There was nothing to be found fault with up to that time?—A. No.

Q. Then you went over the work with Mr. Grant after making that report, did you not?—A. I came up and went over portions of the work.

Q. And you approved of it?—A. Well I went over with Mr. McIntosh this disputed piece. Mr. McIntosh used some very strong arguments in favor of this—

Q. Never mind major, what he used. I am asking you if you did not approve of it?—A. No.

Q. In August?—A. Oh, no. I cut it out of the estimate for August.

Q. I say on your trip of inspection in August?—A. No, I did not approve of it.

Q. Did you disapprove of it?—A. Yes, I told him there would have to be a re-classification.

Q. Did you put in anything to signify your disapproval?—A. I wrote to Mr. Lumsden about it, did I not? Is there not a letter produced?

Mr. HODGINS.—We have asked for the production of the letter. I asked for them all yesterday and they have not been produced yet. You remember Major Hodgins spoke particularly about one matter of drainage that he wrote about in addition to that report? I asked then to have these letters produced. I suppose you have not had them looked up.

The WITNESS.—I think I wrote Mr. Lumsden telling him exactly what it was and Mr. McIntosh was very anxious that it should go through. I told him it was past me and if the engineer would approve, of course, I would approve.

By Mr. Murphy:

Q. If the chief engineer would approve you would approve?—A. Yes.

Q. Do you remember having any talk with Engineer Miller about that inspection in August?—A. I don't think he was there.

Q. You don't think he was there. Where do you mean 'there'?—A. In August. His inspection in August or the inspection in July?

Q. No, in August. You did not make any inspection in July. It was only after Grant's report starting you up that you began to inspect?

Mr. HODGINS.—That is not the fact.

Mr. MURPHY.—That is the fact.

The WITNESS.—That is the only time it became necessary to inspect.

Mr. LENNOX.—In consequence of having discovered wrong transferences in the estimates.

By Mr. Murphy:

Q. This discovery that members of the committee have been speaking about, Major Hodgins, was made by you in September, was it not?—A. Which discovery?

APPENDIX No. 5

Q. This transference as it is termed?—A. Why, it is apparent on the July estimate because it had that statement from Mr.—

Q. Yes, but your dealing with it took place in September?—A. It took place, I struck it out of the August estimate.

Q. You had approved of 't in August?—A. Passed it in the July estimate.

Q. Yes, in August?—A. Yes.

Q. And then you disapproved in September?—A. Well, put it this way; I passed it in the July estimate.

Q. In August?—A. In the month of August, as soon as I returned from Ottawa—

Q. Yes?—A. I got up just in time to sign them, and when the August estimates came round I struck it out in September. It was probably the 2nd or 3rd of September. As soon as it came in I had seen it.

Q. You also had disputes with McIntosh before that?—A. On the work. I said I would not let that sort of thing go.

Q. Do you know what disposal has been made of that matter which you and he disputed about?—A. This?

Q. This classification?—A. No.

Q. Do you know it has been referred and adjudicated on?—A. No.

Q. You don't know anything about that. Well, we will get that from somebody else. You remember meeting your successor, Mr. Poulin, at Kenora several times after your resignation, don't you?—A. Yes.

Q. Before leaving that question of the work on McIntosh's division, you asked McIntosh to sign a statement against Grant, did you not?—A. No.

Q. Well, that request was made to McIntosh for you, was it not?—A. To sign a statement against Grant?

Q. Yes, about Grant's report?—A. No. The chief engineer had asked me to get answers to questions on certain charges.

Q. Who framed the questions?—A. I framed them.

Q. Exactly?—A. And he framed some of them.

Q. You framed most of them?—A. Exactly. Grant wrote most of the report.

Q. And you did the framing of the questions?—A. You bet.

Q. Exactly?—A. Who would I ask to do the framing? Grant?

Q. I am not in the witness' box, I cannot tell you. I am not a framer. You sent this statement out for McIntosh's signature, did you not, and McIntosh refused?—A. No, he did not.

Q. Well, did he sign it?—A. No. I read the questions to him, and he answered them and I wrote them down.

Q. Yes?—A. And coming away from his house he asked me if I would not give it back to him.

Q. Yes?—A. I forget now whether he signed it or not.

Q. Well did he sign it?—A. No, I read the questions to him and he answered them and I wrote them down.

Q. Yes?—A. And coming away from his house he asked me if I would not give it back to him.

Q. Yes?—A. I forget now whether he signed it or not.

Q. You were his superior at that time?—A. He asked if he might take it back and re-write it. He had a good many confidential talks with Mr. Grant and he did not want to put in anything that was unnecessary.

Q. And just at that time there was a question—

Mr. HODGINS.—Get the history of the document.

A. He said he would send me the document, but he never did; the other engineers sent them.

By Mr. Murphy:

Q. He never did, and the other engineers sent them. You have no fault to find

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

with the other engineers, but McIntosh is the one bad man?—A. I do not say he is the one bad man.

Q. But he is one?—A. No, McIntosh is all right.

Q. I am glad to hear you say that, and the commissioners will be glad?—A. I know McIntosh pretty well, he worked for me for three years, and there is no trouble between McIntosh and me. I say McIntosh was being influenced by Mr. Grant.

Q. How do you reconcile that with your criticism of what he was doing?—A. He was mistaken.

Q. Certainly he was mistaken?—A. He was my subordinate, but he was mistaken and not only that, but he was my friend.

Q. And there was the question of promotion with which you had something to do?—A. Yes, I had recommended him.

Q. And did not this matter of promotion come up in regard to this statement that you wanted him to sign?—A. No.

Q. I am told that it did?—A. The only question that would interfere between McIntosh and myself in that question of promotion would be the action he had taken in regard to that classification. Up to the time Mr. Grant was there I approved of Mr. McIntosh's classification, as far as I knew of it; he did not require any instructions from me, and when I recommended his appointment as assistant district engineer I made it on the assurance that he would be a good man for that position.

Q. Just at that particular time wasn't there a little friction between you and McIntosh?—A. Not very much.

Q. Not very much you say?—A. Yes.

Q. But was there any friction? Your relations were a little strained?—A. No, they were all right.

Q. In any event, this promotion of his did come up for discussion at the time you wanted him to sign that statement?—A. I do not remember whether it did or not. McIntosh knows this, that if he classified the way I wanted him to classify, the way I interpreted the specification, and the way the other engineers interpreted the specification, it would be satisfactory.

Q. While you were there, did you ever issue any instructions—

Mr. LENNOX.—Let the witness finish.

A. That was the only thing that stood between McIntosh and his promotion.

By Mr. Murphy:

Q. Did you ever issue any written interpretations of the specifications to your engineers?—A. Any written interpretation?

Q. Yes, did you ever send them anything in writing giving them your interpretation of the specifications?—A. I do not remember.

Q. Did you, as a matter of fact?—A. I did not.

Q. You never did?—A. No.

Q. Did you ever give your engineers instructions to classify according to the Quebec classifications?—A. No.

Q. If you did not, who could have done that?—A. Mr. Grant.

Q. Do you assert that Mr. Grant did that?—A. I never heard him.

Q. Then you cannot assert it?—A. No.

The Committee adjourned.

WEDNESDAY, June 3, 1908.

The committee met at 11 o'clock, a.m.

The cross-examination of Major Hodgins continued.

By Mr. Murphy:

Q. In your examination-in-chief, major, and again in your cross-examination,

APPENDIX No. 5

you stated that you adhered to the statements contained in your letter to the *Colonist* of April 16. Is that correct?—A. Yes.

Q. And I understood you to say that you did not adhere to the interview with you that was published in the *Colonist* of April 18 or 19?—A. No.

Q. As I recall your evidence you also said that the only person whom you met or knew in connection with that paper was the reporter who interviewed you?—A. That was at the time of the interview.

Q. Up to the time of the interview?—A. Up to the time of the interview.

Q. But you later on, after that interview, became acquainted with some other member of the staff?—A. Yes.

Q. Who was that?—A. I forget what his name was. I think it was the editor.

Q. The editor of the *Colonist*?—A. Yes.

Q. Did you have an interview with him on the subject of the interview with you that had been published in his paper?—A. No, except to tell him that the reporter had made a great many mistakes and used his own wording. As I said before, the reporter interviewed me and put down a few items that I said and then he wrote, I should think, about two columns.

Q. Yes?—A. Putting it—

Q. That is after the manner of reporters, I presume?—A. Well, I spoke to him afterwards and said he made a great many mistakes and mis-quoted me and put in his own opinions, and I was not responsible for them.

Q. To whom did you tell that?—A. The reporter, Moore.

Q. To Reporter Moore?—A. Yes.

Q. Well, is it not a fact that you saw the interview before it appeared in print?—A. No, I did not.

Q. Well, you had the paper with you, or the reporter who interviewed you had the paper with him when he interviewed you later on about the previous interview?—A. No.

Q. Did he not?—A. No.

Q. Well, I am informed that you had an interview about the correctness of the statements attributed to you, and that you objected to only one of them?—A. I objected to the whole interview.

Q. You objected to the whole interview?—A. Yes. In the first place, I have forgotten exactly the wording of the first paragraph. I said, 'I have nothing to do with it,' and he admitted that I had not.

Q. You are speaking now of the reporter?—A. Yes.

Q. Well, who fixed up that first paragraph?—A. I don't know.

Q. Did he say?—A. He did not say.

Q. What does this first paragraph contain?—A. I don't remember just now. You can look it up in the paper.

Q. You don't remember at the moment?—A. No.

Mr. MACDONALD.—I saw a statement in the *Victoria Colonist* of May 26 regarding this matter. Has your attention been called to that?

Mr. MURPHY.—Yes.

By Mr. Murphy:

Q. What were the items you admitted in the interview, major?—A. I don't think I would admit any items there excepting—I have not got the interview here. I cannot remember the interview just now. Will you give it to me?

Q. You cannot remember the interview at present. Well, my attention has been called to an article in the *Colonist* of May 26 dealing with the evidence that you gave here disclaiming responsibility for that interview and this article asserts that you had an opportunity of correcting any mis-statements that were in the editorial, or in this interview rather?—A. I would like to see that.

Q. And that you objected to only one?—A. No, I objected to the whole inter-

7-8 EDWARD VII., A. 1908

view. They corrected it. The main thing that they corrected the following day I think was a mis-statement in regard to yards which were given as feet or something or other of that kind. I forget how the wording of that interview was. It was with reference to the McArthur letter, I think.

Q. Well, it is of importance to know, major, how much or how little of this interview you are now prepared to stand by, because it affects the cross-examination?—A. I am not prepared to be responsible for the interview at all. As I say, if a reporter interviews you and takes down half a dozen sentences, and his notes certainly were not that long (illustrating by a gesture) and writes up two columns you cannot hold me responsible for it. Part of the interview, I might tell you, the reporter was trying to find out what an engineer has to do, what he does this, that and the other—in fact I was giving him more or less of a lecture on engineering. There was a whole lot of questions he was working up and he got hopelessly mixed up in the thing.

Q. From your answers this morning you would not like to be responsible for other articles that are written nearer home?—A. No.

Q. On the same subject?—A. No.

Q. I direct your attention to an editorial appearing in the *Victoria Daily Colonist* of Tuesday, May 26, which I think it is only fair to you that I should read. It is headed as follows, and reads—I may say that I do not intend to put this editorial in—as follows (reads):—

‘ A MISREPRESENTATION.

‘ We find the following in the *Manitoba Free Press* :—

‘ Major Hodgins said he stood by the charges made in his letter to the *Victoria Colonist*, but not by the interview in that paper. The reporter had taken down some notes on a small piece of paper and extended them to two columns.

‘ This must surely be a case of misrepresentation, for Major Hodgins would hardly repudiate the interview published in the *Colonist*. There were two interviews and the second was given after the first was published. After he had given his first interview Major Hodgins directed the attention of the *Colonist* reporter to the following passage, which formed a part of it :—

‘ Over large stretches of construction the money thus ‘ fraudulently paid will amount to millions, and if Major Hodgins’ classification were correct, the railway commissioners already contemplate paying the contractor in question, J. D. McArthur, \$4,000,000 more than he is entitled to on 250 miles of road, and how much more he will actually receive should the monthly estimates of the work done exceed the present revised estimates of the eventual cost and the present management remain unchanged, cannot even be guessed at. The possibilities are unlimited, and it must be remembered that some 1,800 miles of road is being built in the same generous fashion.

I made the estimate in the usual way before the contract was called for, allowing everywhere a most liberal margin so as to be on the safe side. Everything that I was uncertain about I put in as solid rock. I took no chances of being under the mark, and made my estimates generously. These estimates amounted to \$13,000,000. Afterwards, owing to a few changes in the way of shortening certain sections of the line, the figures were reduced to below \$12,000,000. Now comes the announcement, startling to those who do not know what is going on, that the estimates have been increased to \$16,000,000. As the change in location cheapened the line, and only affected small portions of it, all this large increase comes from classifying as solid rock what I classified as loose rock, or as loose rock what I considered common excavation. And I repeat that I was as generous in my estimates as I honestly could be, but every engineer knows that there is a line between generosity and fraud in such matters. I do not care to cross it.

On this statement appearing in the *Colonist*, Major Hodgins took exception to it as being not quite what he meant to say, and in the second interview he made the following explanation:—

APPENDIX No. 5

Speaking of the Latuque cutting, which by typographical error 150,000 cubic feet, instead of cubic yards, of material was stated to have been taken, the Major said that he had been slightly misunderstood. That cutting consisted of loose rock mixed up in sand and earth, and it was because many of the loose rocks consisted of large boulders that he had said that possibly a classification of 40 per cent solid rock might be allowed. He also stated that he does not wish to be quoted as stating as a fact that the increased estimates announced by J. D. McArthur are due to increased classification, as he has not had the opportunity of seeing those estimates. But he has shown that the increase was not due to change in location, as those changes reduced the cost of the road by over a million. As he was asked to resign because he refused to permit what he considered excessive classification, and immediately thereafter the estimates are announced to have been increased, he now asks:—

‘Does all this large increase come from increased classification?’

And unless and until the increase is explained by an inquiry all unbiassed persons who know Major Hodgins and have heard his story will believe that it does.

On the day after this interview Major Hodgins saw the reporter and expressed his entire satisfaction with what had been published. The fact that he only made one correction of what was stated in his first interview, and none of any part of the second interview shows that he was correctly reported. After the publication of the second interview, Major Hodgins called upon the editor of the *Colonist* and discussed the subject-matter of his interviews, producing some letters in corroboration of his statements. He was questioned at some length regarding the interviews, but did not in any respect whatever express disapproval of what he had been represented as saying, but on the contrary, left the impression that the case had been very moderately stated. Under these circumstances, we feel that the Ottawa correspondent of the *Free Press* has not correctly reported what Major Hodgins said in regard to the interviews. The *Colonist* wishes to have it distinctly understood that what Major Hodgins was represented in its columns as saying was either said by him exactly as reported, or was, after publication, accepted by him without a word of qualification, except as above stated. We were exceedingly careful not to go a step further, either in our news columns or editorial columns, than the specific statements of Major Hodgins warranted, and for this reason, we repeat that the *Free Press* must have been misinformed. We cannot think it possible that Major Hodgins would repudiate at Ottawa statements made by him and published in this paper.’

I would ask you now, Major, what have you to say with regard to the statements of the newspaper concerning your attitude towards this interview the day after it was published?—A. Just what I said before.

Mr. HODGINS.—What statement?

Mr. MURPHY.—The statement that he found no fault in it except in this one particular.

Mr. BARKER.—Give it specifically.

Mr. MURPHY.—I will let the Major make his own statement.

The WITNESS.—I did find fault with it and I don't think I should be responsible for the conclusions and words of other men.

Mr. CARVELL.—That is a fair answer.

The WITNESS.—Unless a reporter takes down your statements in shorthand he can put all sorts of things into an interview.

By Mr. Murphy:

Q. It is mentioned here that on the day you called upon the editor you produced some letters in corroboration of your statements. What letters were those?—A. Notes about the classification.

Q. Your notes about the classification. Do you mean the notes that Heaman

7-8 EDWARD VII., A. 1908

had given you?—A. Those notes I took down from Heaman and also the notes on that work that McIntosh changed.

Q. The editorial refers to letters?—A. Some of my own letters.

Q. Your own letters. What letters were those?—A. I cannot remember just now. They referred to the quantities that had been changed.

Q. To whom were they written?—A. I think some were copies of letters to Mr. Lumsden.

Q. Some that you showed the editor were copies of letters that you had written to Mr. Lumsden?—A. I think so.

Q. Did you not have the letters to Mr. Heaman with you that day?—A. Possibly.

Q. Well, it is only a short time ago, Major, surely you can recall whether you had or had not? It is less than two months?—A. I possibly had.

Q. Now had you shown those letters of Mr. Heaman to any other person prior to these articles in the 'Colonist'?—A. I don't think I showed them. There was a lot of private correspondence in those letters. I may have read one or two extracts or something of that kind.

Q. To whom did you read the contracts?

Mr. HODGINS.—I submit, Mr. Chairman, that is of no consequence. He may have read them to a thousand people. You have ruled that he is bound to give the contents of them and he has stated the contents as far as he could. The fact that he showed them to A, B, or C is surely not a matter to be inquired into?

Mr. MURPHY.—There is an issue now as between the Major and the newspaper.

Mr. HODGINS.—My learned friend is bound to accept the Major's statement. He has read an editorial which he proposes not to put in and having done that he is bound to accept the witness' answer that it is not a correct statement.

Mr. MACDONALD.—I think the editorial is in. Having been read, it forms a part of the record.

Mr. HODGINS.—My learned friend said he was not going to put it in. Had he not done so I should have objected. He has no right to put in a statement, and which goes upon the record, which he does not propose to prove. I don't think he can put in the article and he is bound to accept the witness' answer.

Mr. MACDONALD.—I think that the article having been read by Mr. Murphy and a question having been put in relation to it, it is now on the Minutes.

The CHAIRMAN.—What is your question, Mr. Murphy?

Mr. MURPHY.—The point is this: It is of very great importance, as the committee will see, to ascertain exactly what Major Hodgins does adhere to with regard to the statements made in this newspaper, the *Colonist*, and it was because of the issue that has arisen between the Major and the *Colonist* with regard to the correctness of the second article that I addressed my question to him.

The CHAIRMAN.—What is your question? You asked him to what persons he showed his letters, did you not?

Mr. MURPHY.—I was asking about the letters he had shown the editor of the *Colonist*, and then I asked him to what persons he may have read extracts.

The CHAIRMAN.—Don't you think it is a little too general to ask to what persons he may have read extracts? Don't you think you ought to specify any persons in particular to whom he may have read extracts?

Mr. CARVELL.—Is it not a dangerous precedent to ask this witness such a question? Supposing you ask to whom he showed letters or extracts, the next thing would be, 'What did you read?' And then people would be brought from British Columbia to say whether the witness was telling the truth or not.

Mr. BARKER.—It has nothing to do with this inquiry.

Mr. MACDONALD.—I think your question as to whom he showed the letters is not permissible, but it is important that we should find out clearly, seeing that an issue has been raised between this newspaper in which the original article appeared and

APPENDIX No. 5

Major Hodgins, just what the Major stands by. I think that is the only point of importance.

Mr. MURPHY.—That is what I have been asking.

Mr. HODGINS. Mr. Murphy said that he did not intend to put the editorial in, and I think, therefore, it should not go on the record.

Mr. MURPHY.—I had not the newspaper at the time I said that.

Mr. HODGINS.—I think it would be very unfair to put in an editorial as evidence to show the Major is mistaken. The only fair way, if it is intended to contradict him, is to call the party who has written it.

Mr. CARVELL.—I think Mr. Murphy has treated the witness very fairly. He has read the whole of the editorial and asked him whether it was true or not.

Mr. HODGINS.—I quite agree with that, but it was prefaced by a statement from Mr. Murphy that he did not propose to put the editorial in or use it as evidence.

Mr. MURPHY.—I don't think I said that.

Mr. HODGINS.—I don't think you said that, but that was the effect of it.

Mr. MACDONALD.—Having read the editorial to the witness and put a question upon it forms part of the record.

Mr. HODGINS.—I did not object at the time because Mr. Murphy said, 'I am not putting it in.'

Mr. MURPHY.—I read the editorial and followed it up by a question.

The CHAIRMAN.—I think the editorial must form part of the record and be taken into the evidence when it has been read.

Mr. HODGINS. I think my learned friend has got an advantage, then, that he should not have got. I presume it will be taken down that I objected to this going in as evidence, and that my objection shall be noted? I was not aware that newspapers ever admitted in print that they were wrong, and I suppose that this one does not.

The WITNESS.—I might say that the reporter during the interview asked me a whole lot of things. I have forgotten exactly what questions he asked me, but he said 'Is this so and that so.' I said, 'It is impossible for me to know. You must not put down anything in this interview that I have not said.' When I saw the interview I saw the thing was so hopelessly mixed up there was no possible way of explaining it. I asked him to make a correction, and he made a correction which is almost as bad as the other. Then I stopped.

By Mr. Murphy:

Q. Are you now speaking of the correction in the editorial which I have read this morning?—A. The wording of it, the whole thing. It was not my words nor my thoughts.

Q. So as not to delay proceedings at this stage I would ask you at the first recess to read the interview as published in the 'Colonist,' it is here among the papers, so that I can ask you when we meet again after the adjournment, what part of this you do admit or what part of it you repudiate?—A. Principally the wording of the whole thing.

Q. In your examination in chief, and also in your cross-examination, you stated, as you have told us this morning, that the only person with whom you had any intercourse, that is the only person connected with the paper with whom you had intercourse was the reporter; by that I understand you to mean to say he was the only person you knew prior to the publication of the editorial?—A. That is it.

Q. You have admitted that you afterwards met the editor; well now, you have heard this editorial read, it is taken from the 'Colonist' of the 26th of May, do you admit, or what have you to say, about the statements in it, are they correct or not?

Mr. HODGINS objected to somebody reading a newspaper editorial and witness being asked if he agreed with it.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

The CHAIRMAN.—He has already said he does not agree, he has made that answer before.

Mr. BARKER.—You might almost take any newspaper in the country and ask the same question.

Mr. MACDONALD.—That is not the point, Major Hodgins went to this newspaper for the purpose of making certain charges—

Mr. BARKER.—Is that correct?

Mr. MACDONALD.—Certainly, he wrote a letter to the newspaper and followed it up with an interview with the newspaper.

WITNESS.—They came and interviewed me.

Mr. MACDONALD.—He wasn't interviewed against his will.

Mr. BARKER.—Is it accurately stated?

Mr. MACDONALD.—These newspaper fellows may be pretty bad, but they have not yet discovered a way by which they can make a man say what he does not want to say. The facts seem to be that having gone to this newspaper to start a discussion on this question, and it was because of these newspaper articles that this inquiry was brought about; those articles and this interview were referred to us, among other things, to investigate. When that newspaper makes a definite statement in regard to what was said or what was not said, I think the committee would be taking a peculiar course if they did not want to know what Mr. Hodgins had to say about it.

Mr. HODGINS.—Surely you will not ask us to answer for all that the newspapers have said about it? I take the issue that that is not something that can be read to the committee at all, it is not yet proved that this was ever published out there.

Mr. BARKER.—Is this the editorial of the 26th of May?

Mr. HODGINS.—Yes, and it has never been proved that it was published.

Mr. BARKER.—This looks as if the newspaperman was trying to argue that he is right and the other man wrong.

Mr. MURPHY.—I want to find out what took place on the day that the interview took place, the day he saw them; I want to find out whether the newspaperman's or Major Hodgins' version is correct.

By Mr. Murphy:

Q. When you went and saw the editor and had this discussion with him about the article that had appeared previously in his paper?—A. Yes.

Q. The editor states in this editorial of the 26th of May that you objected to only one particular?—A. I objected to the whole thing.

Q. That is what I want to know, you object to the whole thing. Very well; you stated, Major, that certain changes that you made in the line reduced the cost from your original estimate of \$13,000,000 to about \$11,660,000?—A. Yes.

Q. Did those changes and the reductions of which you speak reduce the total amount of Mr. McArthur's contract that is, his total plans?—A. Yes, his contract was \$13,000,000, and these changes and alterations reduced it down to eleven million six hundred and odd thousand dollars.

Q. That is by some method of calculation employed by you?—A. By the method of calculation employed by the Transcontinental Railway. They told me just what to do; I had the values or the totals for each item and we made these calculations in the district office; they were sent to the Chief Engineer's office and they were checked there, and they were given to the Grand Trunk Pacific.

Q. And who got out the quantities in the first place?—A. Sometimes the quantities would be taken out by the engineers who ran the line and sometimes they would not, but they would all be checked over in the district office by various men.

By Mr. Carvell:

Q. Permit me to ask you one question at this stage—Who would be responsible for the classification of that estimate, the district office or the men on the line?—A. The men on the line; they would put on their profile of a rock cutting, 'probable

APPENDIX No. 5

rock'; they used originally to put 'rock,' but the Chief Engineer gave orders that they were to put 'probable rock' or 'probable earth,' as the case may be; all these details came in from the men on the line.

Mr. BARKER.—Mr. Chairman, are these papers here? We should have them?

Mr. MURPHY.—They are all here.

A. These changes will be on the plans; as soon as a change is made it is sent to the district office by the engineer who runs the line, and the plans are gone over in the district office; they are signed by the engineer who makes them and by the district engineer; then they are sent down to the Chief Engineer, and before the change or alteration is adopted, it has to be formally sanctioned by the Chief Engineer.

By Mr. Murphy:

Q. You are telling us what is done in practice all right, but what I asked you, Major, was, Who got out the quantities affecting this reduction in cost of the line?—

A. They were taken out in the office; they were not taken out in the office, but checked in the office.

Q. Do you know, as a matter of fact, whether they were or not?—A. Some of the engineers would take out their quantities, I cannot say from memory which one did it.

Q. Can you tell us from memory anything definite about it?—A. I would have to look over the plan; there are 250 miles, and various lines were run.

Q. You have told us before that you could not indicate any particular part of the line on which that saving was effected?—A. Well, there are so many changes and alterations; some were suggested and we found out they would not accept them, and we would take the original line; it is a pretty hard thing to go over 250 miles and remember all the different changes that were made or suggested. All this data is over in the Chief Engineer's office, and the actual plans upon which that 11,660,000 total is based can be produced from the Chief Engineer's office.

Q. I am not asking you as to the data, but rather as to the individuals who were responsible for the quantities?— They would be taken out by one man and checked by another; sometimes it would be by a draftsman and sometimes Mr. Heaman and sometimes Mr. Ruddock. They were taken out not from the cross sections, but from the profiles.

Q. My question and your answers have reference to what you call your revised estimate I understand?—A. Quantities of every item, prairie or anything else.

Q. The original estimate that you made, who took the quantities out with regard to that?—A. The original estimate of \$13,000,000?

Q. Yes, on which tenders were asked?—A. That was taken out first of all in the chief engineer's office. When that was taken out I did not know the McArthur prices, I had put in an estimate on my own prices before that, and those prices were very, very near McArthur's; when they got the tenders in they reduced all those quantities, the detailed quantities to McArthur's prices, and to the prices of the other contractors as far as I know.

Q. But the quantities would be the same in both?—A. The quantities would be the same in both.

Q. That is what I am asking you, not in reference to the prices.

By Mr. Carvell:

Q. I understood you to ask who was responsible for the quantities on which the \$13,000,000 estimate was based and I do not think we have an answer to that yet?—A. The \$13,000,000 estimate?

Q. In the \$13,000,00 estimate. I presume that was made on quantities furnished him?—A. That was taken out in the chief engineer's office, he got the various tenders when they came in.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1903

Q. But where would the chief engineer's office get the data upon which to figure it out?—A. From the plans that I sent down and the data I sent down. I took an estimate out of the line and put my own prices. I got various prices from people in the district and sometimes from the contractors; that was in the chief engineer's office before tenders were asked for. Then tenders were advertised and they got in the prices. McArthur's happened to be the lowest, and on that data they worked out the estimate in the chief engineer's office.

Q. But from the data you sent down previously?—A. Yes.

By Mr. Murphy :

Q. Where did you get that data that you had previously sent down?—A. From the plans.

Q. From the plans in your office?—A. In my office; we worked it out in great detail, every item of this can be produced, they are enormous sheets, it was a very close estimate.

Mr. BARKER.—I think, for the information of the committee, and to enable us to follow this when these matters are being discussed in this way, the plans should be put in evidence so that we can inspect them.

Mr. MURPHY.—I will do that, we are just going over the evidence now on this one point.

By Mr. Murphy :

Q. In your examination in chief, Major, you said in answer to my learned friend, that if the wasting which was referred to in one of the letters, forming Exhibit 2a was done deliberately and against the engineer's order, it should not be paid for; do you remember expressing that opinion?—A. Yes.

Q. You did not mean that that had actually occurred on the McArthur contract?—A. Well, wasting, you cannot say anything has been wasted until afterwards. If rock has been blown out—the engineer gives general orders that no waste shall be allowed, occasionally occasions occur where waste could not be avoided.

Q. Well, then, as I understand you—A. If you come to a conclusion, after seeing waste on the side of the right of way or on the right of way—the engineer has to decide then whether it has been delivered or unavoidable.

Q. I understand you now, you are just laying down a general principle?—A. A general principle.

Q. That should be applied in any work?—A. Yes.

Mr. HODGINS.—Are you intending by that to show that he is now suggesting that it has not occurred on McArthur's work?

Mr. MURPHY.—I asked him whether in his reference to the waste that he meant it had actually occurred on the McArthur contract?

Mr. HODGINS.—I do not think you made it at all clear to him that you had reference to McArthur's contract; you laid it down as a general principle.

The WITNESS.—It is a question I did not quite understand. The question as you put it was with reference to wasting against the engineer's orders, and I explained that all deliberate waste could be put down as against the engineer's orders.

By Mr. Murphy :

Q. I am asking you if your statement in your examination in chief had reference to any instance of that kind on McArthur's contract?—A. There are several instances of what I would call deliberate waste.

Q. But had your answer reference to any of these when you gave it to my learned friend?—A. I presume it had.

Mr. HODGINS.—Would you mind reading it to him? Where do you find it?

Mr. MURPHY.—Exhibit 2 (a).

By Mr. Murphy :

Q. At page 110 of your evidence you were asked:

APPENDIX No. 5

‘What do you mean by wasting? Is that literally throwing on one side?—A. Yes. Blasting out rock and borrowing to make up the embankment.

‘Q. Is that more expensive?—A. Yes, you pay for two yards and only get one if a cut is wasted in order to get it done quickly. You certainly pay them for it, and if it is done deliberately against the engineer’s orders they should not be paid for it, but it has to be proved to be a deliberate waste.’

That is what you said, and I am asking you if that had reference to any particular instance on the McArthur work?—A. Well, there are several places that I remember where I saw waste, and I think I said that in some cases the engineers had not deducted it but warned the contractor that if there was a repetition of that they would condemn it. Of course if it was eventually found that that amount of material had been required to make up embankments a borrow of some kind would have to be made, but that cannot be told until the work is finished.

Mr. BARKER.—It will be better, I think, if the witness will say, in a few words, what is meant by ‘waste’ and ‘borrow,’ because lots of people do not understand it.

The WITNESS.—I am not in a position to say now with regard to the evidence of waste that I saw, that the material was eventually required, or has been required in embankments; that can only be ascertained by referring to the quantities.

Mr. CARVELL.—Mr. Barker’s suggestion is, I think, a very good one. that you should state now, major, what you mean by ‘waste’ and ‘borrow,’ and you may also go further and state the conditions under which you say there might be wasting.

Mr. MACDONALD.—Just so that we will know what it means.

The WITNESS.—In all cases a cutting is supposed, the grade in a cutting is supposed to be adjusted in such a manner that the amount that comes out of the cutting will make the neighbouring fill. Until that fill is made you do not know, and in the case of rock cuts,—there are so many cubic yards of rock in place in the cut, and when that is blasted it is broken up and fills a much larger space than when in place. For the purposes of calculation just now, we will take it that a yard of rock in the cutting will be equal to a yard and a half of rock in the embankment; in some cases it goes more; if the boulders come out in large or small pieces, it varies in that proportion, so that it is more or less a guess to say that a yard of rock in place makes a yard and a half in the bank, still we have to make some basis of calculation.

Mr. MACDONALD.—Just describe the use of waste.

The WITNESS.—Some engineers think that a yard of rock in the cut makes two yards in the bank. Whatever figure it is, we take a yard and a half on the Transcontinental, and our calculation is based on that. If the contractor blasts away a large number of yards out of the cutting it is natural to suppose that that bank would be minus that number of yards.

Mr. HODGINS.—That fill?

The WITNESS.—That fill would lack that amount of rock, on the supposition that the cut is to make a certain fill.

By Mr. Carvell:

Q. And if there is a shortage you have to get your material elsewhere, and you call that ‘borrowing’?—A. That is borrowing. Then it is a question what class of material is best to borrow. If you have a rock bank with a great many voids in it—the cheapest borrow would be earth, but if you try to put earth on a bank where there are many voids, into a rock bank, you will keep on pouring in earth and it will go into the voids between the rock and settle, and the first rain that comes will wash it all away; so you have to borrow rock, or you should borrow rock to make up a rock bank. Of course it is a question that has to be settled by the engineer on the ground as to what is the nearest and best borrow.

By Mr. Murphy:

Q. Then when you visited on the work you saw the contractor was blasting and

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

the rock was going over the side of the bank?—A. Away off of the right of way, 200 or 300 feet.

Q. And not being used, and if it were found later on that that rock was actually required to fill up the neighbouring fill you would call that wasting?—A. Well, you call it wasting anyway, because you do not like to see a large amount of rock thrown away before you know whether it is necessary or not. If there is an excess of material in the cutting it should be used to widen the bank. In some cases on the McArthur contract I have seen large masses of rock away in the timber, clear of everything, away off the right of way.

By Mr. Hodgins:

Q. How wide is the right of way?—A. Fifty feet on each side of the centre.

By Mr. Macdonald:

Q. That would be the result of blasting, I suppose?—A. The result of heavy blasting, so that at any time you do not like to see wasting. The contractors like to put a heavy charge in and get rid of the rock as soon as possible, because they do not have to handle it again.

Q. That occurs everywhere, doesn't it?—A. They will always do it if they can.

By the Chairman:

Q. I think you have answered that question before in your examination in chief?—A. I think so.

Q. On page 110 of the evidence, you were asked:

'Q. What do you mean by wasting? Is that literally throwing on one side?—A. Yes. Blasting out rock and borrowing to make up the embankment.

'Q. Is that more expensive?—A. Yes, you pay for two yards and only get one if a cut is wasted in order to get it done quickly.'

By Mr. Barker:

Q. Wasting does not apply to rock alone?—A. No, sir.

Q. Any excavation that can be used in a bank is wasted if it is not used?—A. Yes, but it is easier to waste rock deliberately than the other.

Q. In two or three words tell us what is 'borrow'?—A. Borrow? Well, as I said before, the quantities in the cut are supposed to make up the fill, that is when you are so located—or at least you try to make your cuts equal your fills; supposing a cut does not equal a fill, we use the term 'borrow,' we have to borrow from somewhere else that which does not come out of the cut.

Q. It means earth or stone that does not come out of the excavation?—A. It is all excavated, but it does not come out of the cut adjoining the fill, or you may widen the cut in order to obtain the material. Another term which is given to 'borrow' is on prairie work, where you make your fill from ditches on either side, some people call that borrow; I suppose that is to distinguish it from the material you take out of the cut. I think—is there a specification here? There is a reference to waste in the specification which I think will explain it very easily, it is made by the chief engineer.

Mr. MACDONALD.—Never mind, it was only an explanation of the terms for our own information that we wanted, I do not see that we need take up time by going into the technical definition of that.

By Mr. Murphy:

Q. The committee are satisfied with the definition you have given, Major?—A. All right.

Q. In answer to my learned friend you said that some time in July, 1907, you thought you had asked once or twice for another assistant district engineer?—A. In June.

APPENDIX No. 5

Q. About June, 1907, you thought you had asked once or twice for another assistant district engineer?—A. I did ask.

Q. When did you ask?—A. I think I applied to Mr. Lumsden or Mr. Young.

Q. Was that by letter or verbally?—A. I do not remember—by letter, I fancy.

Q. You are not clear whether it was by letter or verbally?—A. By letter.

Q. You think it was by letter?—A. I think so.

Q. To whom, now?—A. To Mr. Lumsden.

Q. What action was taken in regard to that?—A. I do not think any action was taken. Mr. Young told me—I think I recommended Mr. McIntosh, and Mr. Young told me, he and Mr. Lumsden came down to settle up some question of overbreak with the contractor, and I think he told me that McIntosh did not want to accept it; he wanted to stay out on his division.

Q. Who told you that?—A. Mr. Young, and McIntosh afterwards told me the same thing; he said he hadn't had enough experience, and he wanted to stay out on his division and get experience in this heavy work.

Q. You stated, as a reason for making that request that the work at the time was more than you could handle?—A. Yes, it was pretty heavy.

Q. Did the subsequent appointment of an inspecting engineer have anything to do with your request?—A. It could not relieve the work in my office.

Q. No, it could not relieve the work in your office. Now you have told us everything was going on right until about July, 1907, when the Grand Trunk Pacific inspector began to object to classification, and that you agreed with him, do you remember that?—A. Yes.

Q. Who was the inspector?—A. Mr. Mann.

Q. And what was the objection he then made?—A. I am trying to remember.

Q. Was it in writing?—A. I do not think he wrote, I would not be certain, but a reference to the records would show it if there is any letter.

Q. You did not mention in your examination in chief that he wrote, and that is why I am asking you. I want to know what the objections were, have you any recollection of them?—A. I remember that he did object to classification.

Q. What did he say?—A. That it was high, that the classification on the first three divisions we agreed was fair.

Q. You and Mr. Mann agreed that the classification was fair on the first three divisions?—A. Yes.

Q. What about the others?—A. He spoke about high classification on the other two divisions—you see this was in July you are referring to.

Q. Yes, I think it was in July, 1907—June or July?—A. July I think. I was in Kenora very little in June.

Q. What you say was reported at page 111 of the evidence, (reads): 'Everything was going all right until I think the month of July, 1907, then the Grand Trunk inspector on the line began to object to the classification. I agreed with him.'—A. Yes.

Q. And upon what point did you agree with him?—A. There was a case, in one case, where an engineer had put in some—I forget how many yards—as excavation and cofferdams—

Q. Who was the engineer?—A. It was in Richan's division, I have forgotten the resident engineer's name, but it was on Richan's division.

Q. You have forgotten the name of the resident engineer?—A. I would not be certain as to the name, but an item appeared of 'excavation and cofferdams' on Richan's division, and I knew perfectly well there had been no cofferdam,—at \$3.00 per yard, I think it was, in the estimate, and I looked up the profile and saw that a creek diversion was there and this creek diversion was through a swamp. He could not possibly put in a cofferdam—put in the cofferdam required. I called Richan and asked him what it meant and he said he did not know. I asked him if there was a

7-8 EDWARD VII., A. 1908

cofferdam there and he said he did not know. I asked him 'what did you allow this in the estimates for?' and I made him cut it out.

Q. How did you return it then?—A. I have forgotten. I told Richan to take his estimates away and change it. He had brought them in.

Q. Was that changed into excavation and foundation?—A. Possibly. I don't know.

Q. Do you remember?—A. I don't remember. The estimate would show whatever it was changed in. I told Richan to make it right. There were one or two other places. I have forgotten exactly what the conversation was.

Q. In your evidence you say 'Mann objected to the classification and I agreed with him.' I want to know upon what point or points there was an agreement between you and Mr. Mann?—A. Well, I remember—that would be in August. There were one or two points I cannot just remember exactly.

Q. You cannot remember?—A. He had been out over the line and was fresh from there, and told me he objected to some classifications and—

Q. You discussed them and then agreed with him?—A. Yes.

Q. And you had been out over the line?—A. I was to go out over the line and look at it. There were one or two points that I knew about, and so did Mann.

Q. Well, this discussion took place in your office?—A. Yes.

Q. And you agreed with him without having yourself been over the line?—A. Ah, agreed with him in what we both knew, and I said I would go out over the line and look it over.

Q. Your evidence gives the impression that whatever the objections were you agreed they were well founded, although you had not been out over the line?—A. I had been over the line.

Q. But you had not been inspecting these parts that he objected to?

Mr. HODGINS.—How do you know that?

A. I had been over McIntosh's.

Q. Do any of these objections apply to McIntosh's?—A. Yes.

Q. Why did you not tell me that when I asked you what these points were?—A. It is pretty hard to remember these estimates.

Mr. BARKER.—I think we are not going to get satisfactory evidence without the estimates. The estimates ought to be here and placed in the hands of the witness, so that he could speak definitely with regard to them. We are taking the witness over 200 odd miles of road without the papers. It is not fair to the committee or to the witness.

Mr. MURPHY.—I submit that is not what is being done at the present time. I am taking up the evidence given by the witness to his counsel, and when he gave an answer that he agreed with certain objections I want to know what they were. He must have known what the objections were or he could not say 'I agreed with them.'

The WITNESS.—I will put it in this way: I agreed with him insofar as I had any personal knowledge of the line.

Q. All right?—A. Certainly, when I did go over the line a second time I certainly did agree with him.

Mr. BARKER.—Why not have the estimates produced?

The WITNESS.—It would help me very much if I had Mr. Mann here, or was able to discuss the thing with Mr. Heaman to refresh my memory on these details.

By Mr. Murphy:

Q. But at the present time you could not give us a specific instance?—A. No.

Q. Even if you had these plans and profiles?—A. Then I might.

Mr. CARVELL.—The witness can ask if he wants to see the plans.

Mr. BARKER.—He has a right to see the plans.

The CHAIRMAN.—If he wants them he can ask for them.

Mr. BARKER.—The progress estimates should be in the possession of the committee.

APPENDIX No. 5

Mr. MURPHY.—They have been produced and are in possession of the committee. Estimates produced by the clerk.

By Mr. Murphy :

Q. Do you remember a letter, Exhibit No. 3, being put in, during your examination-in-chief, from Mr. Young to you dated June 4th?—A. No, I don't remember that.

Q. Look at Exhibit No. 3 and see if you remember the filing of that letter (handing letter to witness)?—A. I don't remember the filing of it. I presume it went in.

Q. You remember that letter filed as Exhibit 3?—A. I don't remember the filing of it. I presume it went in.

Q. That letter, I am informed, was written in reply to a letter received by Mr. Young from you which I now ask you to identify (handing letter to witness). Was that the letter you now hold in your hand written by you?—A. That is my letter, yes.

Q. I will put in this letter as Exhibit 32, but first of all I will read it for the information of the committee. It is marked personal and dated 1st May, but that is obviously a mistake. The correct date was 1st June?—A. Yes, possibly.

Q. (Reads) :—

EXHIBIT No. 32.

May 1.

(Personal.)

THE COMMISSIONERS OF THE TRANS-CONTINENTAL RAILWAY.

DEAR MR. YOUNG :—

Mann has returned with the report that the position of assistant chief engineer in addition to MacPherson had been offered to Doucet and Hoare who both declined and that Doucet's assistant had been given the position without the title.

Since the 'Free Press' published the report about the appointment kind friends or otherwise have been busy guessing why western men are so far behind that the Commissioners think it advisable to put on an inspector—to see that they live up to contract and specifications. Some say the commission are not satisfied with the engineering ability on District 'F,' and others say that contractors are not satisfied. When I am asked I say I know nothing as I have not heard from Ottawa *re* the appointment.

Mann also brought a report which he got from Morse that engineers on McArthur's contract were classifying sand that ran off a shovel as loose rock. Rumours of this kind are dangerous and no one should pass them on unless they can get particulars that warrant an investigation.

Morse might (if he had been experienced enough) have said to the person who told him that sand was not handled in winter. I hold it is a reflection on Mann, not on the commissioner's engineers.

I have no use for rumors of this kind unless particulars are given, but would very much like to know where Morse got his information from.

Mann is shortly going over the work to look into the classification. I am not able to say if he should be accompanied by the inspecting engineer as I do not know what instructions the latter will get.

If the position of assistant engineer is still vacant I would like to get a chance to accept.

Yours very truly,

A. E. HODGINS.

Now it was in reply to that letter of yours that Mr. Young's letter, Exhibit 3, was sent?—A. Yes.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. I will just read that letter because I want to ask some questions on it. Exhibit No. 3, appearing at page 111 of the evidence.

You sent a reply to that letter of June 4th, dated 6th June, 1907, which is the letter I now show you to be identified (handing letter to witness)?—A. Yes.

Q. (Reads):

EXHIBIT No. 33.

THE COMMISSIONERS OF THE TRANSCONTINENTAL RAILWAY.

6th June, 1907.

Dear Mr. YOUNG:—

Many thanks for your letter of the 4th June. It puts things in an entirely new light from what Mann reported.

In reply to your suggestion about going over the work with Mann. This is something that I particularly wish to avoid as I don't want to have Mann around when discussing matters pertaining to the work with Division Engineers or Resident Engineers. I have nothing I wish to hide from Mann but he can make a good deal of trouble if he quotes 'specifications' too much.

I can't see much to be gained in consulting with any others than my Division Engineers—too many cooks, &c.

Will you be up in Winnipeg on the 10th? You ought to stay long enough to see the Horse Show and the Japanese Chief who will be there about the 15th.

Yours very truly,

A. E. HODGINS.

Mr. HODGINS.—Does it go on to say whether he stayed long enough?

The WITNESS.—I think it was that Japanese Prince with the funny name that went through. Was he not there at the Horse Show? I could not spell his name so I called him a Chief.

Q. Now going back to the letter from Mr. Young to you, of June 4th, I observe that he tells you that the commission had first tried to engage Mr. Barclay whom he refers to as a high class and high priced man and suggests that you know him. So that some time before Grant went up to Kenora to go over your work you had information in your possession showing that the Commissioners had tried to engage Mr. Barclay? Is that not correct?—A. Yes.

Q. And nothing had been said by Mr. Young in this letter, or by any person, to you, that Mr. Barclay was to be employed to look after classification?—A. No.

By Mr. Macdonald:

Q. Do you know Mr. Barclay, Major?—A. Yes, he was on the C. P. R. some years ago when I was on. He was one of the senior engineers. I think he is in charge of Foley Bros. work or was in charge.

By Mr. Murphy:

Q. Mr. Young's letter of June, Exhibit 3, makes it clear to you that the board could not secure Mr. Barclay and they engaged Mr. Grant, is not that correct?—A. Yes.

Q. Now knowing these facts, Major, why did you allege that Grant was appointed to look after classification?—A. Because he spoke of classification to me and spoke of classification to a lot of my Resident and Division Engineers, supported by some of their statements, and he told me that he had charge of the classification down in Quebec when he was assistant engineer for Mr. Doucet.

Q. Oh, but you had made complaints of that kind, had you not, before you had seen Grant, that Grant had been appointed to look after classification?—A. Who did I make complaint to? I don't remember.

Q. I am asking you?—A. I don't remember.

Q. You don't remember that?—A. No. I believe now when I come to think of

APPENDIX No. 5

it, there was something in the 'Free Press,' when the announcement of Grant's appointment was published in the 'Free Press' in Ottawa. I won't be certain about that.

Q. You won't be certain about that?—A. Something about his appointment.

Q. But do you say now that your reason for making the statement that he was appointed to look after classification was merely from what Mr. Grant himself had said to you?—A. I don't think the question of classification—of Mr. Grant and the classification came up until I had been down in Quebec or he came up on the work.

Q. Yes, but prior to that you had received this letter of June 4th from Mr. Young?—A. Yes.

Q. And you have admitted that from its contents, as you disclose in your reply, there was no intention of engaging Mr. Barclay simply to look after classification?—A. I don't remember what is in those letters, I have forgotten.

Q. The letters that I read to you a few moments ago and that are now on file?—A. Show them to me and I will answer the question.

Q. The letter from Mr. Young to you, Exhibit 3, shows that the commission tried to engage Mr. Barclay and when they could not get him they secured Mr. Grant. In that letter there is nothing said about classification. Then you reply and say that Mr. Young's letter puts the matter in an entirely new light and I want to know why, after all that, you allege that Grant was appointed to look after classification?—A. He certainly interested himself in classification up in my district.

Q. Well now was that your only reason for making that statement?—A. The only reason I can think of.

Q. The only reason you can think of?—A. I put down McIntosh's change in classification to Grant's suggestion.

Q. I am not asking you that, major, it is going back to the reason for Grant's appointment. You were not told that by any person?—A. Told he was appointed to—

Q. To look after classification?—A. Yes, there was some conversation about that on the boat coming down.

Q. With whom?—A. I think it was with Mr. Young.

Q. With Mr. Young?—A. He said that they wanted—every engineer would be putting in his idea of classification.

Q. Yes?—A. And the commissioners wanted a uniform system of classification.

Q. Yes?—A. Therefore they were going to have one man go over the line and report to them.

Q. Are you sure that Mr. Young said that?—A. Yes, I am pretty certain.

Q. Will you swear that Mr. Young said that to you on the boat going down to Quebec?—A. Either on the boat going down to Quebec or in some conversation I had with Mr. Young on the boat.

Q. You will swear that he made that statement regarding Mr. Grant?—A. Yes, to the best of my belief.

Q. And you would have the same opinion about the reasons for the appointment of an inspecting engineer if Mr. Barclay had been appointed and if he had consented to accept the appointment?—A. I presume so.

Q. You presume you would?—A. That would have been the principal duty of an inspecting engineer, to adjust classification. Everything else on the line was more or less uniform.

Q. And that is all you can say now about your reasons for making that statement?—A. Yes.

Q. Now at page 112 of the evidence, referring to Grant's appointment you say:

"If you will allow me the use of a western expression, 'you can search me.'" And then it goes on: 'Q. That is you cannot give us any reason'?—A. 'Unless he was to be a second or assistant chief engineer. There is an assistant chief engineer

7-8 EDWARD VII., A. 1908

and he came out to the work once or twice. Still I believe he was told to stay in the office.' Do you remember giving that evidence?—A. Yes.

Q. Then it goes on : 'by Mr. Murphy. Q. You do not know that?—A. Yes, I know that.' I want to ascertain what you know about the assistant chief engineer being told to stay in the office?—A. My answer to you when I gave that evidence was hearsay.

Q. Do you know anything more about it now?—A. No.

Q. Can you, speaking from your own knowledge, state whether the assistant chief engineer was ever told to stay in his office?—A. I can't say that he was told or anything about it.

Q. You are referring to Mr. Macpherson, are you not?—A. Yes, but I had heard he was to be kept in the office.

Q. From whom did you hear that?—A. I cannot remember, there is a lot of gossip goes around and one hears it.

Q. So that your personal knowledge on the subject, if it can be called that, is still hearsay?—A. Still hearsay.

Q. If Mr. Macpherson denies that he was told any such thing you are not in a position to contradict him?—A. No.

Q. A little later on in some evidence you stated it was only when you found what you considered excessive classification was creeping in that you found you had neglected the outside for the office work and you admitted you would have liked to have spent more time outside?—A. I think anybody would admit that.

Q. You remember that evidence, major?—A. Yes.

Q. Why didn't you spend more time outside?—A. I had more work to do inside.

Q. Nobody prevented you going out?—A. No.

Q. Then you say you had no complaints from McArthur up to June, 1907, but merely interviews with him?—A. Now about these complaints of McArthur, he has complained to me at several times about the work, and I have tried to fasten where it was, but I could not; some times he would say, 'Everything is going on all right,' and when I would see him again he would complain; his complaints were very irregular, he was erratic and I could never get him down to anything definite.

Q. Now, in answer to your counsel you said (reads):

'I could not get McArthur to get down to a specified case until shortly before I left, and then he mentioned a certain contract, Prefontaine's, I think, in which he said that the engineer had not paid him enough, and I immediately said I would put in an engineer to remeasure it. He said that the classification was too low generally. I asked him if he could state any particular point and he said, no. I asked him for another contractor who had complained and he named a man named Walsh, I think, and I immediately sent out word to the divisional engineer and I think I sent out the assistant engineer to adjust it.

Q. Are these the only two specific complaints from McArthur?—A. The only two I can remember.'

A. If there were any specific complaints these should be on file in the office at Kenora, but I cannot remember any.

Q. Speaking of your staff you said that you could not, with such a staff as you had, and no one else would believe that they were underestimating or undermeasuring?—A. No.

Q. In that event why did you, in this statement to the papers, indicate that they had been overestimating?—A. I will tell you, Mr. Murphy, it is a pretty hard thing for you to believe that, and it was pretty hard for me when I saw it—when you have had men working for you for three years and you have absolute confidence in them, and then they change around, it is a pretty hard thing to realize that.

Q. That is what I understand your answer to be, and I am asking you, in view of the tribute you paid your staff, why did you assert in the newspapers that they

APPENDIX No. 5

had been overclassifying?—A. Because that was the last thing I found out before I left.

Q. You did change your opinion of them, then?—A. All I said was of McIntosh, and I think he was influenced more by Mr. Grant than by myself, that is the only opinion I have.

Q. So we have got back to Grant again, but Grant was not one of the staff at the time you speak of here?—A. No, but he had been over my work.

Q. How, when you in your examination in chief asserted that no one would believe that these engineers were underestimating or overmeasuring, did you come to make such a sweeping statement as you made in the *Colonist* involving the honesty of these men?

Mr. HODGINS.—What statement do you refer to?

Mr. MURPHY.—Overclassification of the work, increasing the cost by \$3,000,000.

Mr. HODGINS.—Is that statement in the *Colonist*?

Mr. MURPHY.—There is another statement in the *Colonist* reflecting upon the engineers.

By Mr. Macdonald:

Q. Are we to understand that you do not take that position in regard to the honesty or dishonesty of the men?—A. I certainly do not, and since I have come down here and read some of the reports that are in that cupboard there, giving legal opinions on this question, these opinions I had never seen or heard of before; when I wrote that letter I had heard there was some dispute about the wording of the specification, but I had no knowledge of any legal opinions on it—since I have read those legal opinions I have considerably modified—

Q. Modified your views?—A. My views.

Q. As to the integrity of the engineers in making their classification?—A. Now, I think I haven't accused the engineers of doing wrong.

Q. Eh?—A. I do not accuse the engineers of doing wrong; I say they were guided by a man I did not—

Q. That is Mr. Grant?—A. Mr. Grant, and I think it was done to help McArthur, McArthur was in a precarious position when I left—

Q. Done by Grant, you mean it was done by him?—A. Yes, he was the one. The engineer that came up and relieved me at the end of the month, the 25th or thereabouts, Mr. Foss, spoke of that. I told him there was a considerable amount of overclassification on the district and he said he did not want to hear anything from me, he wanted to keep an open mind, and we went on discussing the situation and he said that something must be done to help McArthur, the contractor, that if the contract was taken away from him it would probably cost the country \$2,000,000 and delay the work, that the chief engineer wouldn't do it, therefore somebody else must do it, and that some engineer must take hold of it with a strong hand even if he goes down and out, and give McArthur some relief.

Q. He advised that to stop the work meant a loss to the country?—A. Yes. I said: You are a fool to make a hero of yourself in that way; you ought to have your orders in writing.

Q. Was it Mr. Foss said that?—A. Yes; that this classification was being given to the contractor to help him out and in order to save the situation out there. Whether it was right or whether it was wrong that it must be done. I thought it was the wrong way. I wanted Mr. Lumsden to give me some authority, and from what I would gather from conversation with Mr. Lumsden, he wanted some authority to give an increase in price, but as far as I read the specifications and the contract, Mr. Lumsden has very large authority, and he could have given me authority to do something. I think, if you read the specifications, you would say that he could have given an increase of prices.

APPENDIX No. 5

By Mr. Murphy:

Q. You are speaking of the conversation you had with Mr. Foss?—A. Yes.

Q. And the classification (to which you refer was the classification by force account?—A. Well, if you increase the classification to help a man out you have to have some data to go on.

Q. I am just asking you?—A. It would be based on it. Now, force account can be used in many ways.

Q. We had better not get into that for a moment?—A. Force account and classification could only be used by an experienced engineer. A young engineer has no right to touch force account when classifying; he has no judgment; it would lead him to all sorts of things; he would classify one cut too high and another cut too low.

Q. Well, that does not exactly coincide with the statement in one of your letters, that the classification should always be done by the resident engineer outside?—A. The classification?

Q. Classification, but not when force account is the basis?—A. Not by force account, no. When I suggested force account to the engineer and to the engineers who were present at Willet's camp, if I remember aright—here is a copy of Willet's letter—I said, I will only give that to the more experienced men.

Q. To what are you now referring?—A. I am referring to the letter I wrote to Willet—

Q. Who is Willet?—A. The resident engineer on the Winnipeg river—to get his statement regarding the interview I had—the conversation that took place at the time I gave this order for force account. I think it has been produced. It goes on to say—

Q. What is the date of that letter?—A. It is of August 8 and 9, 1907:—

'After interview with Messrs. Sutton and Tye, Major Hodgins stated that he was inclined to treat the classification of mixed cuts from a business rather than a purely engineering point of view, and instructed me to ascertain cost of such cuts on my residency, and if the ordinary classification showed a loss to the contractor compared with this cost to classify high enough to cover excesses where possible. Care, however, to be exercised doing this; for instance, not to allow any solid rock in cuts where no such material actually existed. Major Hodgins also said that he did not intend giving such instructions to all resident engineers, but only to the older and more experienced men holding that position.'

There were some engineers I had on the line at that time who were experienced men and who had previously had charge of construction, but there were others who were not experienced.

Q. That was not what I was referring to, but it was with reference to the conversation with Mr. Foss, when Mr. Foss went up there to replace you. I asked you to tell us what classification you had been explaining more particularly to Mr. Foss?—A. He would not listen, and said he did not want to hear anything from me, but that he wanted to have an open mind.

Q. How long did Mr. Foss remain there?—A. I do not remember. I went west, and when I came back he had gone.

Q. Well, how long after Mr. Foss came there was it before you went west?—A. I had to wait. I think it was the first of October before I got the accounts cleaned up in the office.

Q. About the 1st of October?—A. Yes; there was a man named Saults came up from the auditor's office with Mr. Foss, or a day or two afterwards. I think he went to Winnipeg and came back again. He was going over the receipts of the office, and I think it was about the 1st of October when he signed the receipts.

By the Chairman:

Q. Will you just make clear to me, I do not catch exactly your testimony—did you say that McArthur was in a very bad shape about this contract, and that something was to be done for him?—A. That is what I understood, sir. Mr. McArthur

APPENDIX No. 5

had told me—of course, he did not tell me he was in bad shape—but he told me he wanted as high estimates as possible.

Q. Did I understand you to say that something must be done, or that if McArthur had failed it would have been a loss to the country?—A. That was Mr. Foss's idea; that was what Mr. Foss said.

Q. What was your own suggestion to remedy that state of affairs, that you should proceed by force account?—A. No, to classify high enough.

Q. That is by force account?—A. There was no mention of force account, but to classify high enough, I think those were the words used.

By Mr. Hodgins:

Q. The Chairman is asking what you suggested. You are giving Mr. McArthur's statement?—A. Oh, I did not suggest anything to Mr. Foss, but I have suggested as one way out of it, to increase where the contractors were disputing the classification only, because they were losing, to give 10 per cent.

By Mr. Carvell:

Q. Wherein would the loss to the country be if McArthur was unable to carry out the contract?—A. I do not know, sir, that is Mr. Foss's argument. At another time, I do not know whether I suggested it to Mr. Lumsden or not, I had suggested an increase in the prices, I know I did suggest it to Mr. McArthur.

By the Chairman:

Q. You realized that something must be done, and you made that suggestion?—A. I knew that McArthur was going behind from what he told me, that his sub owed him—he told me \$800,000 at one time, and later on his engineer told me it was \$1,200,000—that was money he paid to his sub. and I said, 'Why do you not apply for increased prices? Since you have the contract wages have gone up from 17½ cents to 25 cents and this work must be pushed, it cannot dawdle, it has got to be hurried up to complete the link between the Prairie section and the Thunder Bay section.' and he said, that if they had a good increase in prices he would be able to raise the wages and in that way would be able to get more men, and I understood that he was going to see the commissioners about it. At another time I suggested, I do not know whether it was to Mr. Lumsden or to the men on the work, it was discussed a great deal among the men on the work, that a very good way would be to put in a fourth price for other material; the contract was 30 cents for earth, 60 cents for loose rock and \$1.70 for solid rock; the difference between 60 cents and \$1.70 material was very large, there was too much difference, and I suggested that there should be a 90 cents or \$1.00 material between the two. These are the ways I suggested but I was informed that all these things would have to have the sanction of the commission, and they said the sanction of parliament.

By Mr. Murphy:

Q. What would your intermediate material at 90 cents be?—A. Well, we would have had to have the specifications for loose rock re-written. You are not an engineer, but every engineer who reads that specification for loose rock will tell you that that plow test is a terrible test to put on.

Q. So that in order to have brought your suggestion as to an intermediate material at 90 cents into effect the specifications would have to be rewritten?—A. That plow test ought to be left out.

Q. That is your idea?—A. Yes.

Q. It is too high for common excavation, is that what you mean?—A. It says that material that cannot be plowed by a ten inch plow behind six horses properly handled.

Q. If it can be plowed it will be common excavation?—A. Yes. You know if

7-8 EDWARD VII., A. 1908

the plow test is to be the test, you put a teamster on with six horses on any ordinary plowed land and he can break his harness if he wants to, or he can plow if he wants to, and it is a pretty hard thing for an engineer to say that a team has not been driven properly. It is unreliable, you cannot go on it, the engineer who doesn't know how to plow, who never has been behind a plow, has to say whether this material was 'material that can be plowed.' Now another thing is that muskeg or swamp land is more or less common excavation, but you cannot plow that. Then take scattered material, stripping on cuts, that is coming down the side of a hill, you cannot plow down the side of a hill, but you could if you were on level ground, you could plow through it easily. Of course the contractors always take advantage of that sort of thing, and they say, that can't be plowed, and we ought to get loose rock for it.'

By Mr. Carvell:

Q. According to your ideas, classification is entirely a question of judgment?—
A. Absolutely.

By Mr. Macdonald:

Q. This test that you speak of is the one that is prescribed in the original specification—that is the plow test?—A. Yes.

Q. You think it is neither reliable nor fair?—A. You can see from the way I have been trying to describe it, you can see the point I am trying to make. There are some cases where you couldn't plow sand, and the specification says that if a 10 inch plow with six horses properly handled—if the material cannot be plowed that way it should be loose rock.

By Mr. Murphy:

Q. Then if you were working in mud?—A. You cannot plow mud.

Q. Would you return that as loose rock?—A. That is a question of judgment. That is one of the arguments I had with McIntosh when they were looking at some cuttings on the Waubigoon River. It was raining, it could have been plowed if it had been fine, but the work had to go on and they could not plow it because the horses slipped all over the place.

Q. And what return would you make in a case of that kind?—A. There is the question, you would be returning loose rock for the cutting one day and the next week, the weather was beautiful and fine, and you would be returning it as common excavation.

Q. What would you have done in a case of that kind?—A. I was trying to find out, to get the information that would enable me to come to some conclusion with regard to all these clay cuttings, as to what would be fair and just classification for them.

Q. That was with McIntosh?—A. Yes.

Q. Was that the time you told McIntosh you didn't care to have anything to do with the clay?—A. I never told him that.

Q. I am informed you did.—A. I did not. I was out on the work with McIntosh and I found that he had classified a very large amount of material in the cutting.

Q. Is not that the time you told him you did not want to have anything to do with a clay classification yourself?—A. I never told McIntosh that. I wanted to find out from McIntosh, to get some data from him that I could go on in fixing a fair classification on loose rock in these cuttings. McIntosh could not give it to me. He had given certain classification in one cut, and a different classification in another, and a different in still another, as far as I can remember. We had discussed this thing up on the cuttings one day and I told him I intended going over the work and in reference to this clay cutting that we went over I wanted to come to some determination that would be fair to all parties, as to the allowance of loose rock in these clay cuts, because we had a very very wet season. But at the same time I told McIntosh—if you remember that in prairie work, it was not the same

APPENDIX No. 5

kind of clay, it was the ordinary Manitoba black mud they have up there—that on prairie work if you began to classify at all in loose rock McArthur would be able to put in a claim for loose rock on all of his prairie work.

Q. Did you issue any instructions in regard to that?—A. No.

Q. So that was an open question?—A. I wanted to get some details from McIntosh as to the cost of the work on every section, the cost it was to the contractors on wet days and the cost on dry days, so as to get some average; I wanted to get some data that I could place before Mr. Lumsden and say, I have come to a certain conclusion and recommend this.

Q. In any event no instructions were issued by you?—A. No.

Q. Were these details furnished that you asked for?—A. No.

Q. Why?—A. I did not get them from McIntosh, I wanted them, he had a large amount of detail.

Q. Did you ask for them in writing?—A. Yes.

Q. Did you ask McIntosh in writing for these details?—A. No, I explained it to him on the works. As I remember it was on Sunday, there were no men working, and I wanted to go on the next day; we walked out on these clay cuttings, and this discussion I had with McIntosh, I wanted to be able to allow something.

Q. You did not get these details in any event you say?—A. No.

Q. Now, leaving this plow test and this classification of clay of which you have been speaking and getting back to the interview with Mr. Foss at Kenora—Mr. Foss went up there to take your place temporarily until your successor Mr. Poulin arrived, didn't he?—A. He said he came up there as acting district engineer, and he was to find out, and if he liked the position, or something of that kind, had been promised to him, and he would be district engineer.

Q. As a matter of fact Mr. Foss remained there only four days, didn't he?—A. No, longer than that.

Q. How much longer?—A. Well, he was there three or four days before I got transferred, I do not remember.

Q. That is before you went away on your first trip?—A. Yes, Mr. Foss must have been there a couple of weeks or more.

Q. Yes, but I am talking about the time that you could possibly have had this interview that you allege took place with Mr. Foss. That was only, as I am instructed, within the space of four days within the time of his arrival and your going away on your first trip?—A. Oh dear no, I was there longer than that.

Q. You went away, you know, you told us, before, for a month, and came back?—A. Yes.

Q. And when you came back you found Mr. Poulin there?—A. Yes, I think possibly there was more than four days.

Q. In any event then Mr. Foss was there such a short time he had very little to do with the work?—A. Yes, he came up too late to go over the work, I think it was about the 20th or something like that.

Q. So that this 'classifying with a strong hand,' as you allege, or whatever the phrase was that he used, could not have been put into force by Mr. Foss on account of the short time he was there?—A. I do not know, I do not know what he did while I was away—I am not responsible.

Q. Now you have told us about having met difficulties which you experienced in getting Mr. McArthur to specify complaints and going out on the work?—A. Yes.

Q. You met him once out on the Winnipeg river?—A. Yes.

Q. Was that the time you were making inspection of the work?—A. What inspection.

Q. Was that the time you were out making inspection on a steamboat?—A. I never made an inspection on a steamboat.

7-8 EDWARD VII., A. 1908

Q. When was it you met Mr. McArthur—you say you were up on the Winnipeg river?—A. Yes, we went over a piece of work, it was in the early part of the contract; there wasn't very much work done—clearing I think was going on.

Q. As a matter of fact were you not out inspecting when you met him?—A. I expect so, I was going over the work.

Q. On that occasion did you go into any of these complaints that he had been making?—A. No, there was none then; I probably was asking him to put more men on the clearing.

Q. Do you remember what you were doing on this occasion on which you told your counsel you had met McArthur once on the Winnipeg river?—A. Yes, that was in the early part of the contract; Dutton I think had just finished building his camps when McArthur came up. We went over the country up to Dutton's camp together, or whether I met him at Willet's camp I do not remember.

Q. Did you, on that occasion, investigate any complaints McArthur had been making?—A. I do not know that there had been any complaints on that occasion.

Q. What do you call an inspection trip?—A. What do you call an inspection trip? Every time I go out on this work I may call it an inspection. The trouble with this investigation is that I am an engineer and I have to explain my work to a lot of lawyers. Every time you go out on the work an engineer is supposed to make an inspection. If he sees anything wrong he attends to it. I can only say I am trying to put it as plainly as possible.

Q. You told the committee that you had asked McArthur to specify complaints he was making and you would go out and investigate, and you told us of the difficulty you had to get him to do that, and then you told us how you met him once on the Winnipeg river. I want to know what you were doing there.—A. I do not know whether there were any complaints then. I remember meeting McArthur once on the works; I had endeavoured to get him to make an appointment with me to go over the work.

Q. As a matter of fact you did not investigate any of these complaints because this trip you speak of was not to investigate the complaints?—A. There was, as a matter of fact an investigation pending when I left.

Q. You are not referring to the inspector you sent out to subcontractor Walsh? I am talking about your own investigation?—A. My dear sir, when a complaint is made about measurements to me you do not suppose I go out with a tape and measure it; I have men to do that. If I am told to run a line I have men to do that. I am not a transit man, or a section man or a resident engineer, I was the district engineer. I do not do any detail work.

By Mr. Macdonald:

Q. I suppose that you are aware, with regard to the contract for construction of the Transcontinental line, that any disputes about classification are ultimately to be determined by a board of arbitrators composed of engineers?—A. That is any disputes between the chief engineer of the Grand Trunk Pacific and the chief engineer of the Transcontinental Railway.

Q. Now, in that case these two gentlemen are members of the board; any disputes that may arise at any time with regard to classification between the board and the Grand Trunk Pacific are to be determined by a board which is made up of these two engineers and a third party who is to be selected by them?—A. Yes.

Q. You understand that?—A. Yes.

Q. I suppose you would regard that as a far better tribunal?—A. I know Mr. Lumsden and Mr. Wood are up on the work now and they are the proper parties to settle a dispute of that kind.

Q. You regard them as the proper persons to settle that?—A. Yes.

Mr. HODGINS.—That is not the proper tribunal to determine Major Hodgins' charges, if you will allow me to say so, Mr. Macdonald.

APPENDIX No. 5

A. I am having the same amount of trouble in explaining my case to you lawyers here as I had in explaining it to that reporter of the *Colonist*.

Committee rose.

WEDNESDAY, June 3, 1908.
3 o'clock p.m.

The committee resumed.

Cross-examination of Major Hodgins continued:

By Mr. Murphy:

Q. I would like to know what method you employed at your office in Kenora in keeping the record of the office correspondence. Did you copy all letters into a book?
—A. All letters into a book, yes; and there was an extra copy from the typewriter filed away.

Q. Were they written in ink or done on a typewriter?—A. They were nearly all done on a typewriter, I think.

Q. Nearly all done on a typewriter?—A. All the official letters were done on a typewriter.

Q. So that in the case of letters that were typewritten you would have a copy in your letter-book and the carbon copy as well?—A. Yes, on the file.

Q. Now, in the case of letters written about commission business, but not written to persons connected with the commission, would the same record be kept of them?—A. Written about the commissioners' business?

Q. If you were writing a letter about a matter relating to the commission, but to some person not connected with the commission, would you keep a copy or copies of such letters in the same way as the official letters you have spoken of?—A. I don't know what you mean.

Q. For instance, if you were writing to Mr. Lumsden or Mr. Macpherson here, I understand that you would copy all letters sent to them in this letter-book that you spoke of?—A. Yes.

Q. But if you were writing to some person, not connected with the commission, about commission business, would you copy such letters as that into this book or into those books?—A. I don't know that I ever wrote to anybody about commission business.

Q. Well, in the course of your management up there you must have had occasion to write to a good many people, I should take it, who are not connected with the commission?—A. All official letters were copied into the letter-book.

Q. That is whether they were written to officials of the commission or to persons not connected with the commission?—A. Every one.

Q. They were all copied into the letter-book?—A. Yes.

Q. Might it happen that a letter would be sent out that would not be so copied into the letter-book?—A. I don't think so.

Q. You don't think so? You have not any case of the kind in mind?—A. No.

Q. I have seen among the productions before the committee some letters that on their face appear not to have been copied, typewritten that did not show any of the blur that water usually produces. That is one of the reasons why I wanted to ask you if there were some letters sent out from your office that were not copied into the letter-book?—A. I cannot recall any.

Q. You cannot recall any?—A. No.

Q. Then I understand you to say that, as far as your memory serves you now, all letters sent from your office on matters relating to business connected with the commission, whether sent to officers of the commission or not, would be copied in your letter-book?—A. They had to be copied.

7-8 EDWARD VII., A. 1908

Q. Whether written by you or one of your assistants?—A. Exactly.

Q. During your term of office as district engineer of 'F' there was a purchase of some land up there for the purpose of a gravel pit, was there not?—A. Which gravel pit was that?

Q. Was there more than one?—A. Yes.

Mr. HODGINS.—I object to that. What is the object of your question?

Mr. MURPHY.—I am asking the Major about his correspondence and the method of keeping it.

Mr. HODGINS.—Now you are giving a particular instance.

Mr. MURPHY.—I am giving a particular instance.

Mr. HODGINS.—What is it directed to?

Mr. MURPHY.—I do not think that at this stage I am obliged to disclose what it is directed to. I will do so later on.

Mr. HODGINS.—I will object to your next question then.

Mr. BARKER.—It must relate to the inquiry.

Mr. MURPHY.—It does relate to the inquiry. The inquiry, as I have understood from statements made by my learned friend, Mr. Barker, several times, is not limited to the charges made by Major Hodgins, nor to Major Hodgins' prosecution of this charge, and that the committee have the widest liberty to go into all kinds of things.

Mr. MACDONALD.—I don't agree with that proposition.

Mr. MURPHY.—We might as well understand it now then.

Mr. BARKER.—What I contended for was that we should go into everything referred to us.

Mr. MACDONALD.—It is a matter for the discretion of the committee.

Mr. MURPHY.—I see.

Mr. MACDONALD.—What is the particular point?

Mr. MURPHY.—I have asked Major Hodgins if, while he was district engineer, there was a parcel of land purchased to be used as a gravel pit.

Mr. HODGINS.—Are you going into the purchase of a gravel pit? That is what I want to know.

Mr. MURPHY.—I may have to.

Mr. HODGINS.—That is exactly the point I am making objection to.

Mr. MACDONALD.—If your question relates to any evidence you propose to offer to show that there was any lack of attention of duty on the part of Major Hodgins as engineer I can see that it would be relevant.

Mr. BARKER.—Does it relate to the contract at all?

Mr. MURPHY.—Yes, sir. I purpose inquiring regarding the correspondence relating to the purchase of land for a gravel pit.

Mr. CARVELL.—It seems to me that both counsel have the advantage of the committee. They seem to know what this has reference to and unfortunately we do not.

Mr. MURPHY.—I am asking the witness to explain the method employed of keeping the records of his correspondence. He has told us that and now I am asking about the purchase of this gravel pit and I will ask him further, subject to the ruling of the committee about the correspondence.

Mr. CARVELL.—Does it in the end elucidate in any way the reasons for Major Hodgins' dismissal or is it connected in any way with the classification, or are the commissioners connected with it? It seems to me those are the three things we are discussing or ought to discuss in this investigation.

Mr. MURPHY.—If that rule had been applied from the beginning a great deal of the evidence already given would have been excluded.

Mr. CARVELL.—I don't think that personally I can be charged with having departed from that rule. I have adhered to it consistently from the beginning.

Mr. MURPHY.—I am not making any charge against the committee. It is the general latitude that has been allowed to counsel.

Mr. BARKER.—We cannot go beyond the reference to us.

APPENDIX No. 5

The CHAIRMAN.—That is the opinion of the committee, that we cannot go beyond what has been referred to us by the House. If you can tell us that you are going to put questions that are in any way pertinent to the inquiry probably the committee will allow you to do so. But we cannot see by the questions you are putting just now what you are leading up to.

Mr. MURPHY.—You will recall, Mr. Chairman, that at one of the former sittings the witness was asked by his counsel with reference to a conversation that took place between him and a man named Dutton who was in no way connected with the commission?

Mr. HODGINS.—As to the state of the McArthur contract at that date, information conveyed to him as an engineer requiring to make a certain plan or report.

Mr. MURPHY.—That was only a part of the information. The witness proceeded to tell what Dutton said about what Grant had told him and a number of other things of that kind. When that evidence went in there was some objection made but it was allowed.

The CHAIRMAN.—It was allowed. I know we have given a very wide latitude to counsel throughout the investigation because we wanted as full inquiry as possible but there must be some rule about it.

Mr. MURPHY.—There seems to be a disposition now not to pursue the matter relating to the correspondence about this gravel pit?

Mr. BARKER.—Supposing Major Hodgins or Mr. Hodgins, K.C., desires to go into something of a similar nature without regard to the commissioners, would the committee be asked to allow it?

Mr. MURPHY.—I could not answer that until such a question came up. However, I will not pursue the matter further at present but will reserve it for the decision of the committee later on.

Q. You have told us, major, that while you were here in Ottawa preparing your reply to Mr. Grant's report you had to wait two or three days before the board left?—A. I think so. I think Mr. Parent and Mr. Young were in Quebec at the time.

Q. And that during that interval you had an interview with Mr. Reid in his office?—A. Yes.

Q. At which only he and you were present?—A. Yes.

Q. That is the occasion, as I understood, on which you said that Mr. Reid told you when discussing your relations with the chief engineer that you should act on your own responsibility?—A. Yes.

Q. And that when you told him you could not do so he inquired why you did not ignore the chief engineer?—A. Yes, more of a suggestion—

Q. More of a suggestion than a direct inquiry. Now is it not a fact that that interview between you and Mr. Reid was a general talk about the conditions on the work arising from the filing of Grant's report?—A. It arose on account of Grant's report.

Q. It arose on account of Grant's report? And did you not on that occasion complain to Mr. Reid that you had not sufficient authority?—A. Yes. I don't know whether I complained to him. I stated that I had not.

Q. You said that you had not sufficient authority?—A. I spoke about the chief engineer not giving me authority to borrow rock in places where I knew it would be necessary to borrow it.

Q. And in reply to this statement of yours did not Mr. Reid point out to you that you had the same authority as the other district engineers?—A. I don't think he put it in that way. He made some reference to Doucet acting on his own responsibility or authority in more or less everything.

Q. Do you remember his saying to you that he thought you did not use the authority you undoubtedly had and that you referred too much to the head office? Do you remember that?—A. No. But I certainly used all the authority I had.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Well do you recall Mr. Reid saying that to you?—A. No, I do not.

Q. Well you will not deny it I suppose?—A. Not in those words.

Q. You will not deny that he may have said it to you or is your memory sufficiently good to enable you to recall just what did take place?—A. I should prefer hearing Mr. Reid's statement of the conversation before I would commit myself to that.

Q. Before you would commit to an answer as to that?—A. Yes.

Q. Do you remember Mr. Reid advising you to be sure of your ground in connection with any matters that came up such as you and he were discussing and that you ought to decide first and consult afterwards?—A. No.

Q. You don't remember anything of that kind being said?—A. No.

Q. Do you remember Mr. Reid telling you also that he thought the Chief, that is the Chief Engineer, would prefer that you should do this?—A. No.

Q. And then Mr. Reid added that you would find that it would save you a lot of correspondence?—A. No.

Q. Now you say what Mr. Reid said to you on that occasion with regard to the Chief Engineer was a suggestion that you ought to ignore him?—A. Yes. 'Why don't you ignore the Chief Engineer?'

Q. Of course, you knew that under the Act and the contract that was utterly impossible?—A. Absolutely.

Q. It could not be done?—A. Certainly not.

Mr. HODGINS.—Why could it not be done?

Mr. MURPHY.—Because of the legislation.

Mr. HODGINS.—That did not prevent him from doing a thing.

Mr. MURPHY.—It would in this particular case.

Mr. MACDONALD.—What is the necessity of a discussion between counsel. Go on.

By Mr. Murphy:

Q. You knew that Major?—A. I did.

Q. That it was an impossibility?—A. I did.

Q. And did you think that Mr. Reid would suggest a thing to you that you knew to be an impossibility?—A. He did suggest it.

Q. Mr. Reid must have known what the terms of the Act were and what the position of the Chief Engineer was, as well as you?—A. Well from reading subsequent correspondence he knew the chief a little better than I did.

Q. He may have known him a little better than you did. I am not talking about his knowledge of the Chief, whether it was greater or lesser than yours, but would not Mr. Reid know that what you described as being an impossibility was an impossibility?—A. I should imagine so. But the conversation arose from my saying that the Chief Engineer would not give me authority to do certain things that I wanted without consulting him first.

Q. Yes?—A. Then that was his suggestion.

Q. I see. Well on that occasion when Mr. Reid made the statement, or as you say now only the suggestion to you, did it convey to your mind that you should do anything illegal?—A. No.

Q. And that you were not doing—?—A. The question that I referred to him, or spoke to him about, was the borrowing of rock.

Q. That you spoke to whom about?—A. Mr. Reid. That was the question that we were discussing, that I had in my mind, because I think I had just come away from seeing the Chief Engineer and he had refused to give certain authority in a general way and I had to write to him all specific instances before he would give the authority.

Q. And was that the occasion that you have told us about when Mr. Reid is alleged by you to have said that you were too much of a military man and too loyal to your chief?—A. Yes.

Q. Just about a month before that, or a little more than a month before that,

APPENDIX No. 5

when you were in Ottawa Mr. Lumsden had told you to go over the work with Grant and you had refused, as you said, point blank?—A. Yes.

Q. No one paid you a compliment on that occasion about being too loyal to your chief, I suppose?—A. It was Mr. Lumsden that I refused.

Q. Yes?—A. And he did not press it.

Q. Your loyalty then just extended to a point of the matter that suited yourself? Is that not a fact?—A. He would have pressed—if he had wanted me to go he would have pressed the point on me.

Q. And you say he did not?—A. No, he did not.

Q. He gave you that instruction and you declined to obey him?—A. Certainly.

Q. You have told us about another conversation which you also alleged to have had with Mr. Reid on the boat going down to Quebec. To use your own language, taken from the evidence, 'I was doing a considerable amount of picking about Grant's appointment.' You remember saying that?—A. Yes.

Q. Then you said that Mr. Reid stated that the appointment had been made and would have to go?—A. Yes. The circumstances were these: When I got to Ottawa I heard—I spoke to several other engineers and they spoke to me when I met them there—

Q. That is when you were going down to Quebec?—A. Yes, they criticised the appointment.

Q. Yes?—A. And they were sitting together. I think I did the talking.

Q. You were sitting together where?—A. On the boat.

Q. Yes, and there is where this alleged conversation took place?—A. Yes.

Q. Were there anything else said by Mr. Reid on that occasion?—A. I don't remember.

Q. Do you remember Mr. Reid walking to this group and stating that Mr. Grant had been appointed by the commission and that his appointment would stand, no matter what the rest of the engineers might say?—A. I don't remember those words.

Q. Well, words to that effect?—A. I don't think he walked up to the group as you called it. He was sitting down and we were sitting down too on the deck of the steamer.

Q. He was one of the group, was he?—A. Yes.

Q. Do you remember his walking away when he used those words?—A. No.

Q. Well, do you remember any other conversation you had with Mr. Reid particularly on the boat?—A. No, I don't.

Q. Then I think you stated that it was the same occasion on which Mr. Young said that the Quebec classification was to be taken as the standard?—A. It was on that trip.

Q. Was it not on the boat?—A. I won't say whether it was on the boat or where it was but it was certainly on that trip.

Q. Who was present when Mr. Young made that statement?—A. I don't know.

Q. You don't know whether anybody heard this but yourself?—A. No.

Q. If Mr. Young denies having made that statement what have you to say?—A. He certainly said it.

Q. You will maintain that he said it?—A. Yes.

By the Chairman :

Q. But you don't remember where and when the statement was made?—A. It was on that trip.

Q. But you cannot remember where it was or on what occasion?—A. No, I do not recall the—

By Mr. Murphy :

Q. Then speaking of your visit to the work at La Tuque and to the cutting that

7-8 EDWARD VII., A. 1908

you saw there you say that you asked the engineers about the quality of the work and they told you that they classified it as 85 or 86 per cent?—A. Yes.

Q. Where did that conversation take place?—A. That was at the first cutting we passed.

Q. At the first cutting as you passed?—A. Yes. It was this—I described it as a tunnel cutting.

Q. I see?—A. We got out of the carriage and walked up into one face of it and then we walked over the cut and went to the other face.

Q. And was this the first cut that you met?—A. It was the first cut we met on the return trip that we came close up to, that we got out at.

Q. That you got out at?—A. The first cut that several of us got out at.

Q. On the return trip?—A. Going down to this camp where the contractors gave us luncheon.

Q. Who was present when Mr. Doucet made this statement?—A. I do not remember, there were some of his engineers present, and Mr. Armstrong was there.

Q. Mr. Armstrong was not one of his engineers was he?—A. No, but I think Mr. Huestis was there. I do not know but he asked one of his engineers who was there—I do not know whether he gave me the information direct or whether he got it from one of his engineers.

Q. You do not know whether he gave it to you direct or whether you got it from one of his engineers?—A. I asked the question, but whether he answered direct or asked one of his engineers I do not remember.

Q. I see. You did not tell us that before, that he asked one of his engineers?—A. I do not think it has anything to do with it.

Q. It is very important whether a man makes a statement himself or gets the information from some one else and imparts it, it is a very different thing because Mr. Doucet denies that he ever made any such statement. I would like you to recall a little more distinctly what happened?—A. If he said that?

Q. Now, first of all, did he say it?—A. He did say it.

Q. Now, you have just told us that you do not know whether he did say it or whether he turned around to one of his engineers—now, which was the case? Now, don't misinterpret what I said, he answered me.

Q. Mr. Doucet was the man who answered you?—A. He was the man that answered, he was the man I asked.

Q. But you do not know whether he was making the statement from his own knowledge or whether he got it from one of his engineers?—A. Mr. Davis, the contractor, was there and was looking at the cut and he said, 'Well, if you give me that arrangement I think I will run the tunnel through myself.'

Q. Who said that?—A. Mr. M. P. Davis.

Q. Who else was there?—A. I do not remember.

Q. You do not remember any one else, but you remember having a conversation with Mr. M. P. Davis about it?—A. I do remember that I spoke to one of the contractors, I think he was an Italian, I do not know what his name was—it was a nasty cut and a hard cut to deal with, and I spoke to him about it, he was an Italian, and I asked him how he was coming out on it and he said that at first they had been going behind, and then a reclassification was made, and it was all right now.

Q. Who was present when this conversation with the Italian took place?—A. The Italian and I were walking together.

Q. Do you remember his name?—A. No.

Q. Well, what was he? What position had he, connected with the work?—A. Subcontractor, he was doing the work there.

Q. Had you ever seen him before?—A. No.

Q. Where did you get this information about him?—A. This information?

Q. The information that you have just given the committee, that he was a subcontractor doing work there?—A. He told me so, I think he asked me something

APPENDIX No. 5

about Mr. Miles or some engineer in New Brunswick, or McKenzie, I think it would be, I had one or two engineers from New Brunswick; then I asked him if he was a contractor, and he said yes.

Q. You had never seen him before?—A. Never seen him.

Q. How did he come to ask you these questions?—A. I do not know.

Q. Did he know who you were?—A. I presume so.

Q. Did you tell him?—A. No.

Q. Where were the rest of the party?—A. We were all together.

Q. How was it none of the rest of them heard any such conversation?—A. I do not know.

Q. Is this the cut that you told your counsel you spent ten or fifteen minutes at?—A. I did not time myself, we walked over it.

Q. I am not asking you that. Is this the cut you said you spent ten or fifteen minutes in?—A. That is it.

Q. And during that time you had all this conversation, and made the inspection of the cut you have told us about?—A. I did not inspect it, I walked into it and walked over it.

Q. And you gave a description of it?—A. Yes, I believe in that description I confused two cuts.

Q. I think you confused more than two cuts, Major?—A. You think so.

Q. What confusion is there about the cuts?—A. That cut consisted of—

Q. When you say 'that cut,' which one do you mean?—A. The first one.

Q. The one you spoke of in your examination in chief?—A. I only spoke of one cut and I spoke of sand being wasted on the top of it; I do not think there was any sand, I think it was another cut that I hadn't spoken of.

Q. When did you get that information?—A. When I was reading over my evidence—the charges.

Q. The which?—A. When I was reading over the description of that cut in the charges.

Q. The description in the—A. The written charges.

Q. I see, is that all the information you have got since you were here last?—A. Yes.

Q. You now say that you confused this tunnel cut with another one?—A. No, I did not confuse the cut, I said on the top of this cut, I was referring to another cutting, classification, there was sand being wasted, I saw sand was being wasted on another cutting, the next one we went through, I did not pay very much attention to that.

Q. Was that the only difference, the only confusion you had reference to?—A. Yes.

Q. Now after your visit to the work you told my learned friend that you stayed in Quebec over Sunday?—A. Yes.

Q. And that you had a long talk with Mr. Armstrong?—A. Yes.

Q. And that in the course of this conversation Mr. Armstrong told you that over-classification in District 'B' would amount to \$2,000,000?—A. Yes, he said he had a rough estimate of it, about that.

Q. What were his words?—A. That is what he told me; his exact words were that a rough estimate of this over-classification would amount to about \$2,000,000.

Q. Was there any one present at that conversation?—A. No.

Q. Where did it take place?—A. We were sitting on the terrace watching the ships on Sunday afternoon.

Q. Just yourself and Mr. Armstrong?—A. Myself and Mr. Armstrong.

Q. And, as I recall your evidence, you brought up the subject; and he told you, according to your statement, that he was reporting the over-classification, but that his people had done nothing?—A. Yes.

7-8 EDWARD VII., A. 1908

Q. But that he presumed they would dispute it?—A. Yes, something to that effect.

Q. Did you make any notes of that conversation?—A. No.

Q. Is your recollection of it or Mr. Armstrong's likely to be the better?—A. I fancy it will be the same.

Q. You think that it will be the same?—A. Yes.

Q. If Mr. Armstrong does not recall making any such statement as this, then what have you to say?—A. He has forgotten it.

Q. That he has forgotten it?—A. Certainly.

Q. You have already told us that when you were here in Ottawa waiting to put in your answer to Mr. Grant's report, you had to wait two or three days before the board met. Did you, during those two or three days, discuss matters connected with District 'F' with any engineers in Ottawa?—A. I possibly did; I was in the assistant chief engineer's office.

Q. That is Mr. MacPherson?—A. Mr. Macpherson. He asked me a lot about it. We were talking about a lot of things that were up for discussion.

Q. Did you see any other engineers and discuss matters with them when in Ottawa on that occasion?—A. I do not remember.

Q. Do you remember seeing Mr. Schreiber?—A. I possibly saw him; I do not remember.

Q. What position does Mr. Schreiber hold?—A. I do not know; I think he is in Mr. MacPherson's office.

Q. I do not mean Mr. Schreiber in the commissioners' office, but Mr. Collingwood Schreiber, the former Chief Engineer of the Railways Department?—A. No.

Q. Do you remember seeing him while you were here?—A. No.

Q. Are you quite sure as to that?—A. Yes.

Q. You didn't see him? Did you go to his office?—A. No.

Q. Are you clear as to that?—A. Yes.

Q. Well, you know that Mr. Collingwood Schreiber occupies an official position and has official relations with the Transcontinental?—A. Yes.

Q. Did you ever have any interviews or conversations with him, or correspondence, I should say, with him?—A. None.

Q. Is there anybody else whom you went to see?—A. I think I saw Mr. Butler.

Q. Who is he?—A. The Deputy Minister of Railways; he used to be the assistant chief engineer.

Q. He used to be the assistant chief engineer of the Transcontinental Railway?—A. Yes; I usually go to see him.

Q. Did he occupy the position of assistant chief engineer when you were upon it?—A. Yes.

Q. You had official relations with him while he remained there?—A. Yes.

Q. You say you went to see him while you were a few days in Ottawa last July?—A. Yes.

Q. And did you discuss these matters relating to District 'F' with him?—A. I think I discussed the report that Mr. Grant had put in.

Butler, in his present position, any official connection with the Transcontinental?—A. Yes.

Q. Had you been in the habit of going to see him when you came to Ottawa?—A. Yes, I generally go to see him when in Ottawa.

Q. And the relations between you and Mr. Butler were—A. Very friendly.

Q. What discussion did you have on the occasion that you speak of in July last; you say you went to see him, and talked over Grant's report?—A. Yes.

Q. Now, what actually took place?—A. I told him that Grant had said certain things to me and they were rather serious matters; and I asked him, I think, what he thought of it. I forget exactly the conversation.

Q. You mean things that Grant had said in his report?—A. No; said to me in my office.

APPENDIX No. 5

Q. These, I presume, would be the matters that you speak of in your evidence in chief?

Mr. HODGINS.—He doesn't say it is.

By Mr. Murphy:

Q. Well, are they?—A. Yes.

Q. Then what took place?—A. He said he would find out about them, and asked me to call the next day, I think, or that afternoon, I have forgotten which.

Q. You told him what you claimed Grant had said to you in your office at Kenora?—A. Yes, sir.

Q. And you have already told us about this in your evidence in chief, and you say Mr. Butler said he would see about that and asked you to call and see him the next day—A. That afternoon or the next day.

Q. Did you call on him again?—A. Yes.

Q. What took place at the second interview?—A. He told me, I think, that Grant had no authority to speak like that.

Q. What else was said?—A. I think that is about all.

Q. From whom had he made enquiries in the interval, do you know?—A. He did not tell me.

Q. He did not tell you; now did you discuss classification with Mr. Butler?—A. I do not remember how much we discussed, I had a short interview with him, there was somebody else waiting then.

Q. Well, on any occasion during that week did you discuss classification with Mr. Butler?—A. I do not think I saw him more than those two times, I would not be certain.

Q. On either of those two occasions that you do recall did you discuss classification with him?—A. Possibly, though there was not very much question then, there wasn't very much to be classified or had been classified up to that date.

Q. I am not asking you that, but you did discuss it at all with him?—A. I cannot say positively, I do not remember.

Q. Did you make the statement such as you have just made, to Mr. Butler?—A. Which?

Q. That there was not much to classify up to that date?—A. Possibly.

Q. Do you recall whether you did say something of that kind or not?—A. No.

Q. Did you discuss the question of adopting force account on the work?—A. No—no, that did not come up, I had not proposed it to the chief engineer.

Q. I am not asking you that, Major, I am asking you if you did not, on either of those occasions that you visited Mr. Butler, discuss with him the possibility of putting force account into operation in your work.

By Mr. Hodgins:

Q. While waiting in Ottawa?—A. No, I do not remember it if I did. I would not have recommended—

By Mr. Murphy:

Q. If you had discussed it with Mr. Butler, you would not have remembered it?—A. At that time I would not have approved of it.

Q. I am asking you if you did discuss it and what was said?—A. No. I did not discuss it.

Q. Isn't it a fact that you did discuss it?—A. No.

Q. I would like to recall this conversation, Major?—A. I am trying to. I do not think we had a very long discussion.

Q. Is it not a fact that you told Mr. Butler what you proposed to do with regard to adopting force account and that he warned you not to do it?—A. No, not to my knowledge.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Did he not, on one occasion on which you called on him, I am instructed you did, discuss force account, point out to you that under the contract it could not be adopted?—A. No.

Mr. HODGINS.—Specify the occasion.

Mr. MURPHY.—I understand there was only one, but he says there were two.

By Mr. Murphy :

Q. What I want to get at is this, I am asking whether it was at either of these interviews?—A. No.

Q. Do you not remember Mr. Butler pointing out to you that if you adopted force account the chief engineer could not certify to the estimates?—A. No, not at that time.

Q. Not at that time?—A. No.

Q. Well, did you have any subsequent conversation with Mr. Butler, where he pointed these things out to you?—A. I do not remember having that.

Q. You do not remember having it?—A. I do not think I have seen Mr. Butler since then at all until the other day when I met him on the street.

Q. Now, is it not a fact that on the occasion of one of these visits of which you have spoken that this matter of employing force account was discussed, and that Mr. Butler pointed out it was impossible for it to be adopted on this work?—A. I do not think so.

Q. Is it not a fact that on one of these occasions when Mr. Butler was showing you it could not be adopted that he directed your attention to the terms of the contract and the specification?—A. I do not believe it came up at all.

Q. You do not believe it came up at all?—A. No.

Q. Will you swear it did not?—A. Yes, to the best of my knowledge.

Q. That there was no discussion between you and Mr. Butler about the 'employment of force account?—A. Yes, because when this interview took place with Mr. Butler I had not proposed to the chief engineer this suggestion of force account.

Q. That might quite well be.—A. Well, that fastens it in my memory, that makes me certain about it.

Q. That might well be, and again it might not be the fact; but even admitting that you had not proposed it to the chief engineer, that does not make an impossibility of your having discussed it with Mr. Butler?—A. It does, as far as I am concerned.

Q. Now, Major, on your oath, are you prepared to swear you did not discuss the proposed force account when in Ottawa in July, with Mr. Butler?—A. Yes, to the best of my knowledge.

Q. I am not asking you to the best of your knowledge, I am asking you will you swear you did not? You either did discuss it or you did not, and I am asking you if you did or did not?—A. I did not.

Q. You swear you did not?—A. I did not.

Q. You have told us you had no further interview with Mr. Butler until you saw him here lately?—A. Yes.

Q. And that is correct?—A. That is correct.

Q. Did you have any correspondence with him?—A. Yes.

Q. On the subject of what?—A. I do not know whether I wrote to him or he wrote to me.

Q. Have you the letter he wrote to you?—A. No.

Q. Where is it?—A. I do not know; I probably left it in Kenora.

Q. Have you any recollection what you did with it?—A. No, I have not.

Q. You have not?—A. No.

Q. Have you looked to see whether it was among your papers or not? I would like to have that letter produced if you have it, Mr. Hodgins?

Mr. HODGINS.—I cannot produce it if it is in the Kenora office.

APPENDIX No. 5

Mr. MURPHY.—He says he doesn't know whether it is there.

A. I have not looked for it.

Mr. MACDONALD.—Was it a public letter written to the Chief Engineer of the Railway Department?

Mr. MURPHY.—It was written by Mr. Butler to him.

A. It was a private letter.

Mr. MACDONALD.—Mr. Butler has a press copy of it, I suppose; he can produce it.

By Mr. Murphy:

Q. Well, what about your letter or letters to Mr. Butler?—A. I do not remember what I wrote to Mr. Butler.

Mr. HODGINS.—Mr. Butler has some official connection with the Transcontinental?

Mr. MURPHY.—Yes.

By Mr. Murphy:

Q. And about Mr. Butler's reply, you do not know?—A. I do not know what became of that; possibly it is in Kenora.

Q. Do you recall whether that correspondence was on the subject of classification, force account, or any of these matters covered by this inquiry?—A. I think that letter was about that conversation with Mr. Grant. I think he said he had seen Mr. Grant and that Mr. Grant denied it—something of that kind. Whether I wrote to him or not after that, I do not remember; possibly I did write to him, and say that I was sorry he was taking Mr. Grant's word instead of mine.

Q. The prior correspondence that you speak of, would that be copied in your book at the office?—A. I do not think so; it was a private letter to me.

Q. It would not have been copied?—A. No.

Q. Was it on the subject of classification or force account?—A. I do not remember whether that was in the letter or not.

Q. Do you remember any other correspondence?—A. I do not.

Q. Do you remember seeing any other engineer or engineers while here at that time?—A. No.

Q. Then, you have told us about the conversation which you had with Mr. Grant, and you referred to it again here this afternoon, in which you alleged that Mr. Grant said the commissioners wanted the contractors to make money?—A. Yes.

Q. Who was present when that conversation took place?—A. No one.

Q. If Mr. Grant denies that statement, whose recollection would you say was the better?—A. Mine.

Q. Yours, why?—A. Well, my memory is all right if a man makes a statement like that to me.

Q. You have just corrected an error a few minutes ago about that cut down at La Tuque, would you be mistaken about this conversation as well?—A. No, sir.

Q. You have told us about conversations with Mr. Reid and Mr. Young that they do not remember anything about.

Mr. HODGINS.—We have not heard from them yet.

Mr. MURPHY.—Well, we will hear from them and all about it.

By Mr. Murphy:

Q. Mightn't you be mistaken about Mr. Grant?—A. No.

Q. You are sure of that? At your conversation with Grant he made that statement?—A. On my oath I swear he made that statement.

Q. And you told us that you had a conversation—A. I am so positive of that that I went to Mr. Butler to speak to him about it; I thought it was a very, very serious state of affairs.

Q. Well, perhaps some light will be thrown on that by this letter of yours to Mr. Butler, and we will resume this when we get a copy of it. Then you stated that Mr.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Grant told you that down at La Tuque the classification there was originally 30 per cent, and that he, Grant, had raised it to 80 per cent, and that when the Grand Trunk Pacific engineers kicked it had been raised again to 86 per cent?—A. Yes.

Q. Are you serious about that?—A. Yes.

Q. Do you mean to say, on your oath, that Grant ever made any such statement to you?—A. On my oath, he made that statement.

Q. If Grant denies that, who is the committee to believe?—A. Me.

Q. I see. Did you make any record of it at the time?—A. No, I made no record; it was a startling enough statement to fix itself in my memory.

Q. It was so startling that you remember it?—A. And, Mr. Murphy, you can take that up and see, I presume, whether that statement can be carried out by the estimates, by looking up the original estimates and comparing them. Mr. Grant told me he was sent over to re-classify, and you can find out what time he was sent to do the re-classifying, that will show you.

Q. You do not vouch for the correctness of that statement, you are only telling us what Mr. Grant said to you?—A. You can find out—the estimates are there—whether they have been increased from 30 to 86 per cent.

By Mr. Carvell :

Q. You are referring to solid rock?—A. I presume so.

By Mr. Murphy :

Q. If the estimates do not bear out this statement, Major——?—A. It does not make any difference.

Q. What is the committee to believe?—A. It does not make any difference. He told me that.

Q. It is merely an issue between you and Mr. Grant as to whose veracity is to be accepted? You have told us that when Mr. Grant made the statement about the commissioners wanting the contractors to make money, you went to Mr. Butler and discussed it with him?—A. I don't know whether I said that to him. I told Mr. Butler something of Grant's—

Q. Grant's statement?—A. Grant's statement.

Q. Mr. Butler was not your chief at that time?—A. He was a friend of mine.

Q. Why did you not go to your chief and tell him this statement that had been made by Grant? Did you not think it was your duty to do that?—A. It is a question.

Q. It is what?—A. It is a question. I had a confidential talk with Mr. Butler about this.

Q. Could you not have made the same kind of confidential talk with your immediate superior?—A. No.

Q. Now this statement was a very serious reflection on the commissioners, was it not?—A. Exactly.

Q. That is the way you accepted it?—A. Exactly.

Q. Well was it not your duty to go to the commissioners, or some of them, and discuss the matter with them?—A. Well I took the best course I thought I could take. I went to Mr. Butler and discussed the question with him and he said Grant should not have made this statement or something of that kind.

Q. He said what?—A. Grant had no authority to make this statement.

Q. Grant had no authority to make any such statement. And that was told you on the occasion when you returned a second time to see Mr. Butler?—A. Yes, I either went to his office or met him in town.

Q. By the way, did you tell Mr. Butler about this alleged statement of Grant's that the classification in this cutting had been fixed at 30 per cent, then raised to 80, and when the Grand Trunk Pacific engineers kicked, raised to 86 per cent? Did you tell Mr. Butler about that?—A. I don't remember.

Q. Did you ever tell that to any other engineer?—A. Possibly, yes.

APPENDIX No. 5

Q. Did they accept it as a credible statement?—A. I don't remember.

Q. Now there is a discrepancy in your evidence-in-chief.

Mr. MACDONALD.—What time was this interview with Mr. Butler?

Mr. MURPHY.—The last week in July. Mr. Grant's report was put in on the 23rd of July and the Major was asked to come down. He came down and put his report in in reply and that was dated 31st July. It was in that interval that he had these interviews. Is that correct, Major?

The WITNESS.—That is correct.

Q. Now there is a discrepancy in your evidence-in-chief, Major, as to the time you were in the city on that occasion. You told us at one place, page 121 of the evidence, that you were here for two or three days before the board meeting?—A. I am not certain about the exact number of days.

Q. Well, so that you may have the whole of your evidence on that point before you, at page 133 of the evidence there is a statement by you that you arrived probably the day before the 31st of July?—A. Oh certainly. I wrote the report in Mr. MacPherson's office and it was typed in Mr. Lumsden's office.

Q. But you had been here for some days?—A. I don't think—I forget now how long I had to wait.

Q. You don't remember exactly?—No. I know I had to wait because the—

Q. The board did not meet until the 1st August?—A. The board was not there.

Mr. HODGINS.—Mr. Parent, Mr. Grant and Mr. Lumsden did not meet on 1st August.

Mr. MURPHY.—Yes, and the Major was at that meeting, or at the board meeting.

The WITNESS. I forgot the exact number of days I was here before the board met. I was laid up most of the time so that I could not go over to the office.

Q. In any event you were for a few days?—A. A few days.

Q. And you drafted your report, which is dated 31st July, and you filed it?—A. Yes.

Q. Then there was a meeting of the board on 1st August?—A. Yes.

Q. At which you were asked to attend?—A. Yes.

Q. Mr. Grant I understand was present?—A. Yes.

Q. And Mr. Lumsden?—A. Yes.

Q. And you and Mr. Grant were interrogated by the commissioners?—A. By Mr. Young. Mr. Parent went away.

Q. Mr. Parent went away?—A. Mr. Lumsden said very little. The whole inquiry, was not conducted by the chief engineer, it was conducted by Mr. Young.

Q. The chief engineer was present?—A. He was present.

Q. Do you remember what time of the day that meeting took place?—A. In the afternoon.

Q. Do you remember what time?—A. There ought to be the minutes. They took everything down in shorthand.

Q. Well I am told they did not?—A. Oh yes, they did. There was a man in there who took it down.

Q. I am instructed they did not?—A. Oh, pshaw.

Q. Don't you remember Mr. Parent being there?—A. Yes, he was there and he went away.

Q. Don't you remember Mr. Parent asking questions while he was there?—A. No. He sat at the head of the table and Mr. Young at the foot of the table. Mr. Young started to question and then he apologized to Mr. Parent; he said that he was talking a lot and Mr. Parent said, 'it is in your district' or something of that kind and very soon Mr. Parent went out.

Q. You don't remember any questions having been asked by Mr. Parent before he left?—A. Everything was taken down in shorthand, the shorthand man was there.

7-8 EDWARD VII., A. 1908

Q. I am told you were mistaken as to that; it was not?—A. Oh, but I know.

Q. You and Mr. Grant were interrogated as to your respective reports?—A. Yes, I was interrogated on Mr. Grant's report condemning everything.

Q. And your report was in there at the time?—A. Yes.

Q. The chief engineer having taken a position in a letter which was produced here that there were statements in both reports he could not agree with and he would have to go up and see the work?—A. Yes.

Q. Was there any other decision than that arrived at on the occasion of that board meeting?—A. Yes, he was to go up and inspect the work.

Q. Yes?—A. That was about all I think.

Q. Anything else?—A. I cannot recall it.

Q. You cannot recall anything. There was a reference to the outcome of that, or rather to your appearance before the board, in the subsequent letter received from Mr. Lumsden. What was the nature of that?—A. About my not being out on the work enough?

Q. About your replies at that meeting not being satisfactory or your explanation?—A. Yes, a reference to my not being out on the work enough.

Q. Was that it?—A. Something of that kind. It was about the last letter I got from him.

Q. Now, speaking about the work on McIntosh's division, you have told us that you examined it twice and that the first examination was not a very thorough one?—A. The first time we had not the detailed estimates with us.

Q. Did you find out afterwards that according to specification material that had been classed as solid rock should have been loose rock and common excavation?—A. I went over it with McIntosh and I saw that it was as he had classified it originally and I told him he would have to change it.

Q. How long after the work was done did you make this examination?—A. Well, some of the work that was changed back into solid rock had been done according to my notes, put in the other night, in February, in the winter time. I would say probably six or seven months.

Q. That would be six or seven months before your examination?—A. Yes.

Q. How long prior to your examination had the rest of the work been done?—A. There was some work going on at the time.

Q. At the time?—A. Exactly.

Q. How long prior to your examination had the rest of the work that you were investigating at that time been done?—A. The principal thing that I was investigating, the change of loose rock and common excavation into solid rock, that had been done some time.

Q. How long?—A. There is a record in about it, if you produce that it will show.

Q. It is a matter that is admitted by all engineers, is it not, that it is practically impossible to tell the quality of work unless it is seen at the time it is done?—A. Who told you that, Mr. Murphy?

Q. I think you made a statement to that effect?—A. To tell the quality of the work.

Q. Yes, the classification of it?—A. No.

Q. Unless it is so palpably solid rock?—A. The excavation here was common excavation pure and simple, and the rock, loose rock pure and simple. Now, how long after that work had been done do you imagine it is impossible to tell whether it is solid rock or not?

Q. I am asking you?—A. Yes, but I am an engineer and you are not. You are asking me an engineering question. I say you don't understand that question.

Q. Very well, I will ask it again: is it a fact, or is it not, that you can take a cut which is not solid rock and go back after the work has been done and the slopes fixed and tell what the work that was originally taken out should have been classified as?—A. You say it is impossible to do that?

Q. I am asking you whether it is or not?—A. No. You can do it.

APPENDIX No. 5

Q. You can do it?—A. Yes.

Q. Is that a rule you follow or a rule that is generally followed?—A. It depends altogether upon circumstances.

Q. That is what I understand?—A. You take me out a cut and test me upon it and I will give you an answer.

Q. You want to have a specific case?—A. Exactly.

Q. We will take you over a few later on, Major, and gratify you?—A. All right. Going down to Quebec? Going to take me down to Quebec?

Q. I don't know. We may probably be in District 'F.' You have told us that the August estimate came in with 1,100 yards of solid rock and no loose rock or common excavation and you stated, 'I changed, or had it changed back to what it had been previously.' That is to be found at page 137 of the evidence.' I changed, or it changed back to what it had been previously.' Who did the changing?—A. One of the clerks in the office.

Q. Was it you?—A. No.

Q. Was it Heaman?—A. I gave the orders for it to be done.

Q. Who did it?—A. I don't remember.

Q. Was it Heaman?—A. No, he is not a clerk.

Q. Well, who made the decision as to the change?—A. I did.

Q. You say: 'I changed or had it changed'?—A. You were so particular as to whether I did occasional scratching out myself.

Q. No, I beg your pardon. This is your own answer to your counsel?—A. I gave the order to have it changed. If I remember right, I had the estimates on my desk.

Q. Yes?

Mr. HODGINS.—It is mentioned there who did it.

Q. Yes?—A. And I saw the classification for those cuttings was still as it had been in July.

Q. Yes?—A. And I gave the order to have it cut out.

Q. Yes?—A. And put back to what it had been originally returned before July.

Q. I see?—A. I fancy Mr. Ruddick did it.

Q. Mr. Ruddick, not Mr. Heaman?—A. Oh, no.

Q. He did it, of course, under your direction?—A. Yes.

Q. Now, you put in, and filed as Exhibit 6, a copy of a letter written by you to Mr. Lumsden on the 14th September last, in which you set out your objections to the classification on part of McIntosh's work, and you embodied your objections in the charges which you have filed. Now, was that letter written in your office in Kenora, Major?—A. It was typed in Kenora. I took the notes on the work.

Q. The letter itself was written in your office in Kenora?—A. It was typed, compiled from notes I had taken up on the work.

Q. By whom was it typewritten?—A. Oh, I don't remember.

Q. You don't remember? Well, who did that work usually in your office at that time?—A. I forget.

Q. You forget?—A. Yes. I think there were three men who could typewrite there.

Q. Well, who were they?—A. I have forgotten the man's name; he was a stenographer. I believe he was a new man.

Q. He was what?—A. I think he was a new stenographer that I had got.

Q. You think he was a new stenographer?—A. There was one upstairs in the drawing office and this other man, Simonson and Colquhoun.

Q. This letter, you have told us, was written after you had been out making notes on the line?—A. Yes.

Q. Did you dictate the letter to the stenographer, do you remember?—A. I don't remember that.

Q. Or did you write the letter and give it to the stenographer to be copied?—A. I forget whether I wrote it out. It is a long letter.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Yes, a long letter?—A. I took the notes. I forget whether I gave the notes to the stenographer or dictated them.

Q. Well, now, I will show you the original of that letter for you to see if you can recollect whether you dictated it or gave the notes of it to the stenographer?—A. Where is that document I put in, Form 4, the one that McIntosh sent me showing those changes—my copy of it? I think it is marked triplicate. It is a piece of foolscap (document produced and handed to witness). I made some of the notes on this as I went along the work and some of the notes in Bell's camp. Here are some of the notes I made (pointing to document).

Q. Yes, Major; but I am asking you whether the letter itself of September 14, 1907, Exhibit 6, was dictated by you or first drafted by you and the draft given to the typewriter to run off?—A. That I don't remember. I should imagine it was drafted.

Q. Looking at the letter which you hold in your hand, would you say that it had been copied in your letter-book?—A. It ought to have been.

Q. Does it bear any indication on the face of the pages of having been copied into the letter-book?—A. Part of it is manifold I should say (after examination). No, it does not.

Q. It does not?—A. No.

Q. And that would be a letter?—A. That should have been copied, certainly.

Q. That would be a letter which would not appear in your letter-book, but of which you have had carbon copies, I presume?—A. Yes.

Q. Do you see anything on Exhibit 8 which enables you to recall the circumstances under which the letter was written?—A. (After examining document.) Yes, I think those are the notes, but I cannot read them very freely. Yes, those are the notes.

Q. The notes filed as Exhibit 8 form the basis of that letter of September 14?—A. Yes.

Q. A copy of which is filed as Exhibit 6? Well, can you tell us whether you dictated the letter or made a draft of it and handed the draft to your typewriter to run off?—A. I think I made a draft of it.

Q. You think you made a draft of it? Now, look at the letter more closely and tell us whether it was not run off by two different typewriters?—A. Yes, if it is not a manifold.

Q. Pages 1 to 3 look as if they had been done on one?—A. On one typewriter.

Q. On one machine and the remainder of the letter on another?—A. Yes.

Q. And the last page bears your signature?—A. Yes.

Q. Now, do you recall the circumstances under which that letter was written?—A. No.

Q. You do not? Do you remember giving a draft of the letter to the typewriter to run off?—A. No, I cannot say that I remember that.

Committee adjourned until 4 o'clock to-morrow.

THURSDAY, June 4, 1908.

The committee met at 4 o'clock p.m.

The cross-examination of Major Hodgins resumed:

By Mr. Murphy:

Q. When the adjournment took place yesterday, Major, we were speaking of the letter in which you first formulated your objections to the classification on McIntosh's work, the letter of September 14, filed as Exhibit 6?—A. Yes.

Q. You told us that you had drafted that letter and handed the draft to be copied by some of the clerks in your office?—A. Yes.

APPENDIX No. 5

Q. You recall telling us at a previous sitting that you had been out on the line just prior to that letter being written?—A. Yes.

Q. And you returned to Kenora on a Saturday, got the letter from Chief Engineer Lumsden on Sunday, and sent a telegram on Monday, the 16th September, which has been filed here?—A. Yes.

Q. You recall also telling us that you went to your office in Kenora on Saturday evening?—A. I don't remember, as I was saying in my evidence, the exact time I got back. I have not got the dates with me. If I could fix the date I left Bell's camp; but I don't know that.

Q. But you do remember, and so stated, that you got into Kenora some time on Saturday evening?—A. I think it was Saturday, yes.

Q. And by that fact you fixed the time upon which you received the letter from Mr. Lumsden notifying you of your dismissal?—A. Well, it was when I came down from that inspection. I had intended—first of all, I might say I had intended to go through from McIntosh's to Winnipeg river. I went on to Bell's camp, left McIntosh at Parson's camp and went on to Bell's camp the same night; and, instead of going through to Winnipeg river, I came down and went out by the Vermilion bay road. I have not been able to fix the date of the night I was at Bell's camp.

Q. What you said previously is reported at page 243 of the evidence (reading):

'Q. You haven't been able to fix the exact time of getting back to Kenora on Saturday, the 14th of September, but you do remember going to your office and getting some letters?—A. No, I am not certain whether I did go to my office; the office would be closed on Saturday afternoon, and I am not certain what time I got it.

'Q. None of your staff would be there when you got in?—A. No, they would not be there on Saturday afternoon.

'Q. And you know for a fact that it was Saturday afternoon when you got back to Kenora?—A. I left Canyon lake in the morning and rode down to Vermilion bay, and I think I had lunch there and waited for the train, but whether I came in on the mixed train or the express I have forgotten. If it was the express, I think the express got in about 4 or 5, and the mixed train would come in at any time about 8. I have forgotten now what time it was.

'Q. You have forgotten?—A. Yes.

'Q. At any rate, you knew there would be none of your staff in the office that afternoon?—A. No.

'Q. You did not reach Kenora until the afternoon?—A. I could not possibly.

'Q. And it may have been the evening; it all depends upon the train you took?—A. Yes.'

Now, are you able to fix the time upon which you went to your office on Saturday, 14th September, any more definitely than you were when you gave the evidence I have just read?—A. No. I have been unable to fix the date when I came down from Parson's camp. You read from a diary that I was up with McIntosh, on Friday, was it not, one night?

Q. No, I think the diary to which I referred you was for the purpose of fixing the date of the month?—A. Well, I have forgotten what time I came down.

Q. Well how did you fix Sunday as the date on which you received the letter of the 12th from Mr. Lumsden?—A. Well, in discussing the question that night—I have forgotten what night it was—I think I remember getting that letter on Sunday. If I remember right one of the men came over with the letter to me.

Q. On Sunday?—A. On Sunday, yes. I think it was Sunday.

Q. Perhaps a reference to your evidence at page 242 will help you to recall the date? (Reads):—

'A. What is the date of the notice?

'Q. 12th September?—A. It would be the 15th or the 16th before I got the notice; it takes three days to come up there.'

7-8 EDWARD VII., A. 1908

'Q. If the 13th was on Thursday, as it was, and the notice bore date on that day, and was posted on that day, when would it reach Kenora?—A. On what day was it dated, the 12th?'

'Q. Yes?—A. About the 15th.'

'Q. That would be Sunday, the 12th was on Thursday?—A. Sunday, yes. It was Sunday or Monday I got it.'

'Q. Now do you remember when you actually received the notice?—A. What day was the 12th?'

'Q. Thursday?—A. Sunday.'

'Q. Sunday the 15th?—A. I got it on Sunday afternoon.'

A. I think that is right.

Q. You think that is right?—A. Yes, Sunday would be the 15th.

Q. And do you recall some person bringing you that notice on the afternoon of Sunday?

Mr. HODGINS.—What notice?

Mr. MURPHY.—The letter from Mr. Lumsden.

A. One of the men in the office.

Q. Yes, but I am asking you do you recall his bringing it to you? I take your answer to mean that it would naturally be brought to you by one of the men in the office?—A. Yes.

Q. But I am asking do you recall his bringing it to you?—A. I think so. It would be Simonson.

Q. You think it was brought to you by Simonson?—A. Yes.

Q. He was one of your staff?—A. He was one of the staff and I think used to go for the mail.

Q. Is he one of the men you mentioned as being a typewriter in the office?—A. Yes, he was the secretary.

Q. Well then you would have got back to Kenora some time the previous evening, Saturday evening, if the letter from Mr. Lumsden was brought to you some time on Sunday afternoon?—A. Yes, if I left there on the—I would like to fix the time I was up in Bell's camp. I don't remember the date, and I think, as I said, it was on Saturday that I got in. I can hardly recall the days of the week.

Q. In giving your evidence at a previous sitting you remembered that you left Canyon lake in the morning?—A. Yes.

Q. And rode down to Vermilion Bay?—A. I came with Bell in the launch to Parson's camp, the morning I left Bell's camp when I decided to go back.

Q. Yes?—A. That would take me down, the launch would take me down to Parson's camp. Then I got a horse from Parson and rode into Vermilion Bay, about 17 or 18 miles.

Q. Yes?—A. And took the train from there.

Q. And as I understand from your former evidence got into Kenora some time on Saturday evening?—A. I presume so, I forget what train I took.

Q. We had all that before but you said you could not get in, in any event, until the evening?—A. Yes, I think the express passed Kenora going west about 4 and the mixed would come in about 8. What I am trying to remember is what time they passed Vermilion Bay.

Q. Perhaps I can mention an incident that would help you to fix the time of your arrival on that Saturday in Kenora. You have, I understood, or you had in your office, in Kenora an accountant named Dot?—A. Yes.

Q. Do you remember one of his children dying about that time?—A. I remember one of his children dying, I have forgotten the exact date.

Q. Do you remember that you desired to go to the funeral and that the funeral took place that Saturday you arrived in Kenora but prior to your arrival, and that you expressed regret at not being back in time for the funeral?—A. Yes, I think that is so. I was not at the funeral. Was that on Saturday?

APPENDIX No. 5

Q. So I am informed?—A. Yes, I remember one of his children dying, but I had no connected it with that trip.

Q. Well now does that help you to fix the time on that Saturday afternoon when you arrived at Kenora?—A. No, I can't say it does. I don't connect the two circumstances at all.

Q. But you are clear about having received the letter from Mr. Lumsden on Saturday, 15th September?—A. Yes, apparently so. It can easily be corroborated by Simonson or whoever was—

Q. Yes, but I am asking you now, Major?—A. I think so, yes.

Q. Are you sure whether you went to the office the previous evening which would be Saturday the 14th?—A. I cannot say, I cannot remember. I used to go over at odd times very often in the evening.

Q. How long would you have been absent from Kenora prior to Saturday, 14th September—a matter of days?—A. Let me see. I went out from Kenora one day with Heaman and I went up to McIntosh's camp and got there that night. Then I think the next day we went down to Pearson's camp and I spent that night at Bell's and I discussed classification with Bell and took some further notes and then I decided to come out. That would be one, two, three, I think it was three days.

Q. And as you have stated at page 243 of the evidence (reads):

'Q. I left Canyon lake in the morning and rowed down to Vermilion bay and I think I had lunch there and waited for the train, but whether I came in on the mixed train or express I have forgotten. If it was the express, I think, the express got in about 4 or 5 and the mixed train would come in at any time about 8. I have forgotten now what time it was.'

A. It would have been one of those trains.

Q. That you arrived on?—A. Yes.

Q. So that you would be in Kenora at either 4 or 5 in the afternoon or 8 in the evening?—A. Yes.

Q. And as you have told us there would be none of your staff at your office on Saturday afternoon?—A. No.

Q. So consequently there would be no work done there?—A. No work. They did not come down to the office Saturday afternoon.

Q. Well then, major, I would like to explain how it is that on an afternoon that you did not reach Kenora until either 4 or 5 in the afternoon or 8 in the evening, and when none of your staff would be at your office, you wrote a letter dated September 14th, 1907, which is the date of which you have been speaking?—A. That would be the date I took the notes. You see I started this letter in Bell's camp.

Q. Yes, but you have told us that letter was written in Kenora?—A. Yes, it was typed in Kenora. It was a compilation of notes taken on the work.

Q. I understand that, but I am asking you how could that letter have been type-written on Saturday, 14th September, when you did not get into the office, in any event, earlier than between 4 and 5 and perhaps not until 8, and you have told us none of your staff would be in the office that afternoon and when the letter was written you said by two of the clerks in your office?—A. Possibly, there are two different inks used.

Q. I want to know why that letter bears date of 14th September when you yourself make it plain it could not have been written on that date?—A. It was that morning I took notes.

Q. I am not asking you when you had taken notes, you have explained all that?—A. Can you explain what difference it makes?

Q. I am not in the witness box, major, I am asking you?—A. According to the way we have been figuring now that is the date I left Bell's camp.

Q. Which, the 14th September?—A. The 14th September.

Q. That makes the situation all the worse?—A. In what way? How does it make it worse?

7-8 EDWARD VII., A. 1908.

Mr. HODGINS.—There is no worse situation that I see.

The WITNESS.—I don't see any worse situation. If I took notes for a letter, start to draft a letter and have it typed, does it matter whether I date the letter from the time I took the notes or from the time it is typed?

Mr. Carvell:

Q. I suppose the substance of all this is, the letter was ante-dated?—A. Actually written on Monday and possibly dated back to Saturday? Is that the idea?—A. Possibly.

Mr. BARKER.—That is not ante-dated.

The WITNESS.—That is not ante-dated. If I am out on the work—the fact of the matter is when I got to Bell's camp I had not intended to come out and I heard something from Bell that changed a whole lot of my ideas.

By Mr. Carvell:

Q. Am I not right in assuming that this letter was actually written on Monday and dated back to Saturday?—A. Possibly. Let me see the date it was received? (After examining letter). Received on the 18th. This is a statement of fact, whether written on that day or typed—

By Mr. Murphy:

Q. Oh, no, you have given us absolute proof that it could not have been typed in the office at Kenora on the 14th. You draw a distinction between a letter that is typed and written?—A. What distinction do you draw?

Q. I am not drawing a distinction, I am asking you a question. You have given us proof it could not have been written on the 14th in your office at Kenora because you were not there—A. Well—

Q. Allow me. You have shown you were not there—A. Yes.

Q. Until late in the afternoon, in any event, and none of your staff were there?—A. Yes.

Q. Even if you had been there it could not have been typed. Now, I want to know why this letter is dated Kenora, September 14th, when obviously it was written after that date?—A. Typewritten.

Mr. HODGINS.—Typed you mean.

The WITNESS.—Typed on a machine. When I got up to Bell's camp—that is the date I took the notes—when I got to Bell's camp, I had left McIntosh the night before with Heaman at Parson's camp and I had objected to his classification, and I told McIntosh, and I also told Heaman, that they were both to go back over the work and reclassify, and I expected the classification in the September estimate to be satisfactory to all parties concerned. At the end of McIntosh's work, at the end of the piece I had been inspecting, there was a sand cut and that cut was on Bell's residency and it was late in the evening when we got there. But I could not understand the classification that McIntosh gave me, some of the August classification that was there. I think he said that Bell had made the classification. I found there was a fill, a cutting. To the east of this fill was a rock cutting covered with a stripping, a certain amount of stripping, which had been taken out some time previously. I forget the number of yards in that stripping. That number of yards had been returned previously as loose rock, it had been in the July estimate—I think it was 2,000 odd yards—and the July estimate had been put into solid rock. When I got across to the other side I found that in the sand cut a smaller number of yards of sand had been returned as loose rock. If I had that exhibit I had the other day with some of these notes on and if I had a profile here I could explain it. In this sand cut I found there was a certain number of yards of sand had been returned as loose rock.

Q. Pardon me, Major, I don't want to interrupt you if you are answering the question about the date, but up to the present I cannot see what all this refers to. I cannot see how all this refers to the subject of this letter?—A. What question

APPENDIX No. 5

do you want answered, the date? I started to write the letter when I got to Bell's camp with the intention of forwarding it on and I changed my mind and did not continue my trip west but came out.

By Mr. Hodgins :

Q. What did you do with the letter?—A. That is the bulk of it in the letter there. I had taken all these notes previously. The fact of the matter is I could have dated that letter—these notes on the back of this letter were taken, I think, on the day before.

By Mr. Murphy :

Q. Well then, this letter, though dated September 14th, I understand you to say in reply to Mr. Carvell was written on Monday, September 16th?—A. Typed

Q. Typewritten?—A. Let me see what date it was received in Ottawa and we can determine what date it left my office?

Q. September 18th?—A. It is a long letter. September 18th. Yes, possibly it was.

Q. Do you remember whether it was written on the 16th or not?—A. I cannot recall it just now.

Q. You cannot recall it now. In any event it cannot have been written or typewritten on the 14th?—A. Oh typewritten?

Q. It cannot have been typewritten on the 14th?—A. Cannot have been typewritten on the 14th.

Q. And prior to this being written you had received notice of dismissal from Mr. Lumsden on Sunday?—A. Oh I see.

Q. Is that not a fact?—A. No. What does the letter contain? Notes?

Q. You know what the letter contains?—A. Did I keep on the line after I received Mr. Lumsden's letter?

Q. I cannot tell you, Major, you know whether you did or not?—A. I did not.

Q. In any event this letter, the typewriting of this letter, succeeded the receipt by you of the letter from Mr. Lumsden notifying you of your dismissal?—A. Exactly, according to these dates.

Q. According to these dates. Well now why did you not date this letter September 16th when it was being typewritten?—A. Why should I?

Q. Because that is the date it was typewritten, that is the date it was sent?—A. I want to know what reason you had for dating this letter September 14th when it was not typewritten until September 16th?—A. Because I took the notes on that date.

Q. You have told us you took the notes previous to September 14th?—A. No, pardon me. I started that letter, started to send that letter on from Bell's.

Q. Now is it not the fact, Major, that the sending of this letter, the typewriting of it, as you call it, on September 16th was due to the fact that you had received the letter from Mr. Lumsden the day before? Is not that the fact?—A. I don't know.

Q. Will you swear it is not?—A. I don't see that it will make any difference.

Q. I am not asking you that?—A. When was I relieved?

Q. I cannot answer that question, Major?—A. No.

Q. What is your—?—A. My answer is that I took the notes, I started to draft the letter on the date given there.

Q. But you took the notes prior to September 14th did you not?—A. Some of them.

Q. Yes?—A. You don't start to write your letters before you get your notes finished?

7-8 EDWARD VII., A. 1908

Q. Well I don't know what your practice is, I only know that you have dated the letter on a date on which it was not typewritten and I am asking you the reason why?—A. Well I am endeavouring to explain.

Q. Now is it not the fact that you dated the letter September 14th, although it was typewritten on Monday, September 16th, simply because in the interval you had received a letter from Mr. Lumsden containing notice of your dismissal?—A. I cannot say that.

Q. Is not this letter of September 14th, filed as Exhibit 6, the first letter of the kind that you had sent in finding fault with this work?—A. Oh dear no.

Q. Are there any other letters?—A. I have found fault with the classification in previous letters, I think, if you will look them up.

Q. Is this the first letter, the letter dated September 14th, in which you specifically found fault with this work on McIntosh's division?—A. Specifically?

Q. Yes?—A. Yes.

Q. And was it not just about that time, or a few days prior to that, that McIntosh had taken away those questions that you had given him to answer about Grant and had not signed them and had not returned them to you?—A. He was to type them out and send them down to my office.

Q. And he had not done so?—A. No.

Q. And if I am not mistaken there is a letter from you here explaining that you were unable to get over to see him?—A. Yes.

Q. That all happened about the same time?—A. All about the same time. I don't know what the date of that letter was.

Q. Now, the notes to which you have just been referring, I think Exhibit 8, were spoken of in your examination-in-chief, and reading from them you said that they were made between the 12th and the 14th September, and that you decided that 400 yards of material mentioned in your notes should be loose rock?—A. What station was that, 4,009?

Q. I don't remember the station, but I have the statement?—A. There is one note here (referring to exhibit) 400 yards of loose rock was turned into solid rock and I turned it back into loose with the note 'Too much waste.'

Q. And that also is mentioned in this letter of September 14th?—A. Yes.

Q. Written under the circumstances we have just been speaking of. Now, further on in your examination at page 145 of the evidence, you stated that you told McIntosh to reclassify the work and that you would not make the classification?—A. Certainly not.

Q. Was not that your duty?—A. Pardon me, no.

Q. Not your duty?—A. Indeed no.

Q. Why not?—A. It is not the duty of the district engineer to make classification, it is the duty of the resident engineer to make classification and consult with the division engineer.

Q. Then when McIntosh did what you told him to do why did you change the classification?—A. Because it was wrong.

Q. Well then were you not making the classification?—A. No, I was correcting it.

Q. You were correcting it. Very well, why did you not correct it afterwards?—A. Do you understand how classification is made?

Q. Well, I have been getting some information from you, Major, about it, but I really don't know that I understand it?—A. I don't think you do.

Q. Well, I am afraid that we are not making progress?—A. It takes a long time to make it clear.

Q. I don't think that I really understand it yet?—A. I don't think you do, it takes a long time to make classification.

Q. It did in District 'F,' evidently.—A. Do not make such remarks about District 'F,' please, because you do not know.

APPENDIX No. 5

Q. Was it not your duty to give directions to your subordinate engineers?—A. Exactly.

Q. Why didn't you do so?—A. I did do so.

Q. Your instructions consisted merely in telling him he would have to re-classify?—A. Exactly.

Q. But you gave him no assistance nor instructions how to do it?—A. Wouldn't you, under those conditions, if the man had originally classified certain materials, common excavation and loose rock, and you went on the work and saw it was common excavation and loose rock and not solid rock, would you not tell him to do that?

Q. Any man could tell him to do it over again.—A. When this classification was not satisfactory.

Q. Yes, but you gave him no assistance beyond telling him to reclassify?—A. It is not the duty of the district engineer to do so; if you had a man in your office, Mr. Murphy, and he drew up a deed or a will, or something like that, and did it wrong, and ought to have done it right, you would tell him to go and do it properly, if you knew that he was capable of doing it right?

Q. I do not know that I would, I think I would do it myself.—A. Well, it is a simple thing to draw up a document, of course.

Q. It may be, but your illustration is not very practical just now, that is my idea about your work.—A. Yes, but you are a lawyer and not an engineer.

Q. I may tell you that we are all at that disadvantage, the committee and myself.—A. Any one of these engineers will tell you that if you are going to reclassify a certain cutting you must have all the information you can get out of the men on the work, you must examine the resident and division engineers, and must look at the cuttings, you may have to make measurements and all that, and how much time has the district engineer to do that if he has to go over 11 or 12 miles?

Q. It seems to me that you are furnishing the very best proof that McIntosh's classification was right, you say you hadn't the time to go over these things yourself?—A. Surely a man of my experience can tell whether it is right or wrong.

Q. What data have you on which to tell that?—A. The data is in the back of my head.

Q. And without being out on the work you can correct this man, whom you told to reclassify, and who was out on the work and knew all about it?—A. Yes, I told him right, those were correct instructions.

Q. To re-classify?—A. Yes, that the classification was wrong, I thought it was wrong, I knew it was wrong, and it had to be corrected.

Mr. HODGINS.—I think I should call attention to the letters of September 7 and 9, from Mr. Hodgins to Mr. Lumsden protesting against the classification.

Mr. MURPHY.—I had those in mind, in which he said he specifically drew attention to the matter.

Mr. HODGINS.—He specifically drew attention to it in those letters, Exhibit No. 11 and 12, on page 152 and 154 of the evidence.

A. I told Mr. McIntosh to go over that work again, to take all the time he wanted to re-classify it. I think, Mr. Murphy, the chief engineer ought to be here and discuss this question with me.

Q. Now in this dispute between you and Mr. McIntosh, Major, did the interpretation—

Mr. HODGINS.—What dispute do you refer to?

Mr. MURPHY.—About this work.

Mr. HODGINS.—I haven't heard any dispute.

Mr. MURPHY.—There was a difference of opinion, the Major has told us about that.

By Mr. Murphy:

Q. In this difference of opinion between you and Mr. McIntosh about the classi-

7-8 EDWARD VII., A. 1908

fication of the work on his division did the question of the interpretation of the specifications come up?—A. Yes, I presume so.

Q. Did the question of the interpretation of clause 33 come up?—A. What is clause 33?

Q. (read):

“Grading will be commonly classified under the following heads: ‘solid rock excavation,’ ‘loose rock’ and ‘common excavation.’

A. Yes, that is all we had to go on.

Q. Now, did the interpretation of clause 34, which is as follows:

‘Solid rock excavation will include all rock found in ledges or masses of more than one cubic yard, which, in the judgement of the engineer, may be best removed by blasting.’

Was the interpretation of that clause in issue between you and Mr. McIntosh?—A. No.

Q. No? Was it applicable to the dispute or discussion, or the difference of opinion between you?—A. At that time, no.

Q. Not at that time?—A. There was no question of the word ‘masses’ in those days. Will you bring down the file of documents with the chief engineer’s opinion—

Q. Just a moment, we will get ahead with these things faster by proceeding more regular. Then I direct your attention to clause 35 of the specifications. (reads):

‘All large stones and boulders measuring more than one cubic foot and less than one cubic yard, and all loose rock whether in situ, or otherwise, that may be removed by hand, pick or bar, all cemented gravel, indurated clay and other materials, that cannot in the judgment of the engineer, be plowed with a 10 inch grading plow, behind a team of six horses, properly handled, and without the necessity of blasting, although blasting may be occasionally resorted to, shall be classified as loose rock.’

A. Yes.

Q. That is loose rock?—A. Yes.

Q. Was the interpretation of that clause in issue between you and McIntosh?—A. No.

Q. There was no issue between you?—A. The transferring of common excavation and loose rock into the column of solid rock.

Q. Well, admitting that to be the case, then some of these clauses in the specification must have been an issue, McIntosh must have had one opinion about the interpretation and you must have had another?—A. No, we all had the same opinion as to the interpretation of these specifications.

Q. Was there any solid rock in question?—A. No—do you mean solid rock in ledges or boulders?

Q. I mean in this discussion between you and McIntosh?—A. We did not discuss the specification.

Q. You ultimately get back to the specification on which you entertained you say, the same opinions.

By Mr. Macdonald:

Q. What is the answer to that question, was there any issue on the solid rock?—

A. No, Mr. McIntosh was defending this transfer more on account of the cost, I think, if you look up some of my notes you will find—

Q. Was this question of solid rock an issue between you and McIntosh, that is what I would like to know?—A. No; he defended his classification in that way, and said it should have been returned before. I said: ‘Why?’ and he said: ‘Well, it costs as much as solid rock,’ or words to that effect. I understand now, from the second opinion given by Mr. Lumsden, that it would, or might, come in the class of solid rock. I have not read Mr. Lumsden’s opinion very carefully.

Mr. BARKER.—We do not want to know what at present is Mr. Lumsden’s opinion—just give your own evidence.

APPENDIX No. 5

By Mr. Macdonald:

Q. Was that a question at issue between you?—A. You see that is where the complicated operations of the inquiry come in; we were working under one interpretation in those days and the engineers are working under another interpretation at the present time.

By the Chairman:

Q. Do you mean to say you had a different opinion as to the allocation of the classification?—A. No.

Q. Because it seems to me it all depends upon the interpretation given to this clause of the specification?—A. If I had a knowledge of what is contained in certain documents in there it would have altered the question entirely, or might have; I have not examined the work with these new ideas in my head, and I have not quite got the new ideas in my head either.

By Mr. Murphy:

Q. Taking your own explanation now—A. We have to work back and discuss this question as it appeared to both McIntosh and myself in those days.

Q. Taking your own opinion, it was one of the usual differences of opinion between engineers?—A. It was an unusual difference of opinion.

Q. Unusual, do you mean, in your case?—A. No, in McIntosh's case.

Q. But usual in yours?—A. We would have had to have gone over the whole line and put all the stripping into solid rock in every other engineer's division.

Q. You say that had been done?—A. No, it would have had to be done.

Q. I do not comprehend your answer?—A. This was described as stripping which is not solid rock, or it was not in those days, and it was not customary to return it as solid rock. If it had been returned in portions of one division as solid rock it ought to have been returned on the other four or five divisions.

Q. Now, Major, will you give us your interpretation of that clause 'solid rock,' what you understand by that?

Mr. HODGINS.—I submit that would be governed entirely by the specifications.

Mr. MURPHY.—I am asking him his opinion on it; it is a matter of interpretation.

A. (Reads):—

'Solid rock excavation will include all rock found in ledges or masses of more than one cubic yard, which, in the judgment of the engineer, may be best removed by blasting.'

That is, solid rock in ledges and solid rock in masses, in my opinion.

Q. That is your interpretation of clause 34?—A. Yes; I would not include cemented gravel or cemented boulders, unless they were rock.

By the Chairman:

Q. Then you do not agree with the interpretation given by that clause there?—A. Which clause?

Q. Clause 34, is it?—A. That is my interpretation of it.

By Mr. Murphy:

Q. How do you interpret that 34?—A. Solid rock will include all rock found in ledges or masses of solid rock.

Q. That is the only interpretation you give?—A. Yes, sir.

By Mr. Carvell:

Q. You would add to that boulders, wouldn't you?—A. A boulder would be a mass of solid rock.

By Mr. Barker:

Q. It always means solid rock, always?—A. I take it that is the whole thing, the word there is solid rock.

By the Chairman:

Q. I want to know what is your interpretation of this clause 34, 'which, in the judgment of the engineer, may be best removed by blasting'; what do you say is the interpretation of that?—A. I say it referred only to solid rock—to solid rock, boulder or mass, or solid rock in ledges.

By Mr. Barker:

Q. It must be a boulder of a particular size?—A. It must be rock.

By Mr. Murphy:

Q. What about boulders in mass, Major, would you consider they come under that clause, in your interpretation of that clause?—A. Boulders in mass?

Q. Yes?—A. Well, if the individual boulder was a cubic yard, I would say it was solid rock; if it was not, I would not.

Q. It would have to be a cubic yard or over?—A. A cubic yard or over.

Q. Now, would your definition include conglomerate rock, or what I am informed is called 'plum pudding stone'?—A. That is a rock that is not often found in this country. I have not seen any of it on the district yet.

Q. I am not asking you that. I am asking you about the interpretation you put upon it; would it include that?—A. If it was rock, it would. That is what I consider 'plum pudding rock,' it is the same as rock cemented together, fused together. I do not know how to explain it in the geological term, but it would be rock, two or three smaller boulders and whatever has cemented it together, it would be rock.

Q. Then if it were of that character it would be included in your interpretation of that clause?—A. It would be rock, but I have never seen what I call plum pudding rock, only an occasional boulder there.

Q. That is you have not met it on District 'F,' is that what you mean?—A. Not in this country.

Q. Would your interpretation of Clause 34 include the detached rock in mass over one cubic yard?—A. Oh, yes, that would be rock.

Q. It would be?—A. Yes, no matter whether it is detached ledge or detached ledge rock in mass over one cubic yard?—A. Oh, yes, that would be rock.

Q. It would be?—A. Yes, no matter whether it is detached ledge or detached boulders, if it is over a yard.

Q. Would your interpretation of Clause 34 also include rock in mass, I believe you call it cemented rock of over one cubic yard?—A. There again it has to be measured, the rock in the mass would have to be measured.

Q. Well, whether measured or dealt with in any other way would your interpretation include it?—A. Well, the individual pieces of rock there would have to be measured, if they were over one cubic yard—but you are giving me a catch question, and in order to get down to this properly you have to be out on the work, and when you come up to the problem you have to solve it.

Q. You can give us your interpretation of the clause in the specification without being out on the work?—A. I am giving you the literal interpretation, I know I have not read these legal opinions very closely.

Q. I am asking you for an engineering opinion, and you have told us one problem you met with on McIntosh's work, and when you met it you ran away from it and didn't decide it?—A. I decided it.

Q. You told him to reclassify it, and you have told us that the men on the work were the best qualified to do that?—A. There was no running away from it, he is the man who signs the estimate, I had not seen them before I got them from him—

APPENDIX No. 5

Q. There was a problem, as you phrased it, there?—A. There was no problem.

Q. What was it, a difference of opinion?—A. It was ordinary practice.

Q. Well, then, would the interpretation that you have given us of Clause 34 include shale rock, 'which in the opinion of the engineer can best be removed by blasting'?—A. There is no shale in that country.

Q. I am not asking you about the country, but about the interpretation of the specification and what it covers?—A. Shale is of different degrees of hardness, I think myself shale ought to go in a different classification. I have seen shale rock that could be removed by a pick.

By the Chairman:

Q. You say there is none of that class of rock in your district, do you know whether there was any in Quebec district or not?—A. No.

Q. Have you gone over it enough to find out?—A. I have only seen a small portion of it.

Q. So that you cannot say whether there is any in Quebec or not?—A. I do not know anything about Quebec; from what I know of this work it is mostly of granite.

By Mr. Murphy:

Q. I am told that there is rock of this character found in a few places?—A. I haven't seen it; in some of the clay cuts I have seen a few layers of mud that thick (illustrating) but there are various shales, all sorts of shales you will find in different parts of the country.

Q. Does your interpretation cover this kind of shale rock that I have asked you about?—A. What is that?

Q. 'Which in the judgment of the engineer can be best removed by blasting'?—A. Yes, if it requires blasting.

Q. Your interpretation of Clause 34 would include that?—A. Shale is rock but I never came across any up there.

Q. You never came across any you say, when there?—A. Not in rock, in layers.

Q. I am informed it has been met with in considerable quantities when they went down a piece?—A. I have not seen it.

By Mr. Macdonald:

Q. Would you be good enough to tell us as to whether or not your definition of that clause in the specification is your view of its meaning, as you understand it now, or whether that was the view you entertained in August and September last.—A. Well, that is my view of it now, if I were under the chief engineer I would have to accept his view, that is a different matter.

Q. That is your view now, but it is not the view you entertained in August last?—A. Yes, this has always been my view.

Q. I noticed yesterday you said that since you had read the legal opinions upon this question of the construction of the specification you had considerably modified your views?—A. Well, not my interpretation of this clause; when one reads the opinion of legal men in this country, eminent counsel, we should go into the question that they have raised and study it.

Q. In what respect?—A. I just glanced over them, I have not read them thoroughly.

Q. In what respect have your views been modified as a result of the inspection of those opinions?—A. My views have not been modified, but the question is a different one now. When I was there the opinion of Mr. Luumsden, whose opinion is supreme on the question of interpretation, appeared to be the same as my own, that I have given just now; that was his opinion as far as I understood it. The question had never come up, this word 'mass' has only come up since I was there, and since then Mr. Luumsden has changed his opinion and given possibly the opinion

7-8 EDWARD VII., A. 1908

that Mr. Murphy is reading from, therefore all the engineers on the road must be governed by that opinion now, whether they think it right or wrong.

Q. Do I understand you to say that these subordinate engineers at that time took the view that Mr. Lumsden did, and these local gentlemen took another?—A. There was no question of that, the argument wasn't even raised, as I understand it; now the question of 'mass'—

Q. Now the question of mass, but you said the whole trouble was classification, but apparently these gentlemen, Mr. Lumsden and the legal gentlemen, entertained one view and you entertained another?—A. No, Mr. Lumsden, at the time I was there, entertained the same view as I did; the whole question of classification is since I was up there.

Q. Then it is not correct to say you have modified your views? In any respect, that is what I wanted to ask?—A. No, I am talking yesterday—

Q. You said yesterday, 'When I wrote that letter I had heard there was some dispute about the wording of the specification, but I had no knowledge of any legal opinions on it—since I have read these legal opinions I have considerably modified—'

Q. Modified your views?—A. My views, Yes—I have not modified my views of the interpretation, it is a very interesting question and I would like to see it argued out.

Q. This is really a question of engineering after all?—A. Yes, it is, it practically amounts to this, it is a question of the meaning of the words and phrases in that specification; I noticed that some of the legal opinions said, 'May be best removed by continual or occasional blasting.' There is no reference to 'continual or occasional' blasting in this specification.

By Mr. Barker :

Q. Did McIntosh in making his original estimate agree with you also?—A. Oh yes.

Q. In the original return?—A. There was no difference of opinion between McIntosh and I—

Q. Just answer my question, please. In his original return did he adopt the same views of classification as you did?—A. Yes.

By Mr. Macdonald :

Q. Did he always do that?—A. I presume so, this was the first time I discovered he had not.

Q. Which was the first time?—A. Well, the transfer of so many yards of common excavation and loose rock.

Q. Well, what date was that?—A. July.

Q. Have you personally inspected the part of the work where this dispute arose in July?—A. No, in July—I was there in July—but it was before that estimate was changed. I was down in Quebec the most of the month, I was not out on the work at all that month.

By Mr. Murphy :

Q. Do you know Mr. McIntosh's interpretation of the specification?—A. Now?

Q. Yes?—A. No, I have not asked him. His argument for making the transfer was on account of its costing as much as solid rock.

Q. When you said, in answer to Mr. Macdonald, that your interpretation had agreed with his I assumed then that that was based merely on the fact that there hadn't been any difference of opinion between you.—A. The question had never come up.

Q. But you did not, at that time, as a matter of fact, know what his interpretation of the specification was, through having asked him.—A. We did not discuss it. He raised that classification and put that material into the solid rock column,

APPENDIX No. 5

not on these specifications, but because he thought it ought to go in as solid rock, fer was on account of its costing as much as solid rock.

By the Chairman :

Q. Then he must have differed with you on the interpretation of the clause as of specification?—A. We never brought it in as solid rock.

By Mr. Murphy :

Q. You never discussed the application of this clause of the specification?—A. To that particular piece?

Q. With McIntosh?—A. It simply was not solid rock. The only argument he could put up was not as being solid rock but that it was costing about as much as solid rock.

Q. I am asking you did you, or did you not, discuss this clause of the specification with McIntosh?—A. Yes, all the engineers would come in—I can remember no particular time—but they often come in and we would discuss things generally, but I could not quote particular instances.

Q. Did you ever give McIntosh your interpretation of this clause of the specifications?—A. Possibly, yes.

Q. Well, did you?—A. I fancy so, if the question came up.

Q. Did you or did you not?—A. I cannot remember any particular time, but I am pretty certain in saying yes.

By Mr. Macdonald:

Q. Was it in writing?—A. I do not remember it was in writing.

By Mr. Murphy :

Q. Did you give any interpretation to any other of the engineers in writing?—A. I say it was quite common for the engineers to ask questions—that is three years ago, and we discussed endless questions.

Q. I am asking you if you did give your interpretation in writing?—A. I do not remember.

Q. Would your interpretation of clause 34 include small rock, cemented, requiring blasting?—A. You mean cemented gravel?

Q. Small rock I was asking you about?—A. Small rock. What size of small rock?

Q. Boulders?—A. What size would you include?—A. I would include the boulder if it was over a yard as solid rock; if under a yard it was loose rock.

Q. Then the consideration that would influence you in that case would be the size?—A. Yes, it mentions a yard measurement. It gives a yard specifically, says it requires the measurement of one cubic yard.

Q. That is what influenced your interpretation in that case?—A. Yes. You see as I told you yesterday, the specification for loose rock is too severe in my mind and there should have been on that work in district 'F'—the character of the country really demanded a fourth price material in there. That loose rock specification was—

Q. Was that the one which you covered by what you say about 'material best removed by blasting'?—A. Well it would have been—I never went into the excavation.

Q. Or would you call that material? What material would you say that would apply to 'material best removed by blasting'?—A. Well, you see all material is best removed by blasting. In some cases it is best to—in an earth cut for instance it is best to put in a blast to shake it up; it saves picking.

Q. In such a case as that would your interpretation of clause 34 cover it?—A. No.

Q. Well, does your explanation go to this, Major?—A. What way?

Q. You have just explained about putting in a blast in an earth cut?—A. Yes.

Q. Give us an interpretation of one of these clauses, an illustration?—A. Well,

7-8 EDWARD VII., A. 1908

you see that cut could be easily—that earth cut could be easily ploughed. I am speaking now of an earth cut. There is no dispute about common excavation, there is no dispute about it, the contractor can plough that.

Q. There could not be any issue about that at all?—A. It is cheaper instead of ploughing it to put in a blast and shake it up.

Q. I see?—A. Contractors will tell you that.

Q. Well now—?—A. It is very often done in the west. But that clause 35 is a heart breaking one.

By the Chairman:

Q. Is what?—A. A heart breaking one. The plough test is a very difficult test to judge properly.

Q. In your examination-in-chief when speaking about your interview with Mr. Lumsden in Winnipeg you stated that you had told him that you had noticed a jump in solid rock and that the only way you could account for it was that somebody had suggested a more liberal return than you could approve?—A. Will you give me the Exhibit?

Q. That is to be found at page 150 of the evidence. Do you remember stating that?—A. I would like to have the Exhibit. I referred to it. It is a list of—

Q. Here is what I mean (reads):

Q. What discussion took place between you and him as to these July estimates?—A. I said I had noticed that there were several cases where the solid rock estimates had jumped in that month but of the usual average and the only way I could account for it was that somebody had suggested to the men, the engineers on the line, to return solid rock with more liberality than I was inclined to do.'

Mr. HODGINS.—Where is the Exhibit?

Mr. MURPHY.—I am not asking about the Exhibit, I am asking about that statement.

The WITNESS.—I want to find the paper I based that on (Exhibit produced). That is the one I think. What is your question Mr. Murphy?

By Mr. Murphy:

Q. I am referring you to the evidence you gave in answer to your counsel and I have read you your reply to his questions contained on page 134, and I direct your attention to your statement; the only way you could account for it was that somebody had suggested to the men, the engineers on the line, to return solid rock with more liberality than you were inclined to do?—A. Yes.

Q. No, how do you know that anybody made any such suggestion?—A. Yes. What is the date of that interview?

Q. It was your interview with Mr. Lumsden in August last?—A. Yes.

Q. Do you know that anybody had made any such suggestion?—A. Of increasing the solid rock?

Q. I will read this to you again (reads):

Q. What discussion took place between you and him as to these July estimates?—A. I said I had noticed that there were several cases where the solid rock estimates had jumped in that month out of the usual average and the only way I could account for it was that somebody had suggested to the men, the engineers on the line, to return solid rock with more liberality than I was inclined to do.'

Mr. HODGINS.—Read the next question.

Mr. MURPHY.—I am not going to do so.

Q. Do you recall that?—A. Yes.

Mr. HODGINS.—It is unfair to the witness.

Mr. MURPHY.—Now my learned friend will permit me to cross-examine the witness.

Q. Do you remember giving that evidence?—A. Yes,

Q. Now do you know whether Grant made any such suggestion as you indicate

APPENDIX No. 5

there?—A. I had heard from some of the engineers—in my discussion with him in my office, just after he had made his inspection, he suggested that the classification should be increased.

Q. He suggested, you say, that the classification should be increased?—A. Yes.

Q. Did he say how or where?—A. By using force account. We discussed the question of force account as an aid to classification.

Q. Yes, that is not the suggestion you refer to is it?—A. No, it is an inference. My statement there is an inference that I came to on getting his document I had in my possession here.

Q. I see. It is only an inference deduced from the returns compiled for you by Mr. Ruddick in your office?—A. Yes, I asked him to make out these things. I showed that in—

Q. Never mind we have that?—A. Did you get the soild rock?

Q. Yes, we have all that filed and taken down. Now following the answer I have just directed your attention to, when you were putting in those figures contained in Exhibit 8, you said that all these figures should be taken in connection with force account too?—A. All which figures?

Q. The ones you had been reading?

Mr. HODGINS.—At what page?

Mr. MURPHY.—At page 151 of the evidence.

The WITNESS.—Yes, force account.

Q. All these figures should be taken in connection with force account too?—A. —Yes.

Q. Just explain what you mean by that?—A. Increased force means yards, that would mean you would have to make a deduction, a general deduction. Increased force on the work would mean increased yards—

Q. Yes?—A. Moved. It ought to be.

Q. Would you just explain a little more fully, major, what that reply of yours means: 'All these figures should be taken in connection with the force account too.'—A. Yes. Well, one would have to get to work and find out the number of yards of rock moved by the men per day or per month in either of these months that I have given here. It would be rather a long calculation to make.

Q. Yes, but I want to know what is the bearing?—A. The general bearing is that—take for instance the common excavation moved in June, for the month of June.

Q. Yes?—A. 11,942 yards.

Q. Yes?—A. There were so many men moving that.

Q. Yes?—A. Now in the month of July there were only 385 yards moved so a lesser number of men would have moved that. In the month of August 14,000 yards moved, so a very much increased number of men would have moved that. But in order to get these figures we would have—for the date when the extra men or the lesser number of men would work, we would have to have the force account for the months.

Q. And I suppose it would also depend upon the weather?—A. Yes.

Q. As to the time they were able to work?—A. Yes.

By Mr. Macdonald:

Q. If you will pardon me, Mr. Murphy; what is your theory about the condition of affairs there last summer? You say that down to July there was no fault to be found with the classification that was made by the District and Resident Engineers under you?—A. No.

Q. Do I understand that?—A. Yes.

Q. You say that in July the classification of these engineers was being made differently from that you thought was proper?—A. Yes, on two divisions.

7-8 EDWARD VII., A. 1908

Q. On two divisions only? Then as regards the rest of the divisions, it was all right?—A. Yes. There were probably one or two places, I think, it was increased a little.

Q. Now, do I understand you to say that you regarded this increased classification as being due to the incorrect judgment of the engineers or to some improper influence that was exercised on them?—A. Well, it was—I put it down to Mr. Grant's—

Q. You say—I only want to find out, because there will be a time in this inquiry when we will have to get down to the first principles—you say that when Mr. Grant came on the scene he exercised an influence over the engineers in these two districts, which caused them to increase the classification?—A. Yes.

Q. Now, do you say that influence of Mr. Grant was due to a difference of opinion between you and him as to how rock or other material should be properly classified or whether it was due to an improper?—A. I cannot—

Q. Idea on his part?—A. I cannot accuse him of having an improper idea.

Q. You could not accuse him of having exercised an improper idea?—A. I say it is a wrong idea.

Q. That is, you and he simply disagreed?—A. Yes.

Q. And he took a view that you did not agree with?—A. Yes.

Q. That is the position in which matters stood at the time previous to your leaving the commission?—A. Yes.

Q. That is all you say about that at that time, is it?—A. Yes.

Mr. MACDONALD.—Well, I just wanted to know in order to understand.

By Mr. Murphy:

Q. Now, when were these notes contained in Exhibit 8, which you have in your hand, compiled?—A. It is Exhibit 10.

Q. When were these notes compiled?—A. I think I had them compiled in July, and then I had them compiled again in August. There is no date on them.

Q. Compiled first in July and then added to and carried up to a date in August?—A. Yes.

Q. Is that correct?—A. I think so, yes.

Q. By Mr. Ruddick?—A. Yes, I think it is Mr. Ruddick's writing, I am not certain. It would be one of the men in the office.

Q. When did you have that compilation made?—A. I think it was when I found that sudden jump in the July estimate.

Q. That was the first time you had these made?—A. Oh, I have compiled them at various other times, but probably not at such great length as these—more to find out what progress, how much work was being moved.

Q. You think these notes were compiled in July?—A. It would be done in August—the first of August. At least the July work would be done early in August and the August work would be done later.

Q. At page 155 of the evidence I see the translation of a cipher telegram, dated September 22nd, sent by you to the chief engineer. It is marked Exhibit 14, and is as follows (reads):—

'If McIntosh tries to justify his classification refer to Mann and Heaman. Ask McIntosh how much experience he has had in classification, what position he held prior to joining Transcontinental Railway. Ask Grant same questions; both records would be interesting. If their opinion is against Mann's, Heaman's and mine, re-classification divisions 5 and 6 is absolutely necessary.'

Now, why did you ask the chief engineer to refer to Mann and Heaman?—A. McIntosh telegraphed me that he was going down. I did not know anything about it. I was still district engineer and I had not been relieved, and I considered it necessary for the chief engineer to know both sides of the question.

Q. Mr. Mann and Heaman—at least Mann at that time was employed on the Grand Trunk Pacific?—A. Yes.

APPENDIX No. 5

Q. And Heaman?—A. On the Transcontinental.

Q. In the employ of the Transcontinental, and had been your assistant?—A. Yes, was my assistant at the time.

Q. And that was your reason for asking the chief engineer to refer to Mann and Heaman, was it?—A. Yes.

Q. That was your only reason?—A. Yes; those two men knew the circumstances and the conditions of the work and the classification in dispute.

Q. And the July estimate, as I understand, was made up the latter part of July and signed by you about the 1st August?—A. It would come, yes, it would come to my office. They vary. They were due in Ottawa by the 8th. They had to be collected by the division engineer.

Q. That was after the date of Mr. Grant's report? His report is dated July 23rd? —A. I think I had just arrived from the east in time to sign those estimates.

Q. You passed them, as you said in your evidence, and that was after the date of Mr. Grant's report?—A. Yes, I had come back from Ottawa.

Q. And after you had put in your own report?—A. Yes.

Q. Dated July 31st? Now, a little further on, at page 166 of the evidence, you spoke about an interview that you had with a Mr. Dutton, whom you described, I believe, as a sub-contractor?—A. Yes, one of McArthur's principal sub-contractors.

By Mr. Barker:

Q. Had you any instructions from the commissioners to act in co-operation with Mann?—A. Oh, yes. He was to act in joining supervision with me. That was an agreement with the Grand Trunk Pacific. I had a letter to that effect when Mr. Mann came down.

By Mr. Murphy:

Q. You have told us, at page 164 of the evidence, that you first passed McIntosh's classifications in the July estimates?—A. That is this classification that was afterwards struck out?

Q. Yes?—A. Yes.

Q. And you said that Dutton was inclined to find fault with Willett and Macfarlane?—A. Yes.

Q. For not classifying as high as the classification in McIntosh's division?—A. Yes, he said, 'If McIntosh gives the classification high, why can't you.'

Q. Well, now was that exactly what Dutton said?—A. Yes, something like that.

Q. Your words as reported at page 166 of the evidence are as follows:—

'Mr. Dutton was rather inclined to abuse these two engineers for not classifying as high as had been classified on Mr. McIntosh's division.'

A. Yes.

Q. Now, what did he actually say?—A. Well, he told them that—he was finding great fault, I think it was with Macfarlane's classification and Willett's.

Q. And you say that his complaint was, 'That they did not classify as high as had been classified in Mr. McIntosh's division'?—A. Something like that.

Q. What did Dutton know about the classification in McIntosh's division?—A. Dutton you see had 60 miles and it went over McIntosh's and Macfarlane's division.

Q. Yes?—A. So some of his subs came in from McIntosh's and some from Macfarlane's—principally on Macfarlane's—but a portion of Dutton's mileage went over on McIntosh's division. That is how he knew.

Q. That would be how he knew. Then speaking of the same interview with Mr. Lumsden on the occasion when you went to Winnipeg with him, you told us that it was arranged that if Mr. Lumsden came to Ottawa and saw the board with reference to your suggestion as to the employment of force account, he was to send you a wire? —A. Yes.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Did you have such a wire?—A. Yes.

Q. Have you got it?—A. No, I have not got it.

Q. I am going to produce and file a letter to you:—

EXHIBIT No. 34.

August 24, 1907.

A. E. HODGINS, Esq.,
District Engineer,
Kenora, Ont.

DEAR SIR,—I wired you to-day in cipher as follows:—

'Completed worshipped obligato argumentative joseph international transferable drag environ cluck naval beguile assign perplexing convicted antechamber specifications overturned worshipped obligato beguile aria calumnation memorialized drag environ significant beguile object antechamber transferrable requirable thunder examine wretched likewise stoned till helper soothing clucking.'

Which means, Commissioners will not approve your instructions to division engineers. Classification must be as per contract and specifications, otherwise they will not be approved by me. Division engineers should be notified to so classify and accompany their estimate with letter stating that they have so classified.

Yours truly,

HUGH D. LUMSDEN.

Q. You remember that letter, major?—A. Yes.

Mr. HODGINS.—And the wire, I presume?

Q. First getting the telegram and then the letter?—A. Yes.

Q. Then at page 182 of the evidence, the following question and answer occurs:

'Q. What is the result of that, as far as you know?—A. I have been taking notes from the estimates and the over-break generally amounted to much more than what I imagine they have been giving them. I thought so going over them. They had instructions to give them everything they possibly could, but it is a difficult matter to measure over-breaks exactly with a tape unless you spend a lot of time.'

A. The over-break? I did not mean to say that the over-break on the work amounted to more than the engineers were giving.

Q. That is what I want to ask you?—A. That is a mistake. I was not in a position—I told all the engineers to give such over-break as they possibly could.

Q. Your answer as reported on page 272 of these notes would it not be that the engineers in your division had not been returning as much over-break as they might have returned?—A. That is wrong because in my opinion they were returning as much as they possibly could—as far as I could judge unless I had gone out and measured it myself. I cannot say whether they did return enough or not, but I told them they ought to be as liberal as possible in the return of over-break. Of course, you know in over-break there is a large amount of shattered rock that is still on the slope of the cutting that would have to come out. Well, it costs something to take it out and it just rests with the engineer whether he includes that in his over break or not.

Q. Well, as I understand you now—A. That is a mistake.

Q. You want to correct these notes?—A. Yes, I would certainly correct these notes.

Q. I understand you to say it is not your place, that the engineers were told to return as much over-break as the contractors were entitled to?—A. No, I wanted them to return all the over-break. This over-break question was a disputed question at one time, and then Mr. Lumsden and Mr. Young came up to Kenora. In my office at Kenora we met and discussed this over-break and it was decided then that the contractors were to get all the over-break that occurred. Now, the measurement of over-break cannot be finally made until the cut is finally taken out.

APPENDIX No. 5

Q. That is what you have to say about it now?—A. Yes.

Q. Well, at page 184 of the evidence occurs this question and answer:—

‘Q. The information is already in?’

(Speaking about estimates, apparently.)

‘A. Our estimates that we put in are not approximate, they are just as close as men could possibly get them.’

A. What estimates are you referring to?

Q. The original estimates?

Mr. HODGINS.—That is about the openings?

A. Yes. That is, they are as close as you can get them before the work is actually done or laid out. The estimate was, therefore, approximate, to a certain extent.

Q. Now, in the month of June, of which we have been speaking, that is June, 1907, there were few labourers on the work, I understand?—A. June? How many were there?

Q. As I recall what you said about it?—A. June, 1907?

Q. Yes?—A. 3,837.

Q. As I recall what you said about men at that time, it was that labour was unsteady, men were coming and going—A. They were that way pretty nearly every month when they could get out, unless they were frozen in.

Q. Was not that the case pretty nearly everywhere?—A. Yes; there was work going on, the double tracking of the Canadian Pacific Railway.

Q. I am not asking you for the cause; I am only asking you, is not that a fact, that is what I understood you to say?—A. A certain number were coming in and going out, but the steady ones, of course, on the contract were not going.

Q. And due to that cause, I presume, there was danger of cuts being opened up and then abandoned by station men giving up the work?—A. That was one of Mr. Grant’s charges against me.

Q. I am asking you if this was the fact?—A. Well, in one or two cases I noticed some cuts had been abandoned, but I have forgotten just now the location of them and the exact reason why the men had left the work.

Q. Well, isn’t it the rule then that the engineers follow to provide for such emergencies as that by keeping the classification down at first?—A. No, I do not think they should do that; I do not believe in an engineer keeping the classification down.

Q. Is not that done in cases of that kind, so that the engineer will make sure that particular cut will not be over-estimated should the men abandon it afterwards?—A. The estimates ought to be fair.

Q. I am asking you is it not the rule followed by engineers?—A. No.

Q. You say it is not?—A. What is this rule again? That you will give a man a decreased estimate during his first few months on the work?

Q. No, I did not ask you about that. I am asking you about keeping the classification down at the beginning?—A. Who should keep it down?

Q. I am asking you that question?—A. I do not believe in that. You should classify as fairly as you can month by month to give a man all that is coming to him; more especially in opening up work the contractor has very much more expenses in the first month, when he is opening up his contract, than he has later on, and I know that contractors always like to have as big estimates as possible for the first couple of months.

Q. It is not your rule, then, in any event?—A. I would not approve of holding back classification.

Q. Do you remember telling this man Dutton on division 7 that you did not wish him to ask you about classification of a particular cut before A. G. McFarlane, the divisional engineer?—A. I did not wish him to ask me?

Q. Yes?—A. No.

Q. Do you remember anything being said to you to that effect?—A. I remember

7-8 EDWARD VII., A. 1908

Dutton wanted to know the classification in advance that he was going to get for a certain cut.

Q. He was asking you that?—A. I do not remember—whether he asked me that; we were sitting in the camp together, Dutton, Tye and myself.

Q. What was said?—A. Well, Dutton wanted to know the classification on that tunnel cut—the wet cut.

Q. Now, which cut are you speaking of now?—A. I am speaking of the wet cut immediately to the east of the tunnel.

Q. You mean on Dutton's work?—A. Yes; I forget the mileage, but on Dutton's work.

Q. Well?—A. He said he was losing money on the classification that Macfarlane was giving him; it was a nasty cut to classify under this loose rock and common excavation specification. It was wet, springs were coming in, it was running down in a little valley in a drawing, and there was no possible way of draining it; you could not keep the water out except by running it down the centre of the cut; it was muddy, and it was a cut that certainly would require—

Q. Was A. G. Macfarlane there?—A. I think so.

Q. What was your reply to Dutton?—A. Well, in order to be able to classify a cut like that intelligently one would have to go and watch it, and see the work.

Q. What was your answer to Dutton?—A. I do not remember—what do you say he asked me?

Q. I ask you if it is not a fact that you said to Contractor Dutton on that Division 7 that you did not wish to classify a cut before A. G. Macfarlane?—A. Before Macfarlane had done so; you mean to say before Macfarlane had done so.

Q. No, in his presence, you did not wish to classify the cut in his presence?—A. Oh dear no, that I would not want to classify any cut in the presence of Macfarlane?

Q. The cut that you were speaking of on that occasion?—A. No.

Q. Your answer is that you did not say it?—A. No, I would want Macfarlane to classify it before me and I think he ought to be able to classify it quite accurately.

Q. With reference to your statement that McIntosh had jumped loose rock to solid rock at page 130 of the evidence, I would like to ask you, Major, how do you know that was not solid rock?—A. Which.

Q. The material which you stated McIntosh had jumped to solid rock; how do you know it was not solid rock?—A. My eyes told me.

Q. But at that time you had not been over the road?

Mr. HODGINS.—At what time?

Mr. MURPHY.—The time he makes the statement, makes this charge.—A. I had been over the road.

By Mr. Murphy :

Q. You had been over the road? Then do you mean to say now it was because of your inspection you made that statement that he had jumped loose rock to solid rock?—A. It was not solid rock.

Q. That is a statement; I am asking you how do you know it was not?—A. My eyes told me.

Q. Then this statement is based on what you saw in your inspection?—A. Yes.

Q. Then on page 146, in speaking about stripping you say in answer to a question,

‘Q. Now, have you notes on that?—A. (Reads) : ‘A portion of the stripping taken out, 2 or 3 feet deep. 50 per cent of this loose rock and 30 per cent solid would be liberal.’ Do you remember giving that evidence?—A. Yes.

Q. I want to know by what process you arrived at that percentage, Major?—A. By looking at it on the ground. I suppose I measured it by eye.

Q. You did not see it taken out?—A. Oh no.

APPENDIX No. 5

Q. And not having seen it taken out you were able— ?—A. Oh now you are getting back—

Q. Able to reduce it to that percentage by merely taking a glance at it ?—A. That is a liberal percentage, not a close percentage, I would not attempt to give a close estimate on any classification at a glance.

Q. I just wanted to know how you arrived at it. Then were there any measurements taken at all ?—A. No.

Q. Now, at page 155 of the evidence there is a quotation from a letter of yours of the 9th of September in which this appears :

‘I am now going up to go over the 13 cuttings where common excavation and loose rock were transferred to solid (5,855 yards) in July, and am taking Mr. Heaman up to go over the whole division with Mr. McIntosh and report.’

Q. Do you remember giving that evidence ?—A. Yes.

Q. Now, didn't you know that that time when you proposed that inspection there was friction between Heaman and McIntosh ?—A. No, there may have been before, but if I remember right it was all settled. I had spoken to McIntosh once or twice and I think they were on very good terms.

Q. Had Heaman been over McIntosh's division before that ?—A. I cannot remember.

Q. Didn't you tell McIntosh that Heaman would not be asked to go over his work ?—A. No.

Q. That you wanted him in the office ?—A. No.

Q. Don't you remember telling McIntosh that Heaman was not your own choice for assistant ?—A. No, I did not.

Q. You did not ?—A. Heaman was my choice for assistant.

Q. As a matter of fact did you instruct Mr. Heaman to go over McIntosh's division previous to September 10th ?—A. I do not remember. I do not remember what date Heaman was out.

Q. I am not asking you when he was out, but did you instruct him ?—A. Yes, I had instructed him I believe to go over division from the Winnipeg river to the English river in May or June. We had both intended going out, I was going west and he was going east but I went to Quebec on that trip instead and he did not go.

Q. What instructions had you given at that time ?—A. Just to go out, nothing specific.

Q. Nothing specific, there was nothing mentioned about McIntosh's division ?—A. No, to take them all in.

Q. Do you know whether Heaman went or not ?—A. I do not know, I was down in Quebec. No, then I went down again to Ottawa, and then Heaman went away or leave until the 1st of July or June.

Q. And do you know, as a matter of fact, whether he had been out over McIntosh's work or not ?—A. No.

Q. Now do you remember stating that on or about August 23rd you walked over the road from Webster's camp to the east end of division 6, do you remember that, Major ?—A. To the west end of division 6 ?

Q. Yes ?—A. ‘I have recently been over the ground between the east end of Canyon lake and the English river,’ that apparently was about the 24th of August, do you remember that ?—A. The east end of Canyon lake and the English river ? The Wabigoon river, wasn't it ? Waubigeon Falls, I reached there about August 24th.

Q. Was that the first time you had been over the work ?—A. No, I was up in Canyon lake in February, I think.

Q. I see, that was the winter trip you told us about ?—A. I do not know whether I had been up to the actual falls or not.

Q. I am speaking about this occasion that you have told us about, going out and being over a portion of the work and telling McIntosh that you were satisfied with

7-8 EDWARD VII., A. 1908

the classification?—A. No, you see, I think that first trip we had a long argument about classification.

Mr. MACDONALD.—What month was that?

Mr. MURPHY.—August, I have it.

A. August I think that was. I can fix that now if I can tell whether I was in McIntosh's camp on Sunday, because one time that I was there we went out on these clay cuttings and we were discussing the amount of loose rock that would be permissible to allow in the Wabigoon clay country. As far as I could make out various percentages had been given and the material all practically the same. I wanted to get some sort of uniform classification for all that clay.

By Mr. Macdonald:

Q. This was in August?—A. Yes, and I discussed the question with McIntosh and I was getting from his account returns how much it would cost in men and teams to do certain pieces of work, and we would figure out the yards and find out what it cost per yard and we found there was a good deal of variation in the cost per cubic yard of that same material, and I could not account for it except that some contractors were handling it better than others; there was another question came in that some men worked during the wet weather which was more or less of a disadvantage, and the other men did not, and I wanted to find out from McIntosh a basis of uniform classification for that; he had a classification which certainly was not uniform for the material moved. He asked me what my opinion of it was; it was on a Sunday, there were no men working on Sunday, and I said I would like to see it plowed, to see what number of horses it would take to plow it. I tried to get some information from the resident engineer and McIntosh about it as to the toughness of the clay, and there were streaks of hard clay, which could be called indurated clay in there, small streaks about that size (illustrating) and the cuts apparently got harder as we went down. I do not think we came to a conclusion on that and so I decided to get up there again some day—I could not wait to put in Monday there—and I decided to come around some day when the men and teams were working, and McIntosh was to get this data so that we could arrive at some uniform rate regarding loose rock and apply it all over the division.

Q. That was in August of last year?—A. Yes.

Q. Up to that time you had given no written interpretation of the specification as a guide for the engineers?—A. No, I do not remember giving any written interpretation, if there is any it will be on the files in the office. You see the specifications were considered as more or less plain, except that loose rock specification.

Q. You had not given each one of the engineers under you any statement in writing giving your own interpretation of the meaning of the specifications in that regard up to August last?—A. No, I do not remember; we have often discussed matters, they would come in—

Q. That is separately?—A. Yes, they would come in and say how should such and such material, describing it, be classified, and we knew this specification more or less by heart.

Q. You made no attempt until August last to obtain anything like a uniform interpretation by the engineers under you, apparently?—A. I thought the men all ought to be more or less uniform in the interpretation of this specification, they always have been. On any road I have been on it is unnecessary for the engineer to explain to the other engineers how things should be classified, to explain to experienced men, and I considered I had experienced men who had worked on construction before and they were experienced.

Q. And it was not necessary to give them any statement in writing?—A. No. the specifications explain themselves, I do not remember having any explanation from Mr. Lumsden, of these except, possibly, an exchange of views. I do not think, I do not know whether I ever asked him about it except when on the works an engineer

APPENDIX No. 5

might have said, 'I would classify that as so and so,' he would look at it and say, 'I think that is right,' or 'I think it is rather high,' or 'too low.'

By Mr. Murphy:

Q. Of whom are you speaking now?—A. Of Mr. Lumsden or myself, when we were out on the works.

Q. Referring to your answers to Mr. Macdonald, what guide had you for classification?—A. Previous experience.

By Mr. Macdonald:

Q. Then that depends upon the varied whims, experience and opinions of each engineer?—A. No, they are more or less the same, we know by experience.

Q. Engineers differ like doctors, don't they?—A. Yes, they would.

By the Chairman:

Q. But more like lawyers?—A. More like lawyers, doctors should not differ.

Q. Did I understand you to say in speaking of Mr. Lumsden in regard to the classification, to say that he would differ sometimes and say, It is too high, or too low?—A. I gave that as an instance, what I meant was that Mr. Lumsden or I—it was classification that I was referring to, if we were walking through the cutting or over the cutting, classification might be referred to us, if the engineer said 'I would classify that as so and so' referring to any particular material, we would look at it and would say, 'I think that is right' or 'that is too high or too low,' as the case might be. There would be nothing startling about it.

Q. Did you say it was too high or too low?—A. He might say that such a thing was too high or too low.

Mr. HODGINS.—The chairman wants to know if you or Mr. Lumsden differed in opinion?—A. No, I think I may have been a little more liberal than Mr. Lumsden.

By Mr. Macdonald:

Q. You say that the root of this whole trouble was over-classification. That means that certain engineers differed as to what was the proper classification and that apparently certain engineers over-classified?—A. Yes.

Q. That meant there was a difference of opinion as to what was the correct classification?—A. Yes.

Q. That is it?—A. That is it.

Q. And you, in August last, had not given, we understand, any statement in writing to any or all of the engineers under your control showing what your interpretation of the specifications was, in order to secure uniformity?—A. There was none necessary, I was going over the work.

Q. You had not done so, as a matter of fact? Now was it not necessary in order to prevent this very case of over-classification in two divisions that apparently had arisen, that you should have done so?

Mr. HODGINS.—There had been none.

A. There has been none, none reported to me.

By Mr. Macdonald:

Q. There had been in July?—A. I found that out from the statement that came in with the estimate that a certain amount had been transferred from one column to the other.

Q. I understand the witness to say that after Mr. Grant came along there on two divisions there had been over-classification, but up to that time he had not taken any precautions to prevent any difference in views between the divisional engineers or to secure uniformity?—A. There was, in my opinion, uniformity.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. They might not be uniform in their interpretation when they come to a certain quality of soil or rock?—A. You would hear very quickly from the contractor if they were not giving him enough.

Q. Well, you say that after Grant came along, as a result of his visit there was over-classification?—A. On two divisions in my district.

Q. And you attribute that to Grant, and to no other person?—A. No.

Mr. BARKER.—It is more accurate to say that after Grant came he found the material was transferred from one class to another.

Mr. MACDONALD.—Over-classification is the phrase he used.

Mr. BARKER.—I know, but that is the fact as he explained it; that McIntosh had reported in his monthly reports certain classification and he found that subsequently that had been transferred to another classification.

A. Mr. Macdonald, the chief engineer, never gave us any written interpretation of these specifications.

By Mr. Macdonald:

Q. Mr. Lumsden did not?—A. Yes, I believe from some correspondence that later on he gave a written interpretation, in fact he wrote each one of the district engineers I had left, and asked them what the interpretation was and they differed.

By the Chairman:

Q. They differed, you say?—A. Yes, they differed.

Mr. CARVELL.—When was Mr. Grant up there the first time?—A. I think he came up there, it was just after our trip to Quebec, we went down in June or the beginning of July, and he went over the work with the contractor and he saw some of the engineers and some of the contractors, he did not see all the engineers but he talked with some of them; I was getting the answers to the questions that Mr. Lumsden had for—

By Mr. Murphy:

Q. Referring to the question asked by Mr. Macdonald, you knew there was a difference of opinion as between the engineers in District B and the Chief Engineer with regard to classification, didn't you?—A. Oh no.

Q. You did not?—A. You see when I went down to Quebec Mr. Lumsden was in the party, but he did not go over the work and look at it.

Q. You had no knowledge of any difference of opinion between the engineers in the district and the chief engineer up to that time?—A. No, what I was astonished at down there was that Mr. Lumsden signed these estimates, I knew there was a difference in the classification there.

Q. Now, in answer to Mr. Macdonald, I think it was, you spoke about there having been uniform classification in your district up to the time you objected to the returns made by McIntosh?—A. Yes, well, uniform as far as I could get it. Mr. Macdonald gave an instance that lawyers and doctors differ, but it had been, as far as I knew.

Q. But you have told us also that Mr. Dutton complained about the classification not being uniform?—A. Yes.

Q. How do you reconcile these two statements?—A. Well, Mr. Dutton said he wanted to get some of the promises Grant made.

Q. You have told us that what Dutton complained about was that Willet, and I think Macfarlane, were not classifying in accordance with the classification in McIntosh's division?—A. That is what I said and—

Q. If that were the case, then classification was not uniform up to that time?—A. This is what date? I was up at Dutton's in August and the classification that McIntosh had increased was in July.

Q. Yes?—A. And the classification on the district west of McIntosh's was practically uniform.

APPENDIX No. 5

Q. Yes, but the classification of which you say Dutton was speaking had been made prior to that, it must have been made prior to that or he could not be complaining of it.—A. The question on McIntosh's division was, roughly speaking, that he had taken a certain amount of stripping that he had previously returned as loose rock and common excavation, and returned it as solid rock. There was a lot of similar kind of material on the two Macfarlane's divisions and I presume Dutton thought, if he was getting a portion of his estimate for this stripping turned in on McIntosh's division as solid rock, why not in the two Macfarlane's; McIntosh's was doing it and Macfarlane's, Mr. A. G. Macfarlane and Mr. M. C. Macfarlane were doing it.

Q. When had the classification been made of which Dutton was speaking?—A. Possibly in July.

Q. You are not sure. —A. It would be certainly in July because I was talking to Dutton in August.

By Mr. Macdonald:

Q. I suppose this board of arbitrators, Mr. Lumsden and Mr. Wood, and in the event of their disagreement, a third man, ought to be able pretty thoroughly to settle what is the proper classification in regard to these matters?—A. Certainly. You have been asking my opinion of the specifications and the interpretation of different clauses, well, my opinion of these specifications at this present time may be different to Mr. Lumsden's, but I do not see why I am called upon to give it; it is the opinion that Mr. Lumsden had previous to my leaving, and, as I thought, was the general opinion at that time.

The committee adjourned.

MONDAY, June 15, 1908.

The committee met at 3 o'clock p.m.

The examination of Major Hodgins resumed.

Mr. MURPHY.—My learned friend, Mr. Hodgins, has been asking for the production of some correspondence in the possession of the Premier and Mr. Aylesworth. That in the possession of the Premier consists of a telegram from Mr. James Conmee marked private. The correspondence with Mr. Aylesworth consists of a letter from Major Hodgins to him—and there is an enclosure to which my learned friend especially referred—which is marked private.

Mr. MACDONALD.—Who writes the letter to Mr. Aylesworth?

Mr. MURPHY.—Major Hodgins under date, I think, of September 19th. Now in conformity with my learned friend's request I have inquired about the production of these communications. The ministers say they have no objection to producing them so long as privacy be waived. The telegram from Mr. Conmee is marked private and he states that he objects to the production under those circumstances. I do not want any misunderstanding to arise about these productions and I thought it well to make a statement to the committee at this stage concerning them.

Mr. HODGINS.—I made no reference in my examinations to any of these documents. My learned friend, in cross-examination, chose to make an inquiry about a telegram from Mr. Conmee to the Prime Minister and sought to get an admission from the witness about it. There is no alternative, therefore, for me but to insist, from my point of view, upon the production of the telegram to the Prime Minister, and the reply, if any. As to the letter to Mr. Aylesworth, alluded to by my learned friend, I had not referred to it and am not pressing for it.

Mr. MURPHY.—My learned friend gave me a memorandum asking for it.

Mr. HODGINS.—Yes, I quite agree but I am saying I am not pressing for it. What I wanted is the enclosure in that letter and at the present moment I am perfectly satisfied that that enclosure be produced.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Mr. LENNOX.—I think the documents ought to be produced. I have always had the idea that the mere fact of putting 'Private' on a letter which is necessarily public in its nature and deals with a matter which affects the public, ought not to prevent the document from being brought forward if ever the occasion arose for its production. The evidence having partly gone in I think the documents ought to be produced.

Mr. MACDONALD.—What is the reference to the documents?

Mr. HODGINS.—It is to be found at page 241 of the evidence (reads):

Q. First of all did you apply personally for an investigation into your case?—A. No.

Q. Then, did you apply for an investigation into classification?—A. Yes, Mr. James Conmee came into my office.'

Then the witness relates what occurred with Mr. Conmee. At the bottom of the page occur these questions and answers (reads):

'Q. Yes, what did he wire?—A. He wired something to the effect——

'Q. Did you see the telegrams?—A. He read the telegrams to me.

'Q. Did you see them sent?—A. Yes, one of my men took them down.

Q. Did your man send the message, is he an operator?—A. No, he was my accountant.

Mr. HODGINS.—Are you asking what the contents of the telegram are?

Mr. MURPHY.—Yes.

A. Recommending that the investigation should go on, something to that effect.'

Then further down my learned friend asked the witness whether the reference in the later telegram to Sir Wilfrid Laurier does not refer to his efforts to retain his position. I desire, therefore, that the text of the telegram should be produced as I am advised it is stated in it that it is important that Major Hodgins should be allowed to finish his investigation. It does not go beyond that. Whether there was a reply or not has not been stated. If there was a reply I would like it to be put in. An order has been already passed that the First Minister, or any of the other ministers, having papers or records in their custody or under their control relating to or affecting the matters referred to this committee be requested to produce the same. My learned friend having referred to this telegram cannot object to its production?

Mr. MACDONALD.—Under a general order for the production of papers before any parliamentary committee, the papers to be produced include only such documents as are of a public character. Documents which have been under the seal of privacy are not regarded as a fair subject for production. This does not seem to be a matter about which there should be very much trouble. I would suggest, Mr. Chairman, that you speak to Mr. Conmee and ask him to withdraw his objection about privacy, when the telegram can be produced. If he does not do so it will then be open for us to consider what course to take.

The CHAIRMAN.—You mean to say get Mr. Conmee's consent to waive privacy?

Mr. LENNOX.—If he does not, there will be no question at all.

Mr. MACDONALD.—Then we will consider what course we will take.

The CHAIRMAN.—It will be the same thing, I suppose, in regard to the letter to Mr. Aylesworth?

Mr. MACDONALD.—Yes. If Mr. Aylesworth has no objection to produce the letter and enclosure and Major Hodgins is willing.

Mr. HODGINS.—I never referred to that letter. What I wanted was the enclosure in it. I did not propose at the present stage to ask for the letter.

Mr. MACDONALD.—Then you can get it when you want it.

Mr. HODGINS.—The telegram I want, because where a question is asked concerning it and an inference drawn, we should have the document itself.

Mr. MACDONALD.—I think if there has been any examination as to the document we should see the original.

The CHAIRMAN.—Then it is the committee's opinion that this should be done?

APPENDIX No. 5

Mr. LENNOX.—Mr. Macdonald's suggestion is all right.

The CHAIRMAN.—Very well then, I will speak to Mr. Conmee and Mr. Aylesworth about it, and Major Hodgins also, and if they waive objection to producing the documents they will be forthcoming.

Mr. HODGINS.—There is no object in speaking to Mr. Aylesworth at the present moment.

Mr. MURPHY.—Then my learned friend waives any privacy there is as far as these documents are concerned ?

The CHAIRMAN.—I understand so.

Mr. MURPHY.—Then it will stand so. In view of the statement just made by my learned friend I would ask the witness to produce the correspondence, or copies of the correspondence, between him and Mr. Butler about which we inquired at a former sitting.

Mr. HODGINS.—I think we had better have Mr. Butler here.

By the Chairman :

Q. Have you that correspondence, Major ?—A. I got a copy from Mr. Butler the other day. I had not any copy myself.

Mr. MURPHY. I ask that the copy be produced now so as to clear up this part of the examination.

Mr. MACDONALD.—Is this private and confidential correspondence that you are asking about ?

Mr. MURPHY.—I understand it is so marked.

The WITNESS.—It was private and confidential.

Mr. HODGINS.—I do not waive anything as to that until Mr. Butler is in the box.

Mr. LENNOX.—We must deal with the best evidence there is.

Mr. MURPHY.—You will recollect that we went into this matter partly before and Mr. Butler expressed his willingness to produce the correspondence if my learned friend waived privacy.

The CHAIRMAN.—I think we ought to have that correspondence just the same as the other correspondence which has been referred to. If we can get the originals it will be better.

Mr. MURPHY.—At present Mr. Butler is ill and we cannot get the correspondence from him today. It will contribute to the more orderly conduct of the investigation if the witness produces the copies which he now says he has.

The WITNESS.—They are over in the hotel.

Mr. MURPHY.—There is only one original letter. The other would be in the possession of Mr. Butler.

Mr. MACDONALD. A letter and a reply to it.

Mr. MURPHY.—A letter and a reply.

Mr. MACDONALD.—Then the witness would have one original and Mr. Butler the other.

Mr. MURPHY.—In any event the witness will have a copy which he could put in.

Mr. LENNOX.—He has a copy of his own letter I suppose.

The WITNESS.—I have not brought all my own letters here. They must be in British Columbia in one of my boxes. I have not got Mr. Butler's original.

Mr. MURPHY.—The witness has told us that he has copies of the correspondence and I ask that that correspondence be put in.

The CHAIRMAN.—I think we ought to have that correspondence. That is my opinion.

Mr. MURPHY.—Then I ask the witness to produce the copies in his possession.

Mr. HODGINS.—I ask for the production of the originals.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Mr. MURPHY.—We will produce the original as soon as we get Mr. Butler to attend.

The CHAIRMAN.—Yes, we will have Mr. Butler produce the originals.

Mr. MACDONALD.—The Major has one original, I suppose he can produce that ?

Mr. LENNOX.—The witness has a copy of a letter that he wrote to Mr. Butler, as I understand. You, Mr. Chairman, now rule that although the letter is marked private and confidential it ought to be put in without Major Hodgins waiving the privilege ?

The CHAIRMAN.—I suppose we will have to adopt the same rule with respect to this correspondence as in the case of the other ?

Mr. LENNOX.—That is what I want to know: whether you adopt the same rule in order that there shall be no clashing in the matter printed.

Mr. MACDONALD.—The difference between the other case and this one is, that in the former case the telegram was written by an outside party. In the present instance the communication is by the gentleman who made these charges.

Mr. LENNOX.—It does not differ from the case of the telegram to Sir Wilfrid, so far as the matter of privacy is concerned.

Mr. MACDONALD.—I quite agree with you that we should maintain some principle in regard to the production of private documents.

Mr. LENNOX.—I was not going that far. I simply desire to know what the chairman is going to rule.

The CHAIRMAN.—I think we ought to have the correspondence, especially the letter which passed directly between Major Hodgins and Mr. Butler. As we have decided to have the other correspondence produced, surely we ought to get this also. I do not want to be arbitrary, but as lenient as possible. Still, I think we ought to have the correspondence produced.

Mr. HODGINS.—You have ruled that Mr. Conmee himself is to be consulted. What about Mr. Butler ?

Mr. MURPHY.—I can state Mr. Butler's position.

Mr. HODGINS.—I would prefer to have Mr. Butler here.

Mr. MURPHY.—Mr. Butler is ill to-day, and, unfortunately, may be ill for some weeks.

Mr. HODGINS.—I would like to have Mr. Butler state his position. If any one is to be seen, it is quite clear that Mr. Butler should be.

The CHAIRMAN.—What do you think, Mr. Murphy, about Mr. Butler being seen and getting his consent ?

Mr. MURPHY.—Mr. Butler is quite willing that this correspondence be produced, provided the privacy be waived or an order for production made by the committee.

Mr. HODGINS.—I am not desirous of being unreasonable, but I would like to have Mr. Butler's statement in writing. The rule already adopted in the one case would apply to the other.

Mr. MURPHY.—I would like to ask the witness another question on this matter:

Q. You stated, Major, that you have had from Mr. Butler copies of correspondence between him and yourself?—A. Yes.

Q. Have you read those copies?—A. I read them over in Mr. Butler's office.

Q. Have you them now in your possession?—A. They are over in the hotel.

Q. Are they correct copies of the correspondence?—A. I did not go over them.

Q. Did you see the original correspondence?—A. I saw the original letter that I had written.

Q. At the time you got these copies?—A. No; the copies were sent to me from Mr. Butler's office to Toronto.

Q. And you had seen the original?—A. Yes.

Q. A day or so before?—A. Yes.

Q. Are you satisfied that your copy is a correct copy?—A. I presume so.

APPENDIX No. 5

Mr. MURPHY.—I think, Mr. Chairman, unless there is some question about the correctness of the copies that I must ask that this correspondence be produced.

Mr. LENNOX.—Either the witness must consent to the production or else the committee must decide that they will not require his consent. Either the witness consents to waive the privilege, having attached the words 'private and confidential' to his letter, if it is a privilege, or, if he does not, it is for the chairman to order production.

The CHAIRMAN.—I think it is very important that we should have the correspondence referred to. I am willing to interview the parties and see if they will consent to waive their objections to production; I think they will do so.

Mr. HODGINS.—If they do so, I would have no objection at all.

Mr. MURPHY.—There is a very specific difference between a letter marked 'private and confidential' and one marked without prejudice. My learned friend, at the opening of this inquiry, put in a letter marked 'private and confidential' from Mr. Young without asking that gentleman whether he would waive objection to its production or not.

Mr. MACDONALD.—I understand you to say that Mr. Butler is willing to produce the letter asked for if Mr. Hodgins waives privacy?

Mr. MURPHY.—Yes, or if an order is made by the committee.

Mr. MACDONALD.—I understand Mr. Hodgins to say that if Mr. Butler makes that statement in writing, on account of his illness, he is willing to waive objection on behalf of his client?

Mr. HODGINS.—I don't think I could do anything else.

Mr. MACDONALD.—Then it is only a question of allowing the matter to stand until we get that letter from Mr. Butler.

Mr. HODGINS.—I think the same rule as in Mr. Conmee's case should be followed.

Mr. MURPHY.—Very well, then, we will get Mr. Butler's written consent that the documents may be produced.

Mr. HODGINS.—I would like to correct Mr. Murphy in respect of his statement concerning a letter from Mr. Young that was produced. The letter is not marked 'private and confidential,' but merely 'personal.'

Mr. MACDONALD.—'Personal' in that sense means a letter that is not official.

Mr. HODGINS.—I just make that statement in the interests of accuracy.

Q. Was this letter from you to Mr. Butler copied in your letter book?—A. I think so, I have seen the original and it evidently had been copied in Kenora.

Q. Where is the letter-book in which it was copied?—A. It is probably in one of my trunks.

Q. Here?—A. No, in Victoria.

Q. You have not brought that with you?—A. No.

Q. Was that an ordinary office book in which you copied letters of that kind?—A. No.

Q. What book was it?—A. A private book.

Mr. HODGINS.—We will not object to a copy if you produce that consent of Mr. Butler.

By Mr. Murphy:

Q. That was a book which you got in the office in Kenora in which this letter was copied?—A. No, it was not, it was my own book.

Q. It was not one of the office books?—A. It was not one of the office books, it contained letters that I copied in it in Africa.

Mr. MURPHY.—Then we will take that matter just in that way, Mr. Chairman, in regard to Mr. Conmee and Mr. Butler.

The CHAIRMAN.—Oh, yes.

By Mr. Murphy:

Q. Did you have correspondence with any other person of the same character as you had with Mr. Butler, Major?—A. I do not think so.

Q. Did you have any correspondence of a similar character with Chief Justice Howell?—A. No.

Q. Or any other person?—A. Not that I know of.

Q. Since you have read the correspondence with Mr. Butler I suppose that you have no doubt that you did have an interview with him?

Mr. HODGINS.—I submit, Mr. Chairman, that this is a mode of getting around your ruling, by asking as to the contents of letters as to the production of which we have already settled.

Mr. MURPHY.—I am not asking as to the contents, that is not my intention, Mr. Chairman, I want to know from the witness if he now recalls a conversation that he had with Mr. Butler here in Ottawa last summer?—A. I cannot recall all of it.

By Mr. Murphy:

Q. Can you recall any of it?—A. Yes.

Q. What was that conversation?—A. It was principally about the report that Mr. Grant had put in, and what I went up to see him for was to see if he could get me transferred from the Transcontinental on to Mr. Collingwood Schreiber's staff.

Q. Was there not at that interview a conversation about the employment of 'force' account?—A. Not that I can remember.

Q. Will you swear that there was not?—A. I would like to hear what Mr. Butler has to say—

Q. We will hear him later on, but we want to hear you now. Will you swear that at that interview there was nothing said about the employment of force account by you?—A. Not by me, no, sir.

Q. Not by you?—A. I can't—I understand you to say did I talk about the employment of force account, or did I recommend the employment of force account?

Q. I am asking you, did you ask Mr. Butler about using force account on your work?—A. I do not think so.

Q. I want you to be positive about it.—A. The principal thing I talked to him about was that report.

Q. I want to know about force account?—A. I might have told him that Mr. Grant suggested force account as a means of classifying.

Q. What else was said about force account on that occasion?—A. That is all I can remember, we did not discuss the question of force account very distinctly.

Q. Did you have a similar conversation to that with Chief Justice Howell?—A. No, but let me say I saw Chief Justice Howell and he asked me something about the McArthur contract, and I told him what I had recommended. That was when I was in Winnipeg at the time Mr. Lumsden and I went to Winnipeg.

Q. You told him what you had recommended?—A. Yes.

Q. What was it you had recommended?—A. That I had recommended the Chief Engineer to tell the commissioners that I suggested force account as a means of settling the dispute.

Q. What else?—A. That is about all.

Q. Did this come up just in ordinary conversation, or were you getting any advice on the subject?—A. He asked me some question about the work.

Q. Were you in the habit of going to him and discussing the work with him?—A. Oh no.

Q. There was no special reason for his being interested in that work?—A. Not that I know of, he started the conversation.

Mr. HODGINS.—This was the conversation between the witness and a private citizen and was in the nature of a private conversation.

Mr. MURPHY.—The witness has not said this was a private conversation.

APPENDIX No. 5

A. It certainly was a private conversation.

Mr. LENNOX.—It was necessarily a private conversation, and as Chief Justice Howell does not occupy any official position on this railway it was essentially a private conversation. It will be unfortunate if we have to take up private conversations of this character.

The CHAIRMAN.—I understood Mr. Murphy to ask the witness if there were other parties to whom he spoke about the employment of force account.

Mr. MURPHY.—That is right.

The CHAIRMAN.—If he had spoken to this one or to that one on the matter, and if he had expressed the idea that it was necessary to use force account, I think we ought to know that.

Mr. MURPHY.—That is it, and the witness did not say anything about its being a private conversation until my learned friend suggested it.

The CHAIRMAN.—We want to find out if the witness advised force account if we have the right to ask him with reference to such conversations.

Mr. MACDONALD.—I do not see that the same objection that applies to the documents we have been discussing would apply to a conversation between the gentleman who makes the charges which we are now investigating and another person. I think we have the right to ask him with reference to such conversation.

The CHAIRMAN.—Here is the gentleman who has made the charges upon which the committee are now proceeding, and we are trying to prove that in certain conversations he made certain statements relating to the matter under consideration..

Mr. HODGINS.—I think it is unfortunate that the name of the Chief Justice of Manitoba should be brought into this matter in connection with a private conversation.

Mr. MURPHY.—The unfortunate thing is that the witness made the statement himself, there was no dragging in of the Chief Justice.

A. You asked me, Mr. Murphy.

Mr. LENNOX.—Mr Murphy asked the witness if he hadn't a conversation with the Chief Justice and the witness recollected it on the question being repeated. Perhaps the unfortunate part of it is that the Chief Justice should speak of it afterwards.

The CHAIRMAN.—Why should it be unfortunate that the Chief Justice should talk about it?

Mr. LENNOX.—Unfortunate in this way that it opens the way for a contradiction as to a matter of fact between the witness and the Chief Justice.

Mr. MURPHY.—We have to find out what the witness stated about the employment of force account and if he chose the judge as the person with whom to discuss it that is not our doing.

By Mr. Murphy:

Q. Here is the profile showing the tunnel cut which you visited at La Tuque, Major, and which you described in your examination in chief, and also in your cross-examination. I would ask you to point out to the committee where you saw the material, and where you described the material that you say the engineers had told you had been classified as 86 per cent solid rock in that tunnel cut?

By Mr. Hodgins:

Q. Does that profile identify that in any way, beyond Mr. Murphy saying that it is the profile of that cut?

Mr. MURPHY.—It is one of the profiles, if you wish to have it identified that can be done. I would ask, Mr. Chairman, that Mr. Doucet be sworn for the purpose of identifying that profile.

Witness retired.

Mr. A. E. DOUCET, sworn :

By Mr. Murphy :

Q. What position do you occupy, Mr. Doucet, at present in connection with the National Transcontinental Railway?—A. I am district engineer of District B.

Q. How long have you held that position?—A. Since 1903.

Q. Now, I show you a profile which I have already shown Major Hodgins, and I ask you if this is your name on that profile (producing profile)?—A. Yes, that is my signature.

Q. Does that profile show the tunnel cut described by Major Hodgins in his examination in chief and his cross-examination?

By Mr. Lennox :

Q. What does it represent?—A. It represents that portion of the work over which we walked in June, 1907.

By Mr. Macdonald :

Q. Who were there?—A. Major Hodgins, myself and several others that Major Hodgins mentioned.

By Mr. Murphy :

Q. And does it contain the tunnel cut spoken of by Major Hodgins in his examination in chief and also his cross-examination?—A. It does.

(Profile marked as Exhibit 35).

By Mr. Hodgins :

Q. It is marked 'Quebec, May 9, 1908'?—A. Yes.

Q. Then this is not the profile that the work has been done on?—A. That represents the work done in June, 1907, at the place that we walked over.

Q. Is the date wrong, 'District Engineer's office, Quebec, May, 1908'?—A. This is a copy of the profile.

Q. Is there an original?—A. Yes.

Q. Where is the original?—A. It is filed here.

Q. But where is it?—A. I could not tell you where it is.

Q. Who got it?—A. The commissioners have it, and can produce it, I suppose.

Q. Who made this map?—A. We did.

Q. Who did?—A. In my office.

Q. Who is we?—A. My men, in the office.

Q. Who are the men?—A. I have about ten draughtsmen in my office.

Q. Give us the name of just one?—A. Mr. Lefebvre, the head draughtsman.

Q. Did he make it?—A. It was made under his direction.

Q. What did he make it from?—A. From the original profile.

Q. Is it exactly the same as the original profile?—A. Exactly the same.

Q. It does not show the work done to the end of June, 1907, does it?—A. Yes, that is the work done to June, 1907.

Q. Then the original profile is there showing the work to the end of June, 1907?—A. Yes.

Q. It is on file in the commissioners' office?—A. Yes.

Q. Where did you make that copy of it?—A. This was done in Quebec, before I came up here.

Q. At whose request?—A. At my own request.

Q. And not at the request of the commissioners?—A. No.

Q. Did you hand it then to Mr. Murphy?—A. I have given it to Mr. Murphy, yes, if you prefer to have the original you can have it, I suppose.

Q. It is not a matter of preference, I am entitled to have it. Who makes the originals up, of which this is a copy?—A. The resident engineers on the road.

APPENDIX No. 5

Q. Do they make it from month to month?—A. Yes.

Q. Do the different colours denote something? Some different work?—A. The work done each month, yes.

Q. Now I see on this it is something like 'A-R-C-H, 6 ft., started April 8, 1907, finished July 2, '07,' that would not be the work done to the end of June, would it?—A. Yes.

Q. It is finished on the 2nd of July, 1907. Then there is another here, '10 ft. arch finished 10 September, 1907,' this can hardly be done in June?—A. Talking about the work done, the colouring shows the progress down to June.

Q. Is it merely the colouring that is down to June?—A. No, but the progress is to June.

Q. When you show the originals it will show the work done subsequent to June, 1907?—A. Read the title.

Q. It says, 'showing work done to the end of June, 1907'?—A. That is it.

Q. Isn't this 6 ft. arch and this 10 ft. arch work?—A. Yes.

Q. Then that would not be accurate to say it was to the end of June, would it?—A. That is not progress.

Q. Finished in July, 1907, that would be carrying it a little beyond the end of June?—A. Not as far as the colouring is concerned.

Q. I want to know if it is made up from the same profile?—A. From the original profile.

Q. If it is made up from the original profile up to the end of June, how can it show on it, work done in September following? Will you explain that?—A. The colouring showing the distinct class, there is colouring for each month, as I said the colouring is correct, that is the work done in the cuts to the end of June, 1907.

Q. But it must be taken from later profiles?—A. That is on the same profile coloured from month to month.

Q. Why don't you have it accurate as to the arches?—A. The colouring is accurate.

Q. Why do you not have it accurate; I do not care whether it is coloured or not? I say, why don't you have it accurate?

Mr. MACDONALD.—Why do you ask a question like that, as to its being accurate; you do not impugn the accuracy of the plan?

Mr. HODGINS.—I do, as to its being the work done to the end of June.

By Mr. Hodgins:

Q. Is there anything in your office just exactly similar to that?—A. Yes, exactly similar.

Q. When was it constructed or made?—A. I suppose about a month or six weeks ago—the copying.

Q. Have you anything to the end of June, 1907, compiled which is an exact copy of this?—A. Yes.

Q. And has that one which was compiled to the end of June this statement of September, 1907, on it?—A. No, it would not have it.

Q. Then that is not an exact copy?—A. I am explaining with regard to the colouring, that it shows the progress made in the cut.

Q. Then I prefer to have the original.

By Mr. Macdonald:

Q. You say the colouring here indicates and shows the position of the cuts as in June, 1907?—A. Yes.

Q. And this addenda is outside of that, of course?—A. They were copied at the same time, perhaps.

Mr. A. E. DOUCET.

7-8 EDWARD VII., A. 1908

Q. And they should not have been here?—A. It would have been better to have left them out.

Q. This is intended to show the cuts at that time?—A. Yes.

By Mr. Lennox:

Q. But these additional notes could not have been on the profile at the end of June?—A. This is the same profile we have been carrying on from the beginning of the work.

Q. But they could not have been there in June?—A. No; the starting would be on then, and then we would put in the finishing date when the work was completed.

By Mr. Hodgins:

Q. Were the instructions to Mr. Lefebvre to copy the colouring?—A. Merely to copy the colouring.

By Mr. Murphy:

Q. The witness only saw one cutting, down there, or he has spoken of only one cutting rather, and this is the cutting shown on this profile.

The CHAIRMAN.—Which witness?

Mr. MURPHY.—Major Hodgins.

The CHAIRMAN.—And this shows the cutting he was there specially to inspect, which he told us all about, and that it occupied ten or fifteen minutes in inspection.

By Mr. Murphy:

Q. That is the section to show the work at the end of June, 1907?

Mr. HODGINS.—There are two cuts, Mr. Doucet, are there not?

Mr. DOUCET.—There are three cuts.

Mr. HODGINS.—Are these three cuts shown on this profile?

Mr. DOUCET.—Yes.

The CHAIRMAN.—But the cut which was mentioned by Major Hodgins is there, is it not?

Mr. DOUCET.—That is the one (indicating on plan).

Mr. HODGINS.—Which is the one on which sand was being wasted?

Mr. DOUCET.—That one, the middle one (indicating on plan).

Mr. MURPHY.—These questions asked Mr. Doucet are anticipating some questions that I want to ask the other witness.

Mr. HODGINS.—I simply wanted to identify which was the one on which sand was being wasted.

Mr. DOUCET.—The middle one, you have your thumb right on it there.

Mr. HODGINS.—And that is the one you say he saw?

Mr. DOUCET.—That is the one he saw.

Mr. HODGINS.—And only this, the one marked 'tunnel, 500 feet, cancelled'?

Mr. DOUCET.—Yes.

Mr. HODGINS.—Then nothing on this plan indicates anything else that could be called the tunnel cut?

Mr. DOUCET.—No.

Mr. HODGINS.—There is another one a little further down towards the bottom of this plan that is very similar to what you call the tunnel cut; did he walk over that?

Mr. DOUCET.—I did not with Major Hodgins, no.

Mr. HODGINS.—Did Major Hodgins walk over it?

Mr. DOUCET.—I could not say; I do not know.

Mr. MACDONALD.—Did the Major walk through more than one cut?

Mr. DOUCET.—Major Hodgins stated he got out of the carriage and went into the cut, and that is where the carriage was stopped.

Mr. HODGINS.—What he says at page 280 is:—

APPENDIX No. 5

'Q. And you gave a description of it?—A. Yes, I believe in that description I confused two cuts.

'Q. I think you confused more than two cuts, Major?—A. You think so?

'Q. What confusion is there between the cuts?—A. That cut consisted of——

'Q. When you say "that cut," which one do you mean?—A. The first one.'

Just let us understand, is this one marked 'tunnel cut, 500, cancelled,' the very one to which he referred?

Mr. DOUCET.—I could not tell you, I was not here when Major Hodgins gave that evidence. I was with him in that cut, and that is where the carriage stopped and where we got out.

Mr. MURPHY.—I submit, on the examination of my learned friend that this profile should now be put in.

Mr. HODGINS.—I have asked for the original and I thought that I would get it.

Mr. MURPHY.—My learned friend should also have referred to page 281 where the Major says,

'I only spoke of one cut,' and on page 128 the major was asked:

'Did you go right through it?—A. It was not through. I went in to one end of it and then I walked over the upper portion of it and down to the other side.

Q. Now, just describe the cutting?—A. The western end, I think it was, we first came to, was a mass of loose rock, boulders,—I did not see any very large ones, a very nasty looking cutting—and on the upper portion of it there was some sand, wet sand and loose rock. That was being wasted in carts or scrapers—carts I think—and the other end of it was loose rock. I did not see any solid rock in place.'

This is in his examination in chief and then on page 129 the major says:

'I made some remark about the chance or the possibility, of getting a line around it and avoiding such a heavy cut. It had really been laid out as a tunnel, but when they found there was no solid rock in the place they abandoned the tunnel idea and took it as an open cut.'

And then, farther down on the same page, the major was asked by Mr. Hodgins:

'Q. Just describe what the cutting was so far as you saw it; it was open and consisted of?—A. Loose rock, cemented material, sand, wet sand, and boulders; I was told the largest boulder they had come across so far was a boulder of about 200 yards in size; one of the engineers told me that.'

Then on page 280 or 281 he proceeds to identify this cut in the same way and tells of the conversation that took place there. He says:

'We got out of the carriage and walked up into one face of it, and then we walked over the cut and went to the other face.'

And then he was asked:

'Q. When you say 'that cut' which one do you mean?—A. The first one.

'Q. The one you spoke of in your examination in chief?—A. I only spoke of one cut and I spoke of sand being wasted on the top of it; I do not think there was any sand, I think it was another cut that I haven't spoken of.'

That is with reference to the sand (continues to read):

'Q. You now say you confuse this tunnel with another one?—A. No, I did not confuse the cut, I said on the top of this cut, I was referring to another cutting, classification, where sand was being wasted, I saw sand was being wasted on another cutting, the next one we went through. I did not pay very much attention to that.'

So that is not the one?

Mr. MACDONALD.—There is only one cut he gives evidence on. That is what you say?

Mr. MURPHY.—That is what I say. That is the evidence, it is quite plain.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1903

Q. Now I ask the witness if that is not the tunnel cut (producing profile and handing to witness)?

Mr. HODGINS.—I must ask for the production of the original.

Mr. MURPHY.—We will undertake to produce it as soon as it can be got.

A. (After examining profile marked Exhibit No. 35.) This is the first time I have seen a profile of it. This is the first time I have seen the profile and, of course, I cannot identify anything on it, I don't know what the station is.

Q. The station is indicated at the bottom is it not, major?—A. Yes, but I did not take note of the station when I went through. I will have to take Mr. Doucet's word to say this is the cut that we got off at.

Q. If you did not take any note of the station when you went through it, having the station now will not help you?—A. Yes, you identify it on here.

Q. Yes, but you did not take a note of it at the time?—A. You see I cannot identify this as the profile unless I was out on the work.

By Mr. Macdonald :

Q. That purports to be the work on which you were, does it not? I understand Mr. Doucet to say that cutting shown on the plan is the cutting you spoke about to us at a previous meeting?—A. Yes. Which way, Mr. Doucet, did we walk? This way or that way? (indicating on the profile).

Mr. DOUCET.—We walked from left to right.

The WITNESS.—From left to right, are you sure?

Mr. HODGINS.—What is the question?

Mr. MURPHY.—I am asking him to tell the committee whether he saw the material, and also to describe the material which he said the engineers told him had been classified as 86 per cent solid rock in that tunnel cut.

Mr. HODGINS.—He has told you he cannot identify the profile.

The WITNESS.—Before we got up to—I won't be certain. That may be the cut, it looks rather small though, that I first went to. That is the cut at station, 70 to 80.

By Mr. Murphy :

Q. Well, was the tunnel cut that you inspected, and that you have since twice described, the largest cut that you saw there, Major?—A. No.

Q. No?—A. That looks more like the cut but it appears to be small. Well, I won't be certain.

Q. Would you recall who were with you at the time you made an examination of that cut?—A. Mr. Doucet was there and the Italian sub-contractor.

Q. Who else?—A. Mr. Armstrong and Mr. M. P. Davis.

Q. Mr. M. P. Davis. Was Mr. Lumsden there?—A. No, Mr. Lumsden was in the carriage. He did not get out of the carriage.

Q. Is there anyone else that you can recall?—A. I cannot remember anyone else. There may have been one or two.

Q. You cannot remember anybody else but recalling those that were with you when you inspected the cut are you not now able to say that the cut on that profile—A. I should say that was the cut there (pointing to cut on the profile) between 70 and 80. It looks small perhaps. I was judging it from the slope, the upper slope.

Q. The cut between 70 and 80?—A. Yes.

Q. Is that a tunnel cut?—A. No.

Q. Was not the cut that you are now speaking of, shown on that profile between station 70 and 80, finished at the time you were there?—A. I cannot say now. I could recognize the cut on the ground but I could not recognize it on that profile. The cut was one mass of small boulders in the slope as it went up that way (illustrating by a gesture), it was just studded with small boulders all the way through. That is the only way I can trace it.

APPENDIX No. 5

By the Chairman :

Q. You did not stop to examine it very long?—A. Oh no.

Q. In your first evidence you said you merely went through it?—A. When I was asked how long I said 15 or 20 minutes, or something like that.

Q. It is not surprising that you cannot recognize it even on the profile because you don't remember about it?—A. It is a very hard thing to locate the cutting on the profile unless you know the station and the mileage.

Q. You seem to have a good deal of difficulty in saying what cutting you stopped at and looked at?

Mr. HODGINS.—On the profile.

The WITNESS.—On the profile.

By the Chairman :

Q. I know even on the profile. Is it not a fact that you did not pay much attention to it when you went through it?—A. I paid enough attention to see that it was not solid rock and I was quite surprised at the estimate given.

By Mr. Murphy :

Q. Then, Major, are we to understand from you that you will not be able to identify it any more closely on the original profile itself?—A. No.

Q. I beg your pardon?—A. No.

By Mr. Macdonald :

Q. Assuming that the cut indicated by Mr. Doucet was the cut that was visited by you, perhaps you could indicate or tell us, on that assumption what you did see?—A. What I saw?

Q. Yes?—A. Well supposing this is the cut. The upper slope went much higher, of course, than the centre, and it was the upper slope I looked at more than anything else and it was studded with boulders. Very often these boulders are called 'nigger heads,' or field stones.

Mr. MURPHY.—I think the witness is speaking of a cut different from the one identified by Mr. Doucet.

The WITNESS.—Which is the one?

Mr. MACDONALD.—I asked him about the one Mr. Doucet identified.

Mr. MURPHY.—The cut shown on the profile between stations 70 and 80 was finished at the time he was there?

The WITNESS.—Was this finished?

Mr. MURPHY.—Yes. Mr. Macdonald's question has not been answered.

Mr. MACDONALD.—Does Mr. Doucet's plan indicate that this tunnel cut was not finished at the time?

Mr. MURPHY.—The Major says the cut he and Mr. Doucet saw was finished.

The WITNESS.—No, I don't remember whether it was finished or not.

By Mr. Macdonald :

Q. You do not recall whether it was finished or not?—A. No. I think there was something left in the centre of it. I walked round the sides of it. I looked at that side and then at the other (illustrating on the profile) and then at the other end. I walked round the sides to see if there was not some way of throwing it out.

Mr. MURPHY.—The Major's evidence at page 123 makes it clear and definite (reads):

'Q. Did you go right through it?—A. It was not through. I went into one end of it and walked over the upper portion of it and down to the other side.'

The WITNESS (indicating on the profile).—I walked over this portion here and down the side.

MAJOR HODGINS.

By Mr. Murphy:

Q. Do you remember in one of your statements in the 'Colonist' referring to 150,000 cubic yards being taken out of the cut?

Mr. HODGINS.—Is that in the letter or in the interview?

The WITNESS.—It is in the interview.

By Mr. Lennox:

Q. It should be 150,000 cubic yards?—A. Yes.

By Mr. Murphy:

Q. Do you remember that statement?—A. That cut was not—

Q. Was there 150,000 cubic yards in the small cut you are looking at?—A. No.

Q. Now look at the cut indicated by Mr. Doucet on that profile (Exhibit No. 35), the cut that you have described and say whether there was 150,000 cubic yards in that?—A. That would altogether depend upon the slope, how far the slope went—whether it was a $1\frac{1}{2}$ to 1, or 1 to 1, or $1\frac{1}{2}$ to 1 slope. That side of the hill was fairly steep.

By the Chairman:

Q. Did you take time to examine the cut?—A. You see, when a man is accustomed to judging classification it does not take very long to examine the cut and find out the difference between solid rock.

Q. You cannot see the difference by looking at the profile?—A. Oh, no. You see, it does not take very long to judge a cut when you know the specifications and know what they mean, whether the cut is solid rock or loose rock. I would not take any longer to tell the difference than between a concrete house and a stone house.

By Mr. Hodgins:

Q. Between a brick wall and a stone wall?—A. I am putting it closer. Concrete is more like loose rock. We are looking at this from different view-points. The examination of that cut, in order to classify it accurately, would require quite a lot of measurements and a good deal of examination. To go through a cutting and to give an off-hand opinion you do not hit it very close. I could not attempt to hit within 5 or 10 per cent of another man's estimate; but what astonished me was—

Q. What about this distinct statement of 150,000 cubic yards? You made that statement, did you not?—A. I think it is confused. 100,000 yards would be more like it.

By Mr. Macdonald:

Q. Which was it you said, 100,000 or 150,000, do you recall?—A. I don't remember. This cut here (pointing to the profile) might run over that.

By the Chairman:

Q. But what was your statement?—A. I don't remember.

Mr. HODGINS.—His statement to whom, Mr. Chairman?

The CHAIRMAN.—The interview, I think it was.

Mr. HODGINS.—I don't think he has admitted it.

By Mr. Murphy:

Q. Well, Major, how was it you could give such an exact description of the cut, speaking here in your examination-in-chief, and having nothing before you, and now with the profile before you identified by the district engineer of that district you are unable to recognize it?—A. Well, it is quite easy to say that you cannot recognize a cut on the profile when you have not seen the plan or the profile of it before. This appears to me to be very much, from the shape of it, like the cutting I went through.

Q. But you have made some very serious charges with regard to this cutting, and

APPENDIX No. 5

you are quite specific in your examination-in-chief, and again in your cross-examination, in describing the cutting and the material in it, and what the classification in your opinion ought to be?—A. I think, if I remember right, when we went through this cutting—when we were at that cutting—there was some talk about the slopes being taken down at a lesser angle than they were then. They were considered dangerous slopes.

By the Chairman:

Q. In your precis of charges you say—I want to make it clear so as test your memory—‘In La Tuque cut, in District “B,” there is a large cutting which was originally intended for a tunnel. This had a slope on one side of 120 feet and about 80 feet deep. There was no solid rock in place, so that a tunnel was an impossibility. Consequently an open cut was made. It was a very large cutting, containing about 150,000 cubic yards of material’?—A. Where is that, sir?

Q. In your statement. Now, how is it you there made such a specific statement as to the quantity of material, 150,000 cubic yards, and now you say you cannot do it?

Mr. LENNOX.—He did not say he could not do it.

The CHAIRMAN.—I asked him a few moments ago whether it was 100,000 cubic yards. He did not know whether it was 100,000 or 150,000.

Mr. HODGINS.—Surely we have the right to prove these charges by other witnesses?

The CHAIRMAN.—I think my question was fair. I wanted him to explain how it was he made that statement.

Mr. HODGINS.—I think the question was how could he make these charges without being able himself to swear to their accuracy.

The CHAIRMAN.—I wanted to test his memory, and asked him to give me his basis for making such a statement.

The WITNESS.—It is this way, sir (indicating on the plan). Supposing the slope of the hill comes down there. That is the slope of our cutting, you see, on that angle. A very much less number of yards would be required than if it went to that angle, because then the slope would run away up the hill.

By Mr. Macdonald:

Q. Did you make any statement at the time you inspected that cut as to what quantity of material it would contain?—A. Well, it might be anything.

Q. Did you make any estimate at that time?—A. No; I think I asked about it.

Q. What do you say?—A. I think I probably asked about it.

Q. Did you make any estimates yourself?—A. No; it is a fairly big cutting, though. It would run—the quantity would altogether depend upon the slope they eventually took out, whether $1\frac{1}{4}$ to 1, or 1 to 1, or $1\frac{1}{2}$ to 1.

Q. Where did you get the material on which you base this statement in your letter, that there was 150,000 cubic yards?—A. One hundred to 150 thousand.

The CHAIRMAN.—No, you did not say 100 to 150 thousand. I think you mentioned—

Mr. HODGINS.—The charge is about 150,000 cubic yards, and the question, as I understand, was as to the witness’ idea of the material in that cutting.

The WITNESS.—Well, I think when we were on the work at the time we discussed, we spoke of the big cutting—

By Mr. Macdonald:

Q. Who with?—A. That is what I am trying to remember, whether it was the contractor. I think I asked the contractor, and we spoke about the slope. Somebody said it would have to be taken down on a flatter slope on account of these boulders lying on the side; they would tumble down and fill up, and it would be dangerous if trains came through. In that way the slope would follow up the hill such a long distance.

MAJOR HODGINS.

Q. Did you get any information in the meantime, after you had made a personal inspection, before you wrote this letter to the paper and preferred these charges here?—A. No.

Q. You had no information as to quantity?—A. I went through that cutting, and I don't suppose I discussed it with anybody since I left Quebec.

Q. And the only ground you had for making the statement as to the quantity was what you had in your mind as the result of your visit?—A. Yes.

Mr. HODGINS.—And his conversation.

The WITNESS.—And the conversation; that if the slope of the cutting had to be taken back it would run into a great many extra yards, and I judged from the look of this slope as it stood there it would have to go back to a very flat slope to stand.

By Mr. Lennox:

Q. That is the kind of material?—A. The kind of material. It would be a continual source of worry to trainmen or engineers to have that.

By Mr. Macdonald:

Q. You did not know at any time, as a matter of fact, whether all this extra material was taken out?—A. No; but I think the engineer said, or the contractor said, it would have to be eventually taken out.

Q. The contractor said it would eventually have to be taken out, but you did not know at the time you made the statement in the press that it had been taken out?—A. I was perfectly certain it would have to go back to as flat a slope as you could possibly get it.

Q. Did you know as a matter of fact?—A. I knew it would have to go back, Mr. Macdonald.

Q. But you never knew that it had?—A. No.

By Mr. Lennox:

Q. You mean speaking as an engineer?—A. Yes.

Q. It would have to be done?—A. What I was thinking of was the boulders that had to be taken out of the slope, and as fast as you could take them out you would have found new boulders coming down which would be a detriment.

By Mr. Murphy

Q. Now do the answers given to the Chairman and Mr. Macdonald enable you to identify this tunnel cut which you have so minutely described on this profile?—A. No, I presume it was that. I don't remember this jog in it coming up the slope (pointing to profile), and coming over here, I don't remember a jog of that kind. There may be one.

Q. Do I understand you to say that the original profile itself would not assist you in identifying it?—A. I don't think so.

Q. You do not think it would?—A. You see I have never seen a profile of this cut before. I spoke entirely from memory and described it entirely from memory.

A. You made no sketch or anything of that kind on the ground?—A. No.

Q. You have never seen one since?—A. No.

Q. You have made inquiries, I understand, since about this tunnel cut?—A. No.

Q. None?—A. No.

Q. As to identifying it?—A. No, I spoke to Mr. Armstrong about it.

Q. Who is Mr. Armstrong?—A. He is a division engineer down there for the Grand Trunk Pacific.

Q. Yes?—A. And I think I spoke to Mr. Doucet, I am not certain, when I came up here.

Q. What about?—A. About this—

Q. What did you speak to Mr. Armstrong about?—A. About this cut.

Q. Well, what was the conversation about?—A. Principally to find out who was in the party?—A. I asked him—

APPENDIX No. 5

Q. Yes, but that was not for the purpose of identifying the cut?—A. No.

Mr. HODGINS.—You asked him a question. Let him give the answer.

Mr. MURPHY.—He has given it.

Mr. HODGINS.—No, you stopped him in the middle of it.

Mr. MURPHY.—I beg your pardon.

Q. That inquiry was for the purpose of enabling you to identify the cut?—A. Oh, no.

Q. Then you must have been certain about the cut?—A. I am certain about the cut. The cut on the work, not the cut on the profile—what I saw. You see I saw the cut on the work but this is the first time I have ever seen this profile. We went down—

Q. Now, if all the engineers who were there with you that day, as well as Mr. Doucet, identified the cut shown on that profile as the tunnel cut you describe would you be any more certain of it then?—A. I should think that is the second cut, that is what I am going on. That is the second cut and this is the first cut (indicating on the profile).

Q. I am not asking you about the first or second, I am asking you about the tunnel cut of which you gave such a minute description?

Mr. LENNOX.—You had better hear what the witness has to say. You can have the cut identified by other witnesses and if necessary he can be recalled.

Mr. MURPHY.—I am cross-examining the witness.

Mr. LENNOX.—I am pointing out what is the fair way of putting the question. I do not think it is fair to ask him what has he got to say if a number of other witnesses states so and so.

The CHAIRMAN.—The witness has made a very rash statement in my opinion in giving the exact number of yards in this cut. Mr. Murphy is trying to cross-examine him to see if he took any precautions to assure himself that he was right before he made such a statement. I think he is perfectly correct.

Mr. LENNOX.—That is another point.

The CHAIRMAN.—It is a very important point.

Mr. LENNOX.—I say it is not fair to the witness to say to him that if a number of witnesses were to swear to so and so would he take a certain position. If the witnesses referred to do swear that Major Hodgins can be recalled with reference to it.

The WITNESS.—You see in this we are speaking of actual quantities. When we speak of the contents of a cut we give it in round numbers. You cannot—

By the Chairman:

Q. Yes, I understand?—A. We will say it is from 15 to 25 thousand yards, or 15 to 20 thousand, which is according to the amount of calculation or the measurements you have made.

Q. You have just stated you did not make any calculation at all?—A. No, I made a guess at it.

Q. And then you made the statement to the public?—A. There was between 100 and 150 thousand yards in it.

Q. Which is simply a guess at it?—A. Yes.

Q. And you allowed that to go abroad?

By Mr. Lennox:

Q. Is that what you mean?—A. That was in my interview, sir.

The CHAIRMAN.—Very well, go on.

By Mr. Lennox:

Q. I suppose you mean a rough estimate do you?—A. A rough estimate.

Mr. MACDONALD.—Does that mean that when Major Hodgins himself made that statement he did not know whether what he said was true or not?

Mr. LENNOX.—It was just a rough estimate.

7-8 EDWARD VII., A. 1908

The CHAIRMAN.—I am just pointing out that it is very dangerous to make a rough estimate in such a case as that.

Mr. HODGINS.—I do not think the other side will dispute the fact that that is the size of the cut when we come down to facts.

By Mr. Murphy:

Q. In your charges at page 41 of the printed record speaking of this tunnel cutting you say (reads):

'This had a slope on one side and about 80 feet deep. There was no solid rock so that a tunnel was an impossibility.'

Now I ask you if the cut between stations 70 and 80 on this profile would answer that description?—A. It would depend altogether upon the slope, the angle of the slope.

Q. Would that cut between stations 70 and 80 answer your description?—A. It is not 80 feet deep.

Q. It is not 80 feet deep?—A. No.

Q. Then it would not answer the description?

Mr. HODGINS.—About 80 feet deep he says in his charges.

By Mr. Murphy:

Q. And you proceed, major, to say (reads):

'It was a very large cutting containing about 150,000 cubic yards of material. The ground was a mixture of loose rock with some boulders and some earth and wet sand on top. There was no solid rock in place visible in June, 1907, so that anything that could be classified as solid rock would consist of large boulders over a cubic yard in dimension. This was classified as 86 per cent solid rock.'

I want you to show the committee on that profile where you saw the material that you have given this specific description of and said it was classified as 86 per cent solid rock?—A. If this is the cutting there, I saw the material on the inside of the cutting on the slope.

Q. I am asking you if the cutting between stations 70 and 80 was the cutting you described in your charge at page 41 of the printed record?—A. That is what I want to get at.

Mr. HODGINS.—He has already said that he cannot identify that profile.

The WITNESS.—I am of opinion it was a bigger cut than that.

Q. Taking this cut between Stations 70 and 80 I am asking you as an engineer, have you given the measurement of that comparatively?—A. You can measure it there comparatively.

Q. So as to ascertain the quantity, can you do that now and inform the committee?—A. It will take some little calculation.

Q. How long?—A. If I had a scale here I could take it out, or I could square it.

Q. Isn't there a scale on the profile?—A. Yes, but you have a profile scale with the quantities worked out per station and you can do it very quickly. These engineers can tell you what it is.

Mr. LENNOX.—I do not think there is any need to take up the time of the committee doing that.

A. You cannot get a decent estimate out of that unless I have the cross section; you must have the cross section.

Q. You must have the cross section for what?—A. To take out the quantity.

Q. Did you have the cross-section when you made that statement to the newspapers?—A. No, but I want the cross section now.

Q. You have the profile before you now and you can take it out?

Mr. HODGINS objected that the witness was unable to do so without the cross-section.

The CHAIRMAN.—I think, Mr. Murphy should be allowed to proceed with his cross-examination.

APPENDIX No. 5

Mr. HODGINS.—The witness says he cannot give the quantities without having the cross-section.

Mr. MURPHY.—The witness has not said that he cannot. I think I have submitted to a great many interruptions by my learned friend and I think I should be allowed to proceed with my cross-examination.

Mr. MACDONALD.—We are not going to have any fighting between counsel you might as well learn that first as last, so you might as well get down to business.

Mr. HODGINS.—I think the witness should have some protection.

The CHAIRMAN.—The witness has all the protection he needs. I assume that the witness being an engineer ought to be able to protect himself in this matter. We do not want any unfair questions, but anyhow the only way to proceed regularly is for Mr. Hodgins to make his objection to questions to the committee and not to interrupt the other counsel.

Mr. MURPHY.—Or to steer the witness as to the answer he is to give.

Mr. HODGINS.—I have not done that ?

Mr. MURPHY.—Oh yes, repeatedly.

A. About 90,000 or 100,000 cubic yards.

By Mr. Murphy :

Q. How much, Major ?—A. 90,000 or 100,000 cubic yards, I have just squared it off.

Q. Would 100,000 cubic yards be the outside figure of that cut ?—A. It will depend on the slope, I think it had about $\frac{1}{2}$ to 1 slope.

By Mr. Hodgins :

Q. Is the slope given on that profile ?—A. No. It depends altogether on the slope, how far up the hillside the slope should go.

By Mr. Murphy :

Q. What did you say would be the quantity in that, Major ?—A. It might run—

Mr. HODGINS. Am I right now in making the objection, after the witness has said that the slope must be given before he can make the calculation, and that the slope is now shown on the profile ? This question, without giving him the data is either useless or misleading.

The CHAIRMAN.—What was the question ?

Mr. MURPHY.—I am asking as to the quantity of material in that cut between station 70 and 80, as shown on the profile.

Mr. HODGINS.—I object that there is not sufficient data to enable the witness to make a calculation ?

A. When I was there we had not the profile, we discussed this thing generally and these were the figures I got when I was there.

By Mr. Murphy :

Q. With more data before you now than you had when you were on the ground ?—A. I can go into it more thoroughly; if I had this profile when I came down I could have gone into very much more details than I did.

Q. That is what I assume, with this additional data before you you can go into it more thoroughly and should have no trouble in telling what quantity there is in the cut between stations 70 and 80 ?—A. I say roughly from 90,000 to 100,000 cubic yards if the slope is not more than $\frac{1}{2}$ to 1.

Q. That could not be a cut, according to your statement, that would be described as a tunnel cut ?—A. Yes, I think that is the cutting.

Q. You said that the other contained about 150,000 cubic yards ?—A. This is the one (indicating on profile). The one that I saw contained more than that, I do not know how much that would run to.

MAJOR HODGINS.

Q. Just identify that by stations, Major, please?—A. The cut from 70 to 80 would run about 100,000 cubic yards if the slope is $\frac{3}{4}$ to 1, and this one at station 40, I could not tell, it will take a lot of calculating, it depends altogether on the slope.

Q. Do you now, Major, swear that the cut between stations 70 and 80 is the tunnel cut that you visited with the gentlemen whom you mention?—A. I cannot swear as to that.

Q. You can't swear to that?—A. I cannot swear to that on the profile there.

Q. You say you can't swear to it on the profile?—A. No, you see I haven't had the profile to compare with the ground at any time.

Q. Is the cut shown on the profile between stations 70 and 80 the one on the top of which you said was wet sand?—A. I corrected that afterwards.

Q. No matter what your correction is, I am asking you if the cut on the profile between stations 70 and 80 is the one on which you say there was wet sand?—A. It looks something like it; I take it because I do not remember that jog in there; it appeared to be a larger cut than that.

Q. I am asking you, Major, if the cut at Station 40, shown on this profile, is or is not the tunnel cut that you have described in your examination in chief, and in your cross-examination as having visited it with the engineers you mentioned?—A. That looks something like the other cut.

Q. I am asking you if it is the cut?—A. I cannot say.

Q. Will you swear that it is not?—A. Well, I can't tell you that either.

Q. What is your answer, Major?—A. This looks like the cut, there was a track down in one.

Q. The cut at Station 40?—A. One of these cuts had a track down it; if I remember right, I think that was the second cut.

Q. Was that the one that you described as the tunnel cut?—A. I can't say, Mr. Murphy.

Q. Well, will you swear that the cut shown on this profile between Stations 10 and 20 is the cut that you have described as the tunnel cut?—A. No, I cannot say that; that is why I asked Mr. Doucet if that wasn't the way we walked (indicating on profile).

Q. Mr. Doucet told you it was the opposite direction, from left to right.—A. We went up there, and then we went up to a rock cut, and coming down the northern track was over this way (illustrating).

Q. You have heard the evidence by Mr. Doucet identifying this cut at station 40 as the tunnel cut?—A. Yes, and it is marked 'tunnel cut' here and 'cancelled.'

Mr. HODGINS.—It is not marked 'tunnel cut,' but 'tunnel.'

A. I could not identify it unless I went on the ground.

By Mr. Murphy:

Q. And that is the tunnel cut of which you were speaking as the one in which you said you spent ten or fifteen minutes?—A. I forget who it was asked me how long I had been in there.

Q. I am not asking you who asked you, but that is the one you only spent ten or fifteen minutes in?—A. I was there as long as the other fellows.

Q. That is not what I am asking you. Isn't your statement that you spent ten or fifteen minutes in the cut?—A. I could not say exactly how long I spent in there.

Q. Was it not the tunnel cut in which you said you spent ten or fifteen minutes?—A. The cut I described as the one that had loose rock and stones on the slope of it.

Q. That is the tunnel cut?—A. Whether it was the tunnel cut or not I could not say.

Q. How long did you spend in the tunnel cut?—A. In the cut I am referring to?

Q. How long did you spend in the tunnel cut that you have described?—A. Do not put it in that way.

Mr. LENNOX.—The witness asks you to eliminate the word 'tunnel,' and I think he has the right to do so.

APPENDIX No. 5

By Mr. Murphy:

Q. What is the cut you are referring to?—A. That (indicating on profile) looks more like it, but it looks a little small.

Q. That is the cut between stations 70 and 80?—A. Yes, but I can't say it is the cut.

Q. Can you tell us what the classification of that cut should be between stations 70 and 80? What is your answer?—A. Can I tell you what the classification should be there?

Q. Yes?—A. That was not the cut.

Q. I am asking you what the classification of that cut should be—A. Do you want me to make a guess at it?

Q. I am asking you what the classification should be? You went over the ground and described it in your letter and in your charges, and now you have the profile before you?—A. You cannot classify from the profile.

Q. I am not asking you what you can classify from, but can you tell us now?—A. The classification?

Q. Yes, of that cut between stations 70 and 80?

Mr. HODGINS.—The witness says you cannot classify it from the profile.

The CHAIRMAN.—Let him say so, if that is the case.

Mr. HODGINS.—He has said so.

A. You must be on the ground to classify.

By Mr. Murphy:

Q. Can you tell us the classification of the cut shown on the profile at station 40?—A. No.

Q. Can you tell us the classification of the cut shown on the profile between stations 10 and 20?—A. I do not know what cuts they refer to. Nobody can classify by the profile, a man must classify on the ground.

Q. Did you do any classification on the ground when you visited there in June last?—A. You are judging classification from a lawyer's standpoint.

Q. I am not judging it at all. I do not know anything about it. I am taking your charges that you spread broadcast and ask you what you made the classification?—A. 40 per cent solid rock in the cutting I refer to would be a liberal classification.

By Mr. Lennox:

Q. You say 40 per cent solid rock in that cutting would be a liberal classification?—A. Yes.

By Mr. Murphy:

Q. You came to that conclusion after a ten or fifteen minute visit to the cutting you refer to?—A. You mean that I only spent ten or fifteen minutes there; you can't nail me down to time here.

Q. I am not nailing you down to any time; I am taking your own statement. How long did you spend in District 'B' altogether?—A. District 'B'?

Q. Yes, Quebec?—A. Oh, we were there, I forget what day we got down there—Monday, I think.

Q. No, no; I am asking you how long did you spend there altogether?—A. I think we were there the whole day; we got to La Tuque in the morning, and we drove off to the river and where some rock had been blasted into the river, and then we went up to the hill and drove over to this work; we had lunch there. It would be about half a day on the work.

Q. Is the cut that you refer to the one that you saw first after getting out of the carriages?—A. Yes, I think it was.

Q. You think it was. Do you remember that the visit to La Tuque was for the purpose of settling the location of the station grounds?—A. No.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. Do you remember the examination of the locality that day for the location of the station grounds?—A. No.

Q. Could that have been done, could an inspection of that kind have been made without your knowing it?—A. I think the station ground had been settled on before we went down there.

Q. I am instructed not?—A. I do not know anything about it.

Q. Do you remember seeing Mr. Parent there that day?—A. Yes.

Q. Do you remember a gentleman named Rousseau being with Mr. Parent that day, the member for Champlain?—A. I remember there was a member got on board at one of the stations as we were going out on the train.

Q. Did you see this gentleman on the ground afterwards?—A. They were all ahead of us.

Q. On the work?—A. No, they did not go off on the work.

Q. You were not visiting it alone?—A. No, but I think they all drove down to the contractor's camp while we were going over the work, only a small party got out and went over the work so far as I remember.

Q. Do you remember where you first went to after arriving at La Tuque?—A. Yes, we drove down to this place where they had blasted out some on the side of the river bank in order to lower the waters, the flood.

Q. Yes, and don't you remember an inspection then being made with regard to the location of those station grounds?—A. Down there, down at the river?

Q. In that neighbourhood, not at the river exactly but in that vicinity?—A. I walked back up to the top of the hill, and waited, I think, on the top of the hill for some little time, I did not see anything of any station grounds.

By the Chairman:

Q. With reference to that tunnel cut, how long did you spend there?—A. I have been trying to figure it out.

Q. Can't you remember how long you stayed there?—A. I walked in and looked at it, and then I spoke to a contractor—I do not remember how long.

By Mr. Lennox:

Q. Perhaps you can tell us in this way, you went there for the purpose of seeing this cut?—A. Yes.

Q. And you were all there for the same length of time?—A. Yes.

Q. For whatever time you thought to be necessary you took there before you came away?—A. I think we all walked through the cut together.

By the Chairman:

Q. You looked at it, you saw it, you went through the whole of the work and came back?—A. Yes.

By Mr. Lennox:

Q. So that you took whatever time appeared to be necessary?—A. Yes, and when I was asked the question, how long I was there, I did not think it out.

The CHAIRMAN.—It is a very important matter.

By Mr. Murphy:

Q. At page 280 you were asked:

Q. Is this the cut that you told your counsel you spent 10 or 15 minutes at?—A. I did not time myself, we walked over it.

Q. I am not asking you that. Is this the cut you said you spent 10 or 15 minutes in?—A. That is it.

Q. And during that time you had all this conversation and made the inspection of the cut you have told us about?—A. I did not inspect it, I walked into it and walked over it.

APPENDIX No. 5

Q. And you gave a description of it?—A. Yes, I believe in that description I confused two cuts.

By the Chairman:

Q. Now, in 15 minutes anyway you went through it. Do you think you had time to make all these calculations that your charges—A. Leave out the 15 minutes.

Q. Say 15 or 20 minutes. You say here at page 41 of the synopsis of charges:

‘In La Tuque, in district ‘B,’ there is a large cutting which was originally intended for a tunnel. This had a slope on one side of 120 feet, and about 80 feet deep. There was no solid rock in place, so that a tunnel was an impossibility. Consequently an open cut was made.’

You could not, at a glance, say that. Then you go on to say:

‘It was a very large cutting containing about 150,000 cubic yards of material.’

A. Yes.

Q. You had ten minutes, in which to make the observations upon which you made those calculations?—A. Well—

Q. That is your evidence, I want to make that clear.—A. We discussed it, and I got all that information, while on the work there, at that particular place.

Q. You say:

‘The ground was a mixture of loose rock with some boulders and some earth and wet sand on top?’

A. We walked over all this.

Q. Did you see in walking over it—is it possible you could say from what you saw in walking over it that it was 120 feet slope, 80 feet deep and that there were 150,000 cubic yards of material, that there was no solid rock, in place, that there was loose rock and some boulders and sand on top?—A. As you walk over it you ask questions.

Q. You asked questions, you did not see it yourself?—A. We were all talking.

Q. And you got your information from somebody else then in making that statement?—A. Possibly, or I may have seen it.

Q. I insist upon that, did you see that yourself, or did you get your information from somebody else?—A. I came away from that cutting with that information in my head.

By Mr. Hodgins:

Q. And you had never seen it before?—A. And I have not seen it since.

By Mr. Murphy:

Q. From whom did you get the information?—A. I do not know, I was discussing it, I do not know who, I went and spoke to the Italian. The party was walking through and we were discussing the cut, and we would all ask questions and answer questions as railway men will talk in going through a cutting that way. We were all railway men and agreed it was a most awful looking cutting and hard for the contractor to take out and that he ought to get all that was coming to him.

Q. Then you based what you have said rather on the information you received than on any knowledge you had?—A. Not altogether.

Q. To what extent then? What knowledge had you apart from the information you say you have got?—A. How do you mean, knowledge of what?

Q. Of this cut?—A. Judging from my eyes. I saw the cut and I walked through the cut.

By Mr. Macdonald:

Q. Did you make any memoranda?—A. No, I did not take a note.

By the Chairman:

Q. How could you remember all those exact measurements, 120 feet and 80 feet deep and 150,000 cubic yards?

Mr. LENNOX.—He does not say that is exact, he says that is about.

Mr. MURPHY.—No, he says 'a slope on one side of 120 feet—'

Mr. LENNOX.—About 120.

Mr. MURPHY.—No, he does not say about 120 feet.

The CHAIRMAN.—Even if he said 'about' how could he say so many feet, like that, from such a short inspection, it is very singular.

A. Well, that was the easiest way I could describe the slope, to anyone but an engineer.

By Mr. Macdonald:

Q. Who told you what it was classified at?—A. Mr. Doucet.

Q. Did Mr. Doucet think that the classification which he told you had been made was correct?—A. Did he say it was correct?

Q. Yes?—A. I don't remember asking him.

Q. How did he come to tell you what it was classified at? Did you ask him?—A. I asked him, yes.

Q. Did you tell him you thought it was incorrect?—A. No.

By Mr. Murphy:

Q. Do you know who made the original estimate of this tunnel cut to which you have referred?—A. No.

Q. Do you know whether there was a change of location made on a portion of the work after you walked over it in June last, after the estimate was made?—A. No, I could not say.

Q. You have told us though that the cut was originally estimated for a tunnel?—A. That would be from the information I received on the ground.

Q. Do you know why it was changed to a through cut?—A. Probably because there was no rock in it.

Q. But do you know?—A. No—information I got on the ground.

Q. Then you have also said it was originally estimated at 30 per cent solid rock?—A. That I heard on the ground.

Q. Well now, do you believe that the engineers in that district could have intended it for a tunnel if they had only estimated 30 per cent of solid rock in it?—A. It was intended for a tunnel before they opened or started any work on it. You cannot estimate the amount of loose rock or solid rock in a cut exactly until the work is opened up.

Q. Then your statement does not refer to anything that was done before it was opened up?—A. Before it was opened up it might have been the intention of the engineers to make a tunnel of it.

Q. Do you know when this estimate of 30 per cent of solid rock was made?—A. No, I think they said about a couple of months after the cut was started—I am trying to remember, but I cannot say whether it was a sub-contractor or who it was on the work told me that.

Q. But in your statement to the paper you say that it really had been laid out as a tunnel, but when they found there was no solid rock in the place they abandoned the tunnel idea and took it out as an open cut.—A. That is right is it not, that it what I understood was the original intention.

Q. Do you know that the abandonment of the tunnel idea was an improvement and was a benefit to the line?—A. Well, if it was solid rock I should have imagined it was an improvement to have had the tunnel there.

Q. If it had been solid rock?—A. That is a matter one would have to go into carefully and consider the two propositions separately on the plans and profiles. I

APPENDIX No. 5

presume the engineers in striking out the tunnel considered they were doing the best thing, they must have had some reason for it.

Q. But you have stated that there was no solid rock visible in June, 1907?—A. I did not see any solid rock.

Q. You did not see any, and you have also told us that the division and resident engineers are the proper persons to classify the work on their divisions and residences?—A. Yes, they can classify closely.

Q. For the reason that they are constantly on the work and see the changes in the material taken out from day to day.—A. Yes, they have the experience, and if the resident has not experience he can very soon gain it by discussing classification with his next senior, but the resident engineer should be the one to classify.

Q. Because he sees the material taken out from day to day and observes the changes in the material?—A. Yes, as a rule there is not very much difference on railways between the classification of two engineers.

Q. Then the engineers who were on the work and who made the classification should be better able to speak about it than you, Major?—A. They ought to be, if they classify properly.

Q. Can you swear that the classification was not made by the division or resident engineers?—A. No, I do not know, I did not see them make the classification.

Q. Did you see any estimates for the work when down in Quebec?—A. No.

Q. Have you seen any of them here?—A. No.

Q. Will you swear that Mr. Doucet classified these cuts that you have been speaking of?—A. No, I do not know anything about it.

Q. Or that Mr. Grant classified them?—A. No, I cannot say that, I did not see them classified, I have not seen it.

Q. Had you signed any of the estimates before you made that statement that the classification was 86 per cent of solid rock?—A. No, I simply took the—

By Mr. Lennox:

Q. You had not seen them at all?—A. No, I took the statements of the engineers given to me down there.

By Mr. Macdonald:

Q. Where did you learn that the cuttings were originally classified at 30 per cent?—A. Down on the work.

Q. Who from?—A. I am trying to remember. I think it was the sub-contractor. It was either the sub-contractor or Mr. Armstrong.

Q. It would be from him that you knew that, because you had no other means of information as to what that original classification was except this person whose name you cannot now remember?—A. It would be Mr. Armstrong or the sub-contractor.

Q. What sub-contractor?—A. It would be the Italian.

Q. The Italian sub-contractor?—A. At least I don't know whether he was the sub-contractor. He spoke to me as the man who had charge of the work there.

Q. It was the Italian sub-contractor or Mr. Armstrong, you are not certain which one?—A. No, they both ought to know, the man who does the work and the man who is looking after the classification for the Grand Trunk Pacific.

Q. You did not ask Mr. Doucet how it was there was this difference did you?—A. No.

Q. You made no inquiries of any kind? You did not ask Mr. Doucet as to what was the original classification?—A. No.

Q. Or whether there was any change?—A. No.

MAJOR HODGINS.

By Mr. Murphy :

Q. And your classification, Major, referred to the day of your visit only?—A. Yes.

Q. Now could you swear that a week or a month previous to that visit, 70 per cent or 80 per cent would have been too liberal a classification to return—A. I was judging from the look of the slope of the cutting.

Q. That is not what I am asking you. I am asking you whether you would swear that a week or a month previous to your visit 70 or 80 per cent of solid rock would have been too liberal a return to make for that cut?—A. I don't know how I could swear when I was not there.

Q. That is what amazes me. Is it not a fact that every cut is classified every day and that the classification may change from day to day?—A. I don't think a cut is classified every day.

Q. That the material that comes out is classified every day as it comes out?—A. I don't think so; it would be impossible. If a man has ten miles how can he classify every cut on it? I mean if the resident engineer has ten miles.

Q. I am not asking you that?—A. But you are asking me.

Q. Are there not records made every day as the material comes out?—A. No.

Q. On which the classification is based?—A. No.

Q. Well, at what intervals are these records made?—A. It just depends upon the cutting. The resident engineer is responsible for his classification, and if he has got any measurements to make he has got to make them in such a way that they are correct. When all his cross-sectioning is done he is supposed to make a trip over his work, theoretically once a day; I don't think they do it in practice. They do it as often as they can. They have a lot of work, odds and ends, but they are supposed to go over the work, if it is only to have an intelligent idea of what the classification should be. In some cuttings, where there are lots of boulders, I believe they put on men to measure them, but it would be impossible for one man to measure up the classification that you are referring to just now every day.

By Mr. Macdonald:

Q. Do I understand you to say, Major Hodgins, that this phrase 'Quebec classification,' as it has been used in the course of this investigation, arose out of what you saw at La Tuque that day?—A. I don't know—

Q. You what?—A. I don't quite catch your question.

Q. The phrase 'Quebec classification' seems to have had some special significance in the course of your letter and interview and through the course of this investigation. What is 'Quebec classification'?—A. Quebec classification?

Q. You have heard the phrase, have you not?—A. Yes.

Q. Well, was that phrase 'Quebec classification' one which arose out of what you saw in La Tuque that day?—A. I don't think so.

Q. Well, where did you get it?—A. I think I heard it spoken of before I went—before I left.

Q. Yes?—A. And western classification.

Q. Well, are we to understand that what you saw at La Tuque that day caused you to use the expression that 'Quebec classification' was being subsequently applied in the west?—A. Possibly, yes. It was just—it should be classification in Quebec. That would have been the more distinct term to use.

Q. I understand that that observation of yours at La Tuque that day was the only personal observation you had of any classification in the Quebec district?—A. Personally, yes.

Q. At any time?—A. Yes, at any time; but I had a long discussion with Mr. Armstrong about the classification in that district on the following Sunday in Quebec city.

Q. You did not discuss it with Mr. Doucet?—A. No, I did not see him.

APPENDIX No. 5

By Mr. Hodgins:

Q. That was before you returned from this La Tuque visit?—A. Yes.

By Mr. Murphy:

Q. You have also said, in speaking of this cut, that there was a large boulder in it which would measure some 200 cubic yards?—A. I did not see that. In talking of the amount of solid rock—

Q. You did not see it, somebody told you?—A. The largest boulder they had uncovered was 400 yards.

Q. Now, after that boulder was removed by blasting, the whole thing, would there be any trace of it left in the cut?—A. No; it would just depend where they got it. If it was on the slope, there might be some trace of it afterwards if in the middle of the cutting.

Q. Can you swear that previous to your visit to La Tuque there were not other large boulders of the same kind removed and no trace left?—A. How can I swear that?

Q. I am asking if you can?—A. No, I cannot.

Q. And you have also stated that the cut consisted of loose rock and boulders in the end?

Mr. HODGINS.—Where are you quoting from?

Mr. MURPHY. Pages 128 and 129. The witness said, as reported at page 128: 'The western end, I think it was, we first came to was a mass of loose rock, boulders.'

Q. Do you remember that, Major?—A. Yes.

Q. And, basing your opinion upon that, you have stated that you think 40 per cent would have been too liberal a classification—40 per cent of solid rock?—A. Yes, very liberal.

Q. Very liberal. Now, I will show you some photographs, Major—

Mr. HODGINS.—Now, Mr. Chairman, I am going to object to the production of these photographs unless they are properly proven.

Mr. MACDONALD.—You can exhibit the photographs.

The WITNESS.—When was this photograph taken?

Mr. MURPHY.—That was taken—

Mr. HODGINS.—I want the photographer to say when he photographed the cutting and from what point.

Mr. MURPHY.—I will ask Mr. Doucet as to that.

Mr. MACDONALD.—Your proper course would be to exhibit the photographs to the witness, and then if you want to prove them, do so.

By Mr. Murphy:

Q. I want you to say, Major, looking at that photograph (handing photograph to witness)—

Mr. HODGINS.—Pardon me a moment. I had an experience the other day when my learned friend produced something that he said he was not going to put in and then asked a question about it, and then the statement went in. I submit this is not evidence at all. Unless my learned friend is prepared to prove it, this photograph is not something he can put in and question the witness about.

Mr. MACDONALD.—That is absolutely quibbling, and you know it very well.

Mr. HODGINS.—I do not know it very well.

Mr. MACDONALD.—Then your experience is different from mine.

Mr. HODGINS.—That may be.

Mr. MACDONALD.—The question as to whether that shall be treated as evidence or not is one of proof afterwards. Mr. Murphy has a perfect right to submit the photograph to the witness.

Mr. HODGINS.—I submit that he has not.

Mr. MACDONALD.—Then I will rule against you myself.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Mr. HODGINS.—I make this objection on account of the experience I had the other day.

The CHAIRMAN.—Supposing the witness can recognize the place?

Mr. HODGINS.—That is a very different thing. My learned friend is putting in the photograph as if the witness recognized it.

Mr. MACDONALD.—He has a right to submit it to the witness. If the witness does not recognize it, then Mr. Murphy must prove it.

Mr. HODGINS.—Then my objection is withdrawn if it is not put in unless the witness recognizes it.

Mr. MURPHY.—Not unless this witness identifies it?

Mr. HODGINS.—Yes.

The WITNESS.—This is not the cut I was referring to (after examining photograph). I do not recognize this as the cut I was referring to.

By Mr. Murphy:

Q. You do not recognize it as the cut you referred to? Well, now, if you were shown a photograph of the cut you did refer to would you recognize it?

Mr. LENNOX.—That is not a fair question.

Mr. HODGINS.—Hardly a fair question.

A. The ground looks so different in the photograph.

By Mr. Murphy:

Q. Everything looks different now, I know that. Could you tell us from looking at that photograph whether 40 per cent solid rock would be a liberal estimate?—A. I would never, never estimate a cut in a photograph.

Q. I beg your pardon?—A. I would never estimate a cut in a photograph.

Q. Just by eye?—A. It depends upon what sort of estimate you want. If you want a close estimate I would have to go down and measure it, but I can give a quick enough estimate on—

Q. Would the cut shown in the photograph be estimated fairly liberally at 40 per cent solid rock?—A. Ask me something easy.

Q. Can you say, or what do you say?—A. I could not say anything at all about it from that picture. I don't know where this rock came from that is lying in front.

Q. I am not asking you that?—A. It is very material if you are going to estimate it.

Q. Since the rock is in the cut it doesn't matter?—A. Yes; but here is a lot of rock piled up here. How do we know it has not come from the cut on the other side?

By Mr. Macdonald:

Q. Assuming it came there naturally and was not improperly placed there, what would you say?—A. You don't know how far it goes under this bank; you could not classify it without—

By Mr. Lennox:

Q. Could you estimate it by that photograph?—A. Oh, dear, no; could not begin to do it.

By Mr. Murphy:

Q. Can you tell us, major, whether the cut shown in this photograph that I am exhibiting to you shows more rock than was in the cut that you referred to at the time of your visit?—A. That is not the cut that I referred to.

Q. I am asking you if this photograph of a cut shows more rock than there was in the cut to which you referred at the time you visited it?

Mr. HODGINS.—This cut has not been identified. It may be anything from Dan to Beersheba.

Mr. MACDONALD.—It is a perfectly legitimate question.

APPENDIX No. 5

The WITNESS.—Without knowing how much rock there is in that—unless I knew how much rock there was in that—

By Mr. Murphy:

Q. From the appearance in of the cut in that photograph?—A. You cannot judge.

Q. Can you tell us what classification there would be of loose and solid rock?—A. If you are standing at this end of the cut you cannot judge it, you have got to get into the cut. You are looking at it from the outside.

Mr. HODGINS.—It looks like a photograph of the scene of the explosion on the line the other day.

The WITNESS.—This gives you no idea. You don't know how many feet, you don't know how far it runs in that way (indicating on the photograph).

By Mr. Murphy:

Q. You did not get into the cut referred to except at either end and then walked over it?—A. We walked in.

Q. Does this photograph look like the type of cut over which you walked?—A. I could not remember that.

Q. Does it look like a sand cut?—A. Apparently there is—I don't know whether there is sand or not on the other side. It looks like common excavation on one side.

Q. The right hand of the cut as it faces you?—A. I could not say from the photograph whether it was sand or mud or clay.

By the Chairman:

Q. Do you mean that this part would be common excavation (pointing to photograph)?—A. That part looks like it.

Q. This part here?—A. You don't know what size the boulders are or the loose rock; you cannot tell from the photograph.

Q. Having looked it over for some minutes does the photograph recall to you the cut that you have been referring to?—A. It does not.

Mr. MURPHY.—Then I would ask that Mr. Doucet identify the photograph.

The CHAIRMAN.—Mr. Doucet has been sworn.

Mr. HODGINS.—The photograph should be identified.

The WITNESS.—I will take Mr. Doucet's word.

Mr. HODGINS.—Pardon me, I am counsel in this case.

The CHAIRMAN.—We will see what Mr. Doucet will say.

Mr. DOUCET, recalled and further examined.

By Mr. Murphy:

Q. Will you just explain to the committee what this photograph is that I have been showing to the Major, and state when it was taken?—A. I think that is the cut, taken in April, 1908, April last.

Q. Yes?—A. The top of the cut is practically the same as when Major Hodgins was there. The bottom, of course, has been changed, but in the month of July we stopped working on the top and continued from both ends.

Mr. HODGINS.—That rules it out. The visit was paid in June, 1907, and the photograph was taken in April, 1908.

The WITNESS.—The top is the same.

Mr. MURPHY.—They stopped in July, 1907, and the top of the cut, the witness says, is the same.

Mr. HODGINS.—Let me say here that I object to calling Mr. Doucet in the middle of Major Hodgins' cross-examination to identify something. If Mr. Doucet is called ultimately, and that photograph put in, I am not going to object, because then I will

Mr. A. E. DOUCET.

have the right to cross-examine him. But I object to his identifying a photograph at this stage and then presenting it to the witness who has already said that he does not understand it.

Mr. MACDONALD.—I do not think Mr. Doucet should tell any more than the date on which the photograph was taken, at this stage.

Mr. MURPHY.—The witness has stated that the work on the cut which the Major has been referring to was stopped in July, 1907. He said that this photograph directly represents the top of the cut as it was when the visit was made.

Mr. MACDONALD.—Mr. Hodgins' objection is to the further examination of Mr. Doucet. You have identified the photograph and you can ask the Major, if you like, as to that date.

Mr. MURPHY.—Very well.

Q. I show you a second photograph of the same cut, Major—

Mr. HODGINS.—Not for the purpose of putting it in, I suppose?

The WITNESS.—That is not the cut.

Mr. MURPHY.—I am asking the witness: 'Do you identify that?'

The WITNESS.—Whereabouts is that?

Mr. MACDONALD.—Do you not think you had better go on with Mr. Doucet and identify all the photographs?

By Mr. Murphy:

Q. Mr. Doucet, you have produced a second photograph of the cut to which Major Hodgins has been referring. I ask you to explain to the committee what this photograph is and when it was taken?—A. It was taken in April, 1908, and it is the west end of that tunnel cut which was cancelled.

Q. It is the west end of the tunnel cut which we have been speaking about?—A. Taken in April, 1908.

Q. And what does it show?—A. It shows the cut—the way it has turned out at the present time.

Q. Is there any part of the cut the same as it was when the visit of Major Hodgins, yourself and others, was made in June, 1907?—A. This part here (pointing to photograph).

Q. That is on the left of the photograph facing you?—A. Yes. At present that cut has turned out solid rock.

Mr. HODGINS.—I object to my learned friend putting in his case now. I think I should have the chance to put in mine first.

Mr. MURPHY.—I am only asking him to identify the photograph first.

Q. What other photographs have you of the same cut?—A. This is another photograph of this cut (producing photograph).

Q. This third photograph is what?—A. That is the west end of the cut.

Q. The third photograph is the west end of the cut?—A. Yes.

Mr. LENNOX.—You had better mark them as a, b, c, &c.

Photographs put in and marked Exhibits a, b and c.

Q. This photograph marked c showed what?—A. The west end of the cut. The north slope of the west end of the cut.

Q. Of which cut?—A. This tunnel cut, cancelled.

Q. And is that the cut to which we have been referring?—A. That is the cut to which you have been referring.

By Mr. Hodgins:

Q. How do you identify those photographs?—A. They were taken by my men.

Q. You were not there?—A. No.

By Mr. Murphy:

Q. And what is this photograph (producing photograph exhibited)?—A. This is the east end of the cut.

APPENDIX No. 5

Q. The east end of which cut?—A. Of this same tunnel cut which was cancelled.

Q. What does it show?—A. It shows the east end of the cut.

Q. At what stage of the work?—A. Well, there has been very little done in there since Major Hodgins was there—the east end.

Q. Since when?—A. Since June, 1907.

Q. Now, is there any part of the work shown in this photograph b in the same condition as it was when you made a visit in June, 1907?—A. This must be the sand referred to by Major Hodgins.

Q. Where?—A. The top is still the same as it was in June, 1907. There are the cars and carts.

Q. And is it close to these cars and carts? You say the sand is the same as was referred to by Major Hodgins?—A. Yes; there is the slope referred to.

By Mr. Macdonald:

Q. Do you recognize in these photographs a reproduction of the ground as it was known to yourself?—A. Perfectly.

Mr. HODGINS.—I would like to reserve my cross-examination upon these photographs until they are properly proven. I don't think they could be proven by a man who did not see them taken.

By Mr. Murphy:

Q. Have you been over the ground since the visit of last year?—A. Yes, often. Witness retired.

Examination of Major Hodgins resumed.

By Mr. Murphy:

Q. Now, Major, having seen these photographs, marked for the time being a, b, c and d—A. They do not remind me of the cut.

Q. Do they recall anything further to you of the material in that cut?—A. They do not remind me of the cut I refer to—that I have got in my mind. (After examining photographs again.) They do not.

Q. They do not?—A. No.

Q. Well, looking at the work as shown in these photographs, could you say now what would be a fair classification?—A. Oh, no; I could not. I would not classify by photographs. I would not give you a classification by a photograph.

Q. You could not get any percentages at all then as to classification?—A. No.

Q. From these photographs?—A. No, there is nothing to go by.

Q. Do you remember telling us there was a track down one side of the cut to which you referred?—A. Not the one I referred to, one of the other cuts.

Q. Which other cuts?—A. I think it was—we passed a couple—

Q. I did not get your answer, Major?—A. We passed a couple of cuts, and I think there was a track down the slope. It is this profile reminded me of it. It may possibly have been down that slope there (pointing to profile).

Q. That is the slope of the cut shown at what station?—A. 40.

Q. In the profile?—A. Yes, but that is not the cut I referred to.

Q. Look at photograph b showing some tracks. Are those the tracks you referred to?—A. No, there was not that amount of work done.

Q. Well, you observe that there are a number of men shown in the cut in photograph b?—A. Yes.

Q. Do you recognize among them the Italian sub-contractor to whom you spoke?—A. No, I could not.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Mr. HODGINS.—Are you sure that is not where the explosion occurred the other day ?

Mr. MURPHY.—Quite sure.

The WITNESS.—No, I cannot recognize him.

By Mr. Murphy :

Q. You cannot recognize him ?—A. No.

Q. He was only a chance acquaintance ?—A. I think we dined at his camp afterwards and he gave us some very sweet champagne.

Q. I see, treated you ?—A. Treated us all. There was a big party there. I think it was his camp.

Q. Now have you made any inquiry since your visit as to the actual percentage of solid rock that was returned from the cutting to which you have been referring ?—A. No, I have not had any means of getting at it.

Q. You had what ?—A. I think I asked Mr. Doucet, I am not certain.

Q. And what did he tell you ?—A. He laughed and said I was all wrong.

Q. Said you were all wrong ?—A. Yes. I am not certain—

Q. Would you be surprised to learn that up to the end of May, 1907 there had been returned in the cut to which you refer a percentage of solid rock of only 29 per cent ?—A. Twenty-nine per cent ?

Q. Yes ?

Mr. HODGINS.—You said the cut to which he referred.

Mr. MURPHY.—Yes.

Mr. HODGINS.—That is hardly fair.

Mr. MURPHY.—Why ?

Mr. HODGINS.—Because you do not identify the return.

Mr. MURPHY.—I am asking him about the cut to which he refers.

Mr. HODGINS.—Have you given him the cut to which he refers ?

Mr. MURPHY.—The cut which he has been speaking about.

Mr. HODGINS.—I submit we are entitled to have that question put, giving the exact station to which my learned friend refers when he says 29 per cent was returned.

Mr. MURPHY.—We cannot blow hot and cold in that fashion. When we give him the station in the profile he recognizes nothing.

Mr. HODGINS.—I want you to tie yourself down to something.

Mr. MURPHY.—I am tying the witness down to something. I am tying him down to the cut which we have described. He has stated to the committee that in his opinion 40 per cent would be a liberal classification, and that he was told it was classified at 86 per cent. He was in the cut with the engineers looking at it.

Mr. HODGINS.—Identify the 29 per cent ?

Mr. MURPHY.—I am asking him if he would be surprised to learn that 29 per cent of solid rock was all that had been returned for that cut to the end of May, 1907 ?

Mr. HODGINS.—What cut ?

Mr. MURPHY.—The one he has been referring to.

The WITNESS.—I don't think it could be the same one.

By Mr. Murphy :

Q. I am asking you what you have to say as to that return of 29 per cent ?—A. Principally boulders or ledge. Was it ledge or boulders ?

Q. I am asking you which it was ?—A. I think it was ledge.

Q. In the estimates is there a distinction drawn between ledge and boulders ?—A. Yes.

Q. In the estimates ?—A. Yes.

Q. Is there a separate heading for each ?—A. No.

APPENDIX No. 5

Q. It is returned as solid rock, isn't it?—A. Yes.

Q. I am asking you if you would be surprised to learn that until May, 1907, there was only returned 29 per cent of solid rock in that cutting?—A. In ledge, yes; in boulders, no.

Q. You have told us there is no such distinction as that drawn in the estimates?—A. You mean in the estimates sent in?

Q. I mean in the estimates?—A. But there should be.

Q. There is not, as a matter of fact.—A. If you ask the engineer on the work he can tell the difference between ledge and boulders.

Q. I am not asking that. You made the estimates when you were on the work?—A. Yes.

Q. Did you make any distinction in your estimates?—A. What kind of estimates are you referring to? These rough estimates I have been giving you?

Q. The estimates you sent in from month to month?—A. Those are made by the engineer on the work.

Q. Did you make any distinction in those sent in from your district?—A. I think I told them to keep a record of it.

Q. I do not care what you told them, did you make that distinction?—A. We did not put it on the estimates sent in.

Q. You did not put it on them?—A. No.

Q. Then we have wasted all this time for nothing?—A. Why?

Q. Because there must be a difference?—A. It should be in the estimates, because it is very difficult in going over the work—

Q. It should be?—A. Certainly.

Q. But it was not in yours?—A. No, I do not think so; you can tell now and then in going through a cutting and seeing no ledge rock, and 100 yards of solid rock, one would naturally assume which were boulders, but in any mixed cutting which would be ledge and then run into a loose rock cutting you would get them crowded up together, so in reality they ought to be kept separate.

Q. But when the return was sent to the commission it was under the heading of 'solid rock'?—A. Yes.

Q. Would you be surprised to learn that up to the end of June, 1907, the highest percentage of solid rock in that cutting you have been speaking about was 32 per cent?—A. Which cutting?

Q. The one at La Tuque that you visited with the engineers and on which the discussion took place?—A. How much?

Q. 32 per cent.

Mr. HODGINS.—Since those papers have been quoted to the witness and he is asked to answer upon them, I think that the return should be produced, otherwise counsel may get an unfair advantage by making an assertion that when the returns are produced he may not be able to prove.

Mr. MURPHY.—We have been trying to have it identified in the evidence of the witness who identifies it in particular references, and we are speaking now about the cut itself.

The CHAIRMAN.—What was your question?

Mr. MURPHY.—Whether the witness would be surprised to learn that the highest percentage of return of solid rock in the cutting he has been speaking about to the end of June, 1907, was 32 per cent.

Mr. LENNOX.—If there are progress estimates returns, as counsel suggests, he should have them here, and on those estimates the witness could be examined, but in their absence I think he should not.

Mr. MACDONALD.—I do not agree with you at all, I think counsel has a perfect

7-8 EDWARD VII., A. 1908

right to ask the question, and when he comes to that part of his case he may put in the statement.

The CHAIRMAN.—The witness makes statements about that, and Mr. Murphy asks him if he would be surprised that a certain percentage was the highest returned; the witness can answer just as he likes about it.

Mr. MACDONALD.—The witness says he did not know anything about the classification, he could not even tell us who told him how it was classified, he saw one or two people, but couldn't state which it was told him.

A. Mr. Doucet told me the classification.

By Mr. Murray:

Q. On what cut did he tell you that?—A. That loose rock cut.

Q. What was the loose rock cut?—A. It was the cutting that I went into—it is very hard to locate it on the profile or the station, if I had the station on the ground and the cross-cut I could have located it.

Q. That is the same cut, the tunnel cut, that you have been speaking of?—A. It has been spoken of as the tunnel cut. They told me that this cut I was looking at was originally laid out as a tunnel, but when the contractors opened it up—

By Mr. Macdonald:

Q. Do you say as a matter of fact that the progress estimates disclosed that the tunnel cut in the month of June, when the witness was there, did not have any classification more than 32 per cent of solid rock?

Mr. MURPHY.—Yes, 32 per cent for the month and 29 per cent for the month previous.

Mr. HODGINS.—I ask that these estimates be produced.

Mr. MURPHY.—They will be produced. Outside of the photographs altogether there is only one cut mentioned in the charges, and my question relates to that cut, and the returns refer to that cut.

A. I think the cut you are referring to is the second one we went through.

By Mr. Murphy:

Q. No, Major, it is the first one?—A. No.

Q. I am speaking about the cut that you yourself described in your charges and evidence.—A. It is not the shape of the cut that I went through.

Q. There is nothing the same as it was last June, I know that.—A. Then why do you show me that.

Q. These are accurate, that is why.—A. If the jog in there was there last June it would be there now.

Mr. LENNOX.—I think that counsel had better refrain from that kind of commenting. These remarks are uncalled for.

Mr. MACDONALD.—The Major might have a great deal of difficulty in answering what he did months ago, but when he read those letters that difficulty might be removed. I do not think it is out of the way for counsel to mention a fact.

By Mr. Murphy:

Q. What is your answer to that, Major?—A. What is your question?

Q. As to whether or not you would be surprised to learn that the highest percentage returned for solid rock for the cutting you have been describing, and of which we have been speaking, was along in the month of June 32 per cent?—A. That was near my estimate of it, 40.

Q. Would you be surprised to learn that was the return in solid rock for the month?—A. In boulders, no.

Q. I am not asking you about boulders, but solid rock?—A. No, I say solid rock and boulders, no.

Q. You are trying to draw a distinction, you yourself told us wasn't in the estimate?—A. If there had been any solid rock in situ I would have seen it.

APPENDIX No. 5

Q. I am not asking you that. Just answer the question. In the estimates there is one return made for solid rock, that is under the heading 'Solid Rock'?—A. Yes.

Q. Let us confine ourselves to that, that is what I am speaking about. Would you be surprised to learn that the return of solid rock in June, 1907, for the cutting you visited at La Tuque was 32 per cent?—A. I would say it was about right if it was that.

Q. You think it would be about right?—A. It ought to be right, you see that would be near my estimate.

Q. You yourself would be disposed to allow a more liberal return?—A. Oh, you see I could not guess.

By Mr. Macdonald:

Q. Major, if the returns for the month of June, 1907, show that the solid rock was only classified at 32 per cent, then the statement in your charges that it was classified at 86 per cent is wrong, is incorrect?—A. The statement of Mr. Doucet you mean is incorrect.

Q. You are making the statement in the charge, you say it was classified 86 per cent solid rock?—A. Yes, you see I went on his statement. My statement would be wrong, and Mr. Doucet's statement would be wrong, too. He was my informant.

Q. That is if Mr. Doucet said it, we have not heard what he has to say about it. We are dealing with what Major Hodgins says in these charges here, and I want to direct his attention to the fact that the return was 32 per cent solid rock instead of 86 per cent.

Mr. MURPHY.—32 per cent is the highest, it was 29 per cent for May and 32 for June.

By Mr. Murphy:

Q. Now, can you give an instance of a mixed estimate for a tunnel having been made when the materials to be excavated were supposed to be 30 per cent of solid rock and the remaining 70 per cent some other material?—A. Could I give you what?

An instance of a mixed estimate of that kind?—A. How do you mean, I do not quite understand you.

Q. I mean, if you can give us an instance of a mixed estimate having been made for a tunnel where the solid rock was supposed to be 30 per cent and the remaining 70 per cent, some other kind of material?—A. I do not know what you mean by mixed estimate.

Q. Well, say a mixed classification, or a classification of a mixed cut?—A. Can I give you an illustration?

Q. Give me an instance, yes?—A. An instance of where an estimate has been made of a tunnel?

Q. For a tunnel where the material was 30 per cent solid rock and the remaining 70 per cent some other material?—A. No. I do not think I have anything like in my mind.

The CHAIRMAN.—Any other cut or any other material?

Mr. MURPHY.—In a tunnel principally, Mr. Chairman?—A. No, I cannot.

Mr. Murphy:

Q. Can you give me an instance of that kind, Major?—A. No.

Q. Well, then, can you give us an instance where a tunnel was made through a district, or through a cut where there was mixed material in it?—A. You mean a lined tunnel?

Q. I do not know, I mean a tunnel on a right of way?—A. You have to line a tunnel as a general rule, that is through mixed material. There was a cored tunnel on the C.P.R., or a tunnel through mixed material and they eventually had to abandon it.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. You have said that this particular cut at LaTuque was originally estimated for a tunnel?—A. It was laid out for a tunnel; well, estimated for a tunnel by the location man, I suppose.

Q. But what do you know about it?—A. That is what I was told.

Q. Can you explain to the committee how it could have been estimated for a tunnel on only 30 per cent of solid rock?—A. I could not explain that.

Q. What would the remaining 70 per cent be?—A. If a tunnel had been put through this cut I was in, it would have required to be lined.

Q. It would, which?—A. It would require to have been lined.

Q. To have been lined?—A. Yes, and then when you line it you run into all sorts of expense and trouble, it is not easy work running a tunnel through material of that kind.

Q. What is your answer?—A. It is no easy matter running a tunnel through mixed material, it is expensive work.

Q. You cannot give us any instance such as I have been asking you for?—A. Not that I can recollect just now.

The committee rose.

MONDAY, June 15, 1908, 8.30 p.m.

The committee resumed.

Mr. MURPHY.—Referring to the discussion that took place this afternoon, Mr. Chairman, about the correspondence between Major Hodgins and Mr. Butler, I made inquiry of Mr. Butler, who is confined to the hospital, and apprised him of what the committee had decided with regard to Mr. Aylesworth's correspondence and the correspondence of Mr. Commee. I then inquired regarding Mr. Butler's correspondence with Major Hodgins, and I am in receipt of the following letter (reads) :

ST. LUKE'S HOSPITAL,
OTTAWA, June 15, 1908.

CHARLES MURPHY, Esq.,
Barrister, &c., Ottawa.

DEAR SIR,—Referring to your inquiry about the correspondence between Major Hodgins and myself, I beg to say that I am willing to produce it if Major Hodgins informs the investigating committee that he waives any privilege that may attach to the correspondence in question being marked 'Private and confidential.' I have already given him copies of the two letters. As I may be confined to the hospital for a couple of weeks, I could not personally produce the correspondence before the expiry of that time.

Yours truly,

M. J. BUTLER.

My learned friend this afternoon said that on receipt of a letter from Mr. Butler he would be willing that this correspondence be produced?

Mr. HODGINS.—I suppose you have a letter from Mr. Conmee saying the same thing?

Mr. MURPHY.—No; I understood the chairman would see Mr. Conmee.

The CHAIRMAN.—I have not seen Mr. Conmee yet, but think I shall see him to-night.

Mr. MURPHY.—Mr. Butler states that he is willing to produce these letters if the 'private and confidential' seal is removed.

Mr. MACDONALD.—Very well. When they are here will be time enough to discuss their production.

APPENDIX No. 5

The cross-examination of Major Hodgins resumed:

By Mr. Murphy:

Q. We were speaking before adjournment, Major, of the classification in District 'B,' and of a particular cut to which you have referred in your charges and described in your examination-in-chief and in your cross-examination. I would ask you to tell the committee briefly just what, in your opinion, the classification of that cut ought to have been?—A. Well, I cannot give the classification in detail very closely:

Q. It was a mixed cut, was it?—A. A mixed cut, yes.

Q. Well, give it as closely as you can?—A. Well, it was what I put down then as loose rock cutting, pure and simple.

Q. It was what you put down at that time as loose rock cutting?—A. At that time, yes.

Q. May I take your answer as meaning that, in your opinion, that it should have been classified as loose rock?—A. With the exception of whatever boulders there were, over the specified size, of solid rock.

Q. And how should they have been classified?—A. Solid rock.

Q. Can you give us the percentage?—A. No, I could not give you the percentage.

Q. You could not do that?

By Mr. Lennox:

Q. Repeat that answer?—A. No, I could not give the percentage.

Q. You said that you would classify it as loose rock cutting and something more?—A. Except the boulders over a cubic yard.

By Mr. Murphy:

Q. I understand you to say, Major, you could not give the percentage of either?—A. Not exactly.

Q. In your examination-in-chief, as reported at page 128, you referred to this cut as a very nasty looking cut. Would you just explain what you mean by that?—A. That means it was a hard cut to take out.

Q. A hard cut to take out?—A. Yes.

Q. Well, in what respect was it a hard cut to take out?—A. It was full of these small boulders, and it would make it difficult in placing the blast—that the contractors always have a certain amount of trouble when they get into a cut of that kind. It is a very difficult cut to judge the most effectual place to put in the charges, and altogether the handling of it.

Q. It was difficult, you say, to judge the place to put in the blasts?—A. It is a difficult cut for a contractor to handle. I know they always complain of cuts like that. They do not like to get them carrying on the work, any work.

Q. And that is what you mean by the phrase 'a nasty looking cut'?—A. Yes; from a contractor's standpoint.

Q. Could it have been ploughed?—A. Oh, no.

Q. It could not?—A. On the level, of course, it might have been ploughed; but the way the formation lay there, it could not have been ploughed. That is, from a practical standpoint, no one would ever think of making a contractor plough it.

Q. In your opinion, as an engineer, what do you think the cost per yard would be of taking out that cut?—A. Oh, well, that is a question that can only be answered by men who have watched the cutting coming out.

Q. That can only be answered by some engineer or some man on the ground seeing the work done?—A. Yes. The exact cost, you see, to get—

Q. Could you express any opinion regarding that?—A. The cost?

Q. Yes?—A. I don't know what the wages—

Mr. LENNOX.—Would that be a proper part of our inquiry now?

Mr. MURPHY.—It seems to me it would.

MAJOR HODGINS.

The WITNESS.—I don't know what the wages would be in Quebec.

Mr. MURPHY.—However, the witness says he cannot say.

Q. There were tunnel cuts in your district, of course?—A. Yes.

Q. Had you seen any cut up there like the one you have described as having visited at La Tuque?—A. No.

Q. Any mixed cuts?—A. Oh, there were mixed cuts, but we had not run into any tunnel in the mixed material. The approaches to some of the tunnels might have been mixed.

Q. Was there any cut in your district—A. Similar to that?

Q. Similar to this one at La Tuque?—A. I don't think so. It is an exceptionally bad one, in my opinion, at La Tuque.

Q. You do not think there was one?—A. No. There are some bad cuts up there, but I think that was a tougher one.

Q. This one at La Tuque, you think, was a tougher one?—A. Yes.

Q. Now, have you told us, Major, about all the classification that you saw in District 'B'?—A. I think so; that I gave any particular notice to.

Q. And I presume it is only the classification that you gave particular notice to that you can speak of?—A. Yes.

Q. In your charges you have stated that when you saw the Quebec classification creeping into your district you took exception to it?—A. Yes, that is excessive classification.

Q. Then that must have been on the same kind of work as you saw in District 'B,' was it not?—A. No.

Mr. HODGINS.—Where is that statement to be found?

Mr. MURPHY.—He said so in his evidence. I have not it identified in my printed copy, but I have in my notes.

Q. You remember making that statement, Major?—A. No.

Q. You don't remember making that statement, that when you saw the Quebec classification creeping in you objected?—A. I am just looking around to see.

Q. At page 130 of the evidence given in your examination-in-chief, appears the following (reads):

'Q. From what you saw in Quebec, in that district, were you prepared to adopt that standard of classification as applying to your district?—A. No, what I saw and heard.'

Mr. HODGINS.—What he heard is what he states.

Mr. MURPHY.—I cannot find the reference in the printed evidence, but I have it in my notes.

Q. In your letter to the *Colonist* you state (reads):

'Mr. C. A. Young, Commissioner for Manitoba, then advised that I should go to Quebec, and see how things were managed in that district, where contractors were not kicking and get an object lesson. I went and returned determined not to allow Quebec classification to be introduced into the western district as long as I remained in charge. This, of course, led to trouble and I got no assistance from the chief engineer

'If Monsieur Poulin, the engineer appointed by Monsieur Parent to replace me on the western district, has allowed the introduction of classification similar to that in Quebec, this will account for an increase in the estimated cost of the line. If this increase amounts to three or four million dollars (33½ per cent). It is time the public demanded some explanation from the government.'

Q. Do you remember writing that, Major?—A. Yes.

Q. Does that recall the other statement I have been asking you about, when you discovered the Quebec classification was creeping in you objected to it?—A. What is that again?

Q. If you recall making the statement that when you discovered the Quebec classification was creeping in in your district you objected to it?—A. Yes.

APPENDIX No. 5

Q. On what class of work did you discover the Quebec classification was creeping in?—A. Well, it was the jump that McIntosh was giving in his division.

Q. Oh, he is the individual in connection with whose work— A. Yes.

Q. But I am asking what is the character of the work in connection with which you said you found it was creeping in?—A. The character of the work?

Q. Yes?—A. It was the stripping of the rock cuts, principally, the stripping of rock cuts.

Q. Any other material?—A. Earth and loose rock excavation returned as solid rock.

Q. Well now, does that bear any resemblance to this work in Quebec?—A. It was not similar, the way it was of course it would come under the heading of loose rock, but that loose rock cutting, that cutting in Quebec I have referred to, was a very hard one, and the stripping that McIntosh turned into solid rock was not of the same degree or hardness in my opinion.

By Mr. Macdonald :

Q. That is the cutting in Quebec?—A. Yes, that cutting in Quebec was a bad one.

By Mr. Murphy :

Q. Are you aware, Major, that the question of classification in Quebec, some time after your visit, came up for discussion between all parties interested?—A. Yes.

Q. And are you aware that a visit was paid there some time in October last by the representatives of the Transcontinental Railway and the representatives of the Grand Trunk Pacific?—A. I am not aware of the date.

Q. But you are aware that there was a visit?—A. Yes, I have seen it in some of the papers.

Q. Where?—A. On the file here.

Q. That is in some of the papers that have been produced?—A. Yes.

Q. Were these the same papers to which you referred in your previous examination as having seen legal opinions given regarding classification there?—A. Yes.

Q. Then having seen these opinions you are also aware that following the visit to that district in the fall of last year, and following the giving of these legal opinions an interpretation was given by the chief engineer of the Transcontinental Railway?—A. Yes.

By Mr. Lennox :

Q. When did you become aware of this? Since the investigation or before?—A. Well, I think, just about the time of the investigation.

Q. I am speaking of the investigation we are having here. Was it since commencement of this investigation that you became aware of it?—A. Just about the commencement of it, I got it in papers I received from Mr. Murphy.

Q. Papers that are produced here in this investigation?—A. Yes.

Q. I do not think we ought to go into this evidence. The papers themselves are the best evidence we can get on this matter?—A. I heard something of it—

Q. You heard something of it, tell us what it is you heard.—A. I think I heard something about opinions, legal opinions from Mr. Armstrong when he first came up, that is the day I first got down here.

Mr. LENNOX.—I submit we ought not to go into this, it is all hearsay, if it becomes evidence at any time we will get proper evidence upon it from Mr. Armstrong or the documents.

Mr. MURPHY.—I am not going into that question here.

Mr. LENNOX.—You are framing questions upon it and getting on the record.

7-8 EDWARD VII., A. 1908

Mr. MURPHY.—I am asking what knowledge he had of classification in Quebec of which he has spoken.

By Mr. Murphy:

Q. You had some conversation when at La Tuque with the chief engineer of the Transcontinental Railway regarding classification, Major?—A. No.

Q. Didn't you ask him something about it?—A. No. I went to him; I was going to have a discussion and ask him what his opinion was, or if he had seen some of the cuttings down there.

By Mr. Macdonald:

Q. Is that Mr. Wood?—A. No, Mr. Lumsden.

By Mr. Murphy:

Q. You are aware that there was afterwards a difference of opinion between the chief engineer of the Grand Trunk Pacific and the chief engineer of the Transcontinental Railway regarding classification in that district, are you not?—A. Yes.

Q. And you have seen the interpretation of the Chief Engineer of the Transcontinental Railway?—A. Yes.

Q. And you have referred to it in your evidence?—A. Yes.

Q. And you have mentioned that had you seen it before it would have modified your views?

Mr. HODGINS.—He did not say that.

By Mr. Murphy:

Q. What was it you said as to that?—A. I do not just remember what words I used, but it was this, that if that opinion was in force when I was down in Quebec I could have accounted for the classification of that cutting.

Q. I see, I see. Well, knowing that opinion now what have you to say about the classification you saw in that cutting?

Mr. HODGINS.—Which opinion?

Mr. MURPHY.—Mr. Lumsden's.

Mr. HODGINS.—I would like you to quote the opinion to the witness, there are three opinions of Mr. Lumsden's.

Mr. MURPHY.—I am referring to the opinion that the witness himself refers to.

Mr. MACDONALD.—Is it the one he has referred to himself.

By Mr. Murphy:

Q. Having seen the opinion——

Mr. PARENT.—There was only one opinion given by the chief engineer.

Mr. HODGINS.—No, two.

Mr. PARENT.—Only one.

By Mr. Murphy:

Q. Having seen that opinion of the chief engineer of the Transcontinental Railway, what have you to say now as to the classification at La Tuque?—A. Well, I think two opinions can be given about the chief engineer's interpretation of the solid rock specification. I think possibly it would come under the head of what Mr. Lumsden now calls 'assembled rock.' His definition of assembled rock was very vague and undivided in that under the term assembled rock, well, that cutting was certainly an assembling of what I called this afternoon 'nigger heads,' small stones about the size of a man's head. If that interpretation of Mr. Lumsden's idea of assembled rock is taken that might be considered as solid rock, because he gives——

Q. That is, this La Tuque cutting might be considered solid rock?—A. Yes, he gives——

Mr. HODGINS.—I would like if the opinion be produced when referred to.

APPENDIX No. 5

A. He gives six items of what he now calls solid rock. When I was there this interpretation had not been given. I think you said it was given in January, wasn't it?

Q. Yes.—A. And No. 5, of Exhibit No. 38 (54), this a copy—

Mr. PARENT.—These were all produced before the House.

A. Mr. Lumsden gives a diagram, No. 1, 'rock in ledges,' which is not specified. Then No. 2 is 'rock in boulders over one cubic yard; No. 3 is 'conglomerate rock or plum pudding stone'—it is a question what that is, plum pudding stone—No. 4, 'detached ledge rock is mass over one cubic yard'—that is the same as boulders, whether it is square or round—then comes No. 5, 'rock in masses of over one cubic yard,' and then in brackets '(assembled rock) which in the judgment of the engineer can be best removed by blasting.' Then down below the description is a foot note of the classification which refers to 5 and 6 and says this: 'To form a judgment as to whether or not it is best removed by blasting, the chief engineer must view the work in progress or leave it to be decided by the engineer in charge, whose duty it is to frequently visit the work during its operation and be governed thereby and act accordingly.'

According to my interpretation of that, the chief engineer must view the work in progress, that is, himself, therefore he leaves it to the decision of the engineer in charge.

Q. And says so?—A. And says so, that is the engineer in charge is the supreme authority according to this interpretation. Have you his opinion of assembled rock there?

Q. Here it is (handing document to witness).—A. This is what he gives in his letter of January 9, 1908 (Exhibit No. 38 (53) :

'The Commissioners of the Transcontinental Railway,
'Ottawa, Ont.

'SIR,—I have to-day been handed by the secretary a copy of a letter from the Deputy Minister of Justice, dated the 6th instant, with respect to my interpretation of clauses 33, 34, 35 and 36 of our general specifications. After fully considering his remarks in regard to the words after 'rock assembled' (the individual pieces of such assembled rock exceeding one cubic foot in size). I have concluded in deference to his remarks these bracketed words might be omitted, as also the words 'not covered under clause 34,' in items 1 and 2 under the heading loose rock.

'My interpretation of these clauses will now be as follows:—

"Clause 34.—Solid Rock Excavation.

"Solid rock excavation will include all rock found in ledges or masses of more than one cubic yard, which in the judgment of the engineer, may be best removed by blasting."

'I am of the opinion that rock found in ledges or masses, as specified, must (firstly) be rock, and (secondly) it must be in ledges, conglomerate form (known as plum pudding stone), boulders, or ledge rock displaced (in pieces each exceeding one cubic yard in size) rock assembled, also shale rock, such as in the judgment of the engineer may be best removed by blasting.

'I attach a diagram in explanation of the above, which in my opinion is all that is included under clause 34, solid rock.'

Clause 35, Loose Rock.

"All large stones and boulders, measuring more than one cubic foot and less than one cubic yard, and all loose rock, whether in situ or otherwise, that may be removed by hand, pick or bar, all cemented gravel, indurated clay and other materials that cannot, in the judgment of the engineer, be ploughed with a 10-inch grading

7-8 EDWARD VII., A. 1908

plough behind a team of six good horses properly handled, and without the necessity of blasting, although blasting may be occasionally resorted to, shall be classified as 'loose rock.'"

'Under this heading I would include:—

'(1) All large stones and boulders more than one cubic foot and less than one cubic yard.

'(2) All loose rock in situ or otherwise that may be removed by hand, pick or bar.

'(3) All cemented gravel, indurated clay and other materials that cannot, in the judgment of the engineer, be ploughed with a 10-inch grading plough behind a team of six good horses properly handled, and without the necessity of blasting, although blasting may be occasionally resorted to.

Clause 36—Common Excavation.

"Common excavation will include all earth, free gravel or other material of any character whatever, not classified as solid or loose rock."

'This interpretation was made by me after consulting with Mr. Collingwood Schreiber, General Consulting Engineer to the Government.'

And the diagram he attaches to that letter.

Q. From which you have been quoting?—A. Rock in mass of over one cubic yard, assembled rock, which, in the judgment of the engineer, may be best removed by blasting—the diagram shows rock of all sizes; they are classed together.

Mr. HODGINS.—Then there is a different opinion of the 16th of December?

A. Yes, he changes his opinion of assembled rock, and he doesn't give the exact size.

By Mr. Lennox:

Q. He omits the question of size?—A. He has really shirked the question of assembled rock.

By Mr. Murphy:

Q. He defines that, does he not, Major?—A. He defines it; the Deputy Minister of Justice corrected him, and he—

Q. It was overlooked in that letter of January 9, and referred to later on?—A. The trouble is here, he does not say what rock assembled is; in his opinion, before this, he said what rock assembled was to be. Have you got it here?

Q. It is all there, I think?—A. That would be the crux of the whole thing. Mr. Lumsden should explain what 'rock assembled' is; but I should take it that the words 'rock assembled,' that is taking it for granted that Mr. Lumsden is right in his interpretation of the specification, he changes the interpretation he has given to his engineers, they are bound to follow it out, and if they want a further interpretation they should go to him. If it is plain enough, I suppose they can use their own judgment, but they are not to put in any further interpretation of assembled rock except that which is given in this diagram, which reads this way: 'No. 5, rock in masses of over one cubic yard (assembled rock), which, in the judgment of the engineer, can be best removed by blasting.' That might or might not be taken to cover the classification of that cutting.

By Mr. Murphy:

Q. But it mentions further on what size the boulders may be?—A. No.

By Mr. Lennox:

Q. How do you think it covers that; is it where it says there, as you read it, "over one cubic yard in diameter"?—A. It does not say 'in diameter,' but 'rock in

APPENDIX No. 5

masses,' those are the words; and this word 'masses' comes in again, 'rock in masses over one cubic yard,' and then in brackets 'assembled rock,' do you see?

Q. It is pretty hard to know what he does mean?—A. Now, if the individual pieces of rock, assembled rock, are to be taken and treated separately, Mr. Lumsden should have said so, but he does not; he says 'rock in masses,' and then in brackets '(assembled rock)'; that is to say, what he means by 'rock in masses' is 'assembled rock,' and that is the point, you see. On No. 5 I think you can argue two ways. He adds down here at the foot, he shifts his own authority as official arbitrator to the shoulder of the engineer in charge when he says: 'To form a judgment as to whether or not it is best removed by blasting, the chief engineer must view the work in progress or leave it to be decided by the engineer in charge.' The provision that the chief engineer must view the work in progress would mean that he would have to view it often enough to get a sufficiently intelligible idea of it to form that judgment.

By Mr. Murphy:

Q. I think, Major, the masses to which you refer, regarding the size of the rock, is referred to in the letter of the Deputy Minister of Justice of the 6th of January, 1908?—A. Yes.

Q. In which he says—A. He states the point there.

Q. He says: 'The specification speaks of rock found in ledges or masses of more than one cubic yard, which, in the judgment of the engineer, may be best removed by blasting. If "rock assembled" may be regarded as a mass of rock and if it may be best removed by blasting, I do not see why, under the specification, it is material whether the individual pieces exceed or are less than one cubic foot in size'?—A. He is right.

Q. 'and if "rock assembled" is not regarded as a mass, the minimum limit of size which can be classified as solid rock exceeds one cubic yard. It seems to me, however, that these questions are largely engineering questions, the solution of which depends principally upon the judgment of the engineer, having regard to the terms used in this specification'?—A. He gives you two points there, you see, and does not give anything more. He gives two points to work on.

Q. And that is adopted by the chief engineer in his letter of January 9, which begins: 'I have been handed, by the secretary, a copy of a letter from the Deputy Minister of Justice, dated the 6th instant, with respect to my interpretation of Clauses 33, 34, 35 and 36 of our general specifications. After fully considering his remarks in regard to the words after "rock assembled," the individual pieces of such assembled rock exceeding one cubic foot in size, I have concluded, in deference to his remarks, these bracketed words might be omitted, as also the words "not covered under Clause 34," in items 1 and 2 under the heading "loose rock.' Then he proceeds to give his interpretation?—Yes; well, as to the Deputy Minister's query, the Deputy Minister says: 'If "rock assembled" may be regarded as a mass of rock and if it may be best removed by blasting, I do not see why, under the specification, it is material whether the individual pieces exceed or are less than one cubic foot in size, and if "rock assembled" is not regarded as a mass, the minimum limit of size which can be classified as solid rock exceeds one cubic yard.' The Deputy Minister says 'if,' and Mr. Lumsden, in giving his third opinion, does not mention any size. Therefore, the engineer, I should take it, under Mr. Lumsden, has to follow Mr. Lumsden's interpretation as best he can, unless he gets a further interpretation from Mr. Lumsden.

By Mr. Hodgins:

Q. That is regardless of size?—A. Regardless of size.

By Mr. Macdonald:

Q. What do you understand the opinions of these various gentlemen mean, are

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

they the interpretation of what the words are in the specification?—A. I gather they are the interpretations of the word 'mass' in the specification, that is the question, the whole thing rests on that question, and when I read that letter I had no idea of how these legal opinions, or Mr. Lumsden's interpretation of the specification were, I was going on the old definition, the one you will find that Mr. Lumsden gave as his interpretation of the specification prior to this, and that would agree with mine.

By Mr. Hodgins:

Q. Of the 16th of December?—A. I do not know whether I have it here now. But the whole question is really as to the interpretation as to whether it is best removed by blasting. Why all material of that kind is best removed by blasting in some cases, as I pointed out the other day, it is a good thing to shake up earth by blasting, you do not remove earth out of the pit by blasting, and you do not remove rock by blasting, unless you waste it.

By Mr. Lennox:

Q. You may 'move' rock, but you do not 'remove' it?—A. It has to be finally moved and put into the dump. But Mr. Lumsden on this diagram here says, 'The Chief Engineer must view the work in progress.'

By Mr. Murphy:

Q. Or—A. 'Leave it to be decided by the engineer in charge,' and that means that if he is going to judge it he must view it whilst the work is in progress, that is he must make sufficiently frequent trips on the work while it is in progress in order to be able to judge. Most of the chief engineers would judge by going down at any time, the chief engineer, as a rule, would be able to tell you, if you took him up to a cut whether it was best removed by blasting, whether the cutting was out or whether the men were working in it, he would have some idea while it was in progress, we get more or less accustomed as to how work should be handled although we are not expert quarymen, or not so much accustomed to the use of powder as the contractor is, so as to be able to give a judgment. I might say what the classification should be and if it does not run into very great figures it would be within 10 per cent.

By Mr. Macdonald:

Q. That is, you give him the benefit of the doubt?—A. We always give the contractor the benefit of the doubt, because these amounts do not count very much one way or the other.

Q. Do the specifications in regard to solid rock vary very much in the different railways with which you have had to do?—A. Not very much, this is the greatest variation I have ever seen.

Q. I mean does the specification in this case very much differ from what you have seen in other railways?—A. Yes, for instance, I have had cemented gravel sometimes that is worse to take out than some classes of solid rock, and I have had to ask permission from my superior to allow a certain amount of solid rock, and he would have to get permission from his superior to allow a certain amount of solid rock.

Q. To allow cemented gravel as solid rock?—A. To make a special point of it so that we could allow solid rock for cemented gravel, not all cemented gravel, because some is not as tough and cemented or as hard as other cemented gravel, and you have to judge. It does not amount to very much that you give the contractor extra in such cases, but it helps him out and he has the idea that the engineer is liberal, but they are really very small items.

By Mr. Lennox:

Q. You mean that on works on which you have been engaged before cemented gravel would sometimes be classified as solid rock?—A. In special cases where we got special permission.

APPENDIX No. 5

Q. That is not what I want. Is cemented gravel ever classified under the specifications as solid rock?—A. I could not say from memory, but as a rule it is not. It used to go under a separate heading, under the heading of 'hardpan,' but then again we used to get into trouble with hardpan, because the contractors would claim that different classes of material were really hardpan and to get a specification with the least objection, and that can be followed throughout you require to have a specification with as few things in it as possible.

By Mr. Macdonald :

Q. You would leave it to the judgment of the engineer?—A. Look at it from this way, not an engineering standpoint: take the earth and common excavation as 30 cents, loose rock as 60 cents, and solid rock as \$1.70. There is too much difference between the loose rock and the solid rock. It is too much of a jump and that is why I said the other day there ought to have been a middle price or the loose rock should have been raised. That loose rock price is too low without an intermediate price in there and that is what led to all the trouble. You can see that if the difference between loose rock and solid rock is \$1.10, the different classes of hard material that would come under loose rock would—I cannot explain it very well.

Q. I quite see?—A. You see the point I mean. That is the whole trouble in this, the question of what is loose rock and solid rock.

Q. Because there is quite a disparity in the prices?—A. Exactly. Now in the case of that cut at La Tuque I made use of the words 'heart breaking.' There was a very very hard cut there. That is as hard a cut as I have seen on the line anywhere for some time, and in my opinion, according to the specifications, during the time I was there the 60 cent material would break any contractor.

Q. He could not get out at that figure?—A. Absolutely he could not have begun to do it. It was a question for the chief engineer to decide.

By the Chairman :

Q. That is the cut you called a very bad cut?—A. Exactly.

Q. That is the one you have described in your charges in this way: 'The ground was a mixture of loose rock with some boulders and some earth and wet sand on top'?—A. Yes, I should have left the sand out. I corrected it afterwards.

Q. There was no solid rock in place visible in June, 1907, so that anything that could be classified as solid rock would consist of large boulders over a cubic yard in dimension.' That is what you called a very bad cut?—A. Yes.

By Mr. Macdonald :

Q. Mr. Lumsden had a certain view about what these specifications meant?—A. Yes.

Q. Some issue was raised over that and it was referred to three counsel. Is that right, Mr. Murphy?

MR. MURPHY.—No, the different contractors got opinions from counsel and sent them in.

THE WITNESS.—That is the way I take it. The contractors evidently did that according to the opinion given. The chief engineer and the engineers in Quebec disagreed on the interpretations of this specification. The chief now practically has given as his opinion, as far as I can make it out, the opinion of the engineers in Quebec. First of all he said they were absolutely wrong and refused to sign the estimates in November. In January he says they are all right.

Q. In the meantime these legal opinions were placed before him?—A. Exactly. I have no doubt—

Q. He changed his view?—A. He changed his view on this legal opinion. It is not for me to say whether the legal opinions are right or wrong. There is a very important question comes in there and I don't know whether I am here to—

7-8 EDWARD VII., A. 1908

Q. It only shows the complexity of all these questions of classification to the lay mind?—A. I don't consider I am here to argue the Grand Trunk brief or anybody else's brief.

Mr. LENNOX.—I don't think you are here to argue any side.

The WITNESS.—When I wrote that letter I did not know anything about the chief engineer's new opinion. Now as far as I can make out, I have not examined the work in Quebec or I have not gone into this question of 'assembled rock' very closely to see what it really means, but I am informed by engineers that Mr. Lumsden's opinion covers that work.

Q. I see. That is this description that he has laid down in that document?—A. And I might say further I am very glad it did.

By Mr. Hodgins :

Q. What is that you say?—A. I am very glad it did.

By the Chairman :

Q. Now, that Quebec classification which you objected to see creeping into your district, Major. On what did you base your objection to it?—A. You see, sir—

Q. Let me finish my question. On what did you base your objection? Was it on what you saw yourself during your trip or what you heard from some other persons?—A. On my trip?

Q. Yes, you said you objected to the Quebec classification creeping into your district?—A. Yes.

Q. On what did you base your objection to the Quebec classification? Was it from what you saw?—A. What I saw, yes.

Q. What you saw there?—A. Yes.

Q. About that cut you spoke about especially?—A. Yes, and Mr. Grant had been up in the district and as far as I could gather from questioning the engineers he had directly or indirectly suggested to them that they should raise their classification, and spoken of how things were classified in Quebec. I was getting answers to some questions that Mr. Lumsden had asked me to get when I got notice to go and I did not get all those. Some of the engineers said that he had not seen them. Other engineers said that he had seen them and had not said anything to them, and other engineers said he said a good deal to them: and I connected that classification, that jump in classification or the rise in classification with Mr. Grant, that he had brought it up there from the Quebec district; but the question of 'masses' was never raised. The clause that Mr. Lumsden and the legal gentlemen have given opinions on was never raised in those days.

Q. Did you consider that the examination that you had made in the work there was sufficient to enable you to express an opinion on the classification?—A. On that cutting? Certainly, sir. It is a pure and simple rock cutting according to the old interpretation, a loose rock cutting. The old interpretation of the specifications was that that had to be rock in ledges or boulders of over a cubic yard except by the engineers in Quebec—I will qualify it by that. That was Mr. Doucet's opinion at the time I was there, and it is his opinion now. I did not know what his opinion was in those days. He has stuck to his opinion, but Mr. Lumsden has changed his.

Mr. HODGINS.—I scarcely think, Mr. Chairman, that your question to the witness was put in proper form.

The CHAIRMAN.—What I wanted to know was whether he formed his opinion on the classification in Quebec from what he saw there?

The WITNESS.—Formed my opinion on the classification?

Q. Yes, you say you objected to the classification?—A. Yes, and what Mr. Armstrong told me down there.

Q. Not only what you saw at Quebec but what Mr. Armstrong told you?—A. Yes, and the conversation with Mr. Grant.

APPENDIX No. 5

By Mr. Murphy:

Q. Did you have any conversation with Mr. Grant in Quebec?—A. No, I don't think so.

Mr. MURPHY.—The witness says now that he had conversations with Mr. Grant.
The WITNESS.—Not in Quebec.

By Mr. Murphy:

Q. Not in Quebec?—A. Well, I did have conversations with him, but I don't remember what they were about.

By Mr. Macdonald:

Q. Well, Major, this question of classification which had been raised with you in July in the two divisions.—A. Yes.

Q. You found material was being classed as solid rock?—A. Yes.

Q. Which you thought should be loose rock?—A. Yes, they had been—they had been reported, as I pointed out here the other night, month after month as common excavation and loose rock.

Q. Did you certify to the July returns?—A. Yes, you see I just came up from the east. I just had time to sign these estimates and send them down. I think I got up one day and signed them and sent them down the next.

By Mr. Hodgins:

Q. You sent them with a letter?—A. They had to be in Ottawa on the 8th and I was delayed coming up to Toronto. I started to get up there sooner but—

By Mr. Macdonald:

Q. You sent them in with a covering letter?—A. A covering letter, and I just had time to glance at this extraordinary statement, that McIntosh has put in with Form 4, showing that he had transferred certain items to the solid rock column.

Q. Who was this letter from?—A. McIntosh. I think it is Exhibit 8, is it not?

Q. We have that letter?—A. You have the exhibit here.

Q. Would that transference be in accordance with the view which had been since expressed by these lawyers and Mr. Lumsden?—A. No, I did not look upon it—no, some of it might come under—

Q. Some of it might?—A. But that earth never should go in as solid rock.

Q. A portion of it, I suppose, would be covered by the interpretation of Mr. Lumsden and the lawyers?—A. It was stripping. I would not say that until I went up over the work and looked over it again.

Q. Again?—A. Yes. It is a question—you see it is not much of a guide. I want to point—

Q. Mr. Lumsden's opinion, of course, changes the whole thing. If you were working under that opinion now you would have to take a very different opinion?—A. I would want Mr. Lumsden to describe what he means by that [pointing to diagram, sketch No. 5, Exhibit No. 38, (54).]

Q. You would want a fuller explanation of diagram sketch No. 5?—A. Now who can tell me what size any one of these boulders are. They might be the size of a pigeon's egg.

Q. Mr. Lumsden would have to tell you that. I don't think anybody around this board knows?—A. There is nothing to tell you what assembled rock is, because you have to take it from this. Now numbers of them would form a bunch of boulders together—

By Mr. Hodgins:

Q. Does it represent earth?—A. No, indurated clay. To me that represents a rubble wall, it does not represent any material that is found in an ordinary rock cutting.

Mr. A. E. DOUCET.

By Mr. Macdonald :

Q. Of course, that changes the whole classification idea ?—A. Absolutely.

Mr. HODGINS.—Yes, upon that point.

The WITNESS.—I can argue upon that point, that same classification, or I can just sit down and discount the argument I put in and knock them all to pieces.

By Mr. Hodgins :

Q. Take another view ?—A. Yes. Do you want me to do that, Mr. Murphy ? According to my interpretation of that clause it is up to Mr. Lumsden and down here he says it is not. Do you see ?

By Mr. Macdonald :

Q. Yes ?—A. You must go and ask the senior engineer, the chief engineer, what he means by that. Down below he says he leaves it to his junior.

By Mr. Murphy :

Q. Is not that item 5 covered by the opinion of the Deputy Minister of Justice of the 6th January ?—A. The Deputy Minister has given an evasive answer which is adopted by Mr. Lumsden in his letter of January 9. Now, here is what the Deputy Minister says—

Q. I am asking you if the item No. 5 is not covered by the letter of the Deputy Minister of Justice ?—A. It is spoken of by the Deputy Minister of Justice, but I do not think the deputy has given an opinion. He says (reads) :

‘The specification speaks of rock found in ledges or masses of more than *one cubic yard* which, in the judgment of the engineer, may be best removed by blasting. If “rock assembled” may be regarded as a mass of rock, and if it may be best removed by blasting, I do not see why under the specification it is material whether the individual pieces exceed or are less than one cubic foot in size, and if “rock assembled” is not regarded as a mass, the minimum limit of size which can be classified as solid rock exceeds one cubic yard.’

Then Mr. Lumsden gives it and adopts it.

Q. He adopts the opinion of the Deputy Minister of Justice ?—A. Oh, no, I don't think he does.

Q. But Mr. Lumsden deals with a letter of the Deputy Minister of Justice of the 6th January in a letter of the 9th January in which he adopts the latter's opinion ?—A. Does he adopt it ?

Q. Yes, the opening paragraph of his letter and sent it out to his engineers ?—A. (Reads) :

‘I have to-day been handed by the secretary a copy of a letter from the Deputy Minister of Justice, dated the 6th instant, with respect to my interpretation of clauses 33, 34, 35 and 36 of our general specifications. After fully considering his remarks in regard to the words after “rock assembled” (the individual pieces of such assembled rock exceeding one cubic foot in size), I have concluded in deference to his remarks these bracketed words might be omitted.’

In deference to his remarks.

Q. Yes, so he adopts the remarks of the Deputy Minister of Justice ?—A. No, in deference to his remarks. Mr. Newcombe says ‘If such and such is so.’

By Mr. Lennox :

Q. He does not give an opinion ?—A. He does not give an opinion. Mr. Newcombe says (reads) :

‘It seems to me, however, that these questions are largely engineering questions, the solution of which depends principally upon the judgment of the engineers, having regard to the terms used in the specifications.’

Mr. LENNOX.—I submit this is all irregular. We have these original documents before us and may have to consider them sooner or later, but it is not for us to ask

APPENDIX No. 5

this witness for his construction of the documents; it is for us to construe the documents ourselves. I think it is very irregular to proceed in this way. The witness cannot help us in the matter; we must form our own opinion by reading the documents ourselves.

Mr. MACDONALD.—Still I think the witness is still adding some light to this inquiry.

Mr. MURPHY.—And his answers have been chiefly to members of the committee.

Mr. MACDONALD.—I must confess that hardly any member of the committee would regard himself as an expert in this matter of classification. I think it is purely a question of classification now, and there does not seem to be much in this matter except who is right in the matter of classifying.

The WITNESS.—You see Mr. Murphy examined me on one thing and I answered him on the other.

Mr. HODGINS.—The question is what justifies the classification of common excavation as solid rock.

Mr. MURPHY.—That remains to be seen.

Mr. HODGINS.—I want to make it clear that that point cannot be offset by the suggestion that 'masses' alters the whole complexion of the question. It does upon one point only.

Mr. MACDONALD.—If you have the opinion of distinguished counsel and the opinion of the chief engineer of the Transcontinental Railway, after mature deliberation, laying down and defining what these specifications mean, both in a legal and technical sense, I think it alters the case considerably. And the Major admits that his views have been considerably modified since he saw that. I think it is a question simply of engineering.

Mr. HODGINS.—If that were so, if one of the legal opinions touched the point I suggest, I would agree with you; but not one of them either mentioned it or raised it. They do touch the question of 'masses,' the meaning of 'masses' as between loose rock and solid rock, and whether the classification is one way or the other.

Mr. MURPHY.—They all deal with the item in dispute, the clause in the specifications relating to solid rock.

Mr. HODGINS.—I am only pointing this out so that there shall be no obscuring of the issue.

Mr. LENNOX.—As I understand the evidence given in relation to section 'F,' it is being discussed pro and con between the Deputy Minister and the Engineer.

By Mr. Murphy:

Q. You have mentioned here, Major, that the interpretation of the chief engineer, to which you have been referring, covers the material in Quebec?—A. Well, and I gave that—

Mr. LENNOX.—No.

Mr. MURPHY.—Did the witness not say that?

The WITNESS.—I did state that.

Mr. MURPHY.—He has made a statement, and I am asking him if it is a fact.

Q. In the last hour of your evidence you made that statement, did you not?—A. I know. I don't know whether I said it to-night or not, but I have spoken about it to some engineers.

Q. I understood you to say, Major, that during the course of your answers to some members of the committee that you had been told by some engineer that the interpretation of the chief engineer covered this material in Quebec?—A. Oh, yes.

Mr. LENNOX.—I object to that. It is no evidence, it is purely hearsay. I object to any such evidence.

Mr. MURPHY.—The witness has given it and not in answer to me.

Mr. LENNOX.—I have not heard it before, and I certainly object whether he has made the statement to-night or not.

MAJOR HODGINS.

7-8 EDWARD VII., A..1908

Mr. HODGINS.—I do not suppose the committee want to hear what Major Hodgins has heard from some engineers. He has said that some engineers have told him that the chief engineer's opinion would cover a particular question.

Mr. MURPHY.—Does cover it.

Mr. HODGINS.—Very well, does cover it. Some engineer has told him. Do the committee want to spend time listening to that sort of thing?

Mr. LENNOX.—I certainly do not. I do not want hearsay evidence. I do not want to know what these engineers may have said to Major Hodgins, or to me or to anybody else. If you want to get that in the form of evidence, the proper way would be to bring those engineers here.

Mr. MURPHY.—But this statement was made by the witness.

The CHAIRMAN.—If the statement was made by the witness surely Mr. Murphy has a right to make him explain it.

Mr. MURPHY.—I think I have a right to ask him in regard to it.

The CHAIRMAN.—If the witness says some engineer told him we have a right to know his opinion on it.

Mr. LENNOX.—I submit that even supposing the witness was asked a question and made the statement referred to in reply to it, still we must conduct this case rightly and properly, and if the attention of the Chairman has been called to a statement that is not proper evidence it should not be followed up, but should be stricken out of the notes.

The CHAIRMAN.—Of course, we do not want hearsay evidence.

Mr. LENNOX.—It is absolutely hearsay evidence. If the statement was made inadvertently it should not be allowed to go.

Mr. MACDONALD.—What is your object, Mr. Murphy?

Mr. MURPHY.—The witness in his examination-in-chief, was allowed to put in all sorts of evidence, including alleged statements by Armstrong and Dutton up in district 'B,' and one very serious statement he made—

Mr. LENNOX.—The evidence in the examination-in-chief of the witness stands on a different basis. He was asked to give his reasons for taking a certain position and in doing so he, of course, referred to certain matters.

The CHAIRMAN.—Conversations that he had with other engineers?

Mr. LENNOX.—Part of the information he had got from other parties. That was the basis upon which he made certain charges. That is perfectly competent. But when you are trying to ascertain what is a proper construction of specifications by asking the witness to repeat what other engineers have told him, that is an entirely different matter, that is purely hearsay.

Mr. MURPHY.—I submit it would be equally competent for him to tell you now conversations which formed the basis of his modifying his views, or withdrawing or receding from one of these charges. For the very reason mentioned by my learned friend I wanted to ask him the question. The witness made the statement to-night and since then has repeated it.

Mr. LENNOX.—I press for your ruling, Mr. Chairman?

The CHAIRMAN.—I think I heard the witness make the statement, I cannot say at what stage of the proceedings that an engineer told him.

Mr. LENNOX.—If he did, it does not make any difference.

The CHAIRMAN.—Mr. Murphy, you asked him the question and what did he say?

Mr. LENNOX.—Let us have your ruling upon the point.

Mr. MURPHY.—I asked the question if he had not stated to-night that an engineer had told him that the chief engineer's interpretation covered this material at Quebec?

Mr. LENNOX.—That is not what you asked him before?

Mr. MURPHY.—The witness said yes.

The CHAIRMAN.—If he said yes, then we may follow the matter up. What is the next question?

Mr. LENNOX.—The witness has not made any answer.

APPENDIX No. 5

By the Chairman :

Q. What is your answer to that?—A. Yes.

By Mr. Murphy :

Q. What were you told in regard to that, Major?

Mr. LENNOX.—I object to that. I object to his stating anything that he was told by outside engineers or that he was told by any engineers. If you want that evidence bring those engineers here.

Mr. MURPHY.—That is not the rule that was laid down in regard to conversations with Dutton or Armstrong.

Mr. LENNOX.—We cannot help that.

Mr. MURPHY.—I objected to those conversations being admitted, but still they were allowed to go in as evidence.

Mr. LENNOX.—I ask the chairman to rule and then I am done with it. I submit that what an engineer told him ought not to be related here as evidence.

Mr. MURPHY.—I draw the chairman's attention to the serious nature of the conversation with Mr. Armstrong that he related.

Mr. LENNOX.—Yes, but that is another matter.

Mr. MURPHY.—The statement was that the excessive classification in Quebec would amount to \$2,000,000. That is a serious statement, and the newspaper men here telegraphed it abroad as though it had been proved.

Mr. LENNOX.—I do not understand anybody to say that it is not a serious matter, but it stands on a different basis.

Mr. MURPHY.—Yes, it is in, and my learned friend wants to keep this other thing from going in.

The CHAIRMAN.—We want the fullest investigation possible, and if we allowed testimony of that nature in the examination-in-chief I think we ought to allow it here also.

Mr. HODGINS.—I hope you will insist upon getting the name of this eminent engineer?

Mr. MURPHY.—No one has said 'eminent engineer.'

The CHAIRMAN.—Ask him the name?

By Mr. Murphy :

Q. When were you told—

Mr. LENNOX.—You had better ask him what did the engineer say, if it is ruled that the question be allowed.

The WITNESS.—It is practically the question that you put to me that I answered yes to.

By Mr. Murphy :

Q. What did this engineer say?—A. That clause there, No, 5, practically covered the classification that was disputed by the Grand Trunk Pacific in Quebec.

Q. That item 5 in Mr. Lumsden's diagram, explaining his interpretation, practically covered the classification that was disputed in Quebec? Is that correct?—A. Yes.

Q. Who was this engineer?—A. Mr. Armstrong.

Q. Is he the gentleman that you referred to as having had a conversation with in Quebec?—A. Yes. At the time I had the conversation with him this thing was not in existence.

Mr. HODGINS.—You don't quarrel now with the word 'eminent' engineer?

Mr. MURPHY.—I will quarrel with anything that my learned friend attempts to put in the mouth of the witness that he has not stated.

The WITNESS.—If it is in October, 1907 that was not in existence.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Q. This interpretation?—A. This interpretation of the chief engineer because he says—

Q. He only gave it in January?—A. The chief engineer on October 30 says (reads) :

‘On arrival near the crossing of the Quebec and Lake St. John Railway, I, accompanied by the engineers and contractors, walked over a portion of the heaviest work on the line from about mile 117 to 122½. From the division or resident engineer I learned the classification allowed by them in the cuts as we passed through them, and it appeared to me, according to my interpretation of our specifications, that a larger amount of solid rock was returned in them than appearances indicated, and the engineers, in my opinion, returned loose rock or cemented material where a considerable amount of explosives were used as solid rock.’

Q. What are you reading from?—A. Mr. Lumsden’s letter.

Q. Of what date?—A. October 30.

Q. To whom is that letter addressed?—A. To the commissioners.

Then he goes on :

‘Such being my views, and as stated to you in my letter of the 18th instant, I must decline to certify to any future estimates, except upon classification in accordance with my interpretation of the specifications above mentioned, unless both parties to the contract agree to amend the contract formally, with due concurrence of the government, or until the estimates are corrected to conform with my interpretation. In any event, I ask that this correspondence be at once submitted to the government.

‘Your obedient servant,

‘HUGH D. LUMSDEN,

‘Chief Engineer.’

I read that because Mr. Armstrong and I were discussing the question in Quebec in June, and it was, I contend, the opinion of the chief engineer that I had in mind at the time.

Q. With the knowledge that you now have, Major, of this interpretation, and the documents to which you have been referring and read, what have you now to say about the classification in Quebec?—A. Well, do you want me to speak as a subordinate of Mr. Lumsden, because I am not. I am simply interpreting this interpretation as it may be interpreted by one of Mr. Lumsden’s subordinates.

Q. Give us your opinion?—A. I am not here holding a brief for the Grand Trunk Pacific, why do you want my opinion?

Q. I am asking whether in view of your interpretation to which you have been referring you would now make any objection to the classification in Quebec?—A. That is a hard question to answer; there is no use me making complaint, because the Grand Trunk Pacific have made a complaint about classification; they have made much more serious objection than I have.

Q. I have put the question to you in that way, now what is your answer?

Mr. MACDONALD.—It is a purely engineering question after all, is it not?

A. Absolutely. If you ask my opinion, I think Mr. Lumsden is wrong in his interpretation of the clause.

By Mr. Murphy:

Q. You think he is wrong?—A. Exactly, I do, instead of interpreting the clause in that way I still stick to my view that the price of loose rock ought to be raised or that there should be an intermediate price.

By the Chairman:

Q. The whole thing seems to turn on the question of classification?—A. The whole matter, as I pointed out and as I have been discussing it.

APPENDIX No. 5

Q. That is at the LaTuque cutting?—A. At LaTuque, it will be a hardship to ask the contractor to do that at 40 or 60 cents.

By Mr. Hodgins:

Q. What do they call it in Quebec?—A. What do they get for solid rock?

Mr. DOUCET.—\$1.50.

The WITNESS.—Well, it is too much to ask the contractor to take it out at the price which is given, that is where the hardship comes in; the engineer unless he gets authority from his superiors to increase the classification is doing something wrong. He must get the authority to do so. If the commissioners had been a board of directors instead of a board of commissioners the directors would have taken that up and settled it.

By Mr. Macdonald:

Q. That is they would have the power to do so?—A. They would deal with it. When I gave the order for the force account Mr. Lumsden discussed it with me and said, 'Remember I can't give you any authority for this,' and at the same time he reminded me of a somewhat similar case that occurred in the State of Maine when we were down there; I had not remembered very much about it because I was a subordinate engineer and he was the chief engineer. But there were some cases where hard material occurred when we were working in Main which were covered by the specification, and there was a low price for it, an unworkable price, and Mr. Lumsden went to Montreal and the directors arranged for the price to be altered; the contract was let, but it was all arranged in ten minutes.

By Mr. Murphy:

Q. But was the wording of the specification the same as in this?—A. No.

By Mr. Macdonald:

Q. He is pointing out that the directors of the Canadian Pacific Railway had the power to deal with such a matter, that the directors directed and were able to say, 'We will deal with it by force account,' or whatever way they decided, whereas the commissioners under the statute appointing them are bound to let the tender to the lowest tenderer, they cannot do anything else, and they must see that the tender is carried out, they have no discretion about it?—A. They have no discretion.

By Mr. Lennox:

Q. You say that you think the interpretation finally put upon the contract and upon the specifications by Mr. Lumsden is wrong?

By Mr. Macdonald:

Q. That is in some respects?—A. Yes, I would think he was wrong.

By Mr. Lennox:

Q. You think he is wrong?—A. In my opinion.

By Mr. Murphy:

Altogether wrong?—A. No. This opinion is backed up by a lot of eminent counsel who have given their opinion in behalf of the contractor. I would like to see the opinions of some equally eminent men on the other side.

By the Chairman:

Q. So that this long and expensive investigation will turn on the question of the interpretation by engineers on classification?—A. Yes.

MAJOR HODGINS.

By Mr. Lennox:

Q. You, so far as you can express an opinion, do not agree with Mr. Lumsden's opinion expressed in that letter?—A. No.

Q. In that clause 5?—A. No.

Q. And you say that?

By Mr. Macdonald:

Q. That is clause 5?—A. Yes.

By Mr. Lennox:

Q. And you say that the difficulties in Quebec are not in the question of the construction of the specification, but that the contractors took the work too low, that 50 cents is not enough for the work that had been done there?—A. I am not discussing the solid rock price, but the common excavation price.

Q. The fact that the contractor took his work too low does not justify the engineer in classifying too high?—A. No, he has to go to the chief engineer and the chief engineer has to look after it.

Q. Must he not classify in the end according to the specification?—A. Yes, but he has the right to give his interpretation of the specifications.

Q. But he must endeavour to interpret the specifications correctly?—A. Yes.

Q. And he has not the right because it is hard work to enlarge the specifications?—A. I am just looking for 'work remaining to be performed; in which case the contractor shall only be entitled to receive 90 per cent of the value of the work done as stated in such certificate, and he shall not be paid the difference between 90 per cent of the value of the work done, &c.'

Q. Is there any difficulty in answering that question?—A. Yes, I think there is some clause in the specification in which the engineer is given power to increase the prices.

Q. That is a different thing; he has not the power to change the classification?—A. Oh, yes.

Q. He has not the right to change the interpretation of the classification; he has the right to change the price?—A. The chief engineer on any road has the absolute power to do as he pleases.

Q. I am talking of what we have to do with here. Do you know of any clause that gives the chief engineer power to change the classification by reason of its being a hard contract?—A. You mean on this contract?

Q. In the case of the Transcontinental Railway?—A. I was just going to look up the clause; I am not quite certain about it.

Q. I do not understand that he has—

By the Chairman:

Q. In other words, has not the chief engineer power to do in such matters just what he pleases?—A. He ought to be in that position all right. Of course, very often the chief engineer would not want to do anything of that kind without consulting his directors.

Q. Is he not the master to do as he chooses in that?—A. I do not know whether it fully explains that in the specifications. Clause 36, 'Where, in the opinion of the chief engineer, the work is not, having regard to the nature and character of the work remaining to be performed, of sufficient value to justify computation at the prices agreed upon and determined under the provisions of this agreement, it shall be competent for the chief engineer in certifying the value of the work done for the purpose of such payment, to disregard the prices so agreed upon or determined, and to compute and certify its relative and proportionate value, having regard to the nature and character of the work remaining to be performed.'

APPENDIX No. 5

By Mr. Lennox:

Q. Just stopping there, that does not justify him in changing the classification, in your opinion, does it?—A. I think so, I think the chief engineer ought to have that power on any railway.

Q. That is not the point; the point is, do you find anything there that gives him power; it is not what he ought to have?

By the Chairman:

Q. How would he proceed if he wanted to change the contract to force account, for instance?—A. He would get the consent of his directors.

By Mr. Macdonald:

Q. The chief engineer did not change the specifications, he put a new interpretation upon the language of the specification.

By Mr. Lennox:

Q. He must not change or interpret them differently because it was a hardship on the contractor?—A. It is a very difficult thing for any one to write a perfect specification that will apply to every piece of work.

The committee adjourned.

TUESDAY, June 16, 1908.

The committee met at 3 o'clock p.m.

Mr. MURPHY.—Mr. Chairman, one of the last matters referred to at the last sitting of the committee was the production of the correspondence between Major Hodgins and Mr. Butler on the condition mentioned in Mr. Butler's letter. I now wish to produce the correspondence, and submit it to the witness and ask him some questions with regard to it.

Mr. HODGINS.—Has anything been heard from Mr. Conmee?

The CHAIRMAN.—I have seen Mr. Conmee but he would not give me his consent right off so I made up my mind that I would have to see Sir Wilfrid Laurier about it and try to bring them together. I think I can do it but Mr. Conmee would not off-hand give me his consent.

Mr. HODGINS.—There is no objection to that course being pursued, but I would ask, should it not be successful, for an order of the committee.

The CHAIRMAN.—Yes, but I think I can manage without that.

The cross-examination of Major Hodgins resumed.

By Mr. Murphy:

Q. I show you a letter dated 18th August, 1907, from you to Mr. M. J. Butler. I want you to look at it and say if that is your letter? (Handing document to witness)—A. Yes.

Mr. MURPHY.—I propose to read this letter, Mr. Chairman, but before doing so I wish to say that my learned friend and I have agreed, with the consent of the committee, that one of the reasons enumerated in the letter by Major Hodgins, the writer, for having taken a certain action would not be read nor would it appear on the record.

Mr. LENNOX.—I suppose the members of the committee can look at it?

Mr. MURPHY. I was about to hand it around (letter passed around for examination by the committee).

MAJOR HODGINS.

By Mr. Murphy :

Q. The letter is as follows :

EXHIBIT No. 36.

The Commissioners of the Transcontinental Railway.

OFFICE OF THE DISTRICT ENGINEER,

Private and confidential.

18th August, 1907.

MY DEAR BUTLER,—

If you have not yet had an interview with the chief you possibly will soon.

Grant reported that we were skinning the contractors with mean classification, &c., and various other awful things, so I demanded that a full inquiry be made by the chief—yourself or Mr. Schreiber.

The chief has been up and has approved of some of the so-called mean classification as fair and liberal interpretation of the specifications.

Before he arrived I had been on the work for a few days and realized that if something extraordinary were not done there would be trouble on the line. One contractor with 60 miles told me that if he did not get what Grant promised him he would pull out. Grant's promises he admitted were extravagant and beyond his expectations.

I, therefore, instructed A. G. Macfarlane to go over his division and classify by force account in mixed cuts, but not in solid rock, and that I would inform C. E. when he arrived what I had done and he could inform the board.

The chief will give you further details. I did this for these reasons.

There would be a general row over classification and contractors would pull out. McArthur would be bust.

There would be a financial panic in Winnipeg.

The contract would be very much delayed in completion, and it would cost very much more money to finish it. By doing the work by force account it will be done at cost and contractors who are now going behind at present prices will be encouraged to make better progress.

I am taking this responsibility on my own shoulders on no other authority than verbal instructions from some of the commissioners to go up to Kenora and pay no attention to the chief but run the show as I think best, and that they will see me through.

I am now acting on this, with the approval of the chief in abeyance until he gets to Ottawa and discusses the matter with the board.

I have consulted with Howell (C. J. Manitoba) to find out if I was doing anything very wrong. Of course, he was very sorry to hear of the true state of affairs.

McArthur has made excellent progress during the summer months and especially July. Men are coming in in greater numbers and the work is now fairly well covered. Have you ever looked at the progress profiles? They are worth looking up, it will give you an idea of the amount of work yet to be done. You will also see that some clearing is untouched. The greatest trouble Grant's wild promises have made on McArthur's contract is that he told many that they did this . . . and that . . . in Quebec. Of course, I am not in a position to say yes or no to those reports, but the contractors feel that they should be treated up here exactly in the same manner as in Quebec.

I am willing to go to the limit of force account, if it is possible, but beyond that—actual cost plus 10 per cent—I won't go. I am not going to cut too loose and too narrow on the force account. I will do what is fair, reasonable and liberal in my judgment. I won't split hairs.

The August estimate will, as far as possible, be based on force account classification, and as it will take two or three months to reclassify all the cuts (except solid

APPENDIX No. 5

rock), no very great harm can be done should the board decide to instruct me to do otherwise. I am acting on my own responsibility (guided by hints from the commissioners), and there are two weeks to elapse before I sign the estimate. This gives the chief and board time to discuss the question—in fact, 'it's up to them.'

Yours sincerely,

A. E. HODGINS.

And then there is a note endorsed on the bottom of the last page (reads):—

'Please excuse this blur. It is Sunday, and I ran it through the press myself, as no one is here.—H.'

Now, you received a reply to that letter, Major, did you not?—A. Yes.

Q. And you have told us that you have not that reply with you?—A. No, I have not.

Q. Then I shall ask that the copy produced by Mr. Butler be allowed to go in. Just look at that copy, Major (producing copy of letter and handing it to witness).

Mr. Hodgins.—Before my honourable friend reads the letter, I may say that I have no objection to these productions as affecting Major Hodgins, but as far as the contents of the letter are concerned, we do not admit that they state anything more than Mr. Butler's view guided by Mr. Grant's report. I mention that because Mr. Butler discusses the subject as if Mr. Grant's report were unanswerable, whereas he had not seen and did not know the answer to it.

By Mr. Murphy:

Q. Mr. Butler's reply is as follows (reads):—

EXHIBIT No. 37.

Private and Confidential.

August 24, 1907.

DEAR HODGINS,—I have your private and confidential letter of the 18th instant, and I must confess that I am considerably surprised to learn that you have abandoned the safeguard you discussed with me when you were here. In the light, particularly of your own statement that the total amount involved by any change in classification was relatively a small one, it would seem that there was absolutely no justification whatever for you to take the attitude that you apparently have done. As you very well know, the commissioners are bound to repudiate any such basis of classification, and, of course, the chief will not and dare not approve of it. It seems to me—you have the specification and contract before you—that they are sufficiently clear as to the manner in which work shall be done. Any other method is not only illegal, but is beyond the powers of the engineering department to deal with.

I saw the chief; but, of course, he was naturally very reticent about the matter for the reason that he has not yet received any decision from the commissioners. I may say also that I had an opportunity of reading Grant's report. His report discloses a state of affairs that is not to the credit of yourself; that is to say, the want of inspection and the familiarizing of yourself, as district engineer, with the work that is going on in your district. If it is true that you have never been over the line, how in the world do you justify, under the rules contained in the 'instructions,' such a position? If neither you nor your assistant district engineer have ever been over the line, in what way then are the divisional engineers and the resident engineers to be instructed—surely not by correspondence? You are too experienced a man to think for a moment that railways can be built by letter-writing.

The object, of course, that was in view, when the 'Instruction Book' was prepared, was that the district engineer would go over his district with sufficient fre-

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

quency to personally know that the questions were properly handled, that the plans were kept properly up-to-date and that the work was handled in a business-like manner. All these are matters to be settled on the ground, and not in an office.

Apparently one of the mistakes that has been made, is in the assistant district engineer that you have appointed. From all I can learn he is a man without previous railroad experience and never has been into the field at all. This, of course, is all wrong.

The situation is a dangerous one—dangerous to yourself, and dangerous to the commissioners, as well as the government. It is a great public work and requires to be handled with force and vigour; and your duty at once, is to get down on the ground, go over the line from end to end, familiarize yourself with every single piece of work that is under your care, and to know from personal observation, not only how the work is being done, but how it should be done. Then and then only, can you secure proper and vigorous prosecution of the work.

You, of course, told me yourself that you had not been over the ground, and felt guilty accordingly. I am writing you pretty fully and frankly my own personal views in the matter, in order that you may have an understanding of the attitude of mind that I have of the way such work should be conducted. Is it not a fact that there is a great bugaboo being made about this classification matter? You can readily see that if you carried out the line you have indicated to me, you have bedevilled your own reports, in as much as they are not based upon the terms and conditions of the specification and contract. I daresay, however, you have your measurements in such way that you can know the actual quantities of the several classes of material, except this one based upon the specification and contract.

I presume you have a copy of Grant's report: If not, it is due to you that you should have it. What he stated about the overbreak, on the face of it, seems a reasonable thing, and unless you have been on the ground you are not in a position to contradict it.

With regard to another matter: that your specification deals with—the question of surface drainage. It is so serious, it will, of course, demand your immediate attention. He draws attention to a tunnel, upon which apparently nothing has been done. It is so serious in its nature, that you will, of course, give every consideration to the several points directed by him in his report. I have talked to Grant this morning, and I must confess that he gives lie direct to most of the statements that have been attributed to him. He says that he was particularly careful to say that he, of course, gave no orders to you, or to any of your men: that he had no power to do so: but, that he did discuss with you in detail certain phases of classification; that he had no discussions with sub-contractors along the lines indicated, but as the facts are reported to the chief engineer by him, he was bound to do so.

Under the circumstances, it seems to me that it is very clear that the first consideration at your hands is for you to get out in the field, familiarize yourself with the actual condition of the work, and to see how well or otherwise your subordinate engineers are conducting their work. The conduct of the office correspondence is of minor consideration, and if you have such an elaborate system of letter writing and reporting that it interferes with your work in the field, you should know that the system is rotten and cut it out on your own responsibility. Let them wait for answers to some of their letters, and explain that you are out in the field doing your work.

I am writing you frankly and fully, as I have stated above, and in a way I trust will be of some service to you.

Very sincerely,

M. J. B.

Now having heard these Exhibits 36 and 37 read, major, do you now recall any more clearly the conversation you had with Mr. Butler in Ottawa some weeks previous to writing your letter of the 18th August?—A. No. I remember discussing overbreak and asking for a transfer. But I might say, as regards Mr. Butler's letter,

APPENDIX No. 5

what did he know about the condition of affairs up on the district? He accuses me of letter-writing. He believes Mr. Grant's report is absolutely true and he judges me from his own desk not from the work. I think that is a fair statement of it.

Q. At the beginning of his letter to you Mr. Butler states that he is considerably surprised to learn that you have abandoned the safe ground you discussed with him when you were here?—A. Yes.

Q. Now what has that reference to?—A. I presume that was sticking to the specifications.

Q. Yes?—A. And not copying the classification I had seen in Quebec.

Q. Does it not refer to force account?—A. I had no intention of introducing force account until I went up on the work and saw the condition of affairs there.

Q. Well at the interview that you had with Mr. Butler is it not a fact, Major, that you discussed the question of employing force account on the work?—A. I may have told him it was a suggestion by Mr. Grant.

Q. And did he not then point out to you——?—A. When Mr. Grant suggested it to me I did not agree with him at all.

By Mr. Carvell :

Q. You say Mr. Grant suggested applying force account when he was up there?—A. He mentioned, in discussing classification, that it was the best way to classify, for engineers to classify intelligently. Well a senior engineer might classify intelligently but it is a very dangerous thing to let a junior engineer employ force account.

Q. Did he advocate its use in District ' F ' ?—A. Yes, as the fairest way to the contractor.

Mr. MURPHY.—Of whom is the witness speaking ?

Mr. CARVELL.—Of Mr. Grant.

The WITNESS.—It is a point engineers differ on.

By Mr. Murphy :

Q. Then there was some discussion between you and Mr. Butler about the force account?—A. Possibly. There certainly was no intention on my part to introduce it when I was talking with Mr. Butler.

Q. Is that not what Mr. Butler refers to in his letter when he says he was considerably surprised to learn that you had abandoned the safe ground you discussed with him when you were here?—A. It might be.

Q. Is it not that interview and the discussion thereat as to the employment of force account that sentence in Mr. Butler's letter refers to?—A. Possibly.

Q. Well what was it you proposed when you were speaking to Mr. Butler in July last about force account?—A. I never proposed anything.

Q. What was it you said to him?—A. I don't remember discussing it as he refers to it. It would be possibly in that way——

Mr. HODGINS.—He does not refer to it in this letter.

The WITNESS.—My objection to allowing engineers to use force account.

By Mr. Murphy :

Q. Your letter, of course, deals with it?—A. That came afterwards.

Mr. HODGINS.—You are certainly not representing the actual state of affairs. I do not suppose you are doing it intentionally.

Mr. MURPHY.—I am asking what the reference in Mr. Butler's letter is to ?

The WITNESS.—I certainly did not approve of force account because I was of opinion that it was wrong to do it. I only introduced it as a means to an end when I got on the work afterwards, after I had seen Butler.

By Mr. Murphy :

Q. My instructions are, Major, so that there will be no misunderstanding about

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

this, that you discussed force account, that you were warned not to do it and you agreed not to do it?—A. Oh dear me, I had never proposed that.

Q. How do you recall that?—A. No, I do not. It was against my idea altogether to introduce force account. I told Mr. Grant so and I told others so, but I changed my opinion when I got up on the work and found the condition of affairs up there on Dutton's work. I might say when I first went up there, I think it was Mr. Macfarlane suggested it as a means to the end. Dutton suggested it and I would not allow it. The next day, after thinking it over that night, after I got up in the morning I discussed it with Mr. Macfarlane—

Q. That is the same evidence you have given us several times before?—A. I certainly never discussed it with Mr. Butler with the intention that you stated just now of introducing it myself because I was against the idea.

Q. You said at the end of your letter, Exhibit 36, that you had copied your letter yourself?—A. Yes.

Q. Have you the book in which that letter is copied?—A. No.

Q. Where is it?—A. If it was in a book it would be out in Victoria. I copied some of these letters on sheets.

Q. This letter to Mr. Butler was copied but your letter of September 14th on which 4 pages all your charges are founded, was not copied into your book?—A. No.

Q. Now, referring again to the evidence that you were giving last night before adjourning?

Mr. LENNOX.—Will you allow me to ask a question for my own information. You have introduced the Butler letters to-day and you have dealt with two. Are there any more?

Mr. MURPHY.—The letters produced are the only ones that are spoken of. I do not know of any others, sir.

By Mr. Murphy :

Q. You have referred to the opinions given by certain counsel and the interpretation of the specifications by the chief engineer, and you pointed out to the committee that this interpretation was a different one, in your opinion, from the one that prevailed when you were on the work?—A. Yes.

Q. And you also pointed out to the committee that all the engineers were now bound by this interpretation?—A. Yes.

Mr. HODGINS.—Well, I don't know that he said that.

The WITNESS.—If they disagree with the interpretation of their senior the only thing for them to do is to resign.

Q. Yes. Now in your reading through the file of the pages containing that interpretation and those legal opinions, you observed, did you not, that all the district engineers concurred in the interpretation?

Mr. HODGINS.—Has that file been put in, Mr. Murphy?

Mr. LENNOX.—I object.

Mr. HODGINS.—Has it been put in, because if not I want it put in if there is any question to be put upon it?

Mr. PARENT.—It went down to the House of Commons.

Mr. HODGINS.—I beg your pardon; it did not go down to the House.

Mr. PARENT.—Yes, it is before the House.

Mr. HODGINS.—Those opinions were never before the House.

Mr. LENNOX.—They were brought down here before the committee, I understand.

Mr. HODGINS.—Nobody asked for them. They were produced by the commissioners for their own purposes, and I want them to go in now.

Mr. CARVELL.—I supposed they were a part of the record already as an exhibit.

Mr. HODGINS.—They have never been put in as exhibits yet.

Mr. PARENT.—I know I sent them. I sent them with my statement; I am sure about that.

APPENDIX No. 5

Mr. HODGINS.—No, sir.

Mr. PARENT.—I beg your pardon; I know what I did better than you do.

Mr. CARVELL.—Where are they now?

Mr. MURPHY.—They are here. The witness referred to them repeatedly last night.

Mr. LENNOX.—You referred to them.

Mr. MURPHY.—I beg your pardon?

Mr. LENNOX.—Let us make them Exhibit No. 38.

Mr. CARVELL.—They were sent by the commissioners, were they?

Mr. PARENT.—No, they were sent by me to the House accompanying my statement. After papers leave my office I am not responsible for them.

Mr. HODGINS.—Copies were not made?

Mr. PARENT.—I have an exact copy here, too. I can give you the exact copy right away if you wish.

Mr. CARVELL.—Do you mean in your annual statement to the House?

Mr. PARENT.—I mean that the papers accompanied my answer to the 'Colonist,' the 'Free Press' and the 'Citizen.'

Mr. LENNOX.—Then Sir Wilfrid did not lay them on the table.

The CLERK.—They are here before the committee.

Mr. LENNOX.—I object to the question. I object for this reason: The papers themselves are the only guide we can take as to what they mean, we cannot take the construction any witness places upon them. It is not proper to ask a witness to substitute his opinion as to what those documents say for the written evidence by which we are bound—the papers themselves.

Mr. MURPHY.—I will ask the witness outside of these papers.

By Mr. Murphy:

Q. Do you, Major, know whether or not the engineers concurred in that interpretation of the specifications given by Mr. Lumsden in January last?

By Mr. Lennox:

Q. I want to ask another question there. Do you know of any other way except from the papers?—A. Yes, I heard that Mr. Dunn, district engineer of District 'A,' did not agree entirely, and I see there is a letter here from him, dated the 2nd of November.

Q. We cannot go beyond what is in there. Have you anything outside of that?—A. I just heard it.

Q. If it is hearsay, we cannot take it?—A. Proved by his letter here.

Mr. LENNOX.—Then I submit we cannot take that; that cannot be given, because it is hearsay.

By Mr. Lennox:

Q. Did you hear it from Mr. Dunn himself?—A. No.

Mr. LENNOX.—Then the question should not be allowed.

The CHAIRMAN.—I do not allow the question.

By Mr. Murphy:

Q. Do you know, Major, that previous to that interpretation there was a difference of opinion between the engineers and the chief engineer as to the interpretation?

Mr. HODGINS.—Except as to that file.

Mr. MURPHY.—Well, except as to that.

A. No, I did not. When I was in Quebec I was under the impression that they all agreed.

MAJOR HODGINS.

By Mr. Murphy:

Q. In tendering, major, the contractors are obliged to interpret the specification, are they not, as practical men, just as the engineers are?—A. Yes.

Q. And on their interpretation of the specifications they fix the price that they send in their tender?—A. Yes.

Q. Then you are aware that the price for solid rock that the contractor in your district had was \$1.70 per yard, are you not?—A. Yes.

Q. And last night you mentioned that the price in Quebec for solid rock was \$1.50?—A. \$1.50—at least I got that from Mr. Doucet.

Q. So that there is between these two sets of practical men the same difference of opinion as regards some of the work as there is between the engineers?—A. I do not understand.

Mr. HODGINS.—Really if these questions are all going to be asked the witness, you might just as well call the first man in the court room and ask him about it. It is obvious there are two different prices put in by the contractor in the two districts and it is only wasting time asking such questions.

Mr. LENNOX.—Each contractor decides what the work is worth and puts in his tender.

Mr. MURPHY.—He has to interpret the specifications.

Mr. LENNOX.—Not altogether on the interpretation of the specifications but he has to decide what he will do the work for.

Mr. MACDONALD.—It is obvious he must have in view what work he has to do in order to determine what his price will be for doing it.

A. You cannot always judge by noting the prices. The contractor in bidding on a big contract like that varies his prices, the next highest above the contractor might have a higher price on rock but a lower price for something else. You cannot judge by that.

Mr. CARVELL.—You have to take the tender as a whole and figure out the quantities at the different prices in order to know which is the cheaper of the two.

By Mr. Murphy:

Q. As a practical man you know that the contractor or the contractors in District F and District B, as practical men also, were obliged to interpret the specifications for this work before they could put in their prices.

Mr. HODGINS.—I do not want to be always objecting but I think it is time the committee put some limit upon this kind of questioning.

The CHAIRMAN.—What do you object to in that question?

Mr. HODGINS.—I object to it as being entirely irrelevant.

The CHAIRMAN.—Well, supposing Mr. Murphy changes his question and asks him what he knows about it, he can put it interrogatively?

Mr. CARVELL.—I do not think it is irrelevant, but I quite agree it is not of very much value, because we can draw our own conclusions. Still I do not see any reason why Mr. Murphy should be barred from asking the question but I think we could get along more satisfactorily if some of these questions were omitted.

By Mr. Murphy:

Q. Speaking about these specifications last night you stated there was more variance in these than in any other specifications you had to deal with?—A. Yes.

Q. More variance in what way?—A. Well, in that clause for loose rock, if you look at it, that is an ambiguous clause.

Q. Which clause?—A. The specification for loose rock. It leaves it to the engineer to decide whether the material is to be classed as common excavation or loose rock by a plough test.

Mr. CARVELL.—In order to make this intelligible will it not be well to read the clause to which you are referring, major, as it is now approved in the specification,

APPENDIX No. 5

and then point out wherein there is the variation referred to?—A. Do you want me to read the loose rock specification?

Mr. CARVELL.—I was asking, in order that we might all understand it, that the witness might read the specification as it applies to loose rock, and then point out wherein there is a variation between that and what it ought to be according to his view.

Mr. PARENT.—He has done that three times already.

Mr. CARVELL.—Then I withdraw my suggestion, I was not aware of that.

A. I find a very good description to back up what I said last night, by another engineer, in this file here, perhaps you would like to have that?

By Mr. Hodgins:

Q. What is his name?—A. Mr. Dunn. I see that he has very much the same idea that I have.

Mr. LENNOX.—Somewhere that provides as a basis of that classification the plough test, and it is said you cannot tell whether it is properly handled or not, the driver may intentionally break the harness, but that is not correct because the horses are not properly handled if he does that, and the specification says behind six horses 'properly handled?'—A. I know, but then the trouble on the work commences for the engineer. He has to prove that the team has not been properly handled.

By Mr. Murphy:

Q. In your charges, paragraph 2 reads as follows:—

'The root of all the trouble between the commissioners and Major Hodgins was over-classification; and the commissioners wanted him to change his ideas as to classification, based on a good many years' experience on construction, to the classification that is allowed to the contractors in Quebec, under the head of "common excavation," "loose rock" and "solid rock." This classification to its fullest extent is adopted and approved by the commissioners in their memorandum laid on the table of the House on the 24th April, 1908, and exceeds that recommended by the chief engineer in his letter to the commissioners, dated September 24th, 1907.'

A. What is that?

Q. Paragraph 2 of your charges. Now, Major, I want you to explain to the committee what you mean by that second sentence, 'This classification to its fullest extent is adopted and approved by the commissioners in their memorandum laid on the table of the House on the 24th April, 1908, and exceeds that recommended by the chief engineer in his letter to the commissioners, dated September 24th, 1907.'

Mr. HODGINS.—I will take the responsibility of answering that.

Mr. MURPHY.—I object to counsel answering it. I have asked the witness, and I want the witness to answer.

The CHAIRMAN.—I think it is a fair question. There is a charge here, and I think you have the right to ask an explanation of the charge.

A. Well, I will have to go over this file to take out the letters.

By Mr. Murphy:

Q. 'This classification to its fullest extent is adopted and approved by the commissioners in their memorandum laid on the table of the House on the 24th April, 1908, and exceeds that recommended by the chief engineer in his letter to the commissioners, dated September 24th, 1907.' Now, I ask you, Major, the question, what do you mean by that sentence?

Mr. HODGINS.—I submit that is perfectly intelligible; Mr. Parent approves of it.

The CHAIRMAN.—Let the witness answer.

A. There is a letter somewhere, whether it is on this file or on the file laid on the table of the House, I cannot say.

Mr. LENNOX.—Look at page 32.

A. Oh, there it is.

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Mr. MURPHY.—This intervention by counsel to substitute some other point for the witness is becoming intolerable. I submit it is not the witness giving evidence at all.

Mr. HODGINS.—It is necessary sometimes.

Mr. MURPHY.—It is not necessary, as the Chairman has pointed out.

The CHAIRMAN.—Go on, Mr. Murphy.

By Mr. Murphy:

Q. I have asked a question; I am waiting for the answer, Major?—A. I presume there is a letter somewhere in the memorandum laid on the table of the House; there is a letter from the chief engineer, dated September 24th, 1907.

Q. What knowledge, if any, had you of what you allege in that sentence, when you wrote your letter to the 'Colonist'?—A. I did not know about it then.

Q. You did not know about it then? What do you mean by that sentence as it stands in your charges?—A. Unless that came out in the file of documents that was laid on the table of the House, I will have to look these over; I do not know whether I have them here or not.

Q. Without referring to any other documents, can you state to the committee now what you meant by that sentence in your charges?—A. What I meant?

Q. Yes?—A. Yes, that the commissioners approved of this classification.

Q. Now, which classification are you referring to that they approved of?—A. The classification in Quebec.

Q. In Quebec; is that your answer, Major?—A. Yes.

Q. In what part of Quebec, or in Quebec?—A. All the estimates.

Q. All the estimates?—A. All the estimates.

Q. Had you seen the estimates?—A. No.

Q. I think you told us last night you didn't know anything about them?—A. No.

Q. How could that refer to these estimates, then?—A. They must have passed estimates in Quebec from month to month.

Q. Now, what kind of classification was that to which you referred, Major?—A. Well, that is the classification that is current there now, I presume.

Q. Was it solid rock, loose rock and common excavation?—A. All classes of classification.

Q. All classes. Do you know anything about the classification that is current there now?—A. No.

Q. Is your reference to the approval by the commissioners of the classification sustained by these legal opinions?—A. What is that again?

Q. I say is your reference to the approval by the commissioners there the approval of the opinion, or the interpretation rather, of the engineer sustained by these legal opinions?—A. Yes, I should think so; the legal opinions sustained it.

Mr. CARVELL.—Will you pardon me a moment? I think I can show where the Major got the evidence on which to formulate that paragraph in the charges. You will probably find it in Mr. Lumsden's letter of 23rd April, addressed to the commissioners and submitted by them to the House.

Mr. LENNOX.—I think it is in the letter of 23rd April, 1908, from Mr. Parent to Sir Wilfrid Laurier.

Mr. CARVELL.—It is the letter from Mr. Lumsden to the commissioners and it accompanies that. Here it is on page 32—

'As you are aware, I, on the 14th and the 30th of January, issued special circulars to the district engineers giving my interpretation of clauses 34, 35 and 36 of our general specifications, accompanied by a diagram explanatory of same, and I have letters from the district engineers in districts 'A,' 'B' and 'F,' where actual grading was being proceeded with, stating that my interpretation had been and is being adhered to.'

APPENDIX No. 5

I think it is perfectly fair for Mr. Murphy to ask this witness wherein the interpretation of January, 1908, goes beyond the interpretation laid down by the chief engineer in September, 1907.

Mr. LENNOX.—He says, 'to the fullest extent is adopted and approved.' He does not say it goes beyond.

Mr. MURPHY.—'And exceeds that recommended by the chief engineer.'

Mr. CARVELL.—Now, ask him wherein that exceeds the recommendation of the chief engineer.

By Mr. Murphy:

Q. Now, referring to that sentence in paragraph 2 of the charges on page 39 of part 1, I would ask you to point out to the committee wherein the approval of the commissioners of this classification exceeds the classification recommended by the chief engineer in his letter to the commissioners of September 24, 1907?—A. Can I have the letters?

The CHAIRMAN.—The letter is printed in the order of reference at page 32. I am asking you to tell wherein the classification that you say was approved by the commissioners, exceeds the classification recommended by the chief engineer in this letter of September 24, 1907, which appears at page 32 of the printed record?—A. I don't see any reference in that letter.

Q. What is your answer? Can you or can you not point out to the committee wherein the classification that you say was approved by the commissioners exceeds the classification mentioned in that letter of the chief engineer of September 24?—A. It is in some letter I have seen.

Q. But you allege in your charges that it is in this letter. Now, I am asking you to point out wherein the classification exceeds what is recommended there?—A. I do not see it in that letter, it must be the wrong date.

Q. What is your answer, major?—A. It must be the wrong date.

Q. Well, is there anything else wrong about that statement in your charge?—A. Well, there is another letter from the chief engineer in which he approves of that classification, as far as I remember.

Q. What is the date of that?—A. It is in this file somewhere, that is giving an interpretation of the specifications that would cover that.

By the Chairman:

Q. Then, if I understand you well, you cannot see in that letter——?—A. I cannot recall the letter.

Q. In that letter, dated September 24, 1907, any justification for that charge which you made here saying (reads):—

'This classification to its fullest extent is adopted and approved by the commissioners in their memorandum laid on the table of the House on the 24th April, 1908, and exceeds that recommended by the chief engineer in his letter to the commissioners, dated September 24, 1907.'

You cannot see anything in that letter to justify that charge?—A. That letter refers to—I think there is another letter somewhere.

Q. Well find that letter, please?

By Mr. Lennox:

Q. Before you leave that point. Have you read the paragraph at the top of page 33 of the letter of September 24?—A. I thought it referred to District 'F.'

Q. It does refer to District 'F' and the chief engineer makes a recommendation?—A. (reads):

'In reviewing the whole situation in District 'F' I am of opinion that it would be a grave mistake to place the contractor in the position that he would have to

7-8 EDWARD VII., A. 1908

abandon the work, as I am satisfied it would in the end cost more money to complete than if he were given some little assistance. Such assistance should not be given by the engineers classifying material other than according to specifications, but might be given by authority from you to increase the prices east of mile 190 for item 5, loose rock; item 6, common excavation; items 23, 24, 25, 26, 27, 28, 29 and 30 in reference to timber; item 74, train-hauled surfacing; and item 75, ballasting; or, failing your being in a position to do so, by instructing me in writing to classify all material other than solid rock, loose or easily worked sand, gravel or muskeg, under the heading of item 5, loose rock and use rock borrow in place of trestle wherever common excavation for the purpose of making up embankments is not obtainable within a reasonable distance, or to pay for standard trestle at cost plus 10 per cent. Whatever is done the force on the work should be increased by at least two thousand men.'

By the Chairman:

Q. Well, do you see anything in that paragraph to justify the charge you have made?

By Mr. Lennox:

Q. One moment, Mr. Chairman, before you get away from this. Would this reference 'and exceeds that recommended by the chief engineer in his letter to the commissioners, dated September 24th, 1907,' refer to the paragraph you have just read?—A. Yes..

The CHAIRMAN.—In what way?

Mr. LENNOX.—Classification, and this is what they recommend.

Mr. CARVELL.—I do not see how the witness can answer the question in that manner because the suggestion in the charge is that the commissioners classified higher than the contract calls for.

Mr. LENNOX.—And the statement in the paragraph is that they classified still higher.

Mr. CARVELL.—Well, I would like to see where the proof is.

Mr. LENNOX.—Evidently the reference to the letter is all right.

Mr. CARVELL.—That may be true.

The CHAIRMAN.—I think it would be more satisfactory if the witness would answer questions himself rather than have members of the committee discussing it and telling him how to answer. If he cannot answer, all right. But we want to find out how he came to make that charge?

The WITNESS.—You see things have changed very much since I have read that second opinion of Mr. Lumsden, which certainly should alter that classification now.

By Mr. Murphy:

Q. Well, can you, or can you not, Major, point out wherein the classification approved by the commissioners exceeds that recommended by the chief engineer in his letter to the commissioners of September 24th, 1907? Can you or can you not point that out?—A. No, not at once.

Q. When you were down in District 'B' did you meet Division Engineer Bourgeois?—A. I don't remember.

Q. Do you know him?—A. No.

Q. Or did you meet Resident Engineer Matthews?—A. I would not remember.

Q. Do you know him?—A. I don't remember. Possibly if I were to see them now I might recall the circumstance; I don't remember the names.

Q. Did you meet Assistant District Engineer Huestis?—A. Yes.

Q. Did you meet Assistant Engineer Hervey?—A. Yes.

Q. Do you know both of these gentlemen, Engineers Huestis and Hervey?—A. I met them down in Quebec.

Q. Did you have any discussion with them as to classification?—A. I don't think so.

APPENDIX No. 5

Q. Would they, as the men in the field down in that district, in your estimation, be the proper men to classify in their division?—A. Yes, they would.

Q. They would be the best men, I understand, from your evidence, to classify?—A. Well, I don't know what they—

Q. I mean holding the positions they hold?—A. Yes, they would be all qualified to classify.

Q. In your evidence last night, Major, you stated that in your opinion this interpretation of the chief engineer of the specifications was wrong in some respects. Now, would you just point out in what respects you think it is wrong?—A. Well, I think in that clause for solid rock. He says it is solid rock or must be in ledges.

Q. Then first of all I take it—A. I mean in giving the interpretation of the specifications to cover that conglomerate material, in that wording.

Q. Is that the respect in which you think the chief engineer's interpretation is wrong. That is solid rock according to your idea?—A. Yes.

Q. And that is the only respect in which you think it is wrong, in your opinion?—A. Yes. Well, of course, he has got detached ledge rock in mass over one cubic yard. That I would certainly pass as rock and plum pudding stone. If it is the same class of material that I call plum pudding stone I would certainly call it solid rock. But it is a stone of itself. A conglomerate rock or plum pudding stone is a collection of boulders or stones held together by a mixture that is more like flint than sand. The pudding itself, you may call it, is as hard as rock or is rock itself of a flinty material, and these pieces of stone, boulders and things, are fused into it. I would call that under any circumstances solid rock because it would be solid rock.

Q. Now, taking the interpretation of the chief engineer as to the classification of these different materials, your objection, as I understand it, extends to plum pudding or conglomerate rock? Is that it?—A. Solid rock would be rock found in ledges or rock found in masses of rock—a boulder, for instance.

By Mr. Hodgins:

Q. That is your view of it?—A. That is mine.

Mr. HODGINS.—My learned friend is asking as to the chief engineer's view.

By Mr. Murphy:

Q. No, no, pardon me. Just in one sentence, would you please tell the committee in what respect you think the interpretation is wrong in your opinion?—A. I will have to get his opinion.

Q. I am asking you to point out to the committee?—A. I want to get his opinion to point out to the committee. It is worded in a certain way. Speaking from memory—

Mr. HODGINS.—Do not speak from memory. Get the chief engineer's opinion and speak from that.

Mr. MURPHY.—The witness either does not understand or else he is taking me off into a bypath. Last evening the witness stated that in his opinion in a certain respect the chief engineer's interpretation is wrong and I am asking him now to point out in what respect it is wrong.

Mr. LENNOX.—He is proceeding to do that.

Mr. MURPHY.—I want to ask the witness to answer for himself and not to refer to the file.

Mr. LENNOX.—But he must refer to the file for the purpose of ascertaining exactly what the chief engineer said. Having looked at that opinion and ascertained what the chief engineer's opinion was he is in a position to point out exactly where he thinks it is wrong.

The WITNESS.—Well I can say without reading it. I considered there were two meanings to be taken out of it, two interpretations.

MAJOR HODGINS.

By Mr. Murphy :

Q. Who is to determine who is right and who is wrong?—A. According to the specifications the chief engineer was to, but according to his diagram he puts it up to the engineer on the work unless he goes down and views the work himself and forms a judgment.

Q. Cannot you in one sentence explain to the committee in what respect you think the interpretation of the chief engineer is wrong?—A. Well I think he is wrong because there are two—I can interpret them from two different ways. I interpreted last night in one way and I can interpret it another way now if you want me to.

Q. Do you say that in your opinion he is wrong merely because you disagree with him?—A. I disagree with him.

Q. That is the idea, is it?—A. I disagree with him. It is an engineering opinion.

Q. Do you know, Major, that the interpretation given by the chief engineer is corroborated by Mr. Collingwood Schreiber and by the engineers in the field.

Mr. LENNOX.—How does he know that?

Mr. MURPHY.—I am asking him.

The WITNESS.—I think Mr. Collingwood Schreiber is wrong but I say that with all due deference.

Q. And what about the engineers in the field?

Mr. HODGINS.—That is not the question that was asked the witness.

Mr. CARVELL.—I think that is a fair question.

Mr. LENNOX.—I say that if he gets an opinion from the documents before us he should not deal with it. If he gets it from another source or from talking with Mr. Schreiber it is a different thing.

Mr. CARVELL.—I cannot accede to that view. Here is an intelligent man, a man who is almost an expert, and we are discussing certain documents. I see no reason why the witness should not be asked for his interpretation of the documents in order to assist us in coming to a conclusion?

Mr. LENNOX.—That is not what I am objecting to. Ask the witness does he know that Mr. Schreiber's opinion corroborates the opinion expressed by the chief engineer?

Mr. MURPHY.—Well, he is an intelligent man.

Mr. LENNOX.—Wait a moment. I say that if he only knows that from the documents before us he ought not to make a statement. We are the parties to interpret the meaning of any documents before us and not the witness.

The CHAIRMAN.—Let him say how he knows it?

Mr. LENNOX.—How do you know it, from the documents before the committee or otherwise?

Mr. CARVELL.—I was not here yesterday and if there was a ruling then given on this matter I suppose I am bound by it?

Mr. LENNOX.—There was a ruling to-day.

Mr. CARVELL. As far as I am concerned I am going to protest against it. I think the witness ought to be a most competent man to help us to come to a true understanding of these documents. I am not an engineer, this man is and I want his opinion.

Mr. HODGINS.—He is asked if he knows that Mr. Schreiber's opinion agrees with that of the chief engineer?

Mr. MACDONALD.—The question is does he know it? The fact of how he knows it is a subsequent thing.

By Mr. Lennox :

Q. How do you know it?—A. How do I know it?

By Mr. Carvell :

Q. Do you know it?—A. Yes.

APPENDIX No. 5

By Mr. Lennox :

Q. How do you know it?—A. Mr. Lumsden refers to it in each one of his opinions.

Mr. LENNOX.—I submit that cannot be given. We are the sole judges of the meaning of these documents, not the witness. The witness could not give an interpretation as to whether the various sub-engineers agreed with the opinion of the chief engineer and the question was ruled out on that account. I take the same objection to the question again. When there is an original document and the witness has access to it the same as we have we must judge of that ourselves and not the witness.

Mr. CARVELL.—I know, but as an expert engineer there is no objection to reading certain portions of a document and asking the witness what interpretation he puts upon that document.

The WITNESS.—My interpretation is not infallible.

Mr. CARVELL.—Certainly not, it is your opinion.

Mr. LENNOX.—Just wait until the chairman has ruled.

Mr. CARVELL.—In answering, the witness will help this committee to come to a proper conclusion.

Mr. MACDONALD.—What is your object in getting this testimony?

Mr. LENNOX.—You had better let the chairman give his ruling.

The CHAIRMAN.—It is the same ruling. I cannot give another ruling from the one I gave. At the same time I think I must say that I see a little difference in this as compared with the previous case. Here is a witness, an expert, who is asked what is his opinion of the opinion of Mr. Schreiber, the chief consulting engineer—what he understands by his interpretation of a certain thing. I think I will have to give the same ruling, although I think that the circumstances are a little different. Nevertheless I must rule against it just the same as I did before.

Mr. MACDONALD.—There is this phase of the question, Mr. Murphy: you can direct Major Hodgins' attention to the particular statement which indicates what Mr. Schreiber's view is and you can base a question upon that.

The CHAIRMAN.—I think that could be properly done.

Mr. LENNOX.—You can take Mr. Schreiber's opinion and have it read to the witness and ask him if he agrees with it.

Mr. HODGINS.—I quite agree with that.

The CHAIRMAN.—Show him Mr. Schreiber's opinion so that he can read it.

Mr. MURPHY.—We were speaking rather about the opinion of the chief engineer and the concurrence between Mr. Schreiber and the former.

The CHAIRMAN.—Yes.

Mr. LENNOX.—That would be wrong.

The CHAIRMAN.—But how can he give an opinion offhand without looking at Mr. Schreiber's opinion?

Mr. MURPHY.—He has seen it. He read from the documents that he had in his hand last night, some file that he has, not any file that we handed in.

Mr. LENNOX.—That can go to the extent the chairman has indicated. He can be asked whether he agrees with Mr. Schreiber's opinion or not. If he does not agree with it in what particular does he disagree?

Mr. MURPHY.—Then I will ask him now. The witness referred to it.

Mr. HODGINS.—No, he did not.

Mr. MURPHY.—Then, major, I ask you now whether you agree with the interpretation of Mr. Schreiber, concurred in by the chief engineer?

Mr. LENNOX.—Oh no, you cannot put that question. That is what the chairman has already ruled on. There is no question of concurrence at all. You can take Mr. Schreiber's opinion, place it in the hands of the witness, ask him to read it and state whether he agrees with it or not. He can say if he agrees or disagrees; if he disagrees in what respect he does so.

7-8 EDWARD VII., A. 1908

Mr. MURPHY.—My understanding is that the witness had these opinions and referred them last night?

The WITNESS.—It is the opinion of the chief engineer, the last paragraph of the chief engineer's opinion refers to Mr. Collingwood Schreiber. I don't think Mr. Collingwood Schreiber—

By Mr. Lennox:

Q. Have you seen Mr. Schreiber's opinion at all?—A. No. Except that I have got a reference to it.

By Mr. Murphy:

Q. Then is the opinion of Mr. Schreiber, to which reference has been made, the one referred to in the letter of the chief engineer from which you have been quoting?—A. Yes, it is referred to in the letter here.

Q. Then you have seen the opinion?—A. I have not seen Mr. Collingwood Schreiber's opinion. Mr. Lumsden says at the end of his letter (reads):

'This interpretation was made by me after consulting with Mr. Collingwood Schreiber, general consulting engineer to the government.'

Mr. HODGINS.—He may have disagreed with him.

By Mr. Murphy:

Q. Do you know, major, whether the interpretation of the men in the field was concurred in—that is with regard to District 'B' and District 'F', so far as your successor, Mr. Poulin, is concerned—by the chief engineer?—A. Their opinion was—

Q. Their interpretation?—A. Was concurred in by the chief engineer.

Q. Yes?—A. Yes, I think Mr. Poulin and Mr. Doucet both concurred with the chief engineer in this opinion.

Mr. LENNOX.—That is not what you are asked.

Mr. CARVELL.—That is what he was asked.

Mr. LENNOX.—No, it is the reverse. Does he know whether the opinion of these engineers in the field was concurred in by the chief engineer?

The WITNESS.—The opinions of the engineers in the field?

Mr. LENNOX.—The opinion of these two men.

Mr. HODGINS.—I would like to have the opinion produced, because there are half a dozen questions involved in that.

The WITNESS.—That I could not say. I could not answer that question because the chief engineer—

Mr. CARVELL.—You have the letter there of December 15th or 16th?

The WITNESS.—No, January, 9th. The chief engineer lays down a certain interpretation of the specifications and Mr. Doucet and Mr. Poulin follow it out and certify that the work on their districts agrees with the chief engineer's interpretation.

By Mr. Murphy:

Q. And is it not a fact that is the interpretation that is approved by the commissioners?—A. That is approved by the commissioners.

Q. You remained in District 'F', major, for some time after your successor, Mr. Poulin, came there?—A. Well I was there for a short time.

Q. Yes, you had frequent conversations with him?—A. Just one or two.

Q. Do you remember a letter that was written by Mr. Poulin, while you were there, to the chief engineer for instructions regarding classification?—A. Mr. Poulin read to me a letter from the chief engineer to him—

Q. Yes?—A. In which the chief engineer had asked him for his opinion on the wording of the specifications and Mr. Poulin said he was writing a letter, and I think he read the draft of it to me, or the letter he was sending off that day, in which he said it was the chief engineer's place to give an opinion before asking a division engineer, or words to that effect. Probably he did not put it quite as brusquely as that.

APPENDIX No. 5

By Mr. Murphy:

Q. Was there any other discussion on classification between you and Mr. Poulin before you left?—A. No, not that I remember. You see the—it seems to me the only issue now is the correct and proper interpretation of these specifications and I do not see that I am called upon to prove it, I cannot.

The CHAIRMAN.—That is about it.

Mr. LENNOX.—I entirely dissent. This is not the time to argue but I entirely and absolutely dissent from that proposition.

The WITNESS.—It is rather hard on me to have to—

Mr. LENNOX.—That is not at all the question as the witness suggests.

By Mr. Macdonald:

Q. You regard that as practically the only question left now, the question of whether your view of the classification is correct?—A. That is all.

Q. That is all. I understand you to say, from the information that you have gathered since coming into this matter, Major, that you feel that you can not say that you have any imputations to make upon the Commissioners in regard to any improper interference, with the engineers for instance?—A. With those legal and engineers' opinions there I do not see that I have.

Q. And you are not in a position to offer any evidence to show that they exercised any improper interference with the engineers?—A. No.

Q. In regard to that matter in which the statement was made here that Sir Wilfrid Laurier refused investigation on account of the influence exercised on him by Mr. Parent; I understand you are not in a position to say, or to offer any evidence that would show that Mr. Parent attempted to influence Sir Wilfrid in any way, or are you?—A. No, not unless Mr. Parent came up to say he did.

Q. You have no evidence of that?—A. I have none.

Q. And in regard to the question of engineering you apparently as an engineer, with your experience, took a certain view as to how the wording of these specifications should be interpreted?—A. Yes.

Q. Now you find that since you put in the statement here, Mr. Lumsden, on January 10th laid down certain instructions for the engineers to follow which may be said to be an interpretation from his standpoint of what the specifications mean?—A. Yes.

Q. You were not aware of this being in existence at the time you wrote to the *Colonist* on April 16th, were you?—A. No.

Q. I suppose in regard to these opinions of counsel on the meaning of the specifications you had no intimation of them at the time you wrote the letter?—A. Another man's opinion is just as good as mine, as a matter of fact every engineer's opinion is valuable to himself.

Q. And it is a question upon which men may differ quite honestly?—A. Certainly.

Q. You do not impute to these gentlemen any improper motives in their ideas?—A. Not after reading Mr. Lumsden's letter.

Q. You made use of the expression the other day that you did not regard this committee as the proper tribunal to determine the question at issue?—A. With all due deference to the committee I do not; it is an engineering dispute and as far as I am concerned I quite believe that the arbitrators who are appointed for the purpose should deal with this question of classification and I think that the board of arbitrators is the only right and proper tribunal to determine it.

Q. And any evidence you have to offer in regard to this matter, to this question at all, whatever is left of it now, is evidence that you would prefer to give to this tribunal of arbitrators that has been appointed under the statute?—A. Exactly.

7-8 EDWARD VII., A. 1908

Q. They are people in whom you have confidence that they can settle this question in the interest of this country fairly?—A. Absolutely.

Q. And you are prepared to accept their judgment on this question of classification as absolutely fair from your standpoint and in the interest of the country?—A. Certainly; I would not put myself in the way at all; they have to look after the interest of the country.

Q. And you regard this board of arbitration as being the proper tribunal to determine whatever there is in issue in this matter?—A. They are the proper tribunal.

Q. Personally, Major, it does not seem to me—or have you any desire to go on before this committee through your counsel offering evidence and taking up the time of this committee, or wouldn't you prefer to give it all before the arbitrators?

Mr. LENNOX.—Would it not be better to hear counsel?

By Mr. Macdonald:

Q. What do you say to that, Major?—A. What is that again?

Q. Have you any desire to go on giving evidence here in view of what you have said now, or do you, not think that the proper tribunal to determine this question is the board of arbitrators composed of Mr. Woods, Mr. Lumsden and a third arbitrator?—A. I do not think it is for me to answer that. I think it is for the committee to decide that.

Q. Have you any desire to go on presenting evidence before this committee, or do you take the position that you regard Mr. Woods and Mr. Lumsden as being the expert engineers and the gentlemen contemplated under the statute to determine this question of classification—do you regard these as the proper people to determine that question?

Mr. LENNOX.—That is a question of law and of the interpretation of the contract.

Mr. MACDONALD.—I object to being interrupted by Mr. Lennox, or any other gentleman, just when I reach the crucial stage of my questioning.

Mr. LENNOX.—I have just as good a right to interrupt as any other gentleman, and I propose to exercise my right.

Mr. MACDONALD.—Pardon me, you have not the right to object to a question put by a member of the committee; you have the right to object to a question put by counsel. I will ask any question I want to as a member of this committee without interruption by you.

The CHAIRMAN.—Mr. Macdonald has the witness in hand now.

Mr. LENNOX.—I know that, but I have the right to object to a question.

The CHAIRMAN.—You object to the question?

Mr. LENNOX.—I object to the question. The witness is asked the question whether Mr. Wood and Mr. Lumsden are not the proper persons to interpret this contract.

Mr. CARVELL.—Whether, in his opinion, they are not the proper parties to determine the question of classification.

Mr. LENNOX.—I submit that the interpretation of this contract is not for this witness.

Mr. MACDONALD.—I did not ask about the contract at all. I think every one of us here all recognize Mr. Hodgins' position. I think in stating what he has stated here to-day he has shown himself to be a frank and honourable man, who realizes that a mistake has been made on certain lines, and is willing to admit it. I think he is entitled to the full credit that every man is entitled to when he sees he has taken an improper course and wants to remedy what has been done. The question I want to ask Major Hodgins is this: Whether you do not regard Mr. Lumsden and Mr. Woods and, in the event of their disagreement, some other engineer who is to be appointed, as being the men who can better deal and better decide upon the point you wish to make about that question as to proper classification?

Mr. CARVELL.—Than this committee would be?

Mr. MACDONALD.—I do not want to put it in that way. Do you think, Major,

APPENDIX No. 5

that Mr. Lumsden and Mr. Woods are the better parties—you have already told us you are perfectly ready to accept their decision?

A. I think their decision will be just and impartial, and if they disagree some well known engineer ought to be called in.

By Mr. Macdonald:

Q. I understand you to say you do not desire to press before this committee any charge of wrong-doing on the part of the commission as far as their interference with the engineers is concerned, is that a fair statement?—A. That is right.

Q. And as far as that phase of the inquiry is concerned, you do not offer any evidence for our consideration?—A. It is simply this, that I do not see why I should stand the expense of finding out whether the specification is right or wrong.

Q. Or whether the academic question between engineers should be settled at your expense, that is the position you take?—A. Yes.

By Mr. Carvell:

Q. Following up that a little further, in case it were necessary for this committee to go on and render a decision as to whether the classification was correct or incorrect, in your opinion would it not be necessary to have the evidence of independent engineers not connected either with the Transcontinental Commission or the Grand Trunk Pacific?—A. To settle this question?

Q. Supposing the committee decided to go on and settle the question and render a decision upon it, in your opinion would it not be necessary to call in the services of independent engineers who have no connection whatever with either the Transcontinental Commission or the Grand Trunk Pacific as witnesses?—A. Provided that Mr. Lumsden and Mr. Woods disagree?

Q. No, no, leaving them out of the question entirely, supposing this committee attempts to make a thorough investigation of this question would it not be necessary for us to call in the evidence of independent engineers?—A. Just on the wording of the specifications, or the interpretation of the specification on the work do you mean?

Q. I do not care whether you take the interpretation of the specification or the question of classification on the work itself?—A. The most independent tribunal would be the council of the Canadian Society of Civil Engineers.

Q. That would be an independent body?—A. You could not get any better than that.

By Mr. Macdonald:

Q. The major says he is prepared to take the decision of Mr. Lumsden, Mr. Woods and a third arbitrator.

Mr. CARVELL.—But I mean if this committee wants to go further. I have been at a loss myself as to what course to pursue. There has been a charge of over classification on the part of the engineers of the commission, and that raises an issue directly between the engineers of the commission and the Grand Trunk Pacific. I assume that one set of engineers will stand by one side of the case, and the other set of engineers will stand by the other side, and I am asking Major Hodgins here, who is the third party at the present time, in a sense, if we want to come to a conclusion on that point will it not be necessary to go outside and have the evidence of independent engineers who have no connection with either party?—A. Yes, that would be one way of getting at it, an impartial way.

Mr. MACDONALD.—I understand that the major says he does not want to be kept here at an expense to himself to settle an academic question that will be fairly and properly settled by Mr. Lumsden and Mr. Woods.

By Mr. Lennox:

Q. That does not touch the point that the House has instructed us to do a cer-

7-8 EDWARD VII., A. 1908

tain thing; Mr. Carvell made that point by saying that if it is proper for us to go on and decide whether there is improper classification or not would it not be right to call in independent engineers and the witness says, yes.—A. But then I think, in a dispute of that kind, the Grand Trunk Pacific and the Transcontinental Commissioners should be consulted as well as myself—you say I am a third party.

The CHAIRMAN.—Of course all parties would be consulted in that case.

Mr. MACDONALD.—What was referred to us was this letter or memorandum of Mr. Parent together with the letter of Major Hodgins to the public press therein referred to, with instructions to investigate the matters and charges therein mentioned. I understand what was referred to us was the statements contained in Major Hodgins letter of April 16, because he disclaimed connection with that interview which appeared in the papers, and I understand that Major Hodgins has told us to-day with regard to the imputation against the commission respecting improper interference by them with the engineers that he is not in a position to go on with that. I understand you to say that the only issue that has been raised which remains out of this whole question to-day is the difference of opinion that exists between him and the other engineers as to the interpretation of the specification. I understand you also to say that you know that the statute respecting the Transcontinental Railway Commission provides for the settlement of all disputes of this character by a board of arbitration composed of the chief engineer of the Transcontinental Railway and the chief engineer of the Grand Trunk Pacific, and in the event of a disagreement a third arbitrator is to be appointed by the chief justice, and that so far as you are concerned you think that is the proper tribunal to settle that which is the only remaining issue; and that as far as you are concerned that is the only tribunal and you are prepared to accept their judgment. That being the case, there is I think, nothing left for this committee to go on with.

Mr. LENNOX.—I do not at all agree with the conclusions arrived at by Mr. Macdonald, but I do not propose to argue that question to-night in the absence of Mr. Barker, or that we shall take any definite action in his absence. I desire to say, however, that I entirely dissent from the proposition of Mr. Macdonald that what is referred to us is what is stated in the letter of Major Hodgins, as Mr. Macdonald says. The order of reference set forth is:—

‘Resolved, that the memorandum of the chairman of the Transcontinental Railway Commissioners to the Prime Minister, of date the 23rd April, and laid on the table of this House on the 24th instant and the papers accompanying the same, together with the letter of Major Hodgins to the public press therein referred to, be referred to a special committee of five members.’

Mr. MACDONALD.—‘With instructions to investigate the matters and charges therein mentioned.’

Mr. LENNOX.—Now, the letter of Major Hodgins is only one of the documents referred to us; there is mentioned here particularly the letter of the chairman of the Transcontinental Railway Commissioners, and when we look at the documents that were actually attached and referred to us we find a number of documents in addition to the letter referred to, any of the charges contained in any one of those documents is a matter for us to investigate. It is true this matter was begun by the letter written by Major Hodgins, and that the matter was taken up by the press; rightly or wrongly the press made certain statements, for instance, the ‘Colonist’ made certain statements, and the ‘Free Press,’ Winnipeg, and the ‘Citizen’ here in Ottawa made certain statements; Major Hodgins does not necessarily have to stand back of those statements and charges, but the matters are all referred to us, all papers and documents attached to the memorandum laid on the table of the House, and any charge contained in any one of these we are bound to investigate. Now, sir, one of the particular charges contained in these documents is this, was there or was there not a proper classification?

Mr. MACDONALD.—Incorrect classification, not ‘improper.’

APPENDIX No. 5

Mr. LENNOX.—Well, incorrect classification, I am quite willing to take that word for the purpose of argument, incorrect, if it were improper it would imply more than that, but taking Mr. Macdonald's statement that it is incorrect—if it is found to be improper it would involve some wrong-doing, but even if there was not any wrong-doing whatever and I am not going to impute wrong-doing unnecessarily, yet if it is incorrect classification it affects the interests of the public and we are to investigate and find out whether incorrect or improper. I use the word improper in the sense of not being correct, classification prevailed.

Mr. MACDONALD.—What do you propose to do about it? Major Hodgins says he has nothing further to offer to the committee and who is going to prosecute the inquiry.

Mr. LENNOX.—We are bound to investigate and to take the responsibility of bringing before this committee such persons as can give us evidence in that regard. We have the fact before us that a very serious controversy exists between the Grand Trunk Pacific Railway and the commission as to the classification. That dispute has not been settled; there is that question outstanding, the question as to whether the classification is right or wrong.

Mr. MACDONALD.—That may be all true, but parliament has solemnly and deliberately said that if there is going to be disputes between the Grand Trunk Pacific and the Transcontinental Railway commission, we are going to say how those disputes shall be settled, we are going to provide a system and a board of arbitrators to settle such disputes, and that has been embodied in a statute. Not only that, but these arbitrators have gone to work and are now engaged in settling that question.

Mr. CARVELL.—Would it not be well to consider, in view of the fact that this very situation was anticipated and provided for by parliament, whether this committee should go on and by taking evidence upon it drag in this whole question and attempt to render a decision in anticipation of what the legally constituted board of arbitration may do.

Mr. LENNOX.—I still hold to my argument, here is the view that I take of it. We have a right to inquire whether the right classification is prevailing upon that line or not. In the end when the accounts come to be adjusted between the Grand Trunk Pacific and the country it may be that the classification that has been allowed will not be allowed in the adjustment of accounts between the company and the commission but in the meantime—

Mr. MACDONALD.—But you will pardon me, Mr. Lennox, whatever Mr. Lumsden and Mr. Woods settle, or the third arbitrator decides, it does not make any difference what we do, as a matter of law that settles what is to be paid. We must assume that Mr. Lumsden and Mr. Woods are honest men and will give their honest opinion.

Mr. CARVELL.—I have had that before me ever since the investigation has started; what object can there be in us investigating this question when no matter what we do it will have no value as compared with the decision of the Board of Arbitrators.

Mr. LENNOX.—Certain charges have been initiated by Major Hodgins, that is only like the beginning of a war where some person fires a gun and the war commences, but after that they are not the main element in it. In this case as soon as Major Hodgins fired his gun the press took it up and made certain grave charges against the management of this railway. Parliament referred to us the question to find out whether improper classification prevailed on that railway or not. For my part as far as I can see at the present time I am of the opinion that very serious improper classification has occurred on that railway.

Mr. MACDONALD.—It could not have occurred, because it does not occur until these gentlemen, Mr. Lumsden and Mr. Woods say it shall occur.

Mr. LENNOX.—I understand that the quantities of solid rock and loose rock allowed by such classification upon the railway as far as it has been constructed have

7-8 EDWARD VII., A. 1908

not been what they should be, and that is what we are investigating for the purpose of satisfying the public mind which is at unrest on account of the charges which have been made. It may be when other evidence is brought forward that this evidence which is before us now may be strengthened or it may be weakened. There is one point that has been dwelt upon a great deal and that is the question of Mr. Lumsden's latest interpretation of the contract. I am not at all satisfied with that interpretation of the contract although I have great respect for Mr. Lumsden.

Mr. CARVELL.—But under the statute aren't you compelled to admit he is right?

Mr. MACDONALD.—The country has to pay it anyway. There is not a contractor in the country who has a contract with the Transcontinental Railway Commission that cannot make this country pay every dollar that Mr. Lumsden and Mr. Woods certify, all the investigation here from now to doomsday to the contrary.

Mr. CARVELL.—To my mind Mr. Lumsden is the most important official in Canada to-day, he has more power than any other official in the country.

Mr. LENNOX.—I am not at all certain that his interpretation is correct and what we are bound to pay is what, according to the proper classification, is certified, Mr. Lumsden may be right or he may be wrong.

Mr. CARVELL.—No, we are bound to pay according to Mr. Lumsden's classification.

Mr. LENNOX.—Excuse me, we are not bound to pay according to his certificate if he does not agree with what the Grand Trunk Pacific agrees to.

Mr. CARVELL.—Read the statute.

Mr. LENNOX.—Never mind about reading the statute. If they disagree we have the arbitrators appointed by statute as has been said. The evidence of Major Hodgins as far as he has gone is this that he is not satisfied Mr. Lumsden's classification is correct.

Mr. CARVELL.—Assuming he says that, then there is the point where would we be? Assuming that Mr. Lumsden's classification is correct and is justified, then, as he says, there would not be much ground for this proceeding.

Mr. LENNOX.—But the witness says that Mr. Lumsden's classification is not correct in his opinion.

Mr. MACDONALD.—But he says he is prepared to have Mr. Woods and a third arbitrator determine whether he is right or not.

Mr. LENNOX.—But we are not to be guided by Major Hodgins in this matter, it has been referred to us by the House to deal with.

Mr. MACDONALD.—But there is now absolutely nothing for the committee to deal with.

Mr. LENNOX.—That we must argue out, but in the meantime there is no object in pursuing it. I may not be equal to maintaining this matter against three or four learned gentlemen. But I want to make it perfectly clear that the question of the scope of the inquiry has gradually widened, and I think it is absolutely necessary for us to pursue the inquiry along the lines that have been referred to us. It will take some little time to analyse exactly what there is in the reference to us, but I want to make it clear that I do not agree with the theory that our labours are at an end.

Mr. CARVELL.—I am very glad that this matter has come up, not that we are going to decide it right here, because Mr. Barker, I quite understand, will want to be here. The evidence of what is the proper classification has been before my mind considerably ever since the investigation has begun, and if there is no way provided by statute for meeting these exigencies I would feel that this committee ought to bring outside witnesses and arrive at some conclusion. But it does seem to me that the statute creating the Transcontinental Railway Commission foresaw that these things might happen and provided a remedy for them and I think we are travelling a long way if this committee attempts to set up its mind against the properly constituted authority, because even if we come to a conclusion, if that conclusion be at variance with the decision of the arbitrators we would only make ourselves ridiculous and it would have no effect whatever. Therefore it seems to me that it is not only useless, but a very

APPENDIX No. 5

improper course to spend our time attempting to find out whether certain classification is correct or incorrect.

Mr. HODGINS.—May I suggest that it would be advisable for the committee to rise now and meet again to-morrow when Mr. Barker is present, because I would like to say a word or two to the committee. I have heard the views which have been expressed by the members of the committee to-day, and I am appearing here as counsel for Major Hodgins. I have not expressed my views, and I suppose I have the right to do so after consulting my client.

Mr. CARVELL.—Is it understood that Mr Murphy is through with his cross-examination ?

Mr. PARENT.—Not by any means.

The CHAIRMAN.—This is only an expression of the views of the committee.

Mr. HODGINS.—I thought it wise to make the suggestion at this stage.

Mr. CARVELL.—We may go on and finish the cross-examination of the witnesses.

Mr. HODGINS.—I think I have something to say, representing Major Hodgins, as to the proceedings before this committee. What he has stated here this afternoon he stated as a witness there in the box, he has not stated it through me. I should like to consider the situation not only with regard to myself, but with regard to the position of the committee, I think there are some matters which will have to be laid before the committee.

Mr. MACDONALD.—The committee will have to look after itself, quite irrespective of yourself or Major Hodgins.

Mr. HODGINS.—Of course, I understand that, and if you so rule I will sit down.

Mr. MACDONALD.—Not at all.

Mr. HODGINS.—But I think, in a matter of such importance as this, it is advisable that the committee should not come to a hasty decision, but that it should hear what is to be said after my conference with my client, and possibly there may be some matters to bring before them that they may not have in their minds at the present moment; and after that it will be for them to say what they will do. For myself, I will cheerfully obey the decision that they come to.

Mr. MACDONALD.—The situation, it seems to me, at this moment is that Major Hodgins, in a very frank and straightforward way, after familiarizing himself with the facts and the evidence not within his knowledge and not before him some months ago, very frankly told the committee just where he stands now. As far as I am concerned, as a member of the committee, I think he has done what any honourable man should do, in coming forward and stating what he has stated this afternoon. As to what is to be done in the future, gentlemen, that is a matter for consideration. For the time being I think Mr. Murphy might go on if he wants to, and it might perhaps be wise to consider what the position is going to be, and perhaps we might adjourn until this evening.

The CHAIRMAN.—I think it is well we had this discussion, because it will narrow down the proceedings materially. I think myself it was better that we had this discussion now, and we will rise until 8.30 this evening.

Mr. HODGINS.—I ask that the file of papers containing the legal opinions regarding the interpretation of the specifications and letters in reference thereto be filed as an exhibit.

The file containing sixty-two letters and papers was filed and marked as Exhibit No. 38, and is as follows:—

7-8 EDWARD VII., A. 1908

EXHIBIT No. 38.

MONTREAL, QUE., Oct. 7, 1907.

Mr. HUGH D. LUMSDEN,
 Chief Engineer, Eastern Division,
 National Transcontinental Railway,
 Ottawa, Ont.

Classification of Material, District 'B.'

DEAR SIR,—At the request of District Engineer Armstrong, he was furnished recently with a statement of classifications for the heavier work on the above section, which were, when given in detail, so different from his expectations that he requested the writer to visit the work.

During the past week we passed over portions of the work from the Batiscan river west for fifteen or twenty miles, and later from mile 115 to 132.

With reference to the former portion, the classification was given in distances of from three to five miles, and as we did not have total quantities of graduation, could not judge with reference to any particular cutting, although percentages for entire distance seemed excessively heavy in both loose and solid rock.

With the latter portion we had detailed percentage for each cut, and were greatly surprised at the allowances made for solid and loose rock. In nearly every case where the cuttings were not entirely all ledge the estimate given for solid rock is double, or more than double, what it should be. In fact, the specifications had been entirely ignored and an excessive allowance made, not by reason of an error in judgment, but, as I understand, by special instructions from the assistant district engineer.

Let me give you some illustrations:

Take the cutting from stations 5818 to 5826, estimated 71 per cent solid rock and 29 per cent loose rock, slopes taken out $1\frac{1}{2}$ to 1. Very little ledge in this cut. Some large boulders, but a very large percentage is common excavation.

Station 5842 to 5860.—Classified 94 per cent solid rock, 6 per cent loose rock. Slopes taken out $1\frac{1}{2}$ to 1. Solid rock over-classified at least 100 per cent.

Station 5866 to 5875.—Estimated 80 per cent solid rock, 20 per cent loose rock. No rock in place in this cut. Many large boulders, but a large amount of earth.

Station 5882 to 5901.—Estimated 78 per cent solid rock, 22 per cent loose rock. A large amount of this cut wasted with slip scrapers, and ploughing being done with two horses. There are hundreds of yards of earth here without a stone, large or small.

Station 6030 to 6046.—Estimated 40 per cent solid rock, 10 per cent loose rock. This is the large sand cut west of O'Brien's camp. Of the 95,000 yards moved to August 31st in this cut, at least 80,000 yards was pure sand.

Station 6071 to 6078.—Estimated 99 per cent solid rock, 1 per cent loose rock. Very little solid rock in place. Slopes taken out $1\frac{1}{2}$ to 1.

West of St. Maurice River.

Station 6391 to 6394.—Estimated 46 per cent solid rock, 33 per cent loose rock. Sand cut with few boulders, and possibly 1,500 yards ledge in bottom of cut not yet taken out.

Station 6493 to 6504.—Estimated 20 per cent solid rock, 49 per cent loose rock. No evidence of ledge and very few large boulders; nearly all sand.

Station 6506 to 6512.—Estimated 16 per cent solid rock, 44 per cent loose rock. This is purely a sand cut, with very few boulders. Upper slope nearly 100 feet high, material wasted into river. Certainly not 10 per cent of this should be classified.

Station 6522 to 6548.—Estimated 26 per cent solid rock, 49 per cent loose rock. This is borrowed material from the side. Very little solid rock shown, except what was used for blind drains, but some large boulders not placed in embankment.

APPENDIX No. 5

On account of heavy rains we were not able to go west of station 6600, but we understand that classification is made about as noted above.

In every case where cuttings are not entirely in ledge we find the material over-classified very largely. Mr. Armstrong has been able to visit this work at different times, perhaps quite as often as the assistant district engineer. His estimate and my own are not very different as to the amount of classified material, and until he received detailed quantities he had no intimation that such heavy classification had been given. In many cases, particularly in sand and gravel cuts, he had supposed that no classification would be given, except perhaps for a few boulders as loose rock.

I am informed also that on the work east of the St. Lawrence river heavy classification is being made in borrowed material where ploughing is done with one team and material moved in slip scrapers.

As before stated, these over-classifications are not made through error in judgment, nor upon the decision of the resident or division engineers, who are fully acquainted with the character of the work, but by arbitrary orders from their superior. To such classification as mentioned above, increasing the cost of the work to such an alarming extent, we most seriously protest, and respectfully request that either yourself or the assistant chief engineer visit the work and pass judgment upon the classification as made. Please note that the percentages given above indicate the work done to August 31st. We are not advised what the September estimate will show.

Yours truly,

H. A. WOODS,
Assistant Chief Engineer.

EXHIBIT No. 38 (1).

LA TUQUE, October 17th, 1907.

C. L. HERVEY, Esq.,
Assistant District Engineer,
Quebec.

DEAR SIR,—Referring to your inquiry about the classification of the work on my division, I wish to state that the classification of material is based on the appearance of the work at the different stages of the work, and not as it appears presently, when about completed.

To ascertain the proper classification of the material, for over two months I kept men measuring all the boulders coming out of the cuts; the classification was based on their reports, and carried on from month to month according to the appearance of the work.

Yours very truly,

BENJ. BOURGEOIS,
Division Engineer.

EXHIBIT No. 38 (2).

OTTAWA, October 18, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS.—Referring to the September estimates in District 'B,' which I now beg to hand you, I may say that from the complaint made by the assistant chief engineer of the Grand Trunk Pacific Railway in a letter to me of the 7th instant, and from a verbal statement made to me on the 12th instant, by Mr. Doucet, our district engineer at Quebec, it would appear to me some material may be classified as rock which

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

should be classified otherwise, still as the amount of security held by you for the completion of the work seems to me ample, and the holding back of the estimate at this date without notice to the contractors might be a serious matter, I have approved of these estimates, on the distinct understanding that before any further estimates are passed time be given and a full investigation made into the matter of classification throughout District 'B,' and that my approval of these, or any previous estimate of a similar character, should not prejudice the reconsideration and necessary correction of the classification, and consequently of the amount estimated therefor.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

EXHIBIT No. 38 (3).

OTTAWA, October 18th, 1907.

Messrs. McDONELL & O'BRIEN,
Contractors,
Montreal, P.Q.

DEAR SIRs,—I have the honour, by direction of the board, to hand you herewith a copy of a letter from our chief engineer, dated the 18th instant, reporting in regard to complaint received from the assistant chief engineer of the Grand Trunk Pacific Railway with respect to classification under contracts for construction in District 'B'.

I am to advise you that the board has approved the recommendation of the chief engineer, and that it has been arranged that the engineers of the company and of the commission shall meet in Quebec on the morning of the 24th instant, and shall from there proceed to La Tuque, for the purpose of investigating the complaint of the assistant chief engineer of the Grand Trunk Pacific Railway with respect to classification. It is considered advisable that you or your representative should accompany the engineers on that occasion.

Yours very truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (4).

OTTAWA, October 18, 1907.

Messrs. M. P. & J. T. DAVIS,
Contractors, Quebec, P. Q.

DEAR SIRs,—I have the honour by the direction of the board, to hand you herewith a copy of a letter from the chief engineer, dated the 18th instant, reporting in regard to complaint received from the assistant chief engineer of the Grand Trunk Pacific Railway with respect to classification under contracts for construction in District "B."

I am to advise you that the board has approved the recommendation of the chief engineer, and that it has been arranged that the engineers of the company and of the commission shall meet in Quebec on the morning of the 24th instant, and from there shall proceed to La Tuque, for the purpose of investigating the complaint of the assistant chief engineer of the Grand Trunk Pacific Railway with respect to classification. It is considered advisable that you or your representative should accompany the engineers on that occasion.

Yours very truly,

P. E. RYAN,
Secretary.

APPENDIX No. 5

EXHIBIT NO. 38 (5).

OTTAWA, October 18, 1907.

F. W. MORSE, Esq.,

Vice-President and General Manager, Grand Trunk Pacific Ry.
Montreal, P. Q.

DEAR SIR,—As directed by the board, I beg to hand you herewith a copy of a letter from our chief engineer dated the 18th instant, with respect to September estimates of work done by the commission's contractors in district 'B,' and the complaint contained in letter of Assistant Chief Engineer Woods, of your company, to our chief engineer, dated the 7th instant, relating to classification of material in District 'B.'

I am to advise you that the board has approved the report of the chief engineer, and has given instructions that the chief engineer of the commission and District Engineer Doucet shall meet your chief assistant engineer, Mr. Woods, and your district engineer, Mr. Armstrong, in Quebec on the morning of the 24th instant, and proceed with them and the contractors, or their representatives, to La Tuque, for the purpose of investigating this complaint.

It was understood that the district engineers of your company and of the commission were to discuss any matter pertaining to the economic and efficient construction of the line, and that in the event of an agreement not being arrived at all matters should be referred through the chief engineers of the company and of the commission respectively to the general manager of the company and to the commission for decision.

In this connection I am to point out that your district engineer, Mr. Armstrong, failed to notify District Engineer Doucet of any disagreement with respect to classification of material in District 'B,' and instead of discussing the matter with Mr. Doucet communicated with your assistant chief engineer, Mr. Woods, who in turn made his complaint to the chief engineer of the commission.

Although this procedure was distinctly irregular, the commissioners have taken full cognizance of Mr. Woods' complaint, and have given directions that the matter be fully investigated.

Under the circumstances, the commissioners would be pleased if you will direct Messrs. Wood and Armstrong to meet our engineers and contractors, or their representatives, in Quebec on the morning of the 24th instant, and proceed with them to La Tuque, for the purpose of investigating the merits of the complaint.

Yours very truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (6).

OTTAWA, October 18, 1907.

HUGH D. LUMSDEN, Esq.,

Chief Engineer.

DEAR SIR,—I beg to advise you that the board has approved your report with respect to your approving the September estimates of work done by contractors in district 'B.'

I am writing to the contractors, requesting that they accompany the engineers of the Grand Trunk Pacific Company and of the commission from Quebec on the morning of the 24th instant to La Tuque; also to the general manager of the Grand Trunk

MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

Pacific Company, advising of the action of the commissioners, and requesting that Mr. Woods and Mr. Armstrong accompany our engineers.

Yours truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (7).

QUEBEC, October 19, 1907.

A. E. DOUCET, Esq.,
District engineer, Transcontinental Railway,
Quebec, P.Q.

DEAR SIR,—In accordance with your instructions of recent date, I have been over the ground at La Tuque looking over the matter of classification, and beg to say that while I have been for a short time only on this piece of work, my investigation and observation lead me to believe that the classification given generally on the division is fair.

It must be remembered that Mr. Bourgeois and his assistant have been on this work continuously, and should be able to judge how the work should be classified as it progressed. Attached letter from Mr. Bourgeois shows that he has seen evidence to justify him in his estimate of the work.

I deny absolutely the statement that the specifications have been entirely ignored, and that the classification is based entirely upon instructions from myself or any preceding assistant district engineer. I deny the imputation that we have been ordered to give excessive quantities to anybody by way of our superiors.

I deny absolutely that Mr. Woods or any other engineer can visit a piece of work one year after the work had been in progress, and state off-hand what amount of money should have been paid to the contractors, or what classification they should have been receiving during the months past. We dispute the statement that this classification has been given by error in judgment.

Mr. Woods says that in October he saw some material being moved by scrapers and ploughed by two horses—he may rest assured that where such is the case earth shall be returned for such work in October estimate, and if such a thing occurs again in November it will again be returned in November estimate.

I understand from you that Mr. Woods also says that there were only about 300 men on O'Brien & Martin's work the day he was there; our timekeeper shows that O'Brien & Martin have an average of about 780 men. Mr. Woods probably did not figure on the night shift, and missed some of the day men, or else visited the work on a rainy day.

Yours very truly,

C. L. HERVEY,
Assistant District Engineer.

EXHIBIT No. 38 (8).

QUEBEC, October 21, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—I think that the enclosed letter from Mr. Bourgeois, division engineer on division 7, is a direct reply to a direct accusation of the assistant chief engineer of the Grand Trunk Pacific Railway that 'over-classifications are not made through error in judgment nor upon any decision of the resident or the division engineers

APPENDIX No. 5.

who are fully acquainted with the character of the work, but by arbitrary orders from their superior.'

I shall also produce a letter from Mr. Girdwood, resident engineer of Residency No. 27, who is just now recovering from an attack of typhoid fever, that Mr. Woods' accusations are altogether unfounded.

For my own part, I may state that such accusations are not only uncalled for, but most unprofessional as we in Canada understand professional etiquette.

Mr. Woods' verbal statement made before you in my office that there were but 300 men on O'Brien & Martin's contract at the time of his visit, tended to throw discredit on our time-keeper's and engineer's force reports. I have to re-assert that our time-keeper is prepared to swear that his returns are correct, and that for the week ending September 25th the number of the men on the work was 893; for the week ending October 5th, 712; for the week ending October 12th, 766 men. It might be pertinent to inquire from Mr. Woods whether he is aware of any night gangs working on O'Brien & Martin's contract, and if so, how many?

The sub-contractor for the tunnel and D. R. MacDonald have over 300 men between them. Martin & O'Brien claim an average of 830 men on the whole of their contract.

Mr. Woods asserted positively in my office and in your presence that the classification should be left to the division and resident engineers who are continually over the work. I have to say that this is exactly what has been done, and that it is Mr. Woods himself who has attempted to classify the work after a single visit, and not our assistant district engineer, by the means of arbitrary orders.

As the letter of the assistant chief engineer of the Grand Trunk Pacific Railway will go on file, I must claim the same privilege for my answer thereto.

Yours very truly,

A. E. DOUCET,
District Engineer.

EXHIBIT No. 38 (9).

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

QUEBEC, October 22, 1907.

DEAR SIR,—I enclose you herewith Mr. Girdwood's statement as regards the classification of the material throughout his residency. I would feel obliged if you would attach same to Mr. Bourgeois' letter on the same subject already sent you.

Yours very truly,

A. E. DOUCET,
District Engineer.

EXHIBIT No. 38 (10).

C. L. HERVEY, Esq.,
LA TUQUE, P.Q., Oct. 21, 1907.
Transcontinental Railway,
Quebec.

TRANSCONTINENTAL RAILWAY,
Asst. District Engineer,
RESIDENCY 27.

DEAR SIR,—In regard to classification.

The work on my residency was classified according to what appeared on the work at the time, and in conjunction to approval of the divisional engineer.

Yours truly,

E. P. GIRDWOOD,
Resident Engineer.
MAJOR HODGINS.

7-8 EDWARD VII., A. 1908

EXHIBIT No. 38 (11).

QUEBEC, October 26, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—I have already had occasion to state to you verbally the interpretation the engineers in District 'B' have placed on the classification of solid and loose rock, and in accordance with which the progress estimates have been returned since the inception of the work.

So that our views of this interpretation may be put before you concisely and clearly, I beg now to state: 1. That we have classified as solid rock all ledge work, all boulders measuring more than one cubic yard, all masses of small boulders and cemented material which, in our judgment, were best removed by the continual use of explosives. 2. We have classified as loose rock all detached boulders of more than one cubic foot and less than one cubic yard, and all material which, in our judgment, could not possibly be ploughed in the practical sense of the term.

I have never had occasion to force my views on my assistants at all, to a man, have taken the same interpretation of the classification as I have. We have all used the precautions possible to arrive at a fair classification of materials, and our returns of explosives certainly show that the solid rock has not been over-classified. I have repeatedly conferred with my assistant district engineers on this matter, and they in their turn have gone over the work with the division and resident engineers and classified according to their convictions as to the interpretation of the classification. I attach herewith reports from my assistants on this important question.

Yours very truly,

A. E. DOUCET,
District Engineer.

EXHIBIT No. 38 (12).

QUEBEC, October 26, 1907.

A. E. DOUCET, Esq.,
District Engineer.

DEAR SIR,—In compliance with your request as to the interpretation I put and have personally applied to the clauses of the specifications referring to solid rock excavation and loose rock excavation, I beg to say: that in the article 34 the wording 'Solid rock excavation will include' suggests that something else than actual rock is to be considered, and thus further down the word 'masses' appears which to my mind covers what solid rock excavation does include, and therefore the word 'masses' in clause 34 I take, and always have taken, to refer to 'masses' of material (not necessarily masses of rock) which might best be removed by blasting.

On District 'B' I apply this word 'masses' more particularly to cemented gravel, on account of the fact that it is best removed by blasting and by continuous blasting.

In Article 35, Loose rock, all material which could not be sensibly or judiciously ploughed by a plow and six horses, I would consider loose rock, and such a cut in my opinion would consist entirely of loose rock and solid rock, by actual measurement, with the exception that should a pocket of common excavation be found in a cut, such pocket should be classified as common excavation by actual measurement.

In any conversation with division or resident engineers I have expressed these as my views.

In reference to the approval of Mr. Woods, assist. chief engineer of the Grand Trunk Pacific, to the classification given on the work of Messrs. O'Brien & Martin I was present at La Tuque when Mr. Woods visited there in June, and I understood from Mr. Grant that Mr. Woods was there at that time at the request of Mr. John W. Armstrong, to approve or condemn the existing classification. As he did not condemn,

APPENDIX No. 5

the only conclusion was that he approved, and since that time I had no reason to doubt that Mr. Woods' interpretation of the specifications was not the same as my own.

Although Mr. Woods distinctly stated on the trip to La Tuque just completed that his interpretation was different to that as expressed by me, yet Mr. Armstrong told me that when he and Mr. Woods visited the work in the early part of October cut from Station 5950-5969 which is classified by Mr. Bourgeois as 88 per cent S.R. 12 per cent L.R. was judged by Mr. Woods to be 100 per cent S.R. which he could not possibly state on his declared interpretation of the specifications, as the eastern end shows a cut where masses of material rather than ledge rock occur.

Yours very truly,

H. F. HUESTIS,
Assist. District Engineer.

EXHIBIT No. 38 (13).

A. E. DOUCET, Esq.,
District Engineer,
Quebec.

QUEBEC, October 26, 1907.

DEAR SIR,—I wish to state that my interpretation of the clauses 34, 35 and 36 of our standard specifications is as follows:

Clause 35, Loose Rock. I consider loose rock any material that for any reason whatever cannot be ploughed by six horses or that cannot be handled satisfactorily without occasional blasting. When I say cannot be ploughed or handled without the necessity of occasional blasting, I mean handled satisfactorily or in a workmanlike manner, without the necessity of occasional blasting in my judgment or ploughed satisfactorily and in a workmanlike manner in my judgment.

Clause 34—Solid Rock Excavation:—

I consider solid rock excavation any material in ledges or masses of more than one cubic yard which in my judgment may be best removed by continued blasting, no matter how it is being removed by the contractors.

Clause 36—Common Excavation—is self explanatory.

I base my instructions to those under me and my estimates of these interpretations.

Yours very truly,

C. L. HERVEY,
Assistant District Engineer.

EXHIBIT No. 38. (14).

October 26, 1907.

Benjamin Bourgeois, division engineer of division No. 7, declares as follows :

My interpretation of section 34 of the specification is :—

Solid rock includes all rock in ledges, boulders measuring one cubic yard or more and masses of rock cemented together or any other hard material which must be continually blasted to be removed, which measure one cubic yard or more in the mass but need not necessarily measure one cubic yard to each separate piece of rock or other material composing the mass.

My interpretation of section 35 is :—

Loose rock includes all material that can be removed by hand, pick, bar or shovel that cannot be ploughed but may require occasional blasting.

My interpretation of section 36 is :—

Common excavation includes all material that can be ploughed or in other words free shovelling material.

MAJOR HODGINS.

The way the classification of division No. 7 was arrived at is as follows :—

The ledges were measured and the exact amount of ledge rock returned, also all surface boulders measuring one cubic yard or more not included in the cross-sections.

For a few months at the commencement of the work a man was on the line daily doing nothing but measuring the boulders of one cubic yard or more in the cuts and the boulders of one cubic yard or more above the surface of the ground and not included in the cross-sections.

This gave us data as to the percentage of boulders in each cut such percentage ranging from 30 per cent. to 90 per cent. of the yardage done in the different cuts.

After that we went over the line and estimated the percentages of the yardage of the different cuts that were taken up by masses of cemented rock or other hard material that required blasting to be removed ; we had the boulders or less than one cubic yard and not less than one cubic foot measured at the same time as the larger boulders which gave us data as to the percentage of boulders included in the loose rock for each cut and we also estimated the percentage of material that could not be ploughed in each cut but which would not be included in the solid rock.

All other material was returned as common excavation.

I have taken communication of the letters written by Mr. H. A. Woods, assistant chief engineer of the Grand Trunk Pacific, on 7th October last, to Mr. Lumsden, chief engineer of the Transcontinental Railway, complaining that the specifications have been entirely ignored and an excessive allowance of solid rock made not by reason of an error in judgment but by special instruction from the assistant district engineer and not on decision of resident or division engineers.

The complaints referred to the cuts from stations 5818 to 5826, 5842 to 5860, 5866 to 5875, 5882 to 5901, 6030 to 6046, 6071 to 6078, 6391 to 6394, 6493 to 6504, 6506 to 6512, 6522 to 6548.

My answer to Mr. Woods' accusations as above is that all the classification in each and every cut referred to has been made by the resident engineers and myself according to our best judgment and interpretation of the specifications, and not by special or arbitrary instructions from the assistant district engineer or any other superior officer.

I may say that M. Armstrong, who is the engineer of the Grand Trunk Pacific for district 'B,' went over the said works and he never objected to me of our classification. I have 33 years experience as an engineer, and I have followed in this case the same course that I have done before when I was working with other companies.

I contest the figures given by Mr. Woods in his said letter because they are erroneous and not justified by the continual inspections made of the work by the resident engineers and myself.

I consider that it is not possible for a man like Mr. Woods or any other man to classify such work after a single inspection of the cuts in question. I consider that the classification I and my resident engineers have made over the different sections has been impartial and just and I persist in holding to this opinion notwithstanding any inspection which has been made by outside engineers after the work has been completed or partly completed.

I declare that I was never forced to classify any of the work aforesaid through arbitrary orders of my superior officers including the commissioners, district and assistant district engineers and the chief engineer.

In the month of June last the chief engineer, Mr. Lumsden, inspected part of the work with the Grand Trunk Pacific railway engineers, Messrs. Woods and Armstrong, the district engineer, Mr. Doucet, and myself. This inspection included some of the cuts in which the classified material now in question exists to a very large extent, and he then expressed no dissatisfaction with the classifications and he did not then make any objections to the classification returned by myself and the resident engineers, and the estimates were approved accordingly.

We have since followed the same interpretation of the classification.

BENJ. BOURGEOIS,

Div. Engineer.

APPENDIX No. 5

EXHIBIT No. 38 (15).

A. E. DOUCET, Esq.
 District Engineer,
 Quebec.

QUEBEC, October 26, 1907.

DEAR SIR,—My interpretation of section 34 of the specifications is:

Solid rock includes all rock in ledges, boulders measuring one cubic yard or more and masses of rock cemented together, or any other hard material which must be constantly blasted to be removed, which shall measure one cubic yard or more in the mass, but shall not necessarily measure one cubic yard to each separate piece of rock or other material composing the mass.

My interpretation of section 35 is:

Loose rock includes all material that can be removed by hand, pick, bar or shovel, that cannot be ploughed, though blasting may be occasionally resorted to.

My interpretation of section 36 is:

Common excavation includes all material that can be ploughed; or in other words, free shovelling material.

The way the classification of Residency No. 26 was arrived at is as follows:—The ledges were measured and the exact amount of ledge rock returned, also all surface boulders measuring one cubic yard or more not included in the cross-sections.

For the three months at the commencement of the work a man was on the line daily doing nothing but measuring the boulders of one cubic yard or more in the cuts and the boulders of one cubic yard or more above the surface of the ground, and not included in the cross-sections.

This gave Mr. Bourgeois and myself data as to the percentage of boulders in each cut, such percentage ranging from 30 per cent to 90 per cent of the yardage done in the different cuts. After that we went over the line and estimated the percentages of the yardages of the different cuts that were taken up by masses of cemented rock or other hard material that required continuous blasting to be removed. I had the boulders measuring less than one cubic yard and not less than one cubic foot measured at the same time as the larger boulders, which gave Mr. Bourgeois and myself data as to the percentage of boulders included in the loose rock for each cut, and we also estimated the percentage of material that could not be ploughed in each cut, but which could not be included in the solid rock.

All other material was returned as common excavation.

Yours very truly,

ALLAN R. MATTHEWS,
Resident Engineer, Residency 26.

EXHIBIT No. 38 (16).

OTTAWA, October 30, 1907.

The Commissioners of the Transcontinental Railway,
 Ottawa, Ont.

SIRS,—In regard to Mr. Woods' letters to me of the 7th and 8th instant, my letter to you of the 18th instant and the secretary's letter to me of the latter date. I may say that in accordance with the last mentioned letter I left Quebec, accompanied by yourselves, on the evening of the 24th instant, arriving in the vicinity of La Tuque on the morning of the 25th, accompanied by Mr. Doucet, District Engineer; Mr. Grant, Inspecting Engineer; Messrs. Heustis and Hervey, Assistant District Engineers; Mr. Bourgeois, Division Engineer; Mr. Matthews, Resident Engineer; Messrs. Woods and Armstrong, engineers for the Grand Trunk Pacific; and Messrs. O'Brien and Davis, contractors.

7-8 EDWARD VII., A. 1908

On arrival near the crossing of the Quebec and Lake St. John Railway I, accompanied by the engineers and contractors, walked over a portion of the heaviest work on the line from about mile 117 to 122½. From the division or resident engineer I learned the classification allowed by them in the cuts as we passed through them, and it appeared to me, according to my interpretation of our specifications, that a larger amount of solid rock was returned in them than appearances indicated, and the engineers, in my opinion, returned loose rock or cemented material, where a considerable amount of explosives were used, as solid rock.

An interview was held on the car after our return at which ourselves, engineers and contractors were present, and from the conversation which took place, and the statements of Mr. Doucet, Messrs. Grant, Heustis and Hervey, confirmed by letters from Messrs. Bourgeois, Matthews and Girdwood, it appears Mr. Woods must have been in error when he stated that 'the specifications had been entirely ignored and an excessive allowance made, not by reason of an error in the judgment, but, as I understand, by special instructions from the assistant district engineer,' or, as stated by him in the latter part of his letter, by arbitrary orders from their superior.

After this interview I requested Mr. Doucet to make a statement, and get statements from the assistant district engineers, and division and resident engineers on this portion of the work of how they interpreted the specifications. This has been done, and herewith I beg to hand you a letter from Mr. Doucet dated the 26th instant, together with letters to him from Assistant District Engineers Heustis and Hervey, statement from Division Engineer Bourgeois, and letters from Resident Engineers Matthews and Girdwood. I also attach copy of Mr. Doucet's letter of the 21st in reply to Mr. Woods' letter of the 7th instant.

I can only say that I do not concur with the interpretation placed on clauses 34, 35 and 36 of the general specifications by Mr. Doucet or the engineers under him. In my opinion solid rock excavation, clause 34, covers all material that should be classified as solid rock, viz., all rock found in ledges or masses of more than one cubic yard, which, in the judgment of the engineer, may be best removed by blasting.

Loose rock, clause 35: In my opinion this clause covers all large stones and boulders measuring more than one cubic foot and less than one cubic yard, and all loose rock, whether in situ or otherwise, that may be removed by hand, pick, or bar; all cemented gravel, indurated clay and other materials that cannot, in the judgment of the engineer, by being ploughed with a ten inch grading plough behind a team of six good horses properly handled, and without the necessity of blasting, although blasting may be occasionally resorted to. The fact that contractors may resort to blasting to a greater extent than the word 'occasionally' may infer, in order to facilitate the removal of such material, would not, in my opinion, convert it into solid rock.

Such being my views, and as stated to you in my letter of the 18th instant, I must decline to certify to any future estimates, except upon classification in accordance with my interpretation of the specifications above mentioned, unless both parties to the contract agree to amend the contract formally, with due concurrence of the government, or until the estimates are corrected to conform with my interpretation. In any event, I ask that this correspondence be at once submitted to the government.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

EXHIBIT No. 38 (17.)

OTTAWA, Nov. 4, 1907.

H. ATKINSON, Esq.,
Law Clerk.

DEAR SIR,—I beg to hand you herewith a copy of a letter from Messrs. Macdonell & O'Brien, dated Oct. 31st, questioning the right of the G. T. R. Company to interfere

APPENDIX No. 5

with regard to the matter of classification under the contract between the commissioners and Messrs. Macdonnell & O'Brien.

The commissioners desire that you will report in regard to the representations made by Messrs. Macdonnell & O'Brien.

Yours truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (18).

MONTREAL, Oct. 31, 1907.

P. E. RYAN, Esq.,

Secretary of the Commissioners of the Transcontinental Ry.,
Ottawa, Ont.

DEAR SIR,—We have the honour to acknowledge the receipt of your letter of the 18th inst., with which was enclosed a letter of the same date from your chief engineer reporting in regard to a complaint received from the assistant chief engineer of the Grand Trunk Pacific Railway Company. The complaint referred to has since undergone consideration on the spot.

While we at all times wish to meet any representation coming to us with the deference and consideration to which it is entitled and especially when communicated to us through the board of commissioners, we must at the same time protest against any right claimed by the Grand Trunk Pacific Railway to interfere in the matter of classification under the contract existing between your board and ourselves. Our contract is for a section of the work comprised within the eastern division, and the contract between His Majesty the King and the Grand Trunk Pacific Railway expressly provides in section 5 that 'The said Eastern Division shall be constructed by, and at the expense of, the government, upon such location and according to such plans and specifications as it shall determine, having due regard to directness, easy gradients and favourable curves.'

By the 6th section of the contract 'The company agrees to take lease of, maintain and operate the said Eastern Division.'

By the 7th section it is provided that 'In order to insure, for the protection of the company as lessees of the Eastern Division of the said railway, the economical construction thereof in such a manner that it can be operated to the best advantage, it is hereby agreed that the specifications for the construction of the Eastern Division shall be submitted to, and approved of, by the company before the commencement of the work, and that the said work shall be done according to the said specifications, and shall be subject to 'joint supervision, inspection and acceptance of the chief engineer appointed by the government and the chief engineer of the company, and, in the event of differences as to the specifications, or in case the said engineers shall differ as to the work the questions in dispute shall be determined by the said engineers and a third arbitrator, to be chosen in the manner provided in paragraph four of this agreement.'

as to the said engineers and a third arbitrator, to be chosen in the manner provided in paragraph four of this agreement.'

These three sections clearly show that the work of construction is to be carried on by the government of Canada upon such location and according to such plans and specifications as it shall determine, 'having due regard to directness, easy gradients, and favourable curves.' But in order to insure for the protection of the company the economical construction 'in such a manner that it (the Eastern Division) can be operated to the best advantage,' it was agreed that these specifications should be submitted to, and approved of by the company 'before the commencement of the work,' and that the work should be done according to the specifications and subject to the joint supervision and inspection and acceptance of the chief engineer appointed

7-8 EDWARD VII., A. 1908

by the government and the chief engineer appointed by the company. And for what purpose? Obviously, in the first instance, that the company should have an opportunity 'before the commencement of the work' to consider whether the plans and specifications referred to in Section 5 quoted above 'have due regard to directness, easy gradients and favourable curves.'

And again, it is stipulated that in the event of difference between the respective engineers in regard to the specifications, that the question in dispute should be determined by the engineers and a third arbitrator to be chosen by them, or in the event of inability to agree, on a third arbitrator to be named by the Chief Justice of the Supreme Court of Canada as provided in Section 4 of the contract.

When the plans and specifications have been agreed upon the sole right of the Grand Trunk Pacific Railway is jointly with the government to supervise and inspect the work which is to be subject as between the government and the company to the acceptance of the chief engineer of the government and the chief engineer of the company. And here again, in the event of difference between the two engineers as to whether the 'work' is carried out in accordance with the plans and specifications, there is provision for arbitration, but that arbitration could only take place on the completion of either the whole or at least a section of the work, and that would be a matter entirely between the government and the Grand Trunk Pacific Railway Company.

There is no provision whatever for the engineers of the Grand Trunk Pacific Railway Company interfering between the commissioners and the contractors in regard to the matter of classification. That is a matter entirely between the contractors and the government engineers. The pretension of the assistant chief engineer of the Grand Trunk Pacific Railway Company to supervise classification under the contract between the undersigned and the government would involve an intolerable system of dual control that is not recognized either by the statutes or the contract, and that would be absolutely unworkable in practice.

We insist, and on this point we are strengthened by the opinion of competent and experienced counsel, that the Grand Trunk Pacific Railway Company have no right whatever in the prosecution of our contract to interfere in the matter of classification; that the right remains entirely with the engineers under the contract existing between us and the government, and this position we intend to adhere to, and if necessary we will test the matter in the courts.

In making this statement it must be perfectly understood that we are not court- ing any difficulty with the Grand Trunk Pacific Railway Company or with any one else, and that our representations are made with respectful regard for the authority of the commissioners and their rights under the statutes providing for their administration.

Most respectfully yours,

MACDONELL & O'BRIEN.

EXHIBIT No. 38 (19).

OTTAWA, November 7, 1907.

P. E. RYAN, Esq.,
Secretary.

DEAR SIR,—Yours of the 4th instant with copy of letter from contractors Macdonell & O'Brien dated October 31st ult., has been considered, and in reply beg to report that I concur with the view taken by the contractors so far as it concerns the rights and powers of the engineer of the G.T.P. Railway Co., in relation to the question of classification under the contract and specifications as between the contractor and the commissioners. The letter is evidently the production of a lawyer who has carefully analysed the Act.

APPENDIX No. 5

I might say, however, that after the specifications have been agreed on and the contract for the work entered into they are annexed to and form a part of the contract. Section 7 of the Act provides that 'the said work shall be done according to the said specifications. Paragraphs 33 and 35 of the specifications provide that classification shall be under the control of the engineer, that is, the engineer as defined in clause 2 of the contract, namely, the chief engineer of the commissioners. He and his assistant engineers are invested with full powers in regard to classification, as between the contractor and the commissioners.

The Grand Trunk Pacific Company approved of the specifications before the work began, and then so far as the work is concerned its right is limited by the Act to supervision, inspection and acceptance through their chief engineer acting jointly with the chief engineer of the government, and which is a matter between the government and the company.

I can find nothing in the statutes or the contract whereby the company has a right to interfere in the matter of classification as between the contractor and the commissioners.

I do not agree with the opinion of the contractors that in the event of difference between the two engineers as to whether the work is carried out in accordance with the plans and specifications, that arbitration only could take place on the completion of the whole, or at least a section of the work. It might well happen that during the progress of the work differences would arise between the two engineers that would have to be settled by arbitration, otherwise the joint supervision and inspection would be comparatively futile.

I am, yours very truly,

H. ATKINSON,

Law Clerk.

EXHIBIT No. 38 (20).

OTTAWA, Nov. 11th, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS,—In regard to the contractors' estimates for October and your request that I will approve of same, as owing to the absence of the Minister of Railways and his deputy from Ottawa, it may be impossible to have my letters of the 18th and 20th of October and correspondence attached submitted to the government and action taken thereon before the middle of this month, when such estimates should be paid to the contractors, and, as stated in mine of the 18th of October, the holding back of the estimates at this date without notice to the contractors might be a serious matter, I would be prepared to approve of the October estimates, provided it is distinctly understood, as already requested in mine of the 30th October, that no further delay takes place in submitting my letters of the 18th and 30th of October and attached correspondence for consideration of the government, so that this whole matter may be definitely dealt with before the estimates for November come in.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

EXHIBIT No. 38 (21).

WINNIPEG, November 12th, 1907.

DEAR MR. PARENT,—Letter from secretary, Mr. P. E. Ryan, under date of October 18th noted, and during my absence Mr. Woods was requested to meet Mr. Lumsden

7-8 EDWARD VII., A. 1908

in Quebec, for the purpose of reviewing the work. I understand that this has been done.

The object of this letter is to answer the second paragraph, page 2, in which the secretary states 'In this connection I am to point out that your district engineer, Mr. Armstrong, failed to notify District Engineer Doucet of any disagreement with respect to classification of material in District 'B,' &c., and again, 'Although this procedure was distinctly irregular, the commisisoners have taken full cognizance of Mr. Woods' complaint, &c.

The understanding when I had the pleasure of meeting you and the commission, was that departmental matters would be worked out by the heads of departments, and failing to agree, same would come before your colleagues, Mr. Woods and myself, and I consider, up to the present time, that there has been no violation of this. The fact of the matter is it is more difficult for Mr. Armstrong and Mr. Doucet to have meetings at times when such meetings are most urgent, and I think one of the best demonstrations of this is that, upon the arrival of the chief engineer, Mr. Lumsden, and assistant chief engineer, Mr. Woods, at Quebec, for the purpose of going over this work, Mr. Doucet could not then devote the time to take the trip. I consider it was perfectly proper on Mr. Woods' part to take this subject up, as he did with Mr. Lumsden. It was then optional whether Mr. Lumsden, on his own accord, met Mr. Woods and tried to agree on these points, and failing, referred the subject to the commisison, Mr. Woods and myself, or whether the entire commission took it up with Mr. Woods alone at that time, which I understand they did.

We desire and intend to co-operate in these matters as far as possible, and expect to be met in the same way.

Yours very truly,

FRANK W. MORSE.

Hon. S. N. PARENT,

Chairman, Transcontinental Railway Commission,
Ottawa, Ont.

EXHIBIT No. 38 (22).

OTTAWA, Nov. 13th, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS,—Herewith please find replies received by me from District Engineers Dunn, Molesworth and Poulin, now in charge of the construction, to my letter dated the 29th ulto., as follows:—

'Will you please at once send me your interpretation of clauses 34, 35 and 36 of our general specifications especially as to clause 34.'

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

EXHIBIT No. 38 (23).

ST. JOHN, N.B., November 2, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer, T. C. Ry.,
Ottawa.

DEAR SIR,—In reply to your letter of the 28th ult., file 7787, in regard to solid rock excavation, clause 34 of the general specifications, I would say that I interpret

APPENDIX No. 5

same to mean all rock in bulk over and above one cubic yard in measurement, no matter if seamed and no matter what degree of hardness from granite to slate, if sufficiently compact to necessitate blasting. But I would not classify as solid rock a number of pieces of rock, each measuring somewhat less than a yard, no matter how many there might be of them, if they were separated by gravel, clay or other material.

In regard to loose rock, clause 35. This I consider a more difficult clause to interpret, as it does not deal alone with loose rock proper, but with other material harder than ordinary clay or gravel, as well as with stones, boulders or rock measuring more than one cubic foot. The essence of this clause appears to be to allow the contractor a reasonable price for material that will cost more to move by ordinary means and proper management than ordinary clay, gravel, loam, etc.

The test, that material cannot, in the judgment of the engineer, be ploughed with a ten-inch grading plough behind a team of six good horses properly handled, without the necessity of blasting, although blasting may be occasionally resorted to, can be classified as loose rock, I do not consider very definite, as I have seen shale rock that could not under any ordinary specification be classified in any other way than solid rock, ploughed fairly well with six horses. I have also seen clay that, under certain conditions, undoubtedly could be ploughed to a certain extent, but even after same had been done would require to be picked, and would necessitate so much handling that it would cost at least half as much again as material classified under common excavation. And again, an experienced teamster could smash his harness or plough if he wished to do so in making a test of material any harder than sand, or probably even in sand itself. Then I do not think it would be fair and just, or under the spirit of the specification and general usage and procedure on railway works, as understood by the contractor when making tenders, that such material should be returned entirely as common excavation. Very many companies in drawing up their specifications for loose rock make it for rock, only giving the number of feet measurement to qualify, and under which conditions there can be no difficulty in determining exactly what is meant, but under clause 35 of our specification I do not feel that there is any very definite point at which a line can be drawn. The engineer has got to use good judgment and common sense, or otherwise there is a possibility of making a return to the contractor in excess of what he is entitled to; or, on the other hand, practically putting him out of business.

Common excavation, clause 36, I would interpret to mean all material which would not come under the heading of solid rock, loose rock, excavation foundations or removal of moss, and I would also interpret that the above classification in all cases, clauses 34, 35 and 36, under our specifications should be allowed the contractor whether the work is done by hand or steam shovel, except under clause 224.

In reference to clause 36A, I consider that if we are not in a position to give a contractor borrow, that would come under clause 36. We would be obliged to allow him classification similar to what he receives for grading on the centre line. This would apply to all borrow pits, including borrow from side ditches.

I may say that I wrote Commissioner McIsaac in October, 1906, suggesting that the district engineers should meet say once a year in Ottawa for a few days, have an informal meeting amongst themselves in the morning to discuss general matters of work, and have a session in the afternoon or evening, with either yourself or the assistant chief in the chair, when all questions such as, more particularly, classification might be discussed from various points, and a certain standard arrived at to enable the direction of the work in the various districts between Moncton and Winnipeg to be as uniform as local conditions will allow. I still believe that if this idea could be carried through, it would be a great benefit to our work as a whole.

Yours very truly,

GUY C. DUNN,
District Engineer.

7-8 EDWARD VII., A. 1908

EXHIBIT No. 38 (24).

OTTAWA, November 4, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—In answer to your letter of October 29, file 7787, *re* classification, would say that I would interpret clause 34 of our general specifications to mean that all rock in ledges or masses of more than one cubic yard should be classified as 'solid rock.' Would also interpret the last portion of clause 34, viz.: 'Which, in the judgment of the engineer, may be best removed by blasting,' to mean that conglomerate rock, composed of small boulders cemented together in such a manner that they could not be removed without blasting, would also be classified as solid rock.

Clause 35 I interpret to mean just what it says. Do not see that there can be any misunderstanding regarding this clause.

Clause 36 is also perfectly clear.

Yours truly,

A. N. MOLESWORTH,
District Engineer 'C.'

EXHIBIT No. 38 (25).

KENORA, Ontario, November 8, 1907.

H. D. LUMSDEN, Esq.,
Chief Engineer, Ottawa.

DEAR SIR,—In answer to your request, your file 7787.

I have not yet had time to go over the estimates in detail. I returned here from my trip over the line on October 30, and it takes almost all my time to catch up to the correspondence, because I have to go through files of from 20 to 30 letters before I can grasp the subject in order to answer it.

I may say that in going over the line I took notes at every one of the cuts without passing many comments. I had detail sheet estimates with me, and in some cases I told the division engineers they had been rather liberal; in other cases I thought they had used a broom over the cuts to gather the earth. I was then using my judgment as I have been in the habit of doing on similar work during the last thirty years, without paying any special attention to the wording of the clauses referred to in your two letters, viz.: 34, 35 and 36.

I must say my eyes opened out when I read them carefully, and I am surprised at the different ways in which they can be interpreted; so much so that I think it will require a well worded definition in order to enable us to understand plainly what is meant.

Take clause 34. Why has the word 'masses' been used, instead of the usual boulders or loose rock measuring more than one cubic yard? I maintain it can rightly mean 'masses of rocks cemented together,' which, in the judgment of the engineer may be best removed by blasting. Otherwise, loose rocks, measuring more than one cubic yard and up to two yards, moved by derrick without having been first blasted, would have to and must be returned as loose rock and not solid rock.

Please bear in mind I am not saying I have acted, or intend to act, according to that interpretation, which I fairly believe is the only possible one to any one who has not been conversant with specification and practice under the same clause differently worded.

This is then supposed to be left to the judgment of the engineer, and it is borne out by the last two lines of clause 35, which say that although blasting may be occasionally resorted to, it shall still be classified as 'loose rock.' This I claim was

APPENDIX No. 5

put in to give the engineer a check over the contractors, so that they cannot claim solid rock every time they put in a blast.

The same clause 35 defines that loose rock may be removed by hand pick or bar, although the contractor may resort to occasional blasting. Still, the engineer in his discretion may return it as loose rock, but not so when blasting is absolutely necessary.

According to this clause, which gives power to an engineer to call cemented gravel (marked well, not cemented boulders) indurated clay and other material that cannot be ploughed, &c., loose rock. It is not on account of the geological formation of a boulder, or of the different constituent ingredients which form the composition of these different materials which classifies them as loose rock; but it is due to the fact that their removal costs as much as that which has hitherto been classified as loose rock, when loose rock alone in the form of a boulder, one cubic foot upwards to 99-100 of a cubic yard was to be returned as loose rock.

If such is the case, then an engineer who is the judge upon the work, and has to use his judgment, cannot, if he wants to be logical and consistent, do otherwise than return as solid rock masses of cemented boulders which cannot be removed without blasting, and which are not covered by any other clause in the specifications than 34.

'Time is the essence of the contract.' You order a contractor to open a rock cut, which has two or three feet of earth and boulders stripping frozen solid to the ledge. How is an engineer to return that?

'We have a wet clay cut where teams after an hour's work will get mired, and five to ten horses could not stand to plough. How are we to return this?

There is nothing to cover these cases and I could cite a great number of others.

The only thing, if I remember well, is that, at a convention of American engineers, gathered to discuss classification a few years ago, it was resolved that only three items, rock, loose rock, and earth, should be used; but it was also put forward by a majority present that when any material would arise on which the classification was not explicit, or which was not fully covered by the specifications, the engineer should classify it under the heading to which it belonged, from a computation of the cost of its removal.

As I said before, I did not act according to those views, but simply as I have been in the habit of doing in every case, and my notes on every cut were more to guide me when I looked into the details.

But from what has taken place I will now ask you, before I do anything or suggest any change in the classification to my division engineers, to send me in writing, in black and white, what interpretation you yourself put on these clauses; or else come up with Mr. Woods and we will thresh the thing out to a fine point at which we can all understand where we are at and when I will know what is required of a district engineer.

Yours truly,

S. R. POULIN,
District Engineer.

EXHIBIT No. 38 (26).

OTTAWA, November 14, 1907.

MESSRS. MACDONELL & O'BRIEN,
Contractors,
Montreal, Que.

GENTLEMEN,—In accordance with instructions received from the board, I beg to hand you herewith a copy of a letter from our chief engineer, dated 30th October ulto.,

7-8 EDWARD VII., A. 1908

relating to the matter of the interpretation of clauses 34, 35 and 36 of the General Specifications for Construction.

Mr. Lumsden's letter speaks for itself.

Yours truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (27).

OTTAWA, November 14, 1907.

Messrs. M. P. & J. T. DAVIS,

Contractors,

Quebec, P.Q.

DEAR SIRs,—In accordance with instructions received from the Board I beg to hand you herewith a copy of a letter from our chief engineer, dated 30th October ultimo., relating to the matter of the interpretation of clauses 34, 35 and 36 of the General Specifications for Construction.

Mr. Lumsden's letter speaks for itself.

Yours very truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (28).

QUEBEC, P.Q., November 15, 1907.

The Commissioners of the

Transcontinental Railway,

Ottawa, Ont.

GENTLEMEN,—We beg to acknowledge receipt of Mr. Ryan's letter of the 14th instant, enclosing copy of a letter from the chief engineer, dated 30th ultimo, relating to the interpretation of clauses 34, 35 and 36 of the General Specifications for Construction.

Looking at the matter from the practical standpoint of contractors who have to carry on their work under the terms of the specifications, it appears to us that the contentions of the chief engineer are in conflict with the meaning and interpretation of those specifications. Moreover it is contrary to the practice which has prevailed during the last eighteen months in the work done under these very specifications, and the classification which has hitherto been allowed by all the district engineers in charge of the work, is, in our opinion, the only classification which could have been given under the circumstances, and the only classification we could have accepted.

As regards the classification of solid rock in clause 34, it seems clear that the use of the word 'masses' in contradistinction to 'ledges' of solid rock can only refer to a case where the rock, instead of being continuous is found in quantities so welded or cemented together by indurated clay or other material, as to be removed practically and economically only by continuous blasting.

The classification in clause 35 of 'loose rock' excludes by its very terms the process of continuous blasting, but applies to cases where the material can be practically removed by pick, bar and shovel, although occasional blasting may be resorted to.

We further submit with confidence that when any section of cut contains such a quantity of rocks and boulders, even in soft earth, as to make ploughing impracticable, all of the material in such cut can only be classified as loose or solid rock. It surely cannot be reasonably urged that because a prior removal of the boulders would make the area in question fit for ploughing, the material should be treated as 'Common Excavation.' Upon such a theory any material might be reduced to blasting, or otherwise, to dust, and be claimed as 'Common Excavation.'

APPENDIX No. 5

Now as regards the claim of the chief engineer that a re-classification should be made, because, as he contends, there has been an error in the classification made by his subordinates, we do not wish to be understood as contending that where errors can be rectified, the contractors are to get the benefit of the errors. But we contend that from the very nature of the thing it is physically impossible to classify except when the work is actually going on.

No adequate, or even approximate, idea can be formed of the nature of the material when the cut is completed and the sides trimmed down.

From a passage in the chief engineer's letter it seems clear that he formed his personal opinion from the appearance of the work after it was finished, and not from observations made during the progress of the work.

But, whatever view may be taken as to the practical possibility of a subsequent re-classification we submit that there has been no error, and in support of our view we beg to inclose the opinions of Messrs. Shepley, Lafleur and Ritchie, who all concur in our interpretation of the clauses in question.

We are, sirs,

Yours truly,

M. P. & J. D. DAVIS.

EXHIBIT No. 38 (29).

Under the head 'Classification' the specifications annexed to the contract between Mr. M. P. Davis and the commissioners of the Transcontinental Railway purports in four clauses, 33, 34, 35 and 36, to make certain classification of excavation under the three heads, 'Solid Rock Excavation;' 'Loose Rock,' and 'Common Excavation.' The four clauses are here set out:

'33. Grading will be commonly classified under the following heads: 'Solid Rock Excavation,' 'Loose Rock;' and 'Common Excavation.'

'Solid Rock Excavation.

'34. Solid Rock Excavation will 'include all rock found in ledges or masses of 'more than one cubic yard, which, in the judgment of the engineer, may be best 'removed by blasting.'

'Loose Rock.

'35. All large stones and boulders measuring more than one cubic foot and less 'than one cubic yard, and all loose rock whether in situ or otherwise, that may be 'removed by hand, pick or bar, all cemented gravel, indurated clay and other materials 'that cannot, in the judgment of the engineer, be ploughed with a 10-inch grading 'plough, behind a team of six good horses, properly handled; and without the necessity 'of blasting, although blasting may be occasionally resorted to, shall be classified as 'Loose Rock.'

'Common Excavation.

'36. Common excavation will include all earth, free gravel or other material of 'any character whatever not classified as solid or loose rock.'

Our instructions are that stones or boulders in sizes varying from a few cubic inches to many cubic yards have been found in masses cemented together by interposed gravel or other material, and that these masses can only be expeditiously and economically removed by blasting.

The subordinate engineers in superintendence of the progress of the work have treated the excavation of such masses as falling within the specification 'Solid Rock Excavation,' and progress estimates have been based upon that construction of the specification and paid from time to time.

The question is now raised whether this classification is correct and whether the progress estimates can, in case of its being incorrect, be now revised by the chief engi-

7-8 EDWARD VII., A. 1908

neer so as to involve a refund by the contractor of any excess of price paid him upon that basis.

We are of opinion, in the first place, that the specifications for excavation were intended to exhaust all description of excavation, and, therefore, that the excavation of material of the kind mentioned must be classified under one of the three heads named in the specifications.

We are also of opinion that the words 'will include' in specification 34 are intended to be equivalent to 'shall mean.' We think that all rock, whether continuous or cemented together in masses by intervening material, such as gravel or clay, if its removal is best effected by blasting, must fall within specification 34. The word 'blasting,' we think, in this specification means continuous blasting, or blasting as the main and fundamental method of removal, as contrasted with the occasional blasting spoken of in specification 35.

In our opinion, therefore, the classification made by the subordinate engineers was correct, and the progress estimates in this regard need no revision.

A more difficult question is the question whether, if this opinion be not correct, there is now the power in the chief engineer to revise the past certificates or estimates. Our instructions are that it is not possible at any time after the completion of the work of excavation to deal with its classification; that such a classification must, to be in any degree accurate, be made as the contractor is doing the work.

The language of clauses 34 and 39 of the contract give much support to the view that classification, under these circumstances, ought to be determined finally before the progress measurements are made. The work is to be measured and computed at the agreed prices and the agreed prices cannot, in the nature of things, be determined without the classification being made. It will not be necessary to deal with this question at all should our opinion on the main question be correct, but we are inclined to the view that under the circumstances which are stated above, the classification ought not to be subject to revision.

GEO. F. SHEPLEY.
E. LAFLEUR.

EXHIBIT No. 38 (30).

MONTREAL, 13th November, 1907.

M. P. DAVIS, Esq.,
Central Chambers,
Ottawa, Ont.

DEAR SIR,—In our opinion dated 9th instant we did not express our views as to the classification of loose rock made by the local engineers in District B.

We are clearly of opinion that there is no error in their interpretation of section 35 of the general specifications for the construction of the National Transcontinental Railway, Eastern Division, and that they are right in regarding as loose rock all material which in their judgment cannot be ploughed in the practical sense of the term. If for example a given area is so thickly covered with stones and boulders measuring less than one cubic yard that this area cannot 'be ploughed with a 10-inch grading plough behind a team of six good horses properly handled' then the area in question should undoubtedly come within the classification of loose rock, although the intervening material between the rocks and boulders might not be cemented gravel or indurated clay.

It appears to us to be impossible to contend that because by first removing such stones and boulders the soil might subsequently be fit for ploughing the work must be regarded as falling within section 36 dealing with common excavation. We are of opinion that a given area must be taken as it exists in order to determine the classification and not after it has been artificially treated, otherwise it might be possible to

APPENDIX No. 5

contend that any kind of material could by artificial means be reduced to such a condition as to permit of its being ploughed.

Yours very truly,

GEO F. SHEPLEY.
E. LAFLEUR.

EXHIBIT No. 38 (31).

TORONTO, November 12, 1907.

M. P. DAVIS, Esq.,
Ottawa, Ont.

DEAR SIR,—I have carefully perused the general specifications annexed to and forming part of the contract between you and the Commissioners of the Transcontinental Railway, and in reply to the question submitted for my consideration, beg to say I am of opinion that under clause 34 of the specifications, rock found in 'masses' of more than one cubic yard, even though the individual rocks contained in the 'mass' might each measure less than one cubic yard, should be classified as 'solid rock excavation,' provided the rocks forming the constituent parts of the 'mass' are so concreted, welded or assembled together as to form a solid mass, and that such 'mass' in the judgment of the engineer could be best removed by blasting.

I think the words 'one cubic yard' in clause 34 should be construed as applying to the 'mass' and not necessarily to rocks found in and substantially forming that 'mass.'

If this clause 34 headed 'Solid Rock Excavation,' had been intended to cover only rock in ledges and rock or boulders measuring more than one cubic yard, then it would have been wholly unnecessary to insert the provisions as to 'masses.'

In my opinion the word 'masses' was inserted so as to extend to and cover cases where rock, though not solid in the strict acceptation of that term, was found in such large quantities in 'masses' over one cubic yard, as could only in the judgment of the engineer be best removed by blasting.

The view I take is, I think, strengthened by the fact that clause 35, headed 'Loose Rock,' does not extend to or cover large stones and boulders measuring one cubic yard or over, and presumably these were intended to be covered by section 34, which applies to 'solid rock excavation.'

Having regard to paragraph 39 and other paragraphs of the contract, I am inclined to think it would not be successfully contended that the engineer in case of a mistake in measurement or classification could not rectify the error when making up his final certificate, and that he would not be precluded by progress measurements and certificates from so doing unless indeed it should turn out to be practically impossible after the work had been completed to determine the kind and characteristics of the material in the cut, so as to be in a position to make a proper classification.

Yours truly,

G. H. RITCHIE.

EXHIBIT No. 38 (32).

QUEBEC, 16th November, 1907.

Hon. S. N. PARENT,
Chairman, Ottawa.

DEAR SIR,—I wrote you on the 28th October that Mr. Armstrong, the district engineer of the Grand Trunk Pacific Railway in District 'B,' had assured me that the difference in their classification with ours for the three estimates of July, August and September on O'Brien & Martin's work at La Tuque only amounted to 14 per cent.

Yesterday, the 15th, I had a long conversation with Mr. Armstrong on the same subject which alters the above statement. This conversation took place in the presence of my assistant, Mr. Hervey, so that there can be no misunderstanding.

In the first place, it turns out that Mr. Woods was requested by letter from Mr. Armstrong to visit the work in question last June for the purpose of inquiring into the classification which we were giving. After the work had been visited, and on our return to Quebec, Mr. Woods stated to me in the presence of Mr. Armstrong that he was not prepared to find fault with the classification though in places it seemed somewhat high. I then went over the classification of certain cuts which Mr. Woods objected to with Mr. Armstrong, and we made certain changes to meet his views. These changes, I may say, amounted to but a few hundred dollars. With these changes put into effect, Mr. Armstrong expressed himself as entirely satisfied with the classification, and on his asking Mr. Woods if he could give me a letter to this effect, the latter said he saw no reason why this should not be done. This proves that up to the end of June both of these gentlemen were entirely satisfied that the classification given was right, and that both knew or must have known that our interpretation of clause 34 of the specifications was that there should be solid rock allowed of rock in ledges and boulders measuring more than one cubic yard.

In September Mr. Armstrong again requested Mr. Woods by letter to visit the work at LaTuque, and the outcome of this visit was a letter written by Mr. Woods to our chief engineer on October 7 in which he stated that the specifications had been entirely ignored and an excessive allowance made, not by reason of error in judgment, but, as he understood, by special instructions from the assistant district engineer.

As mentioned above, both Mr. Armstrong and Mr. Woods had in my presence accepted the classification up to the end of June so that the charges made in the letter of the 7th October to our chief engineer can only apply to those estimates returned for the months of July and August, since the September estimate was not returned till after the 7th October. The charges made that the supposed over-classifications were not made 'through error in judgment nor upon decisions of the resident and division engineers, who were fully acquainted with the character of the work, but by arbitrary orders from their superior,' have been, as you know, contradicted in no uncertain measure by the division and resident engineers in question themselves.

Mr. Armstrong then made up an estimate of the difference in the percentage of solid rock returned up to the end of June and also up to the end of August, when he found, according to his calculations, that up to the end of August there was 14 per cent more rock returned than allowed up to the end of June, that is to say, taking it for granted, as Mr. Armstrong is willing to allow that our classification up to the end of June was correct, between the end of June and the end of August we would have returned 14 per cent too much solid rock, which would represent a sum arrived at as follows :—

end of June and the end of August we would have returned 14 per cent too much solid rock, which would represent a sum arrived at as follows :—

	Solid rock.	Loose rock.
July, 1907.	59,633	9,968
August.	55,600	4,234
	<hr/>	<hr/>
Totals.	115,233	14,202
	<hr/>	<hr/>
	\$ 1 50	\$ 0 50
	<hr/>	<hr/>
	\$172,849 50	\$7,101 00
	<hr/>	<hr/>
		\$179,950 00

APPENDIX No. 5

14 per cent of the 115,233 cubic yards allowed in July and August would be 16,132 cubic yards. Deducting this 14 per cent from the solid rock and adding it to the loose rock we have the following result :—

Month.	Solid rock.	Loose rock.
	115,233	14,202
Less 14 per cent.	16,132	16,132
	99,201	30,334
	\$ 1 50	\$ 0 50
	\$138,801 50	\$15,167 00

or a difference of \$25,982 too much. \$153,968 50

But on going over Mr. Armstrong's figures with him yesterday we found that several errors had crept into his calculations, so that the difference in the percentage is not 14 per cent but only 3 per cent.

This would give the following :—

	Solid rock.	Loose rock.
Cubic yards.	115,233	14,202
Less 3 per cent (cubic yards)	3,457	3,457
	111,776	17,659
	\$ 1 50	\$ 0 50
	\$167,664 00	\$8,829 50
		\$176,493 50

or an overplus of \$3,457 only.

Now, Mr. Armstrong admits that the farther down you go into the cuts the harder becomes the material, so that there would be nothing astonishing even if the percentage of solid rock returned in July and August exceeded the percentage returned up to the end of June by \$25,982, but in reality it is but \$3,457.

Mr. Woods has requested Mr. Armstrong to reclassify the work according to his interpretation of the specifications, but Mr. Armstrong has refused to do so on the ground that the only persons capable of reclassifying were the division and resident engineers, who have all the notes in hand. I still maintain that our classification was approved by both Mr. Woods and Mr. Armstrong up to the end of June; that we have consistently followed our interpretation throughout; and that the Grand Trunk Pacific Railway are not only incapable of reclassifying the work, but that their district engineer has positively refused to even attempt to do so.

Yours very truly,

A. E. DOUCET,
District Engineer.

EXHIBIT No. 38 (33).

Taking O'Brien & Martin's entire original contract we have, which is up to 6270, up to the end of June, 1907 :

Solid rock.	Loose rock.	Common excav.	
304,047 c. yds.	88,104 c. yds.	119,164·7 c. yds.	Total, 511,319·7 c. yds.
59-4/10%	17-2/10%	23-4/10%	Money tot.. \$525,149.15
			or \$1.02—7/10

Up to end of August, 1907.

Solid rock	Loose rock.	Common excav.	
419,280 c. yds.	97,310 c. yds.	180,841·7 c. yds.	Total, 697,432·7 c. yds.
60-1/10%	13-9/10%	26%	Money. . . \$715,551.82
			or \$1.02—6-10

7-8 EDWARD VII., A. 1908

Up to end of October, 1907.

Solid rock.	Loose rock.	Common excav.	
512,988 c. yds.	98,950 c. yds.	217,934.7 c. yds.	Total, 829,872.7 c.yds.
61-8/10%	11-9/10%	26-3/10%	Money tot., \$864,723.35 or \$1.04-2/10

C. L. HERVEY.

EXHIBIT No. 38 (34).

QUEBEC, P.Q., November 21, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

GENTLEMEN,—Supplementing our letter to you under date the 15th November inst., we beg to inclose herewith the opinions of Hon. Sir Alexander Lacoste, K.C., and Mr. S. Beaudin, K.C., in support of our contentions as set forth in our above mentioned letter of the 15th inst.

We are, sirs, yours truly,

M. P. & J. T. DAVIS,
per W. P. D.

EXHIBIT No. 38 (35).

MONTREAL, November 20, 1907.

M. P. DAVIS, Esq.,
Ottawa, Ont.

DEAR SIR,—Mr. Davis took a contract from the commissioners of the Transcontinental Railway for the construction of section 'B' of the said railway. Under the terms of that contract, cash payments equal to ninety per cent of the value of the work done are made to the contractors monthly on a written certificate of the engineer that the work for or on account of which the certificate is granted has been duly executed to his satisfaction, and stating the value of such work computed as mentioned, and upon approval of such certificate by the commissioners.

In October last the chief engineer was informed that the classification of excavation in the contract under the three headings, 'Solid rock excavation,' 'Loose rock excavation,' and 'Common excavation,' had been entirely ignored, and that excessive allowance was made for solid and loose rock, not by reason of an error in judgment, but by special instructions from the assistant district engineer.

A visit was made on the road by the assistant chief engineer, Mr. Woods, and Mr. Armstrong, who is an engineer of the Grand Trunk Pacific, and they confirmed the information given to the chief engineer, Mr. Lumsden. The correspondence which took place between the chief engineer and his assistants dispels the idea of fraud or of arbitrary conduct on the part of the assistant district engineer. This correspondence shows that the local engineers acted in good faith, applying the contract as they understood it, and the question seems to me reduced to this,—have the local engineers given a good and fair interpretation to the specifications, and, more particularly to the sections 33, 34, 35 and 36 under the head classification?

Mr. Doucet, district engineer, gives us the interpretation which the engineers in district 'B' have placed on the classification of solid and loose rock, and in accordance with which the progress estimates have been made since the inception of the work, as follows:—Solid rock—'All ledge rock or boulders and cemented material which in our judgment were best removed by the continual use of explosives.' Loose rock—'All detached boulders of more than one cubic foot and less than one cubic

APPENDIX No. 5

yard, and all material, which in our judgment could not possibly be ploughed in the practical sense of the term.'

Mr. Huestis, assistant district engineer, Mr. Hervey, assistant engineer, Mr. Bourgeois, division engineer, and Mr. Allan, A. Matthews, resident engineer, give their own interpretation of the classification clauses, which corroborates that of Mr. Doucet.

In my opinion, the local engineers have well interpreted the contract. The expressions 'solid rock' and 'loose rock' have a special meaning for the purpose of the contract. Solid rock does not only include what is meant generally by that expression, but also all rock or masses of material of more than one cubic yard which may be best removed by blasting; and loose rock comprises stones and boulders measuring between one cubic foot and one cubic yard and all loose rock which can be removed by hand, pick, bar or shovel, all material that cannot be ploughed, provided it can be removed without the necessity (except occasionally) of resorting to blasting. The necessity of blasting seems to be the distinction between solid and loose rock excavation.

In my opinion, therefore, the classifications made by the local engineer are correct, and the progress estimates need no revision.

Notwithstanding clause 39 of the contract, the estimates would practically be conclusive, because the classification of the work being left to the judgment of the engineer while it is being performed, and the state of the work being radically altered when it is completed, it would be almost impossible to revise the first judgment.

However, if there has been an evident misconstruction of the contract, the estimates could be revised, but a very clear case would have to be made out, and the burden of proof would be on the commissioners.

Yours very truly,

A. LACOSTE, K.C.

EXHIBIT No. 38 (36).

MONTREAL, November 18, 1907.

M. P. DAVIS, Esq.,
Central Chambers,
Ottawa.

DEAR SIR,—I have examined the specifications annexed to the contract between you and the commissioners of the Transcontinental Railway regarding the classification provided by clauses 33, 34, 35 and 36, and I have read the opinion of Mr. Lafleur, K.C., and concur entirely in the conclusions taken by him.

It seems to me that this classification must be made at the very time the work is done, and that the chief engineer cannot revise the decision of his assistants, more particularly after payment has been made. In my opinion a court of justice would not interfere with the classification made by the subordinate engineers, unless it was alleged by the other side and affirmatively proved by them, that same was fraudulently made, and with the concurrence of the contractor.

Yours respectfully,

S. BEAUDIN.

7-8 EDWARD VII., A. 1908

EXHIBIT No. 38 (37).

MERCHANTS BANK BUILDING,
MONTREAL, NOV. 22, 1907.

P. E. RYAN, Esq.,
Secretary, Commissioners of the Transcontinental Ry.,
Ottawa, Ont.

DEAR SIR,—I reply to your letter to us of November 14 inclosing a copy of the letter addressed by Mr. Hugh D. Lumsden, chief engineer to the commissioners of the Transcontinental Railway, under date October 30, 1907.

We beg to inclose you herewith the opinion of our counsel, Mr. Donald Macmaster, K.C., on the proper construction of clause 34 of the general specifications for construction.

This opinion confirms our own as to the correct construction of this clause, and constitutes our answer to your letter and Mr. Lumsden's views.

Yours truly,

MACDONELL & O'BRIEN.

EXHIBIT No. 38 (38).

IN THE MATTER OF

The contract for the construction of the National Transcontinental Railway,
Eastern Division,

and

The specifications attached thereto.

The opinion of counsel is asked as to what constitutes 'solid rock excavation' within the meaning of the specifications and the contract. The matter of classification is regulated by three clauses in the contract, which, with the respective headings, are as follows :—

'CLASSIFICATION.

'33. Grading will be commonly classified under the following heads:—'Solid rock excavation,' 'Loose rock' and 'Common excavation.'

'SOLID ROCK EXCAVATION.

'34. Solid rock excavation will include all rock found in ledges or masses of more than one cubic yard, which, in the judgment of the engineer, may be best removed by blasting.

'LOOSE ROCK.

'35. All large stones and boulders measuring more than one cubic foot and less than one cubic yard, and all loose rock whether in situ or otherwise, that may be removed by hand, pick or bar, all cemented gravel, indurated clay and other materials, that cannot, in the judgment of the engineer, be ploughed with a 10-inch grading plough, behind a team of six good horses, properly handled; and without the necessity of blasting, although blasting may be occasionally resorted to, shall be classified as "loose rock."

'COMMON EXCAVATION.

'36. Common excavation will include all earth, free gravel or other material of any character whatever not classified as solid or loose rock.

APPENDIX No. 5

'Solid rock excavation' is defined by section 31. Very little doubt can exist as to what is included in the contract under the description 'rock found in ledges.' But what is the meaning of 'masses of more than one cubic yard'? Whatever it means it must be regarded as 'solid rock excavation' whenever in the judgment of the engineer it may be best removed by blasting. Does the expression 'masses of more than one cubic yard,' mean a stone or boulder of more than one cubic yard? Evidently not so, because if that had been the intention, it would have been easy to have so stated, and the draughtsman had the language at hand to so state if such were his intention, for we find in section 35 describing 'loose rock' an express reference to 'large stones and boulders measuring more than one cubic foot and less than one cubic yard.' It would have been equally easy for the draughtsman in section 34 instead of the language used, to have said 'solid rock excavation will include all rock found in ledges and all large stones and boulders measuring more than one cubic yard,' but the draughtsman has not so stated, and these words cannot be read into the specifications. But the very fact that such language has not been used to describe solid rock shows that another interpretation must be given to the words 'solid rock excavation,' and that 'masses of more than one cubic yard' may include other material than rock and rock of less size than one cubic yard whenever the material lying in the masses of the size stated may in the opinion of the engineer be best removed by blasting. If it was the intention that solid rock alone should fall within the classification of 'solid rock excavation,' there was no necessity for using any other description of this classification than 'solid rock.'

'Loose rock' is not described as 'loose rock excavation,' but as 'loose rock.' If 'solid rock excavation' was intended to be solid rock and nothing else it would have been described as 'solid rock'—simply. This view is confirmed by section 33 of the specification in which it is provided under the heading 'classification':—

'Grading will be commonly classified under the following heads: 'Solid rock excavation,' 'Loose rock,' and 'Common excavation.'

Here, though 'Loose rock' is described as such simply, the other two classifications have appended the word 'excavation.'

I am not concerned for the moment with 'common excavation,' but the fact that we have 'solid rock excavation' is antithesis with 'loose rock' simply (without the appended 'excavation') shows that solid rock excavation must include something more than 'solid rock' simply, and *that something* obviously is a mass of material of more than one cubic yard, which in the judgment of the engineer may best be removed by blasting. I have no doubt whatever that this is the proper interpretation of 'solid rock excavation' under this contract, and that the courts if appealed to will so determine.

DONALD MACMASTER.

MONTREAL, October 31, 1907.

EXHIBIT No. 38 (39).

OTTAWA, November 23, 1907.

SIR,—I have the honour by direction of the board to hand you herewith the correspondence relating to a complaint made to our chief engineer by the assistant chief engineer of the Grand Trunk Pacific Railway with respect to the classification under our specifications for construction in district 'B.'

As the correspondence will show, the complaint of the Grand Trunk Pacific engineer has resulted in revealing for the first time since construction started this difference between the chief engineer of the commissioners and his staff with respect to the interpretation of the clauses of the contract relating to classification.

Paragraph 7 of the agreement, being the schedule to the National Transcontinental Railway Act, 3 Edward VII., provides that in case the chief engineer of the

7-8 EDWARD VII., A. 1908

company and our chief engineer differ as to the work, the differences in dispute shall be determined by arbitration. This, however, is not a case of difference between the chief engineer of the company and the chief engineer of the commissioners, but is, rather, a difference between Mr. Lumsden and his staff, as indicated in the documents annexed hereto.

Although the complaint of the Grand Trunk Pacific engineer specifically relates to certain cuttings on McDonnell and O'Brien's contract, the whole work will be affected by the interpretation of paragraph 34 of the specifications. Accordingly, both our contractors in district 'B' have been officially notified of the interpretation placed by our chief engineer upon paragraph 34 of the specifications, and their replies contesting the interpretation of our chief engineer are included in the correspondence which accompany this letter.

The commissioners' interpretation of paragraph 34 of the General Specifications for Construction agree with that of the district engineers for districts 'B,' 'C' and 'F,' and, ordinarily, they would have so ruled; but Mr. Lumsden, as an appointee of the government, has requested that the government give their ruling as to the interpretation of clauses 33, 34, 35 and 36 of the general specifications for construction, and the commissioners herewith submit the whole matter for such ruling.

According to the report of District Engineer Doucet, dated the 16th instant (copy attached), the amount involved in the complaint of the engineer of the Grand Trunk Pacific Railway is only \$3,547 for the months of July and August last, i.e., if the interpretation of our chief engineer is correct, all preceding estimates having been approved by him without objection. On the interpretation placed on clauses 33, 34, 35 and 36 of the specifications much larger amounts will be involved for the future, however, and as the chief engineer of the commissioners has refused to approve further estimates of the contractors until the ruling of the government as to the interpretation to be placed upon these clauses of the specifications has been received, the commissioners respectfully request that this ruling be given at the earliest possible day.

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

P. E. RYAN,
Secretary.

Hon. GEO. P. GRAHAM, P.C.,
Minister of Railways and Canals,
Ottawa.

EXHIBIT No. 38 (40).

TORONTO, November 27, 1907.

P. E. RYAN, Esq.,
Secretary, Board of Commissioners of Transcontinental Railway,
Ottawa.

SIR,—We have obtained the opinion of Mr. Wallace Nesbitt, K.C., on the interpretation of clauses 34, 35 and 36 of the specifications, and will forward same to you by to-morrow's mail, and have the honour to remain,

Your obedient servants,
AYLESWORTH, WRIGHT, MOSS & THOMPSON.

APPENDIX No. 5

EXHIBIT No. 38 (41).

(C. P. R. Telegram.)

TORONTO, ONT., November 28, 1907.

To P. E. RYAN,
Secretary, Railway Commission,
Ottawa.

Other opinion goes forward to-night.

M. J. O'BRIEN.

EXHIBIT No. 38 (42)

OTTAWA, December 2, 1907.

SIR,—I have the honour, by direction of the Board, to hand you, which I do herewith, a letter from Mr. Wallace Nesbitt, K.C., addressed to Messrs. Macdonald & O'Brien, and submitted on their behalf to the commissioners, containing Mr. Nesbitt's opinion as to the construction to be placed upon the language used in the specifications with respect to the classification of material; and I am to request that you will have this letter placed on the file which accompanied my letter to you of the 23rd ultimo and considered therewith.

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

P. E. RYAN,
Secretary.

Hon. GEO. P. GRAHAM, P.C.,
Minister of Railways and Canals,
Ottawa.

EXHIBIT No. 38 (43).

TORONTO, November 28, 1907.

P. E. RYAN, Esq.,
Secretary of the Board of Commissioners of the Transcontinental Ry.,
Ottawa, Ont.

SIR,—*Re* contract for the construction of the Transcontinental Railway (Eastern Division) and specifications attached thereto.

We have the honour to inclose you herewith the opinion of Mr. Wallace Nesbitt, K.C., as to the construction to be placed upon the language used in the above specifications in the classification of material. Kindly acknowledge.

We have the honour to remain, sir,
Your obedient servant,

AYLESWORTH, WRIGHT, MOSS & THOMPSON.

EXHIBIT No. 38 (44)

TORONTO, Nov. 26, 1907.

Messrs. Macdonell & O'Brien,
Montreal, P.Q.

DEAR SIRS,—*Re* contract for the construction of the Transcontinental Railway (Eastern Division) and specifications attached thereto.

I am asked for my opinion as to the construction to be placed upon the language used in the specifications in the classification of material.

The classification is dealt with in four clauses, which are as follows:—

CLASSIFICATION.

33. Grading will be commonly classified under the following heads :—'Solid rock excavation,' 'loose rock,' and 'common excavation.'

SOLID ROCK EXCAVATION.

34. Solid rock excavation will include all rock found in ledges or masses of more than one cubic yard which in the judgment of the engineer may be best removed by blasting.

LOOSE ROCK.

35. All large stones and boulders measuring more than one cubic foot and less than one cubic yard, and all loose rock whether in situ or otherwise, and that may be removed by hand, pick or bar, all cemented gravel, indurated clay and other materials that cannot in the judgment of the engineer be ploughed with a ten-inch grading plough behind a team of six good horses, properly handled; and without the necessity of blasting, although the blasting may be occasionally resorted to, shall be classified as 'loose rock.'

COMMON EXCAVATION.

36. Common excavation will include all earth, free gravel, or other material of any character whatever not classified as solid or loose rock.

These clauses purport to cover all material to be excavated to comply with the performance covenanted for by the contractor in the 4th clause, and are intended to embrace all classes of material, and, therefore, in order to cover same, an artificial meaning has necessarily been given to each of the generic expressions 'solid rock,' 'loose rock,' and 'common excavation,' usually called 'earth.' The type of case where the classification has not been exhaustive and where unexpected and undefined material has been met with such as 'gumbo,' and where the engineer has usually given what he has considered a fair sum for the doing of the work, has no application here. I think the engineer must classify under some one of the three heads all the material met with.

I understand that a class of material has been met with where stones and boulders varying in size are found in masses cemented together by forming a conglomerate, and that these masses must in a commercial sense be removed by blasting, and are in fact more difficult to deal with than solid rock.

The question is whether such a class of material falls under the head of 'loose rock' as indicated in Mr. Lumsden's letter to the commissioners, which I have before me, or whether it should be classified as 'solid rock,' as has been done by the engineers in charge of the work.

In clause 35, where 'loose rock' is defined, I think that where the material is capable of being ploughed up by six horses, properly handled, when attached to a ten-inch plough, the intention is to treat such material as 'common excavation'; that where cemented gravel, indurated clay and other materials require occasional blasting to assist the operation of the pick, &c., they are 'loose rock,' but that reading 34 and 35 together and harmonizing the two, where you find a material where 'masses of more than one cubic yard which in the judgment of the engineer can best be removed by blasting' are met with, such material falls within clause 34, and should be classified as 'solid rock.' The material is something that is not in express language described in either clauses 34 or 35, and it might be urged, as has been in many cases, that it came under the head of 'common excavation,' on the ground that anything that was not classified expressly as 'solid rock' or 'loose rock' was covered by the classification of 'common excavation.' Such a construction I think would be strained and revolting to common sense, and, therefore, I think that such material must, as I have said, come within either 'solid rock' or 'loose rock' classification. In my opinion it is properly classified under the head of 'solid rock,' as I think the words of section

APPENDIX No. 5

34 make it plain that 'solid rock' alone is not meant, but that 'solid rock' it is stated 'will include,' &c., and the use of the words 'will include' indicate that it is not 'solid rock' as such that is to be solely classified as 'solid rock.' I think the words, 'masses of more than one cubic yard which in the judgment of the engineer can be best removed by blasting,' mean 'aggregations of conglomerate material forming a coherent whole,' 'bodies of concrete material,' 'lumps of more than one cubic yard which in the judgment of the engineer may be best removed by blasting.'

I think that when such a coherent mass is met with such mass has been by convention of the parties defined as falling under the description of 'solid rock excavation.' Mr. Lumsden has apparently thought that 'solid rock excavation' means solid rock in its proper sense, whereas in my view the parties have agreed that it shall cover material requiring not occasional but practically continuous blasting where the same is necessary in the common sense commercial handling of the material, upon which classification the engineer on the ground watching the operations is surely best qualified to form an opinion.

To sum up and paraphrase, 'solid rock excavation' covers in addition to solid rock proper, material in mass which requires blasting and where occasional blasting will not suffice.

The matter may also, perhaps, be put in another way and one leading to the same result. Is the material here in question not in fact 'rock' within the strict meaning of clause 34? 'Rock,' it must be remembered, is a term of technical significance in the business of railway construction. The word is not used from the point of view of the geologist or of the quarryman, but from that of the excavator. What is 'rock' regarded from that point of view? An indication lies on the face of the clauses under discussion. 'Solid rock' is best removed by blasting. 'Loose rock' may be removed by hand, pick or bar. Cemented gravel, &c., included under 'loose rock' cannot be ploughed without blasting. Do not these provisions indicate that the *fundamental basis* of the classification lies in the means necessary for the removal of the material? Does not the term 'solid rock' then include material of the character here in question, which cannot be removed without blasting? In my opinion it does. The material may not be 'rock' in the sense in which the word is used by the geologist or the quarryman, but it is 'rock' in the sense in which the word is used by railway contractors and engineers. To illustrate: a stone the size of a man's head is a solid rock, but because it can be handled in a certain way it is 'loose rock.' A piece of indurated clay is not 'rock,' but because it can be handled in a certain way it is called 'loose rock.' And so a mass which can only be handled by blasting is called 'solid rock' just as actual rock found in a ledge is called 'solid rock.'

Yours truly,

WALLACE NESBITT, K.C.

EXHIBIT No. 38 (45).

OTTAWA, December 5, 1907.

SIR,—In reply to your letter of the 23rd ultimo, with which you transfer certain reports of the chief engineer of the commission bearing upon the classification of the work under the charge of the commissioners.

It would seem that under chapter 71, section 9, 3-Edward VII., the construction of the eastern division is to be under the charge and control of three commissioners; subsequently amended by chapter 24, section 11, 4-Edward VII., making four commissioners, who are constituted a body corporate, with full powers to carry on the work in connection with the construction of the eastern division of the National Transcontinental Railway.

Section 10 of chapter 71 gives the authority for the appointment of a chief engineer, who, under instructions from the commissioners, and subject to the provisions

7-8 EDWARD VII., A. 1908

of the agreement, shall have general superintendence of the construction of the Eastern Division.

It therefore seems to me that full power has been vested in the commissioners and their chief engineer to carry on the work in such a way as to them seems best; and, under the specifications and form of contract, which has already received the approval of the government, the duties of the chief engineer are fully set forth. I can only therefore, refer back to your commission the whole of the papers bearing upon the question, with the request that you should take such action as seems to you necessary under the circumstances.

Yours faithfully,

GEORGE P. GRAHAM,
Minister of Railways and Canals.

Hon. S. N. PARENT,
Chairman Transcontinental Railway,
Ottawa, Ont.

EXHIBIT No. 38 (46).

OTTAWA, December 6, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer.

DEAR SIR,—By direction of the Board, I beg to hand you herewith copy of the file with respect to the question of classification under the general specifications for construction.

The matter will be dealt with on the return of the chairman, who is at present absent on account of illness. In the meantime, this copy of the correspondence is sent you for consideration.

Yours truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (47).

OTTAWA, December 16, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS,—I beg to submit the following as my interpretation of clauses 34, 35 and 36 of the General Specifications:—

CLAUSE 34—SOLID ROCK EXCAVATION.

‘Solid rock excavation will include all rock found in ledges or masses of more than one cubic yard, which, in the judgment of the engineer, may be best removed by blasting.’

I am of the opinion that rock found in ledges or masses as specified must (firstly) be rock, and (secondly) it must be in ledges, conglomerate form (known as plum-pudding stone), boulders, or ledge rock displaced (in pieces each exceeding one cubic yard in size), rock assembled (the individual pieces of such assembled rock exceeding one cubic foot in size), also shale rock, such as in the judgment of the engineer may be best removed by blasting.

I attach a diagram in explanation of the above, which in my opinion is all that is included under clause 34—solid rock.

APPENDIX No. 5

CLAUSE 35—LOOSE ROCK.

'All large stones and boulders measuring more than one cubic foot and less than one cubic yard, and all loose rock whether in situ or otherwise, that may be removed by hand, pick or bar, all cemented gravel, indurated clay and other materials that cannot in the judgment of the engineer, be ploughed with a ten-inch grading plough, behind a team of six good horses properly handled; and without the necessity of blasting, although blasting may be occasionally resorted to, shall be classified as loose rock.'

Under this heading I would include:

(1) All large stones and boulders more than one cubic foot and less than one cubic yard not covered under clause 34.

(2) All loose rock in situ or otherwise that may be removed by hand, pick or bar, and not covered under clause 34.

(3) All cemented gravel, indurated clay, and other materials that cannot, in the judgment of the engineer, be ploughed with a ten-inch grading plow behind a team of six good horses properly handled; and without the necessity of blasting, although blasting may be occasionally resorted to.

Clause 36.—Common Excavation.

'Common excavation will include all earth, free gravel or other material of any character whatever not classified as solid or loose rock.'

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

P.S.—This interpretation was made by me after consulting with Mr. Collingwood Schreiber, consulting engineer to the government. I would be pleased to know the opinion of the Minister of Justice on the legal aspect.

HUGH D. LUMSDEN.

EXHIBIT No. 38 (48).

OTTAWA, December 16, 1907.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS,—In regard to the November estimates which are now coming in, and in view of my letter of the 11th ultimo, since there have been further unexpected delays in determining the questions therein referred to, I beg to say that pending adjustment, the holding back of the November estimates at this date might prove a serious matter to the contractors, I will at your request approve of the November estimates on the distinct understanding that my approval of same, or of any previous estimates of a similar character, shall not prejudice the reconsideration and necessary correction of the classification and consequently the amount estimated therefor.

Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

7-8 EDWARD VII., A. 1908

EXHIBIT No. 38 (49).

OTTAWA, December 17, 1907.

HUGH D. LUMSDEN, Esq.,
Chief Engineer.

DEAR SIR,—I beg to advise you that the recommendation contained in your letter of the 16th inst. with respect to the November estimates has to-day been approved by the board.

Yours truly, .

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (50).

OTTAWA, December 20, 1907.

The Hon. A. B. AYLESWORTH, P.C.,
Minister of Justice,

Ottawa.

SIR,—I have the honour, by the direction of the Board, to submit to you here-with all correspondence relating to a complaint made to our chief engineer by the assistant chief engineer of the Grand Trunk Pacific Railway with respect to the classification under our specifications for construction in District 'B,' and to the interpretation of clauses 33, 34, 35 and 36 of the general specifications for construction.

You will note that :

(a) The complaint of the Grand Trunk Pacific engineer referred to is contained in a letter of Mr. H. A. Woods, assistant chief engineer of the Grand Trunk Pacific Railway, dated October 7 last, and addressed to our chief engineer ;

(b) The engineers of the Grand Trunk Pacific Company and of the commission, and the representatives of the contractors in District 'B,' met in Quebec on the morning of the 24th of October, and proceeded to La Tuque, for the purpose of investigating on the ground the complaint of the assistant chief engineer of the Grand Trunk Pacific Railway with respect to classification.

(c) The chief engineer reported to the commissioners under date of October 30, the result of the said investigation held on the ground; stated his interpretation of clauses 34 and 35 of the specifications, and submitted the interpretation of the district engineer of District 'B,' and his assistants, indicating a disagreement between the chief engineer and his staff with respect to the interpretation of the clauses of the specifications relating to classification.

(d) Under date November 13, the chief engineer submitted to the commissioners the interpretation of District Engineers Dunn, Molesworth and Poulin of clauses 34, 35 and 36 of the general specifications for construction ;

(e) Under date, November 14, the commissioners submitted to the contractors in District 'B' a copy of a letter of the chief engineer, dated October 30 ultimo in which he (the chief engineer) stated his interpretation of the clauses of the contract relating to classification ;

(f) The contractors submitted legal opinions contesting the chief engineer's interpretation of the clauses of the specifications relating to classification ;

(g) Under date November 23 ultimo the commissioners submitted to the government, in compliance with the request of the chief engineer, all the correspondence relating to this matter, for a ruling as to the interpretation of clauses 33, 34, 35 and 36 of the general specifications for construction ;

(h) The Hon. Minister of Railways and Canals wrote to the chairman of the commissioners under date of December 5 referring back to the commissioners all the

APPENDIX No. 5

papers bearing upon the question, with an expression of opinion that full power has been vested in the commissioners and their chief engineer to carry on the work in such a way as to them seems best, and the request that such action should be taken as to them seems necessary under the circumstances.

(i) A copy of all the correspondence was submitted to the chief engineer of the commissioner under date, December 6 instant, for his consideration ;

(j) The chief engineer reported to the commissioners under date, December 16 instant, submitting a modified interpretation of clauses 34, 35 and 36 of the general specifications for construction, and stating that he would be pleased to know the opinion of the Minister of Justice on the legal aspect.

The commissioners accordingly herewith submit all the correspondence with respect to this matter, and request that you will favour them with your interpretation of clauses 33, 34, 35 and 36 of the general specifications for construction, a copy of which accompanies this letter, at the earliest possible day.

I have the honour to be, sir,

Your obedient servant,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (51).

OTTAWA, January 8, 1908.

HUGH D. LUMSDEN, ESQ.,
Chief Engineer.

DEAR SIR,—By direction of the Board, I have the honour to hand you herewith a copy of a letter from the Deputy Minister of Justice, dated the 6th instant, with respect to the interpretation of clauses 33, 34, 35 and 36 of the general specifications for construction.

Yours truly,

P. E. RYAN,
Secretary.

EXHIBIT No. 38 (52).

OTTAWA, January 6, 1908.

The Secretary to the Commissioners,
National Transcontinental Railway,
Ottawa.

SIR,—Referring to your letter of the 20th ultimo, with which you submit correspondence with regard to the classifications of excavated material and the interpretation of clauses 33, 34, 35 and 36 of the general specifications for construction of the Eastern Division of the National Transcontinental Railway, I have the honour to state that upon consideration of the papers submitted I see no reason to differ from the classification stated by the chief engineer in his letter to the commissioners of the 16th ultimo, except as to the statement that 'rock assembled (the individual pieces of such assembled rock exceeding *one cubic foot* in size) . . . such as in the judgment of the engineer may be the best removed by blasting,' is to be classified as solid rock excavation under clause 34. I do not understand upon what principle the chief engineer limits the size to pieces exceeding one cubic foot. The specification speaks of rock found in ledges or masses of more than *one cubic yard* which in the judgment of the engineer may be best removed by blasting. If 'rock assembled' may be regarded as a mass of rock, and if it may be best removed by blasting, I do not see why under the specification it is material whether the individual pieces exceed or are less than *one cubic foot* in size, and if 'rock assembled' is not regarded as a mass,

7-8 EDWARD VII., A. 1908

the minimum limit of size which can be classified as solid rock exceeds one cubic yard.

It seems to me, however, that these questions are largely engineering questions, the solution of which depends principally upon the judgment of the engineer, having regard to the terms used in the specifications.

I must call your attention to clause 15 of the contract, which provides that the engineer (this term to be construed as defined in clause 2 of the contract) shall be the sole judge of work and material, and that his decision on all questions in dispute with regard to work and material shall be final, thus expressly stipulating that such questions as these shall be submitted to the decision of the chief engineer.

I wish to add that it is very difficult for me to advise generally upon the interpretation of these specifications, and a general ruling may not infrequently overlook the peculiar facts and circumstances of an individual case which if stated might lead to an exception or modification. I would prefer to advise upon any special case as it may arise, having all the particulars and circumstances stated.

Papers returned herewith.

I have the honour to be, sir,

Your obedient servant,

E. L. NEWCOMBE,
Deputy Minister of Justice.

EXHIBIT No. 38 (53).

OTTAWA, January 9, 1908.

The Commissioners of the Transcontinental Railway,
Ottawa, Ont.

SIRS,—I have to-day been handed by the secretary a copy of a letter from the Deputy Minister of Justice, dated the 6th instant, with respect to my interpretation of clauses 33, 34, 35 and 36 of our general specifications. After fully considering his remarks in regard to the words after 'rock assembled' (the individual pieces of such assembled rock exceeding one cubic foot in size), I have concluded in deference to his remarks these bracketed words might be omitted, as also the words 'not covered under clause 34' in items 1 and 2 under the heading 'loose rock.'

My interpretation of these clauses will now be as follows:—

Clause 34—Solid Rock Excavation.

'Solid rock excavation will include all rock found in ledges or masses of more than one cubic yard, which in the judgment of the engineer may be best removed by blasting.'

I am of the opinion that rock found in ledges or masses as specified must (firstly) be rock, and (secondly) it must be in ledges, conglomerate form (known as plum pudding stone), boulders or ledge rock displaced (in pieces each exceeding one cubic yard in size), rock assembled, also shale rock, such as in the judgment of the engineer may be best removed by blasting.

I attach a diagram in explanation of the above, which in my opinion is all that is included under clause 34—solid rock.

CLAUSE 35—LOOSE ROCK.

'All large stones and boulders measuring more than one cubic foot and less than one cubic yard, and all loose rock, whether in situ or otherwise, that may be removed by hand, pick or bar, all cemented gravel, indurated clay or other materials that cannot in the judgment of the engineer be ploughed with a ten-inch grading plough behind a team of six good horses properly handled, and without the necessity of blast-

APPENDIX No. 5

ing, although blasting may be occasionally resorted to, shall be classified as "loose rock."

Under this heading I would include :

(1) All large stones and boulders more than one cubic foot and less than one cubic yard.

(2) All loose rock in situ or otherwise that may be removed by hand-pick or bar.

(3) All cemented gravel, indurated clay and other materials that cannot, in the judgment of the engineer, be ploughed with a ten-inch grading plough, behind a team of six good horses properly handled and without the necessity of blasting, although blasting may be occasionally resorted to.

CLAUSE 36—COMMON EXCAVATION.

'Common excavation will include all earth, free gravel or other material of any character whatever, not classified as solid or loose rock.'

This interpretation was made by me after consulting with Mr. Collingwood Schreiber, Consulting Engineer to the government.

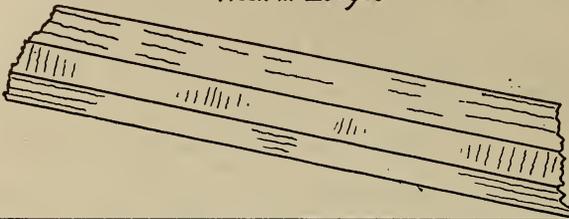
Your obedient servant,

HUGH D. LUMSDEN,
Chief Engineer.

EXHIBIT No. 38 (54).

NATIONAL TRANSCONTINENTAL RAILWAY
SOLID ROCK EXCAVATION

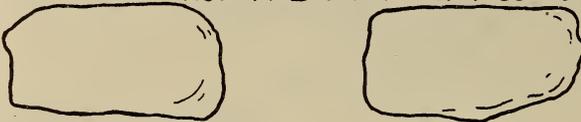
Rock in Ledges



Diagram

No 1

Rock in Boulders over 1 Cubic Yard



No 2

Conglomerate Rock or Plum Pudding Stone



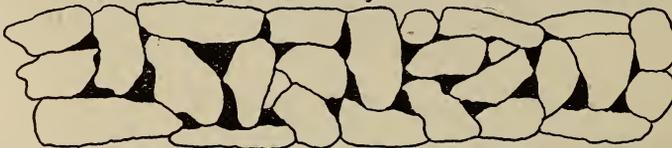
No 3

Detached Ledge Rock in Mass over 1 Cubic Yard



No 4

Rock in Masses of over 1 Cubic Yard (Assembled Rock)
which in the Judgment of the Engineer can be best removed by Blasting



No 5

Shale Rock

which in the Judgment of the Engineer can be best removed by Blasting



No 6

No 1. Is a mere matter of Measurement by the Engineer

No 2. Is a mere matter of measurement by Rock Measurers

No 3. Is a mere matter of measurement by the Engineers

No 4. Is a mere matter of measurement by Rock Measurers

No 5 & 6 } To form a judgment as to whether or not it is best removed
by Blasting, the Chief Engineer must view the work in progress
or leave it to be decided by the Engineer in charge, whose duty it is
to frequently visit the work during its operation and to govern
thereby & act accordingly

Hayden D. Henderson Chief Engineer
O'Hare, Dec 7/07
Jan 10/08

APPENDIX No. 5

EXHIBIT No. 38 (55).

OTTAWA, January 14, 1908.

HUGH D. LUMSDEN, Esq.,
Chief Engineer.

DEAR SIR,—I beg to advise you that your letter of the 9th instant giving your interpretation of clauses 33, 34, 35 and 36, of the general specifications for construction, modified so as to conform with the opinion expressed by the Deputy Minister of Justice, was considered by the Board on the 10th instant and approved.

Yours truly,

P. E. RYAN,
Secretary.

EXHIBIT 38 (56).

No. 7787.

OTTAWA, January 30, 1908.

A. E. DOUCET, Esq.,
District Engineer,
Quebec.

DEAR SIR,—In regard to my letter to you of the 14th inst., I beg to substitute the accompanying letter, as I have taken into consideration that some instances may be met with where actual measurements are impracticable, but it must be understood that actual measurements (a record of which are kept, either by cross-sections or by measurements) must be made as a rule of all work, and if at any time you find it necessary to put on an extra man for this purpose you can do so.

Yours truly,

HUGH D. LUMSDEN.

EXHIBIT No. 38 (57).

OTTAWA, January 30, 1908.

A. E. DOUCET, Esq.,
District Engineer,
Quebec.

DEAR SIR,—Herewith please find copy of my interpretation of clauses 34, 35 and 36 of our general specifications, together with a blue print diagram in explanation of same. These after having been submitted to the Justice Department, have been approved by the commissioners.

You will please at once go over these carefully, and say whether the classification in your district conforms to such interpretation. If it does not, steps must at once be taken by you to have your division and resident engineers, who are personally acquainted with the work, take up the matter, and as far as now practicable, have an estimate prepared showing the difference such classification would make with that which has heretofore been used by you. In future all classification must be in conformity with my interpretation. Measurements must be made and full notes kept showing such classification on cross sections where rock or other classified material is met with in large quantities, or by measurements made by an assistant, of rock or loose rock in boulders. In short, actual measurements shall be made of all classified material returned, and not by percentages, except in cases where measurements are impracticable in the judgment of the engineer in charge.

Yours truly,

HUGH D. LUMSDEN.

7-8 EDWARD VII., A. 1908

EXHIBIT No. 38 (58).

No. 473.

QUEBEC, February 1, 1908.

HUGH D. LUMSDEN, Esq.,
Chief Engineer, Ottawa.

DEAR SIR,—I beg to acknowledge receipt of your letter of January 30, file 7787, and to say that the instructions contained therein will be sent out immediately to all the division and resident engineers.

I will personally explain the instructions to the division engineers when they bring in their estimates for January to my office.

Yours very truly,

A. E. DOUCET,
District Engineer.

EXHIBIT No. 38 (59).

No. 7787.

OTTAWA, February 19, 1908.

A. E. DOUCET, Esq.,
District Engineer, Quebec.

DEAR SIR,—I find that I have no reply from you in regard to clause 2 of my letter to you of the 30th of January *re* interpretation clauses 34, 35 and 36 of our general specifications, and as I have had replies from the other district engineers, I should also like to have one from you.

Yours truly,

HUGH D. LUMSDEN.

EXHIBIT No. 38 (60).

No. 886.

QUEBEC, February 20, 1908.

HUGH D. LUMSDEN, Esq.,
Chief Engineer, Ottawa.

DEAR SIR,—In answer to yours of February 19, file 7787: I wrote you on the first of February acknowledging your letter of January 30, file 7787, saying that the instructions contained therein would be sent out immediately to all division and resident engineers, and that I would personally explain the instructions to the division engineers when they brought in their estimates for January to my office. Since that time I have issued a circular quoting your letter of January 30 to the engineers.

I may add that the classification in my district conforms to your interpretation as discussed and understood by us at the meeting of the district engineers with you and the commissioners at Ottawa in February.

Yours truly,

A. E. DOUCET,
District Engineer.

APPENDIX No. 5

EXHIBIT No. 38 (61).

No. 7787.

OTTAWA, March 14th, 1908.

A. E. DOUCET,
District Engineer,
Quebec.

DEAR SIR,—*Re* your letter of the 20th ultimo, in reply to mine of the 19th. Am I to understand by the last clause in it that the classification in your district prior to the 30th January, conformed to my interpretation of clauses 34, 35 and 36 of our general specifications? (See clause 2 of mine of 30th January.)

Yours truly,

HUGH D. LUMSDEN.

EXHIBIT 38 (62).

No. 1350.

QUEBEC, 20th March, 1908.

HUGH D. LUMSDEN, Esq.,
Chief Engineer,
Ottawa.

DEAR SIR,—Replying to your letter of the 14th instant, file 7787, I thought I had made it quite clear that the classification in my district prior to the 30th January, 1908, conformed to your interpretation of clauses 34, 35 and 36 of our general specifications as embodied in your communication to the district engineers under date of January 30th, I have to reiterate my acknowledgement of your interpretation of clauses 34, 35 and 36 of this date and to say that the classification throughout my district prior to January, 1908, is strictly in accordance with such interpretation.

Yours very truly,

A. E. DOUCET,
District Engineer.

TUESDAY, June 16, 1908, 8.30 p.m.

The committee resumed.

Mr. MURPHY.—Mr. Chairman, after the statements made by Major Hodgins to-day and the intimation these statements contain that he abandons any charges of fraud or wrong doing against the commissioners and their engineers I propose at this stage to suspend his further cross-examination. The Major has pointed out that the only matters in issue are differences of opinion between engineers. Now there is a tribunal appointed under the authority of parliament, a board of arbitrators, to adjust such differences of opinion; and the Major has gone the length of saying that *in his view* this is the proper tribunal to settle these legitimate differences of opinion between the different engineers. In view of the position taken by the Major, I submit that no useful purpose can be served by proceeding further with this inquiry unless some other person is prepared to assume responsibility for alleging fraud or wrong-doing against the commission or their staff of engineers. If any person is prepared to take that responsibility and make such a charge we are, of course, prepared to meet them.

The CHAIRMAN.—You propose to suspend—

7-8 EDWARD VII., A. 1908

Mr. MURPHY.—Just now the further cross-examination of this witness. I cannot just now state the length of time.

Mr. MACDONALD.—I presume you mean if no further evidence is offered, your cross-examination is over?

Mr. MURPHY.—Subject to that.

Mr. BARKER.—Mr. Murphy has mentioned a board of arbitration. Is there any evidence that such a board is in existence?

Mr. MACDONALD.—The evidence of the statute.

Mr. BARKER.—He says there is a board of arbitration.

Mr. MURPHY.—And the witness stated, Mr. Chairman, that two engineers, who are members of that board, were at the time he made that statement actually engaged in going over the work.

Mr. BARKER.—Two engineers were going over the work? But if there is a board of arbitration we must have some evidence of it in any case.

Mr. MURPHY.—That is in the Act.

The CHAIRMAN.—That is in the statute.

Mr. BARKER.—That only authorizes the appointment of a board. Is there a board of arbitration?

Mr. MACDONALD.—Not only the appointment of a board, but states who the board shall be.

Mr. CARVELL.—Constitutes the board.

Mr. BARKER.—I do not suppose there can be a board of arbitration unless some appointments are made?

Mr. LENNOX.—With reference to the position taken by Mr. Murphy, it is different from the position he took before we adjourned at five o'clock.

Mr. MURPHY.—I do not wish to interrupt, but I did not take any position before we adjourned.

Mr. LENNOX.—It was understood you were about to proceed with the cross-examination of Major Hodgins.

Mr. MACDONALD.—I did not so understand it.

Mr. MURPHY.—I never said a word to that effect.

Mr. LENNOX.—Mr. Murphy was proceeding with the cross-examination, and the re-examination will, of course, follow after the cross-examination is concluded. Now, I have intimated as clearly as I can that I do not consider that the investigation is concluded, or is in any way impeded by the statements which Major Hodgins made this afternoon. Whether he fully appreciated the answers he gave to Mr. Macdonald or not I do not know. At all events, as I stated at the beginning of the inquiry and repeated on several occasions, and I think Mr. Barker as well, we regard the reference to us as not at all controlled by the circumstance that Major Hodgins wrote a letter. We regard the reference as being upon the substantial and broad question as to whether as a matter of fact, there was an improper classification of the work that was done upon the Transcontinental Railway line—not confined either to section 'B' or section 'F,' but to the whole Transcontinental line. It is true that part of the charges were contained in Major Hodgins' letter, but the charges having been initiated by Major Hodgins sending a letter to the press were reiterated and enlarged by the press; and when the Chief Commissioner of the Transcontinental Railway Commission communicated with Sir Wilfrid Laurier, he saw fit to attach to his letter statements made by the 'Colonist,' the Ottawa 'Citizen' and I think other newspapers, all of which statements are set out here in the reference we have before us. Now, when the First Minister asked the House to direct an investigation it was not merely an investigation confined to the charges made by Major Hodgins, but an investigation of all the matters that are contained in the various papers that were attached to the letter of the chief commissioner. As a matter of fact, he did not ask for an investigation of Major Hodgins' letter at all in the first instance—

Mr. MACDONALD.—Oh, yes, he did.

Mr. LENNOX.—The document is on record.

APPENDIX No. 5

Mr. MACDONALD.—And it speaks for itself.

Mr. LENNOX.—Mr. Macdonald will recognize what I say is correct when I call his attention to it. When Sir Wilfrid Laurier read what he proposed to submit in the first instance, as I recollect—and I have pretty good reason to recollect it, because Mr. Barker and I framed what we desired to have by way of amendment—it was in this form: 'That the memorandum of the Chairman of the Transcontinental Railway Commissioners, dated 23rd April and laid on the table of the House on the 24th instant, and the papers accompanying the same, be referred to a special committee of five members, with instructions to investigate,' etc. Then it was suggested that probably that was not broad enough, and it stood over for a day and it was submitted to Mr. Barker and myself.

Mr. MACDONALD.—May I suggest that this may be very interesting, but it is entirely beyond the knowledge of any other members of the committee but Mr. Barker and Lennox?

Mr. LENNOX.—My honourable friend will ascertain it is a fact, and we got the letter of Major Hodgins incorporated. At all events, aside altogether from that, we have to consider the reference as we have it now before the committee, and the reference is that the memorandum of the Chairman of the Transcontinental Railway Commissioners to the Prime Minister, of date 23rd April and laid on the table of the House, and so forth, and the papers accompanying the same, together with the letter of Major Hodgins to the public press, be referred to a special committee of five members, with instructions to investigate the matters and charges therein contained, such committee to consist of, and so forth. So there is no prominence given to one matter above another in that reference; it is to investigate the charges contained in the several documents referred to. As I say, they contain all these various things, and in those charges is a specific statement of wrong classification on the line from end to end, and statements of the enormously increased and improper expenditure suggested as a result of that. Now, we have to investigate all that, and it is for the commissioners to consider whether they are interested or not. If Mr. Murphy takes the position that he does not propose to cross-examine this witness further, then the time for re-examination has arrived; and, speaking as one member of the committee, I consider it is my duty to see that this examination is conducted without regard to the opinion that Major Hodgins may entertain of it as an engineer and as a citizen. I approach it from his position as a witness, and I propose either that he shall be re-examined by his counsel, or if his counsel, in his discretion, sees fit to take a different attitude, that then he shall be subject to re-examination by any member of the committee. I propose, in the exercise of my right and of my duty in that behalf, if I see fit to do so, to re-examine Major Hodgins and to endeavour to pursue this investigation according to the terms upon which it was referred to us, and that will include an investigation of the question of classification. That is, whether the right classification of material has or has not occurred; whether, when the engineers classified a certain quantity of rock, there was that quantity of solid rock there; whether, when they classified so many thousand yards of loose rock, there were that many yards of loose rock there. That is the matter, as I understand, referred to us and which it is our duty to investigate. Speaking for myself, that is what I propose to do, and I hope I shall have the concurrence of the other members of the committee in that respect and of the chairman. Let me say one other word to clear the atmosphere a little, and that is about this matter of arbitration. I will not state that I am prepared to say my last word on this matter, because I have not given the careful attention that I think ought to be given to it. I do not recognize for one moment that, as a matter of fact, the question we are dealing with is of the class contemplated in the clause of the contract, or the two clauses of the contract, which refers to arbitration. I do not recognize that this is a matter to be dealt with by arbitration; but even if it were, Mr. Chairman, I submit that we have nothing to do with that question. The government understood the position, and the House of

Commons saw fit to refer to us certain matters. We have not to look outside to see whether an arbitration is likely to take place or not, but we are to pursue our duty in that regard. What position Mr. Murphy shall take is for himself, as counsel, in his wisdom to decide; but at the same time I call attention to the fact that if Mr. Murphy announces now that he will not pursue the cross-examination, he must be prepared to be embarrassed by the situation which may arise later on when we further pursue this investigation.

Mr. MACDONALD.—My honourable friend, Mr. Lennox, has indulged in a very marvellous piece of special pleading in which he exhibits an unusually acute desire to investigate something that was never referred to the committee and to enlarge his scope of the investigation to a wider extent than was ever contemplated. The resolution under which this matter came before this committee sets out as follows: The memorandum of the Chairman of the Transcontinental Railway Commissioners to the Prime Minister, of date 23rd April and laid on the table of the House on the 24th inst. and the papers accompanying the same. That is one thing. 'Together with the letter of Major Hodgins to the public press therein referred to.' That is the other thing. Those two things were referred to a special committee of five members with instructions to what? To investigate about the classification on the Transcontinental Railway all over? No, but to investigate matters and charges contained in the memorandum—

Mr. LENNOX.—Therein mentioned.

Mr. MACDONALD.—Of the Chairman of the Transcontinental Railway Commissioners and in the letter of Major Hodgins'.

Mr. BARKER.—Therein mentioned?

Mr. MACDONALD.—Now, Mr. Chairman, the memorandum of the Chairman of the Transcontinental Railway Commissioners is to be found on page 15 of the printed record and starts off with the statement: 'A letter from Major Hodgins, lately our district engineer at Kenora, Ont., has been given wide publicity in the press, namely by the Manitoba Free Press, and the Ottawa Morning Citizen where it was commented upon.'

'There are insinuations and statements in it that should not be allowed to pass unanswered. Without laying any specific charges, Major Hodgins makes vague, general accusations that are absolutely groundless. It is plain that the object in view is to cause us annoyance without any regard to truth or public interest.' Then after taking up seriatim and discussing the charges Mr. Parent says:

'In conclusion, the commissioners would respectfully request, as they do not wish to remain under the aspersion which such reports cast on them, that the whole matter be referred to and looked into by Committee of the House, and that Major Hodgins be assigned to appear before the same to repeat his charges in a specific manner in order to substantiate them if he can.'

Attached to that memorandum were the newspaper reports which were the avenue through which Major Hodgins gave publicity to his statement. When this committee met it met to investigate the charges that were made by Major Hodgins, and if you will turn to the minutes of the meeting of this committee dated Wednesday, April 29, 1908, it is set forth there that:

'The special committee appointed to investigate the charges made by Major Hodgins, C.E., regarding the classification of materials, &c., in construction work on the Transcontinental Railway, met at 10.30 o'clock, a.m.

Clearly that was the intention of our proceedings. The next step we took was to ask Major Hodgins to appear before this committee for the purpose of preferring his charges. He appeared in person and through his counsel, Mr. Frank Hodgins, K.C. This committee never took note of anything that he had to do with the newspapers or of irresponsible people that nobody ever heard tell of, but what the committee did take up was what Major Hodgins said and what we did was to ask Major Hodgins to put his charges in proper form and that he proceeded to do. The synopsis of charges, which

APPENDIX No. 5

is to be found on page 39 of the proceedings of this committee as printed was filed by Mr. Frank Hodgins as counsel for Major Hodgins and we have been occupied since the 29th of April on various days and at various times in considering the question of those charges that Major Hodgins made. At several meetings of the committee Major Hodgins gradually withdrew from the assertions which were contained in that letter, and he very fairly and frankly this afternoon stated that since becoming possessed of knowledge he indicated he had no evidence to offer indicating that there was improper conduct on the part of any of the commissioners in interfering with the engineers, and that so far as he was concerned there was only one issue remaining, and that his information with reference to the interference by the commissioners in such a manner was incorrect. The determination of that one remaining question, that of classification he desired should not be made by this committee, but should be left to the board of arbitrators of which we all have cognizance and I presume we have to take judicial notice, if we can take judicial notice of anything, of the statute which incorporates the National Transcontinental and that agreement which shows that it was in anticipation that in the carrying out of this enterprise which was contemplated there would be differences of opinion between the engineers as to what was proper classification of the work. There never was a railway built in this or in any other country in which there were not such differences of opinion. Therefore provision was made that there should be established a board of arbitrators composed of the chief engineer of the Transcontinental railway and the chief engineer of the Grand Trunk Pacific, and in the event of their disagreement by a third arbitrator. That is the tribunal to which Major Hodgins unreservedly and of his own volition after all these proceedings says he desires to have these charges referred for trial. In regard to all other matters he absolutely abandons his charges. That is the position of the matter at present. I do not know what position Mr. Hodgins, K.C., takes, but at the beginning of the proceedings of this committee the question of the appointment of counsel for Major Hodgins was taken up and was left under advisement by this committee, that matter has yet to be disposed of. Therefore, if we are not dealing with Major Hodgins' charges I do not know what we are dealing with. If there is some other person who has charges to make he has never come before up to this moment and in view of what took place this afternoon I would like to hear Mr. Frank Hodgins, K.C., on the subject. We must dispose of Major Hodgins' charges first before we can consider any others, we cannot run the two in together. Either Major Hodgins is taking the position he took this afternoon or he is not. If he is taking the position that he did then, after that matter has been disposed of I am perfectly willing to consider whether it is necessary for the enquiry to take a wider scope or not, but my position now is that we should first consider and determine whether these charges of Major Hodgins are to be further dealt with by the committee in view of what he has stated this afternoon.

MR. BARKER.—I desire to say a few words on this. On Page 16 of the printed evidence I find this paragraph in Mr. Parent's letter to the Prime Minister: (Reads)

'You will find attached newspaper clippings in reference to Major Hodgins' letter, and all correspondence relating to the circumstances of his dismissal; also a letter from our chief engineer, Mr. Lumsden, on the same subject.

'In conclusion, the commissioners would respectfully request, as they do not wish to remain under the aspersion which such reports cast on them, that the whole matter be referred to and looked into by a committee of the House.'

MR. MACDONALD.—'and that Major Hodgins be assigned to appear before the same to repeat his charges in a special manner in order to substantiate them if he can.'

MR. BARKER.—The whole matter is referred to this committee. If Major Hodgins had never been examined before this committee at all, if he had died on the way from Vancouver to Ottawa, or if having appeared before the committee on one day he had died and did not therefore appear again, it would not in the least have stood in the way of this committee pursuing the enquiry, I do not think there can be any doubt whatever about that. What I contend for is this, Major Hodgins is not here as a

prosecutor, but as a witness to give evidence before this committee. I do not wish to put the case, but if this committee did not believe the statement upon oath of Major Hodgins, or if he sought to withdraw his statement, that would not prevent this committee, or any member of the committee, going on and endeavouring to prove that what was in his letter, or in those other papers, was absolutely true. This committee is not controlled by Major Hodgins or his views or his opinions. We have to investigate it, and I propose we shall do so.

Mr. MACDONALD.—Will you be good enough to tell us what there is to investigate in this matter outside Major Hodgins' charges?

Mr. BARKER.—Every question of classification which has been raised.

Mr. MACDONALD.—That is pretty general.

Mr. BARKER.—We have to investigate whether there has been any padding of accounts by increase of or over-classification.

Mr. MACDONALD.—That is purely an engineering question which belongs to the board of arbitrators.

Mr. BARKER.—That is charged in the papers.

Mr. CARVELL.—My friends are getting away from the reference, we should remember the intention in having this committee appointed. When this committee was appointed, as has been said by Mr. Macdonald, Major Hodgins was sent for and asked to make his charges in a concise and specific manner. He did so, and the charges will be found in page 39 and succeeding pages. He says there:

'The root of all the trouble between the commissioners and Major Hodgins was over-classification; and the commissioners wanted him to change his ideas as to classification.'

It is not for the committee to decide whether the engineers are exercising proper classification in different parts of the work, the question is are they doing it honestly. As far as I am concerned if Mr. Hodgins, K.C., or Mr. Lennox here wishes to call witnesses to show anything that is improper or dishonest on the part of the commissioners or the engineers under the commissioners I have no objection to having it investigated; but when it gets down to a question of a difference of opinion, it has been stated here by Major Hodgins this afternoon that it is simply a question of opinion between the engineers, one engineer saying I would classify that cut at 50 per cent of solid rock and another saying I would classify it at 60 per cent of solid rock. If there was no other tribunal possibly we would be in a position that we would have to decide, like many judges who are compelled to listen to evidence about which they have no knowledge—I do not know anything about engineering, possibly Mr. Lennox does not, Mr. Barker may know a little more about railway engineering than any other member of the committee—but a tribunal has been provided, under the statute passed at the time the Transcontinental Commission was formed, and that tribunal consists of the chief engineer of the Grand Trunk Pacific and the chief engineer of the Transcontinental Commission, and if they cannot agree they apply to the Chief Justice of Canada who appoints a third arbitrator, and that is the right tribunal to decide whether these engineers are properly exercising the duties and responsibilities placed upon them. Assuming that this committee spent a fortnight or three weeks bringing witnesses from all over the country in order to determine this question; I am thoroughly satisfied in my own mind that if we went into this matter we would have to get the evidence of independent engineers and we would have to send them over the work in order to give us an intelligent view of what the classification should be. Now, supposing we did that and supposing we came to a conclusion and said that a certain class of that work in District B, or in District F, was over-classified, or under-classified, and made a report to the House to that effect. Now that might be a source of gratification to ourselves that we had been able to come to a conclusion and that we could make that report to the House and through the House to the country, but, sir, if the legal tribunal, the tribunal that has been established by statute to decide that question, two weeks or two months afterwards make a report which is exactly the opposite to ours—and it is their report which must stand, and

APPENDIX No. 5

upon which the money must be paid, and not ours—we would be practically only making a laughing stock of ourselves. As Mr. Macdonald has pointed out, section 7 of the agreement provided for by the statute of 1903—

Mr. MACDONALD.—That shows how this tribunal is worked out, you might read it.

Mr. CARVELL.—This is section 7 of the agreement with the Grand Trunk Pacific Railway Company set forth in the schedule of chapter 71 of 3 Ed. VII., 'An Act respecting the construction of a National Transcontinental Railway.'

'In order to insure, for the protection of the company as lessees of the eastern division of the said railway, the economical construction thereof in such a manner that it can be operated to the best advantage, it is hereby agreed that the specifications for the construction of the eastern division shall be submitted to, and approved of by the company before the commencement of the work, and that the said work shall be done according to the said specifications and shall be subject to the joint supervision, inspection and acceptance of the chief engineer appointed by the government and the chief engineer of the company, and, in the event of differences as to the specifications, or in case the said engineers shall differ as to the work, the questions in dispute shall be determined by the said engineers and a third arbitrator, to be chosen in the manner provided in paragraph four of this agreement.'

and paragraph 47 provides as follows:—

'Any dispute which may arise as to the meaning or construction of this agreement, or as to the performance of any of the obligations of either of the parties to this agreement, or as to working expenditure or cost of construction, shall, if not herein otherwise provided for, be determined by the award of a single arbitrator, if the parties concur in his appointment, or if not, by the award of three arbitrators, one of whom shall be appointed by the government, one by the company, and the third by the two so appointed, or, in case of their being unable to agree, by the Chief Justice of the Supreme Court of Canada, and the award of a majority of such three arbitrators shall be final.'

I find later on, on the 10th of January, 1906, an agreement was entered into between the Grand Trunk Pacific and the Transcontinental Commissioners, as follows:—

'MEMORANDUM of an Agreement to be drawn up between the Commissioners of the Transcontinental Railway

and

The Grand Trunk Pacific Railway Company.

'Monthly estimates for contractors shall be submitted promptly from time to time by the chief engineer of the commissioners to the company's assistant chief engineer at Montreal for approval. If he has any objection to such estimate he shall promptly file the same with the chief engineer of the commissioners, and any objection from time to time filed shall thereupon be considered, and, if possible, determined by the said engineers, and in case of their failure to agree, may then or at any time before or at the time of final payment, at the option of either party, be considered and determined by arbitration as provided in the agreement of the 29th July, 1903, but in no case shall the payment of monthly estimates be delayed except with the consent of the commissioners.

'In case the chief engineer of the commissioners and the assistant chief engineer of the company disagree as to the final payment, the same shall be withheld until the matter is determined by arbitration, as provided in the said agreement of 29th July, 1903.'

As a matter of fact, certain differences have arisen between the engineer of the Transcontinental Commissioners and the engineer of the Grand Trunk Pacific, and it was stated here during the last session of this committee, prior to this week, and I believe it is true without any doubt that the chief engineer of the commission and the assistant chief engineer of the Grand Trunk Pacific were then on the work going over some of these disputed points. I again submit that in the face of that law

7-8 EDWARD VII., A. 1908

creating a tribunal which has the legal right to settle all these matters, and in face of the fact that they are now proceeding according to law to settle these matters, it would be a most unnecessary proceeding for this committee to undertake to arrogate to itself the powers which rightly belong to another body under the laws of the land. Therefore it seems to me that while anybody has the right, Mr. Lennox or any other member of this committee has the right to cross-examine the witness or to re-examine him, still that cross-examination or re-examination should be confined to the point as to whether or not there is fraud on the part of the commissioners or their engineers in creating a classification which ought not to exist, and so far as my views go, I would be prepared to say that any member of this committee or any counsel should have the right to ask any question bearing upon the charges, but that we should not arrogate to ourselves that which by law has been handed over to another body.

MR. BARKER.—This is the latest appointment, the appointment of this committee upon which we are acting is the last appointment that was made, in face of the statute you refer to, and in face of the so-called agreement you refer to. How can it be supposed for a moment that a committee appointed by the House of Commons can be interfered with in the performance of its duty by any documents which were in existence before it was appointed.

MR. MACDONALD.—It is not interfered with at all.

MR. BARKER.—If not, then we will go on, that is all.

MR. MACDONALD.—Go on with what?

MR. BARKER.—With the examination of witnesses, to prove the facts in these statements.

MR. MACDONALD.—That is the Hodgins charges.

MR. BARKER.—And in these other documents.

MR. MACDONALD.—It is no good talking like that, there is only one set of charges before this committee, the Hodgins charges.

MR. CARVELL.—The first charge is that Major Hodgins was taken down to Quebec and asked to see how things were done down in Quebec and to see if he would not take an object lesson and come back and adopt the Quebec classification. Now that, to my mind, if it be true, is a fraudulent act, and I think we had a right to call witnesses in order to prove that statement if it could be proved.

THE CHAIRMAN.—Have you anything to say now, Mr. Hodgins?

MR. HODGINS, K.C.—I am very glad to have an opportunity to say a word or two—

MR. CARVELL.—After judgment has been passed.

MR. HODGINS.—Although the committee has been passing judgment for the last half hour. I think, however, I ought to make my position clear and also the position of my client. I do not mind saying that I do not quite agree with the position my client has taken, but he has a perfect right to take that position if he chooses. I certainly would never choose to appear before the committee professing to act for an unwilling client and I therefore propose to ask him to relieve me of the retainer before this committee if he is of the mind that Mr. Macdonald seems to think he is, owing to the questions that were asked him and the answers he gave this afternoon. But I think everyone will recognize that before I do that I should ask him whether in view of the fact that he has been cross-examined and has not been re-examined, and that there are matters which in my judgment place him in an unfair light and which I think he is perfectly able to clear up through counsel if I am given an opportunity to re-examine him, I should consult with him before I terminate my retainer to appear before this committee. Possibly the committee will allow me to confer with him during the evening so that if he decides to do so I can conclude to-morrow.

MR. MACDONALD.—If Major Hodgins has anything to say to the committee to-night, either by himself or through his counsel we will be glad to hear him.

MR. HODGINS.—I will explain my view of my position before the committee, even taking into consideration the opinions expressed by the members of the committee. There is of course the charge that Major Hodgins originally made with regard to the

APPENDIX No. 5

classification of his district, that was as long ago as September, he was dismissed from the Transcontinental in the middle of his investigation. But similar charges with regard to the classification of common excavation were made by Mr. Woods, the Grand Trunk Pacific engineer in his letter of October 7th which is before the committee and in which, in order to illustrate what I mean because I want to draw the distinction before the committee, I may just read one of his statements in that letter:

'Station 5882 to 5901 estimated 78 per cent solid rock, 22 per cent loose rock. A large amount of this cut wasted with slip scrapers and ploughing being done with two horses. There are hundreds of yards of earth here without a stone, large or small.'

And in the next one—

'Station 6030 to 6046. Estimated 40 per cent solid rock, 10 per cent loose rock. This is the large sand cut west of O'Brien's camp, of the 95,000 yards moved to August 31st in this cut at least 80,000 yards was pure sand.'

So that in district 'F' and district 'B' questions had arisen with regard to the classification of common excavation, which is earth and sand, and that that classification was being raised into loose rock and solid rock. That has never been in question before Mr. Lumsden or before any engineer, and what Major Hodgins referred to as the opinion that he has now read, later opinions put in I think during the early part of this year, dealing with the meaning of the word 'masses' in loose rock which he considered might be classified as solid rock under certain conditions. As to that he says there is a difference of opinion, and a difference of opinion might easily occur, but as to the other matter which is brought before the commission and is before the committee—

Mr. MACDONALD.—There is no matter before the commission.

Mr. HODGINS.—Oh yes, this letter is in.

Mr. MACDONALD.—Do you mean to say because somebody writes a letter that anything is proved?

Mr. HODGINS.—Oh no.

Mr. MACDONALD.—Let me suggest to you that you are mistaking your status before the committee and that so far as your address to this committee is concerned it should be confined to and in relation to your attitude towards your client and his position in regard to the charges he has made.

Mr. HODGINS.—I am dealing with what he said before the committee, that is when you connect the word 'mass' and the opinions expressed, that it can only relate to this matter which is to be determined by engineering evidence. Now this matter of sand classification as has been shown before the committee is not covered by what he said this afternoon, as I understand it.

Mr. CARVELL.—But, Mr. Hodgins, if the question of mass be one for the engineers, is not the question of what is really sand the same thing?

Mr. HODGINS.—You look through all the opinions given by Mr. Lumsden and those of every one else and there is not one suggestion that there could be any doubt as to that kind of classification.

Mr. CARVELL.—But if one kind of classification is a proper subject of investigation by arbitrators, how are you going to draw the distinction and say that another class of material shall be determined by this committee?

Mr. MACDONALD.—The major says he does not want to go on with this investigation.

Mr. HODGINS.—I wanted to point out the situation as I understand it, and as it appears to me from his answers this afternoon, and I am pointing out that I shall be justified, if his views are not in accord with my views then in asking him to relieve me from appearing before you. As to arbitration I think the committee can hardly take the opinion Major Hodgins has given as conclusive on that. The question of arbitration is one provided for by the Act which says that there shall be a joint supervision and acceptance of the work by the two engineers. Supposing for a moment that the two engineers agree, does that absolve the committee from the duty of seeing

7-8 EDWARD VII., A. 1908

whether the accounts paid to the contractors are legitimate and right? Let us suppose that the contractors got \$2,000,000 out of the—

Mr. MACDONALD.—You are touching again the question of your status before the committee. That is a matter we will have to determine later on when we discuss it.

Mr. BARKER.—Excuse me, I don't think he is. Major Hodgins himself distinctly spoke of common excavation in Section 'F' which had been returned as rock.

Mr. CARVELL.—Yes, and he admitted that the total amount in the whole work would not exceed, I have forgotten the amount, but I think it was about \$200,000.

Mr. MACDONALD.—Mr. Barker unfortunately was not here this afternoon to hear what Major Hodgins said. He said this afternoon that the question of whether the material should be classified as rock or loose rock depended entirely upon the opinion of himself as engineer and he did not regard himself as infallible. That is the position he took with regard to the question of classification.

Mr. HODGINS.—What he said was that taking those opinions—and I am quite willing to accept—

The CHAIRMAN.—I do not think you should go on arguing the case just now. According to me you are doing that.

Mr. HODGINS.—I am sorry for that.

The CHAIRMAN.—What we want to find out is the position that you propose to take after the declarations made by your client.

Mr. HODGINS.—I propose then, if not interrupted, to state the position in which I think the matter is left before the committee and then leave it to the committee to say whether they are going on with the inquiry.

The CHAIRMAN.—We do not propose to hear you arguing the case at the present stage and to state what the witness intended to say as compared with what he did say. I think you had better state your position and then we will go on with the case.

Mr. HODGINS.—I wish to make it perfectly clear, as Mr. Murphy has declined to further cross-examine and as my client has made statements which Mr. Macdonald and Mr. Carvell think meant something which perhaps they did not mean, what in my opinion, those statements did mean.

Mr. MACDONALD.—Have you conferred with your client as to whether or not he is prepared to take any different position from what he did before?

Mr. HODGINS.—No, but I am bound by the limitations—

Mr. MACDONALD.—We understand the English language and we heard what he said.

Mr. HODGINS.—I think I do too and I venture to say he has never said that the opinion in Quebec settled the whole question.

Mr. MACDONALD.—What he said was this: He did not regard this committee as the proper tribunal to settle differences of opinion with reference to engineers' classification.

Mr. BARKER.—He has no right to express such an opinion.

Mr. MACDONALD.—It may be that he has no right, but unfortunately for you who take the opposite view he said that.

Mr. BARKER.—It does not matter whether he said so or not.

Mr. LENNOX.—They were not proper questions or proper answers.

Mr. CARVELL.—He is the man who made the charges.

Mr. MACDONALD.—Are we to take it that when the man who made the charges says, 'I don't want to have anything further to say to the committee,' that he does not mean to say anything like that at all?

Mr. HODGINS.—No one is saying that. I don't think it represents what he did say. I do not think the committee will disagree with me when I say that you are putting that a little too broadly. All I want is to lay what is the situation before you.

Mr. MACDONALD.—If you were before a court, don't you think the judge would say to you at this stage: 'Have you conferred with your client, and are you in a position to say to the court that you are going to take any different position from what your client took here a few hours ago?'

APPENDIX No. 5

Mr. HODGINS.—I think so, and I think I would be perfectly justified in saying, ‘Certainly not.’ But when I am asked to state my position, I think I have the right at least to define what I understand my client’s position to be, and if the court disagree with me it cannot be helped. However, I have only one word more, and perhaps you will allow me to say it?

Mr. MACDONALD.—I am quite willing for you to say it, but you cannot convince me that your client did not mean what he said this afternoon. I am going to take it that he meant what he said.

Mr. HODGINS.—I am also going to take that, so we are not likely to disagree very far. What I want to point out is the position in which the matter is placed by the evidence. We cannot disregard the fact that there has been certain evidence placed before the committee.

The CHAIRMAN.—We are in a position to understand that without your saying it to us. I wanted you just to state your position towards your client after the declaration he made this afternoon.

Mr. HODGINS.—And then you decline to hear me any further?

The CHAIRMAN.—I do not want to stop you, but if we are going on with the case you will have a chance to cross-examine the witness. At present we do not wish to hear argument on the case.

Mr. HODGINS.—I do not want to argue the case, but what I want to know is whether you decline to hear me or not. If you do, I will sit down.

The CHAIRMAN.—We do not want to hear you arguing the case.

Mr. HODGINS.—I am not arguing the case. I do not understand this committee to be bound by Major Hodgins’ view as to how he would look at the matter.

Mr. MACDONALD.—In what way do you say that? As Major Hodgins’ counsel or as *amicus curiæ*?

Mr. HODGINS.—Until I have retired from the case I am his counsel.

Mr. MACDONALD.—I have heard of counsel addressing the court as a friend of the court.

Mr. HODGINS.—I trust I am a friend of the court. I don’t know whether even the fact of my being his counsel debars me from that. I am quite sure the committee want to do the right thing in finding out whether this is or is not the case. It matters not to me, because if I retire from the case, as I very likely will do, I simply wanted to say that these payments are going on to the contractors in the meantime. It does not make any difference what the arbitration settles. That only settles what interest shall be paid. You will never get this money back from the contractors. There are letters on the file from the contractors protesting against the right of anybody to revise the estimates, by arbitration or otherwise, after they have been finally passed by the commission.

Mr. CARVELL.—You do not mean to say for a moment, do you, that if money was over-paid by the commissioners, and if a board of arbitration found that it was improperly paid, we would lose that money?

Mr. HODGINS.—I am not arguing for M. P. Davis or other contractors who dispute that.

Mr. CARVELL.—You have made a statement, and I have a right to ask you if you mean what you said.

Mr. HODGINS.—Pardon me a moment. I mean what I say, but you do not take correctly what I said.

Mr. CARVELL.—Do you mean to say that if we paid the contractor \$100,000 and it turned out we paid \$5,000 too much, that in the end the country would lose that money?

Mr. HODGINS.—I am not paid to advise commission, but what I did say—

Mr. CARVELL.—I think you are paid to answer a question fairly when it is asked.

Mr. HODGINS.—I will answer a question fairly, but I think you will perhaps par-

7-8 EDWARD VII, A. 1908

don me for saying that you did not get correctly what I said. I said there are letters here before the committee from contractors asserting—

Mr. CARVELL.—But before that what did you say? You stated before that that this arbitration would be of no value, because the money would be paid to the contractor, and all that it would amount to would be that the country would get rid of paying the interest on it.

Mr. HODGINS.—The country would not get rid of paying the interest, but the Grand Trunk Pacific, and I certainly assert that.

Mr. CARVELL.—That would mean that if the contractors were over-paid \$5,000 on progress estimates the country would lose it?

Mr. HODGINS.—If the commission's own engineers passed it, how could they order the contractor to give it back?

Mr. CARVELL.—And you still stick to it that if they were over-paid \$5,000 the country would lose that?

Mr. HODGINS.—Certainly.

Mr. CARVELL.—I wanted to get you, that is all.

Mr. HODGINS.—It is very easy to get me, I am answering the question.

Mr. CARVELL.—We now know what your views are.

Mr. MACDONALD.—It all depends upon the contract.

Mr. HODGINS.—Certainly but what I said was that the contractors assert very positively in the letter before the committee here that no court can compel them to refund money which has been paid out on the certificates of the commissioner's engineers no matter what the result of arbitration may be.

Mr. PARENT.—If you look at the agreement you will find that the law says so.

Mr. HODGINS.—Two of us cannot address the committee at the same time. It would perhaps be better for me to continue until I finish my statement.

Mr. PARENT.—It is no use your making statements that are not correct.

Mr. HODGINS.—Lawyers are often mistaken. You are a lawyer yourself, Mr. Parent.

Mr. PARENT.—You are going too far. If you read the agreement you will find something different to what you have said.

Mr. HODGINS.—That is really the gist of what I have to say.

The CHAIRMAN.—On your position.

Mr. HODGINS.—I think you will find that this arbitration may be deferred until the final payment. If the road is not constructed for 7 years arbitration may be delayed until then. It is for the committee to say whether they think that matters are left in such a shape that they can say they are all finished because Major Hodgins desires to have a settlement in another way.

The CHAIRMAN.—That is just what we want to find out.

Mr. HODGINS.—May I in conclusion suggest to you that that is not a fair position to take. It may be the major would like me to re-examine him upon some questions—largely personal questions I should imagine—which arose in cross-examination and as to which I think he has a perfectly good answer. That is a matter which can be settled by to-morrow morning. If Major Hodgins says 'No, I don't care about that' then it will be for me to consider whether I should not terminate my connection with the case.

Mr. MACDONALD.—Until what time to-morrow would you like?

Mr. HODGINS.—Any time.

The CHAIRMAN.—Very well then we will adjourn until 10.30 o'clock to-morrow morning.

Mr. MURPHY.—Before the adjournment is finally decided upon, in order that there may be no misapprehension as to what I said, I desire to correct my learned friend Mr. Lennox, in attributing to me the statement that I did not intend to cross-examine this witness further. What I said was 'I propose at this stage to suspend his further cross-examination.'

APPENDIX No. 5

Mr. LENNOX.—I thought you were referring to another matter. I am quite prepared to accept your explanation.

Mr. BARKER.—Whether the cross-examination be suspended or not the committee will permit you to cross-examine.

Committee adjourned.

WEDNESDAY, June 17, 1905.

The Committee met at 10.30 o'clock, a.m.

Mr. HODGINS.—I do not think there is anything I desire to re-examine Major Hodgins on and with his permission I accordingly retire from the case.

The CHAIRMAN.—What is the pleasure of the committee? What is the next proceeding?

Mr. BARKER.—I suppose the committee have nothing to say to that? They cannot prevent Mr. Hodgins, K.C., from retiring from the case.

Mr. MACDONALD.—I would suggest that we adjourn until to-morrow to give all parties interested an opportunity of considering their position. Speaking personally I would like to look into the record and certain authorities bearing on this matter. Some honourable gentlemen on the committee perhaps think that a certain line of examination might be gone into. As far as I am concerned, I would like to consider the position of the committee at the present stage before moving one way or the other.

Mr. BARKER.—I think that is not unreasonable.

Mr. CARVELL.—Before we come to that decision would it not be possible for members of the committee this morning to define their position to some extent? Otherwise if we adjourn and meet to-morrow we shall be no further advanced than we are now.

Mr. BARKER.—Do you want us to define our positions before we have made up our minds.

Mr. CARVELL.—I do not think that is a fair answer or a fair comment. It was stated yesterday afternoon by Mr. Lennox that he proposed to go on and cross-examine the witness. If Mr. Lennox is still of that opinion I do not see any reason why a portion of this morning at least should not be taken up in that way.

Mr. MACDONALD.—Personally I think the wisest thing would be to adjourn until to-morrow. That is my own personal view.

Mr. LENNOX.—I think that Mr. Macdonald's suggestion is a proper one. We all want to do what we think best, and it may be that after consideration and going over the papers in this case we shall form a different conclusion to any decision we might reach offhand. In reference to the re-examination of Major Hodgins, that would be a matter involving a certain amount of preparation. I would have to go back over the evidence that has been given and see how far such re-examination would be necessary. Then, too, it would depend a good deal upon the position taken by the majority of the committee.

Mr. CARVELL.—It seems that I am in the minority and, therefore, must accept the situation, but notwithstanding I register my protest against wasting so much valuable time.

Mr. MACDONALD.—In making the suggestion I did for an adjournment, my object was to obtain time to consider what our future course would be. Certain charges made by Major Hodgins having been referred to us, we are in the position this morning that the Major has abandoned those charges, and the object of my suggestion was to afford time to consider what should be done next.

Mr. CARVELL.—Why should we keep Major Hodgins here any longer; he has been away from home nearly two months.

7-8 EDWARD VII., A. 1908

Mr. BARKER.—Are you getting in a great anxiety about Major Hodgins getting home?

Mr. CARVELL.—Not in a very great anxiety; he is not my client, but I am opposed to this eternal delay which has occurred ever since we started. In a court of justice this would not be tolerated. It seems to me that every member of the committee is in league to delay this investigation.

Mr. BARKER.—Speak for yourself.

Mr. LENNOX.—It is entirely improper for Mr. Carvell to make any such remark; he has no ground whatever for doing so. Speaking for myself, I have urged that this investigation be pressed ever since the first day we met; it cannot go on too quickly for me. But when an unexpected situation occurs and it is suggested by Mr. Macdonald that we should take time to consider our position and what action should be taken in the future, I think it comes with great impropriety from Mr. Carvell to make any such remark.

Mr. CARVELL.—I think the confession which my honourable friend has made is one that does not do very much justice to him. He has sat here at nearly every sitting of the committee and now says that he wants time in order to re-examine Major Hodgins and prepare his case. If I wanted to re-examine a witness, and I do not profess to have any more ability than my honourable friend, I think I would proceed right off. Notwithstanding what my honourable friend says, I think he could do the same.

Mr. BARKER.—You overlook the fact, Mr. Carvell, that the object of considering the whole situation now is not with relation to Major Hodgins or any examination of him. You were so rapid in making up your mind that you got ahead of the rest of the committee. We want a little consideration before we take a very important step.

Mr. CARVELL.—It seems to me that you require quite a lot of time.

Mr. LENNOX.—I have not asked for any postponement, and if the investigation were proceeded with this morning I would not go on with the re-examination of Major Hodgins. On the contrary, I would proceed to the discussion of what position we should take in this matter. Yet I think the suggestion of Mr. Macdonald is a wise one. In my opinion it is very fitting for us to consider what course the committee should take.

The CHAIRMAN.—Well, the majority of the committee seem to be in favour of adjourning until another day. The meeting is therefore adjourned until to-morrow afternoon at 3 o'clock.

THURSDAY, June 18, 1908.

The committee met at 3.10 p.m.

The CHAIRMAN.—Before we decide on the next proceeding I would like to have the views of the members of the committee on what should be done in the case, I should like to have every member of the committee state his views about it. Mr. Barker will you tell us what you think about it now?

Mr. BARKER.—I think Mr. Lennox and I expressed pretty fully yesterday the conclusions that we came to and which we hold to. Practically what was said then and what we say now is that no action, statement or opinion of Major Hodgins can impede or fetter this enquiry, not even as regards the charges made in his own letter. We say also that the charges made by Major Hodgins may or may not be true, that is a question of evidence, on which his affirmation alone would not be conclusive, neither would any retraction, if he did retract. The enquiry is not limited to any charge made by Major Hodgins, but it extends to the over-classification whether alluded to by Major Hodgins or not. The papers produced show over-classification of which Major Hodgins had no knowledge, and could have no knowledge; the draft agreement of the 10th of Jan., 1908, and the letters produced, show the existence of complaints

APPENDIX No. 5

extending over many months charging over-classification of a most extraordinary character. Those charges and those he refers to should be investigated, that is my view.

Mr. MACDONALD.—Your theory, Mr. Barker, apparently is that we have to investigate charges of over-classification?

Mr. BARKER.—That is the main charge.

Mr. MACDONALD.—What do you say about the statutory provision for dealing with all questions concerning classification.

Mr. BARKER.—Well, Mr. Lennox and I hold the same view except that we do not agree that Clause 7 allows any interference with the question of cost. The purport of the section first is to enable the lessee to have proper specifications prepared for the purpose of the work undertaken by the government; secondly, they are entitled to a reference as to the fact whether these specifications are being carried out or not so as to produce good work.

Mr. MACDONALD.—That is a matter of classification.

Mr. BARKER.—Not as to the cost of it, not as regards classification, classification is for the purpose of payment.

Mr. MACDONALD.—Well, that is the cost, of course.

Mr. BARKER.—That we do not admit, neither do we admit for a moment, whatever the extent of the reference, whether it includes the cost of the work has the reference, at this stage the effect that would preclude this committee, or deprive the committee of its right and duty to go on with the inquiry. It might be that for some reason the government of the day and the Grand Trunk Pacific might see fit for purposes that we need not go into, for purposes of their own, or without any purpose at all, to have an extravagant or improper expenditure. That does not at all preclude the House of Commons from appointing a committee of its own to investigate whether the expenditure is improper or otherwise.

Mr. MACDONALD.—What is your view in regard to the charges of improper conduct on the part of the commissioners, interference as to classification?

Mr. BARKER.—That will be the result of the inquiry, whether there is over-classification or not. It is not perhaps material at present whether they intended them or not; the question at present is whether there is over-classification or not, whether from mistake or otherwise is a separate question.

Mr. MACDONALD.—What do you say to the proposition that there is nobody who has charged improper conduct on the part of the commissioners except Major Hodgins and he has withdrawn those charges?

Mr. BARKER.—He cannot withdraw them, they are referred to this committee, he cannot withdraw them, it is outside of his power to withdraw any charge.

Mr. MACDONALD.—He has the power so far as he is personally concerned, and he has said so far as he is concerned he has no evidence to offer in support of those charges and withdrew them.

Mr. BARKER.—He has no charge to withdraw, he has no more right to withdraw the charges than a person who has been robbed has to withdraw.

Mr. CARVELL.—I cannot bring myself to the view Mr. Barker has in this case. As far as I understand it we are investigating the charge brought against the commissioners by Major Hodgins in the paper in Victoria, B.C., and if you look over this charge, after being, in accordance with the request of this committee, put in proper shape by Major Hodgins after his arrival here, the very first thing he says is that the whole of the trouble between himself and the commissioners is that they wanted him to change the classification; then it goes on all the way through to show that it was clearly a question between Major Hodgins and the commissioners as to what the proper classification was. I can only reiterate what I have stated on two or three occasions that it does not seem to me this is the proper tribunal to decide this question at all, it is provided by statute that this shall be decided in another way. If some of the witnesses produced say there is fraud on the part of the commissioners. I do not know, possibly this committee might go on and investigate that, although I

think to be logical, the work of this committee is ended, because we were appointed to investigate the charges made by Major Hodgins, who has withdrawn those charges in toto, therefore there is nothing left for this committee to investigate. All we can do, to be logical, is to close up the inquiry and report to the House. While I do not want to be put in the position of burking any investigation, if any evidence is produced to show that the commissioners committed fraud, or asked Major Hodgins or anybody else to do what was wrong I do not think it ought to be excluded, but I think we ought to consider our position and let us understand where we are. As far as I am concerned I am absolutely opposed to any evidence being given by anybody as to classification, that is to be decided by another body.

Mr. LENNOX.—Then as I understand it Mr. Carvell's view is substantially as he stated it the other night.

Mr. CARVELL.—About the same.

Mr. LENNOX.—That is that it can be investigated only in the event that some member of this committee comes forward and says, I am prepared to establish fraud.

Mr. CARVELL.—That is it, I take the ground that supposing Mr. Barker's contention is correct, that there is evidence to establish the fact that the engineers are not exercising proper judgment in their mode of classification, that he should take the responsibility as a member of this House to rise in his place and say so on that responsibility, and ask for the matter to be investigated, if he should do that it is a new question entirely. We are not appointed to investigate whether these engineers are properly exercising the discretion conferred upon them, but whether there is fraud between them and somebody else, and that brings up the question suggested by Mr. Barker, supposing there is fraud between them and the Grand Trunk Pacific, that is a proper subject for inquiry if somebody takes the responsibility of making the charge, but until somebody does I do not see that we have any right or jurisdiction in it at all.

Mr. MACDONALD.—We have all heard of the farce of having the play of Hamlet with Hamlet left out. I think there can be no position of affairs that would approach more closely to that condition than that which we now have facing this committee. And I say that for this reason, if this is not a committee to investigate Major Hodgins' charges I do not know what it is to investigate, and if Major Hodgins is not coming to play in this theatre, I do not know where his charges are except they are off the board. It would be just as well to call attention to the way in which this committee's existence was brought about. Mr. Hodgins, in the city of Victoria, B.C., on April 16th, sat down to write a letter to a newspaper in which he made certain reflections on the commissioners and made certain statements which are familiar to us all. This letter was copied in various eastern papers and commented upon by them with the result that the commissioners wrote to the premier asking him to refer the Hodgins charges against them to a committee to be investigated. That reference was made in an order of the House of Commons on April 28th, 1908, in these words :

'That the memorandum of the chairman of the Transcontinental Railway Commissioners to the prime Minister, of date the 23rd April, and laid on the table of this House on the 24th instant, and the newspapers accompanying the same.'

Those papers accompanying the memorandum of the chairman of the Railway Commission being the newspaper articles referred to, 'together with the letter of Major Hodgins to the public press therein referred to be referred to a special committee of five members, with instructions to investigate the matters and charges therein mentioned.'

Then follow the names of the members composing the committee, all of whom are here.

'And that they have power to send for persons, papers and records, etc.'

Now, in pursuance of that order we met on the 29th of April and the first thing we did was that we asked Major Hodgins, the gentleman who made those charges, to come before us. Nobody proposed at the time we should send for anybody else; nobody ever suggested that we should ask any other person to appear here in the role of prosecutor, nor did it ever appear to the minds of anyone that anybody should be

APPENDIX No. 5

considered as initiating this prosecution except Major Hodgins. Major Hodgins came here and appeared, personally, and by counsel and counsel asked that he be compensated by this committee for this service. My honourable friends supported that proposition which was taken under advertisement by other members of the committee and not finally disposed of. If there was anybody else but Major Hodgins and his charges before this committee at that particular date I am quite sure no member of this committee nor the country ever thought so. This was followed up by Major Hodgins' counsel preparing a synopsis of the charges in which he defines the statements and charges which he had made in a more loose way in the newspapers. If there was anybody in this committee or anybody in parliament, or anybody in this country that thought there was anything before this committee on the 11th of May except the statement contained in Major Hodgins' charges as set forth in that document filed by his counsel, I have not heard it. We have spent the time since the 11th of May investigating this statement until on Tuesday afternoon Major Hodgins admitted his desire to withdraw all the imputations in that document reflecting upon the commissioners, and in that connection he stated unreservedly to this committee that he could not prove those statements. This was followed the next day by counsel withdrawing from the case, and in so far as language and acts could go absolutely abandoning the whole proceedings.

Mr. BARKER.—Do you mean to say that counsel abandoned it ?

Mr. MACDONALD.—I have had some experience in legal matters and I have never seen an occasion where a counsel threw up his retainer and walked out of the court room and threw off his gown if Mr. Hodgins did not do so.

Mr. BARKER.—Do you mean to say that Mr. Hodgins, K.C., abandoned the charges ?

Mr. MACDONALD.—I do not see who else he could answer for except when he appeared before this committee as counsel for Major Hodgins.

Mr. BARKER.—You used the words that 'he abandoned the charges.'

Mr. MACDONALD.—He was simply Major Hodgins, and as Major Hodgins he formally abandoned the proceedings before the committee as his client had abandoned his position the day before. It is rather difficult to find many precedents, although I have endeavoured to look for them. I have not heard in the very ingenious statement of Mr. Barker any answer to the position which I have attempted to state. I think that my views are rather confirmed by what he said, except that Mr. Barker goes on and says that we have been under a very big delusion ever since the 29th of April, that it was not Major Hodgins' charges that we were investigating, but some theories of somebody else. In other words, that this committee was not a judicial body, but a body with roving rights to sit here and hear everything that anybody in Canada who chanced to come along might say. I say that is not the purpose of this committee, which was constituted for the purpose of hearing the charges which Major Hodgins made. Major Hodgins having withdrawn those charges, any further proceedings here would be simply a farce, it would be the play of Hamlet with Hamlet left out.

Now, as regards the question of classification, my friend Mr. Barker indicated that he and Mr. Lennox entertained the view that section 7 of the agreement does not provide for the determination of questions such as the difference of opinion between engineers. I think it is a matter of public knowledge, and a matter of record in parliament, that this contract or agreement was discussed at very great length by, I think, Mr. Barker himself, and that Parliament solemnly decided that, anticipating the fact that there would be a difference of opinion between the engineers as to what would be the proper interpretation of the specifications, and as to what would be proper classification, in the event of differences as to the specifications or in the cost, the engineers, that is if the engineers of the commission and the engineers of the company shall differ as to the work (it seems to me that the language is pretty broad, that if they shall differ as to the work, as to the construction of the road or

7-8 EDWARD VII., A. 1908

what shall be paid for it, as to the meaning of the specification—and Major Hodgins says that the only thing left now is the question whether his view as an engineer as to the specifications and their construction, and the work done under them, or that the view of certain other engineers on these things, is correct—it shall be determined by the said engineers, and in the event of their disagreement by a third arbitrator to be chosen in the manner indicated in paragraph 4 of the agreement. I was just going to say it is a well-known principle of parliamentary law that the powers and duties of a committee are limited, marked and defined by the order of reference which creates them. We have no status, no power, no rights of any kind whatever except what are given to us by the order of reference of the 28th of April. We have no right to do anything, to investigate anything, or to deal with any subject except what is mentioned there. If somebody appeared in the newspaper to-morrow with charges of any kind reflecting upon the Transcontinental Commission, that charge could not be taken up before this committee, because it was not referred to us. Such charge would have to be dealt with in parliament, where it could be referred to another committee. That is the only way in which it can reach any committee. We are not a standing committee of the House, such as the Public Accounts Committee, dealing with a general range of subjects contained in that order, and while one is disposed to sympathize with a keen and active opposition which is particularly anxious to attack the government and condemn it and to investigate matters, gentlemen composing the opposition must realize that the principles of parliamentary government define the power of the committee, and I have no hesitation whatever in taking the position that when Major Hodgins abandoned his charges, parliament, the country and everybody regarded the functions of this committee at an end. That is my position, Mr. Chairman.

The CHAIRMAN.—May I ask, Mr. Barker, what you propose to do now? Supposing we were to go on what would you propose to do?

Mr. BARKER.—I propose to take up every case of over-classification which is apparent on the papers already produced and there are scores of cases already developing on those papers—to go into those and either prove or disprove them as the case may be.

The CHAIRMAN.—Major Hodgins asked me yesterday if he could expect to be discharged from attendance immediately as he wants to go home. What is the opinion of the committee? Do I understand that he is now discharged?

Mr. LENNOX.—We are hardly at that stage yet I think.

Mr. CARVELL.—It seems to me that is the stage we ought to reach first.

Mr. LENNOX.—I think we should first finally decide what shall be done. We have heard from three members of the committee, and I count myself a fourth, upon that point. If we decide to do anything further we may want Major Hodgins. So far as I am concerned I do not think we will, but I would like to say something as to whether we should proceed with this investigation. My honourable friend, Mr. Macdonald, made reference to an active opposition. I hope it is not because we happen to be of different political opinions that we chance upon this occasion to differ in our views as to what should be done. I am prepared to assume that every gentleman on this committee is sincerely anxious to do what he believes to be absolutely right. No doubt we come here tinctured to some extent with preconceived opinions that may unconsciously influence our attitude. The desire to be non-partisan is perhaps more in evidence in a committee of this kind, where there are only a few of us, than it is in a large committee like the Public Accounts Committee, and our effort to be judicial is all the greater. I do not understand then that there is any prosecutor at all in this case. I do not understand that either Major Hodgins or his counsel was prosecutor. This matter has been referred to us to investigate and we have to shape the course of the investigation. The question really at issue is as to what was actually referred to us. I do not understand that this is a matter in which one political side or the other should be especially interested. This matter has been referred to us by the House of Commons to investigate and what I contend, Mr. Chairman, is this: The matter so

APPENDIX No. 5

referred was not whether Major Hodgins could establish his charges or not, it was not a matter of whether Major Hodgins appeared at all or not; it was to ascertain whether, as a matter of fact, a system of improper classification had been adopted upon the Transcontinental Railway. We are expected to inquire into that matter and, as an incident, and as an incident only, that it was anticipated that Major Hodgins would be a witness and that he would offer evidence upon that question. It was never contemplated, when this matter was referred to us, that we would be guided or controlled in any degree by the personal opinions or by the suggestions of Major Hodgins except in so far as he could give evidence as a witness. The charges were contained in many documents. Major Hodgins' letter was one, but only one of those documents. The scope of the reference to us was not limited by the letter of Major Hodgins, but by the statements contained in all the documents embodied in the reference. That is evident by the form of the resolution (reads):

'That the memorandum of the chairman of the Transcontinental Railway Commissioners to the Prime Minister of date the 23rd April, and laid on the table of this House on the 24th instant, and the papers accompanying the same, together with the letter of Major Hodgins to the public press therein referred to, be referred to a special committee of five members, with instructions to investigate the matter and charges therein mentioned, and that the said committee be composed of'—

And so forth. To investigate the matters and charges in all those several documents referred to, not placing one ahead of another, not making one more prominent or important than another, but putting all exactly on the same plane. And so, Mr. Chairman, in order to determine the scope of our investigation we have to turn to the documents and ascertain what are the charges contained in those several documents. I discussed this question the other day and will not elaborate that view of it particularly, more than to say, that there were a number of newspapers—the *Winnipeg Free Press*, the *Ottawa Citizen* and the *Victoria Colonist*—containing Major Hodgins' letter and certain editorial matter, and the memorandum of the chairman of the Transcontinental Railway Commission. Now, just referring for a moment as to what I think is the scope of this investigation, in Major Hodgins' letter alone, I submit, there is enough to point out to us that we should inquire—together aside from the presence or absence of fraud—as a matter of fact, whether the bills being sent in from time to time on behalf of the contractors on the Transcontinental Railway are larger than they ought to be. That is the point. This is not a fight between the Grand Trunk Pacific and the Transcontinental Railway Commission, but an investigation between the country on the one hand and the men who are doing the work on the other. The men who are doing the work, that is the contractors and more than these, the men who are representing the country as our engineers and officials on the road and at the head office here. In Major Hodgins' letter we find it stated that the root of the trouble between the commissioners and himself is over-classification. That is not limited to any particular section of the line. Let us see what he says (reads):

'The root of all the trouble between the commissioners and myself is over-classification. They wanted me to change my ideas, based on a good many years experience on construction, to classification that is allowed to the contractors in Quebec.'

MR. CARVELL.—Do you construe that word 'over' to be excessive classification or does it mean 'about' classification?

MR. LENNOX.—I am not very sure about it. 'The root of the trouble between the commissioners and myself was over-classification.' Reading it over the other day I thought he meant exorbitant or high classification.

MR. CARVELL.—I took it to be 'about.'

MR. LENNOX.—It is possible it might be read in another sense but I take it the trouble was 'over' classification.

MR. CARVELL.—Excuse me for interrupting you, I merely wanted to know your views.

Mr. BARKER.—It means 'over' classification.

Mr. LENNOX.—In making this point clear I attach less significance, as far as this inquiry is concerned, to the position of Major Hodgins and to his letters, without disparaging him in any sense, than I do to the larger question disclosed by the documents brought down during the progress of this investigation, the documentary evidence placed before the committee showing as it does, large questions in dispute and a persistent statement by interested parties that there is very general over-classification both on the Québec and Winnipeg sections of the line. Now Major Hodgins goes on to say (reads):

'It was suggested that I should ignore the chief engineer and act independently, that the chief engineer liked to be ignored: I refused to be more liberal in classification than I was then allowing, and suggested that the commissioners not being railroad men should leave the engineering department alone.

'Mr. C. A. Young, commissioner for Manitoba, then advised that I should go to Quebec and see how things were managed in that district, where contractors were not kicking, and get an object lesson. I went, and returned determined not to allow Quebec classification to be introduced into the western district as long as I remained in charge. This, of course, led to trouble, and I got no assistance from the chief engineer.'

Major Hodgins initiated this issue. It is not a matter of prime importance whether he can incidentally sustain it or not. He goes on to say (reads):

'The quickest way for the government to find out if the classification allowed is extravagant or not will be for the Minister of Railways to ask for the monthly reports of the Grand Trunk Pacific Railway engineers, who are stationed on the Winnipeg district and the Quebec district, Messrs. Mann, Heaman and Armstrong; these reports are, I think, sent to the assistant chief engineer of the Grand Trunk Pacific in Montreal. These engineers are well known in the west, and their reports contain much more information on the subject than I have.'

So that even if we were confined to the statements of Major Hodgins alone, in his letter he opens up the clear charge of over-classification from one end of the line to the other. Then he says, and that is all I need quote from the letter (reads):

'As I have already mentioned, let the government ask for the reports and opinions of engineers who are safeguarding the Grand Trunk Pacific interests, and judge for themselves if Mr. Parent is correct in his standard of classification, or extravagant.'

Now the 'Free Press' of Winnipeg said in its issue of April 18th last (reads):

'Alleging broadly that millions of dollars is being wasted or stolen in the construction of the government portion of the Grand Trunk Pacific Railway, Major A. E. Hodgins, C.E., has issued a letter, the object of which is to procure an administrative investigation, &c.'

And then it goes on to say (reads):

'The pith of his charges is that the Grand Trunk Pacific engineers' reports and those in the employ of the government do not tally; that the government is paying padded accounts for the work done, and that the Grand Trunk Pacific people are making no objection because they merely have to pay the added interest.'

Here is the allegation in this paper that there is collusion between the Grand Trunk Pacific and the Transcontinental Railway Commission. That is just as much of a charge demanding investigation, in the interest of the country, as any charge contained in Major Hodgins' letter. And then at page 10 of the printed record we find an extract from the Ottawa 'Citizen' of April 22nd last (reads):

'Troubles are coming fast and thick upon the Laurier administration. The latest are the public charges made by Major Hodgins, late district engineer for four hundred miles of the government end of the Transcontinental Railway. The essence of his statement is that millions of dollars are being boodled in connection with this government work. Names and figures are given and the allegation is made that he was

APPENDIX No. 5

forced out of his position because he refused to be the tool of the boodlers. His professional record and admitted ability give due weight to the assertions which he boldly makes. The charges cover not only his former division but apply to the construction of the whole line through Quebec.'

That also was referred to.

Mr. MACDONALD.—Would you say that the wild talk of every Conservative newspaper in the country in regard to the Transcontinental Railway Commission is before this committee?

Mr. LENNOX.—No, I do not.

Mr. MACDONALD.—These wild comments which are absolutely meaningless as far as practical businesslike statement is concerned.

Mr. BARKER.—The chairman of the Transcontinental Railway Commission himself raised that question and said that he could not remain under these rumors.

Mr. MACDONALD.—If you will read the memorandum of the chairman of the commission at page 15 you will see that he sent the newspaper clippings along to show the publicity which had been given to Major Hodgins' statement.

Mr. LENNOX. I will say this in answer to my honourable friend: that we are not concerned with the general charges, wild or otherwise, of the Conservative press, but we are concerned with the statements in the documents referred to us. The instructions of the House of Commons were to investigate 'the matter and charges therein mentioned,' and I do submit with the greatest confidence as to what the ultimate judgment in this matter will be, that we cannot place the charges contained in any one of these statements ahead of the charges contained in another. Mr. Parent collected what he thought was material and attached to his letter these various newspaper extracts.

Mr. MACDONALD.—To show the publicity given to them. I ask my honourable friend whether it is not fair to say that all these newspaper comments were introduced to show the publicity that had been given to Major Hodgins' statements?

Mr. LENNOX.—My honourable friend Mr. Macdonald, may be quite right but I do not understand it in that way. I do not want to go beyond Mr. Parent's own statement. Let me here interject what Mr. Parent said in summing up. He says (reads):

'You will find attached newspaper clippings in reference to Major Hodgins' letter and all correspondence relating to the circumstances of his dismissal; also a letter from our chief engineer, Mr. Lumsden, on the same subject.'

'In conclusion, the commissioners would respectfully request, as they do not wish to remain under the aspersion which such reports cast on them, that the whole matter be referred to and looked into by committee of the House and that Major Hodgins be assigned to appear before the same to repeat his charges in a specific manner in order to substantiate them if he can.'

Now I think it is only fair to say that we are not controlled altogether, or controlled very much probably, by the terms of this letter. It does not necessarily control the Order of Reference. Now we also know that in the editorial matter of the Colonist, which I need not read, there are very sweeping charges of over-classification, not the charges that Major Hodgins filed, or that he could to the fullest extent substantiate, or adopt. Major Hodgins in this matter is only the initiating party. The matter got beyond Major Hodgins within a day or two and when it had assumed a certain phase the government took it in hand and said, 'We will refer this whole matter to be investigated by a committee.' But I will also say this: that we are not driven to a question of difficult construction of the meaning of the reference because every member of this committee is upon record in reference to it. I repeat, Mr. chairman, every member is on record including yourself—although you have not yet to-day expressed any opinion—as to what we ought to investigate, and every member, if I construe his utterances properly, has said that our investigation goes beyond Major Hodgins' charges and is not controlled, or to be guided in any way, by the attitude which Major Hodgins may happen to take. Turning to page 74.—A discussioⁿ

7-8 EDWARD VII., A. 1908

is taking place as to what Mr. Hodgins shall put in as his synopsis of his case. Let me quote from the discussion (reads):

'Mr. HODGINS.—I think I read one of the cuttings some days ago.

'Mr. CARVELL.—I presume you would admit, in case the formal charges which you may make here as representing Major Hodgins did not include everything in reference to this committee, that the committee would still have the right to go on and enquire into the foundation in the charges in the newspapers and in the reference.'

Now that is pretty definite (reads):

'Mr. HODGINS.—I did not quite catch your question?

'Mr. CARVELL.—In case the formal charges you will prefer do not include everything mentioned in the reference, you will admit the committee have the power to go further and investigate everything that is in the reference.'

In other words, if Major Hodgins had backed out completely at first, as he did not, or at the last, as he did, it does not affect what is referred to us to investigate; our right, or rather I should say our duty, to proceed in this matter is only limited, if at all, by the impossibility of carrying out what has been entrusted to us. If we can proceed we should allow no difficulty, such as that of Major Hodgins changing his mind, to prevent us from going on. But let me quote further from the discussion (reads):

'Mr. MACDONALD.—It being understood—I think Mr. Parent has so understood and I understand Mr. Hodgins, K.C., to say so—that the memorandum he proposes to submit to us does not relate to anything outside of what has been already referred to the committee in the papers but is only a summarization of the allegations contained in the newspapers.'

Mr. MACDONALD.—Certainly. Do you mean to suggest that I said we could investigate anything more than is contained in the charges?

Mr. LENNOX.—Some of the statements made here are perfectly definite you will find. Of course, I do not want to force my argument upon the judgment of any honourable friend.

Mr. MACDONALD.—You will find some difficulty in supporting your contention from anything that I said.

Mr. LENNOX.—I do not say that every one of the sentences quoted are conclusive but they go to bear out my contention. Let me proceed with the quotation (reads):

'Mr. CARVELL.—And does not necessarily curtail our rights.

'Mr. LENNOX.—Does not either enlarge or curtail.

'Mr. PARENT.—I know what is coming, gentlemen, Mr. Hodgins said so a minute ago. What he wants is larger scope.

'Mr. MACDONALD.—There will be no larger scope, he has to confine himself to the reference.'

Mr. MACDONALD.—Hear, hear.

Mr. LENNOX.—That is all right. It is not conclusive, I admit.

Mr. MACDONALD.—It is conclusive against you.

Mr. LENNOX.—I say myself, and I have said from first to last and my honourable friend will agree with me, that we must be confined to the reference, but that it gives us larger powers and imposes upon us larger duties than my honourable friend admits. But to quote once more (reads):

'Mr. CARVELL.—I am afraid Mr. Parent has misunderstood the object of the discussion?

'Mr. PARENT.—No, I have not.

'Mr. CARVELL.—I think it is in the minds of every member of the committee that we will not allow Mr. Hodgins to enlarge his charges as contained in the newspaper reports.

'Mr. BARKER.—Nor reduce them.

APPENDIX No. 5

‘Mr. CARVELL.—If he proposes to reduce them then so far as I am concerned speaking for my own part, I would say we ought to stand by the reference to the committee and after Major Hodgins makes his charges then we will know what course to pursue.’

Some of these statements are not definite, but that is definite and positive I submit (reads):

‘Mr. LENNOX.—With all due respect we must confine ourselves at present to determining what is the best procedure to follow in order to carry out what has been referred to us. That we are endeavouring to do. The charges made by Major Hodgins will be, to some extent, perhaps, of assistance to us; but we have to travel exactly upon the lines of what has been referred to us, neither enlarging nor circumscribing them. That fact does not relieve us from the duty of pursuing the matter just as it has been referred to us nor from investigating all the questions referred. I think every member of the committee understands that.

‘Mr. CARVELL.—Yes.’

That is pretty definite.

Mr. CARVELL.—I have not departed from that attitude, Mr. Lennox.

Mr. LENNOX.—It is not my object to raise any greater number of debatable points than are inevitable and I am not saying that my honourable friends are wrong. I am only presenting my views and I am at the same time very clear in the conviction that they are right. Now, on the next page (reads):

‘Mr. CARVELL.—I do not think that was the intention of the committee, though.

‘The CHAIRMAN.—The committee will not allow you to make new charges. As I understand it we will take those charges that have been made in the public press.’

That is what the chairman said and he is the greatest authority we have.

Mr. MACDONALD.—That is right. He made the charges in the public press.

Mr. LENNOX.—My honourable friend says that is right. What are the charges in the public press? If you take the newspaper clippings which have been referred to us you will find they contain charges of the most flagrant character, of boodling.

Mr. MACDONALD.—Does that refer to the alleged interview?

Mr. BARKER.—It is in the press clippings attached to the reference.

Mr. LENNOX.—The charges that are contained in the press.

Mr. MACDONALD.—I thought you stated a while ago that the wild talk of irresponsible newspapers was not to be regarded?

Mr. LENNOX.—No. If you take the wild talk of irresponsible newspapers, or any newspapers, subsequent to the 28th of April, or outside of the documents referred to us and they are not to be investigated. Now the chairman in the discussion from which I have been quoting stated (reads):

‘The CHAIRMAN.—The Committee will not allow you to make charges. As I understand we will take those charges that have been made in the public press.’

What I am claiming, Mr. Chairman, is this: That at the beginning of this transaction we all understood it exactly in the same way.

Mr. MACDONALD.—Not at all. I absolutely disclaim any interpretation you choose to put on anything I have said. I have said nothing before or since except that we are to investigate what is contained in Major Hodgins’ charges. There is no language of mine that will bear any other interpretation.

Mr. LENNOX.—I am not saying that my honourable friend is right or wrong. I am simply giving his language to the committee.

Mr. MACDONALD.—Very well let us have it, Mr. Lennox.

Mr. LENNOX.—I am not going to repeat it.

Mr. MACDONALD.—You cannot quote one word of mine since the beginning of this case that would justify the interpretation you seek to make.

Mr. LENNOX.—I am not going to indicate anything except what I have read and am about to read.

Mr. MACDONALD.—You may read all that you can find and you will discover nothing that will indicate that your contention is correct.

Mr. LENNOX.—Please allow me to go on.

Mr. MACDONALD.—Why do you persist in saying that which is not correct ?

Mr. LENNOX.—What am I saying that is not correct ?

Mr. MACDONALD.—That at various stages of this inquiry I had made the statement that I regarded the purpose of the inquiry to be along the lines you state.

Mr. LENNOX.—I am not aware of having said anything of the kind.

Mr. MACDONALD.—What is it you say then ?

Mr. LENNOX.—I have simply read statements that I say bear out this construction: that at the beginning of this investigation all the members of the committee viewed it in the same way.

Mr. CARVELL.—All agreed that we would not go outside the reference and now the question comes down to what is in the reference.

Mr. LENNOX.—I do not think that the mode of procedure is exactly fair.

Mr. CARVELL.—I beg your pardon. It seems to me you are reading from these pages to show that we would not go outside of the reference.

Mr. LENNOX.—If the quotations that I am giving do not bear the construction I put upon them then my argument falls to the ground.

Mr. MACDONALD.—It is a construction of what the reference means.

Mr. LENNOX.—Yes, and I first dealt with the reference. I say that the reference on the face of it shows the scope of this inquiry to be as wide as I claim it to be. Then I referred to the charges contained in the newspapers. The next point is how we understood the reference to us and how we are going to conduct this inquiry. Now let me quote further from the discussion at page 78 (reads):

‘Mr. MACDONALD.—I think we are playing at cross-purposes. I think what Mr. Hodgins, K.C., means is this: He proposes to indicate out of this letter and interview in the paper what particular portions he proposes to prove.’

‘Mr. CARVELL.—If he stands by that there is no objection.

‘MACDONALD.—That is how I understand it, and the committee have the right to investigate everything contained in the Order of the Reference.’

Mr. MACDONALD.—Hear, hear. Let me direct my honourable friend's attention to the point at issue. What I said before was this: That Mr. Hodgins, K.C. was proposing to indicate out of Major Hodgins' letter and interview what particular portions he proposed to prove and I said that I understood we had the right to investigate everything contained in that letter and interview even supposing he did not propose to prove it or that he did not state it.

Mr. LENNOX.—Quite so.

Mr. MACDONALD.—Well, Major Hodgins abandoned everything in the letter and interview and disclaimed it.

Mr. LENNOX.—My honourable friend will allow me now (reads):

‘Mr. PARENT.—We have been accused in the newspapers—

‘The CHAIRMAN.—Yes, it has been spread all over the country.

‘Mr. PARENT.—If the gentleman is allowed to limit his charges, I suppose the evidence will be confined to that ?

‘Mr. CARVELL.—Oh, no.’

Now it is argued that because Major Hodgins thinks fit to say that he does not want to pursue this matter, therefore, we are to abandon it. But at that time it was suggested that even if he limited his charges, the evidence would not be confined to that. You will notice that Mr. Carvell declares ‘Oh, no,’ and then Mr. Macdonald made the statement ‘Do not worry about that.’

Mr. MACDONALD.—Certainly. The major has not asked to limit his charges but he has abandoned the whole of them.

Mr. LENNOX.—Mr. Chairman, I must appeal to my honourable friend not to interrupt.

APPENDIX No. 5

Mr. MACDONALD.—I object to my honourable friend misrepresenting my position or trying to argue that I ever took a position similar to the one that he is taking now. I absolutely disclaim it.

Mr. LENNOX.—I do not know that my honourable friend makes it any better.

Mr. MACDONALD.—It would be fair and manly for you to say that you are mistaken in the language.

Mr. LENNOX.—I submit that my honourable friend has no right whatever to make that remark. I have been manly to the extent of reading just what is on the record almost without questioning the honesty or fairness of their intentions. I claim the same consideration for myself. I think I may consider myself to be fairly honest but I will not put myself in contrast with any of my honourable friends.

Mr. MACDONALD.—The matter has not reached that stage. I must confess that I do not see what your position is.

Mr. LENNOX.—My honourable friend is either very obtuse or else I have failed to express myself clearly. The question referred to us is whether the classification on the Transcontinental Railway is too high or whether it is right. That was the matter referred to us.

Mr. MACDONALD.—Nothing else?

Mr. LENNOX.—Not the question what Major Hodgins will substantiate or fail to substantiate, but to find out whether the bills sent in for work on this railway are too large and the country being robbed. That was referred to us at a time when all that existed with reference to this arbitration was well known, when every step with reference to it, so far as we have any evidence, had been taken as far as it is to-day; and there is no argument that could be advanced to-day in favour of leaving this matter to arbitration than was present to the mind of the Premier when he referred this matter to us.

Mr. MACDONALD.—We are not as yet very much clearer as to what Mr. Lennox is trying to show.

Mr. LENNOX.—I do not want to try and force conclusions into my honourable friend's mind. I will try and lodge them somewhere else though, (reads):

'The CHAIRMAN.—We will have the right to examine Major Hodgins on the rest of the charges which he may drop, even if he does not prefer them.

'Mr. PARENT.—As far as we are concerned we would like to go through the whole of the charges contained in these newspapers.

Mr. HODGINS.—Let me say that I have not asked to drop any charges. It may happen that when Major Hodgins prefers his charges there may be omitted matters which have been referred to us. Nevertheless although he may not claim to be able to establish it, we can investigate the matter, as it has been referred to us.

'The CHAIRMAN.—I understand the fear entertained by Mr. Parent to be this: These charges having been printed in the newspapers and circulated all over the Dominion it would not be fair that any of the charges or points dealt with in the newspaper articles should be dropped altogether.

'Mr. BARKER.—Oh, no.

'The CHAIRMAN.—I understand it to be the feeling of the committee that they should not be dropped.

'Mr. HODGINS.—I desire to repeat again that that is Mr. Parent's suggestion, not mine.

'Mr. LENNOX.—We will allow nothing to be dropped.

That concluded the whole matter. So that I submit whatever difficulty may arise between us now as to our powers, a reasonable interpretation of the language I have read would be: First, that the proper construction of the order of reference is that we shall investigate the question of classification on the Transcontinental Railway, without going into any distinction as to how or with whom, the charges arise and dealing only with such engineering questions as are necessary and incidental to a finding on the question of class-

7-8 EDWARD VII., A. 1908

ification as a question of fact; in a word, whether more is being charged and paid for upon the line than ought to be charged for and returned and paid. Now that is the scope of the reference. That I submit, from the quotations I have read, was the attitude of members of this committee when the investigation began. Now, questions of very great importance with respect to classification not only on the Quebec division, but also on the western division of the Transcontinental Railway, have arisen; that is perfectly apparent from the correspondence that was brought down and placed before the committee. Upon that point I do not wish to delay the committee, because I think my friend Mr. Barker will refer to some of the letters dealing with classification, further than that I want to refer briefly to the question of arbitration. Let me say that on the 28th April, when this matter was being referred to us, the question of a reference to arbitration was then in existence just as much as it is to-day. The Prime Minister, and presumably every member of the House, knew of that fact as well as we know it to-day. There was the agreement of the 10th January by which it was provided that certain questions, as between the Grand Trunk Pacific and the Transcontinental Commission, should be determined by arbitration, doubtless acting under clause 7 of the main contract between the company and the government. With that knowledge the Prime Minister saw fit to move, and the House saw fit to agree, that this matter should be referred to us to investigate. What right, therefore, have we to take the suggestion of Major Hodgins that he thinks it would be better to have this question investigated by experts? What right have we to accept this suggestion that he thinks this matter could be better worked out under the provisions of section 7, or what right have we to adopt the suggestion of any other person in that respect, when the Order of the House of Commons was that we should, notwithstanding those facts, go on and investigate? And aside from that is there not another reason why this matter should be investigated by us? This inquiry is a matter between the people and the commission on the one side and the contractors on the other. The reference provided for by the contract of the 10th January is a question not between the people and the commission, but between the commission, representing the country, and the Grand Trunk Pacific Railway Company. The question here is an entirely different one. In the matter referred to us the railway company have no right to intervene. In this case the Railway Commission are upon trial. In the other case they will, or should, be active parties asserting the interests of the country. The contrast is as great as can possibly be drawn. There can be no more distinct contract than is presented by a view—a very brief view—of the situation such as I have just indicated.

Mr. CARVELL.—I do not want to interrupt you in this speech that you are making but would it not be better to discuss this matter in the light of what we can do? Later on we can make our speeches.

Mr. LENNOX.—Well, I do not know that. I have not been intentionally doing anything wrong.

Mr. CARVELL.—I do not charge that you are.

Mr. LENNOX.—I am not intentionally going astray.

Mr. CARVELL.—You can repeat the speech in the House and there obtain wider publicity and a better audience.

Mr. LENNOX.—It would perhaps meet the case if I spoke in a lower key.

Mr. CARVELL.—I am afraid you are departing from the judicial attitude that you wished to pursue.

Mr. LENNOX.—I will get down to where we ought to be. I repeat that in the one case the investigation is one in which is the commission is ranged on one side and the railway company on the other. In that case the commission necessarily is acting for the people. In this investigation the commission—I do not mean at present that they are subject to any damaging innuendoes—are on trial and the trial is to find out whether or not over-classification prevailed upon the railway line of which they have the management and control.

Now, I come to the question of the reference and the provision which has been

APPENDIX No. 5

read out to us, clause 7. I said the other night when I heard the clause read, that I was not sure that it in any way covers, or could possibly cover, the matter that we are now dealing with. I have found out since by reading the documents produced that that view is entirely sustained by weighty legal authority and was recognized evidently by the commission long before this investigation took place. Section 7 of the Act for the construction of the Transcontinental Railway reads as follows (reads):

‘In order to insure, for the protection of the company as lessees of the eastern division of the said railway, the economical construction thereof in such a manner that it can be operated to the best advantage, it is hereby agreed that the specifications for the construction of the eastern division shall be submitted to, and approved of by, the company before the commencement of the work, and that the said work shall be done according to the said specifications and shall be subject to the joint supervision, inspection and acceptance of the chief engineer appointed by the government and the chief engineer of the company, and, in the event of differences as to the specifications, or in case the said engineers shall differ to the work, the questions in dispute shall be determined by the said engineers and a third arbitrator, to be chosen in the manner provided in paragraph four of this agreement.’

Now this provides for two things: In the event of differences arising between the two engineers as to ‘the specifications,’ or in the case of engineers shall differ as to ‘the work,’ then there shall be a reference. Now what is the meaning of ‘differences as to the specifications?’ It means that in order that there shall be a workable road—as is said here ‘economical construction thereof in such a manner that it can be operated to the best advantage’—the company is given a voice in the framing of these specifications. Their engineers are to consult with the engineers of the Transcontinental Commission as to whether the specifications should be this or that and of what standard the road shall be; what the class of road shall be so that it can be economically and advantageously operated. That is the first point and if they differ as to that before the work commences that is to be determined by reference as provided. The other point is, as to whether or not, as a matter of fact, the work, when it is built or is being built, has been built or is being built in accordance with the terms of these specifications as they are worded and nothing else.

Mr. BARKER.—Is the work being done?

Mr. LENNOX.—Is the work being done according to the plans, is it up to the standard provided in the specifications? First it is determined what the requirements shall be, what class of road is to be built, secondly the company is to have a voice in saying whether it is built in that way or not.

Mr. MURPHY.—Will my learned friend permit me to ask him a question?

Mr. LENNOX.—Yes.

Mr. MURPHY.—Do I understand you to argue that in the preparation of the specifications, when they reached the stage that they shall be submitted to the company, if there is a difference then between the company and the Transcontinental Railway Commission, that difference would be submitted to arbitration?

Mr. LENNOX.—To arbitration as I understand it.

Mr. MURPHY.—As to the text?

Mr. LENNOX.—As to the text. That is determining the standard of the road, and if there is a difference as to the standard that must be determined before the commencement of the work. The other point is as to whether, when the work is being done or after it has been done, it has been built according to what is there defined. If that argument is right then it becomes an absolute absurdity to argue that such a reference covers the matter we are here dealing with. Now, sir, I find in the papers brought down, a letter from contractors Macdonald and O’Brien complaining of the interference of the Grand Trunk Pacific Railway Company and they point out, in what seems to be a very elaborate way for contractors and in a lengthy legal argument, that the construction of the statute is on the lines I have been arguing, and that the company have no right to intervene at all. I am not interested in that point

7-8 EDWARD VII., A. 1908

just now. However, the matter was referred by Mr. Ryan, under the authority of the commission, to Mr. Atkinson, the law clerk, and the latter gives this construction of the law which I propose to read. Let me say, before I do read the letter, that I am not going to argue that on the construction of section 7 the question of ultimate cost may not come in upon a liberal or strained construction of the section. I believe that was probably one of the objects in view at the time of framing it, but I am prepared to say, without any qualification, that it is not the legal construction of the clause, and that although the country will no doubt accede to that proposition when the time comes and must do so in order to keep faith with the railway company, it is not the legitimate construction of that clause and never would cover it in a court of law if it came to a matter of litigation.

Mr. MACDONALD.—When the engineers differ as to the work, that is to be referred.

Mr. LENNOX.—I am going to confine myself to the reading of this letter. It is better expressed, perhaps, than I could put it. It was my idea when I gave some attention to this point first and I was very pleased at finding this letter.

Mr. MACDONALD.—It is a good thing to have a case.

Mr. LENNOX.—The letter is as follows (reads) :

‘OTTAWA, Nov. 7, 1907.

P. E. RYAN, Esq.,
Secretary.

DEAR SIR.—Yours of the 4th instant with copy of letter from Contractors Macdonell and O'Brien, dated October 31st, ult., has been considered, and in reply beg to report that I concur with the view taken by the contractors so far as it concerns the rights and powers of the engineers of the Grand Trunk Pacific Railway Company, in relation to the question of classification under the contract and specifications as between the contractor and the commissioners. The letter is evidently the production of a lawyer who has carefully analyzed the Act.

I might say, however, that after the specifications have been agreed on and the contract for the work entered into, they are annexed to and form a part of the contract. Section 7 of the Act provides that ‘the said work shall be done according to the said specifications.’ Paragraphs 33 and 35 of the specifications provide that classification shall be under the control of the engineer, that is, the engineer as defined in clause 2 of the contract, namely: The chief engineer of the commissioners, he and his assistant engineers are invested with full powers in regard to classification, as between the contractor and the commissioners.

The Grand Trunk Pacific Company approved of the specifications before the work began, and then so far as the work is concerned its right is limited by the Act to supervision, inspection and acceptance through their chief engineer acting jointly with the chief engineer of the government, and which is a matter between the government and the company.

I can find nothing in the statutes or the contract whereby the company has a right to interfere in the matter of classification as between the contractor and the commissioners.

I do not agree with the opinion of the contractors that in the event of difference between the two engineers as to whether the work is carried out in accordance with the plans and specifications, that arbitration only could take place on the completion of the whole, or at least a section of the work. It might well happen that during the progress of the work differences would arise between the two engineers that would have to be settled by arbitration, otherwise the joint supervision and inspection would be comparatively futile.

I am, yours very truly,

H. ATKINSON,
Law Clerk.

The writer of the letter says that the first point in the statute was carried out before the work began, that is to say the form of specification was agreed upon. The

APPENDIX No. 5

opinion was expressed that no arbitration could arise until the end of all the work. Mr. Atkinson does not agree with that. Furthermore, this clause should not, if his construction of the law is right, should not, and could not, be invoked for a matter such as we have here. I submit that we have not had brought down, although there has been an abundance of legal opinions in connection with this case, any legal opinion controverting that interpretation.

Now there are a number of papers which ought to be referred. I do not know whether all the members of the committee have been carefully following and reading the documents laid before us from time to time. If not, they do not realize, and cannot realize, what an enormous, what a vital, question is at issue here; what an enormous amount there is at stake in this investigation. The position, as I submit, is this: before the money is paid to the contractor, before the injury has been done, before the loss has been sustained let us take the step that will put us right. Let us find out whether there is or is not improper classification on the Transcontinental line. It is in the interest of the people. Let us find out incidentally whether those who have been placed in charge should be in charge. Some of my honourable friends say that this is a matter in which the engineer is all powerful but if that is the case it is all the more important that we should know whether our rights are being protected or not, whether, as a matter of fact, enormous over-classification exists on that line or not.

Mr. MACDONALD.—Would not the decision of the Board of Arbitration, if it is a board under section 7 to determine the amount the country has to pay, in any event, as a matter of fact, be law? I think so, and I think it would be maintained by the courts of the country.

Mr. LENNOX.—If there is an arbitration, such as my honourable friend speaks of, between the Grand Trunk Pacific and the Railway Commission, it is merely to determine what interest shall be paid. The contractors are not parties to that and they are not bound by it; and if the chief engineer of the Transcontinental Railway Commission has once certified improperly that an item shall pass, there is no power in this country that will prevent the contractor from recovering the money. There is no power that will prevent its recovery for this reason: the contract says the certificate of the engineer shall be final, and some of my honourable friends on the committee have invoked it as an argument. I want to turn it in the other direction and show you that the determination of this question between the Grand Trunk Pacific and the Transcontinental Commission does not decide what we ought to do and does not restore to the treasury the money which has gone and has been going, according to the evidence given here, under circumstances which at least call very distinctly for an investigation, which call for us, as I submit, to be on the alert now and to prevent this evil, if it has existed, from going on any longer. If we go on paying this money, under the certificates of the resident engineer and the various engineers, who come in between him and the chief engineer, and on the certificate of the chief engineer, when the money is paid there is no power that can recover that money even if these contractors all remain solvent. If it is found that \$28,000,000, or half of that sum, or any amount at all, has been over-paid, the country will be at the loss, and it will not relieve the people at all that in the arbitration between the commission and the Grand Trunk Pacific that item is reduced. It is too much to hope that after my friend, Mr. Barker, has also called attention to the evidence that has been submitted and the documents that have been produced, we will have a majority of this committee in favour of going on with the investigation? It is what parliament expected us to do, it is what the country expects us to do, and it is what we should do. It may be a difficult matter, it may involve a great deal of work, but I think that having undertaken this investigation we certainly ought to go on and complete our work.

Mr. CARVELL.—I know you gentlemen will not listen to a long legal argument from me in reply to my learned friend and I am not going to inflict one upon you. I wish, however, to point out some of the inaccuracies, as I view them, in his very lengthy

7-8 EDWARD VII., A. 1908

and somewhat legal argument. My honourable friend has read an opinion submitted to the Transcontinental Railway Commission on the 7th November last, as a justification for the position which he takes in which the law clerk claims, among other things, that the board of arbitration has not the broad rights over the question of classification that the Grand Trunk Pacific Railway Company maintain they have. I am bound to say as I read the statute I would not come to the same conclusion as Mr. Atkinson does. I say it with all due deference to Mr. Atkinson, a gentleman whose ability I recognize and appreciate very highly. Still I cannot construe the statute exactly as he does. However, that has very little to do with the case because for fear that might be the proper construction of the contract, a new contract was entered into shortly afterwards, on the 10th January, 1908, between the commissioners and the Grand Trunk Pacific by which they absolutely prevented—

Mr. BARKER.—Read the first line of the contract.

Mr. CARVELL.—By which they absolutely prevented any possibility of loss occurring to the country through the proper or improper construction of this contract and in this second contract of the 10th January it is provided as follows: (reads):

'Monthly estimates for contractors'—

Mr. BARKER.—Oh, no, please read it from the beginning.

Mr. CARVELL.—'Memorandum of Agreement to be drawn up'—

Mr. BARKER.—'To be drawn up.'

Mr. CARVELL.—Certainly, what in the world are you talking about?

Mr. BARKER.—Talking about English. That is an agreement to be drawn up.

Mr. CARVELL.—If that is not splitting hairs I don't know what you call it. Does Mr. Barker mean to say this contract is not in existence?

Mr. BARKER.—It is good enough as far as it goes.

Mr. CARVELL.—There is a document exactly in these terms signed by the two bodies. If you want it we will produce it.

Mr. BARKER.—I think it is very important myself.

Mr. CARVELL.—I don't think my honourable friend is doing himself justice. I want to know in the first place does he think the commission would produce a document that they put forward as a memorandum of agreement that never was completed? If he does let us stop right now.

Mr. BARKER.—I ask you to read what is in it.

Mr. CARVELL.—I will read it but I will ask my honourable friend to be fair.

Mr. BARKER.—I want you to be fair.

Mr. CARVELL.—My honourable friend is not out on the stump, for which he is irresponsible, but here on an important committee. He is saying something that I think he will consider on reflection he should not have said.

Mr. BARKER.—I objected to you beginning to read in the middle of an agreement.

Mr. CARVELL.—I will state here on my reputation as a member of this House that this is an exact copy of an agreement which exists. I have never seen the original itself, but I will state that. If I cannot produce it to my honourable friend I will withdraw what I have said.

Mr. BARKER.—I do not dispute that the agreement exists but I object to your reading only half of it.

The CHAIRMAN.—I suppose Mr. Carvell has a right to read it as he pleases and then you, Mr. Barker, can read it afterwards.

Mr. BARKER.—The honourable gentleman is reading as an agreement entered into, an agreement that professes to be entered into.

Mr. CARVELL.—I am going to read it anyway and then my honourable friend can discuss it. He can deny its existence if he wishes to.

Mr. BARKER.—I do not deny its existence.

Mr. CARVELL: (Reads):

'Monthly estimates for contractors shall be submitted promptly from time to time by the chief engineer of the commissioners to the company's assistant chief engineer at Montreal for approval. If he has any objection to such estimates he shall promptly

APPENDIX No. 5

file the same with the chief engineer of the commissioners, and any objections from time to time filed shall thereupon be considered and, if possible, determined by the said engineers, and in case of their failure to agree, may then or at any time before or at the time of the final payment, at the option of either party, be considered and determined by arbitration as provided in the agreement of the 29th July, 1903, but in no case shall the payment of monthly estimates be delayed except with the consent of the commissioners.

‘In case the chief engineer of the commissioners and the assistant chief engineer of the company disagree as to the final payment, the same shall be withheld until the matter is determined by arbitration as provided in the said agreement of 29th July, 1903.’

Mr. BARKER.—Who signs that?

Mr. CARVELL.—The initials on the side of the sheet are ‘C. M. H.’ That would be C. M. Hays. ‘H. D. L.’, that would be H. D. Lumsden. ‘S. N. P.’, that would be S. N. Parent, chairman of the commission.

Mr. LENNOX.—I would like to ask Mr. Carvell a question. I would like to know from him, as an able lawyer, whether he thinks, assuming that agreement to be just as he finds it, that the chairman of the commission, or the commission as a whole, has any power whatever to make such an agreement? As a matter of fact are their powers in dealing with this railway company not confined to the statute that we passed?

Mr. CARVELL.—I will answer that by asking another question. If the commission do make an agreement like this and stand by it, is the country damaged any?

Mr. LENNOX.—It may be very greatly damaged.

Mr. CARVELL.—Then I will take issue with you. As I said some time before the interruption of my honourable friend—

Mr. LENNOX.—You did not answer my question.

Mr. CARVELL.—If you want a categorical answer I say that I think they have a right to make the agreement. They have made the agreement and they are living up to it. It was made for fear the view of the law clerk might be correct that clause 7 of the original agreement did not provide for classification. Now, sir, we do not want to forget that by the statute creating this commission the contractor who enters into an agreement with them agrees that the certificate of the chief engineer shall be final. Therefore, that disposes of the whole mare’s nest which my honourable friend, Mr. Lennox, has conjured up in his mind as to what would happen if these contractors were paid their money and the country would never get it back. It simply gets down to this, that the chief engineer of the commission is the sole arbiter between the commission and the contractors, all that he has to do if he finds over-classification has been reported for one month is to cut out an equal amount for the next month, or successive months thereafter, as soon as the amount is determined, and the contractor has to accept the amount which the chief engineer awards to him for the month in question. In that way the over payment is withdrawn and the country is protected. That gets rid of the difficulties which my honourable friend Mr. Lennox has conjured up in his mind. Now, to go back just for a moment. My friend spent half an hour of our valuable time reading the opinions of different members of this committee at, I think, our first session as to the scope of this investigation, and he read the opinion of practically every member of the committee stating that no matter what Major Hodgins’ counsel would include in his charge we were bound by the reference, we would not go beyond it, but would go to the full extent of the reference. But he did not read one word by any member of this committee as to what they considered was the proper scope of the reference, and I am a little disappointed in my honourable friend for taking that one-sided view. If he had referred to page 81 he would have found that I, as one member of this committee, stated what my views were as to the scope of the reference. I would ask my honourable friend to look it up while I read it. I took exactly the same view at the inception of this committee that I take today. I took the view then that this committee was not appointed for the purpose of

7-8 EDWARD VII., A. 1903

deciding whether the engineers were right in their classification, in their individual cases, or not. I take that position to-day and for the benefit of my honourable friend I will read what I stated. There had been a discussion going on at the sitting of the committee referred to as to whether Major Hodgins should give evidence at once or whether he should have time in order to get papers. A large bundle of documents had been produced here by the commission which, as a matter of fact, were copies. Major Hodgins stated that he did not think he could prefer his charges until he had the originals. I could not see the necessity for it but, however, in the course of the conversation this statement was made by myself at page 81. I will go back a few sentences (reads):

'Mr. HODGINS.—Do you suppose that any witness should be put in the box and denied access to the papers which would bear out the evidence he is giving?

'Mr. MACDONALD.—He knew enough to write a letter to the press and to make charges against people and he ought to be able to prove his charges.

'Mr. BARKER.—He wants the documents to prove what he says.

'Mr. CARVELL.—There are practically three or four branches to the charges contained in this letter. We are discussing entirely the question of classification which to my mind is very unimportant part of the matter because that has to be settled later on by arbitration. To my mind the point in this charge is that Major Hodgins claims he was dismissed from the service of the Transcontinental Commission because he would not classify as the commissioners wanted him to do. He does not require documents in the possession of the commission to specify that. He can say whether it is true or not.'

Now, that is exactly my position to-day. As I stated early in this sitting if any member of this committee, or any member of the House, wants to call witnesses to prove fraud or improper conduct on the part of any member of the commission or of their engineers, I do not think we ought to shut it off because that to my mind is the true intent or true meaning of Major Hodgins' letter, or charges if you so call them. That was in my mind at that time as the true object for which this committee was appointed. It is my opinion to-day and, therefore, I will stick to what I stated at the very commencement of this committee. I do not think it is our business to spend much or little time in investigating a matter upon which we cannot make a final pronouncement and on which the verdict may be changed two months or one month from now by the tribunal which has the power, according to the law, to say whether we are right or we are wrong. For these reasons I feel that this committee should not take up the time of members in calling witnesses to prove whether the engineers of the Transcontinental Railway or the engineers of the Grand Trunk Pacific company are right or wrong in their respective estimates as to the classification in any given instances.

Mr. BARKER.—I would like to say a few words, Mr. Chairman, on the question of this proposed arbitration. I will endeavour to be as brief as possible and to confine myself to reading a few letters, or extracts from a few letters that show just how much this arbitration amounts to thus far. The other day Mr. Murphy referred to this arbitration as an existing fact and Mr. Carvell this afternoon produced a document containing a memorandum of agreement intended to be entered into.

Mr. CARVELL.—Do be fair and say agreement.

Mr. BARKER.—The words are exactly as I say them—intended to be entered into.

Mr. CARVELL.—You are not doing yourself justice.

Mr. BARKER.—I will take care to do myself justice, you need not bother about that (reads):

'Memorandum of agreement to be drawn up between the commissioners of the Transcontinental Railway and the Grand Trunk Pacific Railway Company.'

I only wish to read what is on the paper, not to put my interpretation on it. That paper is initialed by three gentlemen, whether by the authority of those they purport to represent or not, does not appear. I do not know that Mr. Hays by putting his

APPENDIX No. 5

initials to a document binds a corporation. I do not know that the Honourable Mr. Parent by putting his initials to a document binds anybody at all but himself. I will refer now to a letter produced by the commissioners dated on the very day that this subject was referred to us by the House of Commons. There is a letter from the assistant chief engineer of the Grand Trunk Pacific addressed to the chief engineer of the Transcontinental Railway Commission which reads as follows (reads) :

‘ MONTREAL, QUE., April 28, 1908.

Mr. HUGH D. LUMSDEN,
Chief engineer, Eastern Division,
National Transcontinental Railway,
Ottawa, Ont.

DEAR SIR,—This is to acknowledge receipt of your letter of April 24th, in regard to classification given on Districts B” and ‘ F,’ wherein you say you would like to set a date, as soon as possible, when you could confer with me, either in Ottawa or Montreal, so as to arrange dates for arbitrating the points in dispute and for the appointment of a third arbitrator, &c.

In reply thereto will say that the action you propose cannot be taken until after you have complied with my request of October 7th, which, as you will recall, has been several times repeated, that you and I personally make an inspection of those portions of the work on Districts ‘ B’ and ‘ F’ where it is claimed improper classification has been made.

Kindly let me know when it will be convenient for you to make this inspection, and I will place myself at your disposal.

Yours truly,

H. A. WOODS,
Asst. Chief Engineer.

You will note, Mr. Chairman, the significance of the statement contained in the foregoing letter, from which it appears that these proceedings have been going on ever since the trouble with Major Hodgins.

Mr. MACDONALD.—That is eminently proper. That is proceeding under the arbitration and preliminary to the appointment of a third man.

Mr. BARKER.—You need not interrupt. I was going on to say that this is an eminently proper letter from the assistant chief engineer of the Grand Trunk Pacific to the chief engineer of the Transcontinental Commission pointing out to him—

Mr. LENNOX.—That nothing has been done.

Mr. BARKER.—Until they differed there was nothing to arbitrate.

Mr. MACDONALD.—Until they differed there was no necessity to appoint a third man.

Mr. BARKER.—We were told the other day that we could not act until this matter had been referred to arbitration.

Mr. MACDONALD.—It has.

Mr. BARKER.—It has not because they have not disagreed as you will see by this, as you say, eminently proper letter.

Mr. MACDONALD.—I do not want to break the continuity of your argument but if you will look at section 7 of the agreement, you will find that it contemplates these two engineers shall proceed to deal with the work and in the event of their disagreeing on certain items, a third man shall be appointed. The arbitration is formed the moment these two gentlemen enter upon their duties and their finding would settle the matter without a third party.

Mr. BARKER.—That is absurd if you will allow me to say so. It is absurd to say that every time these two gentlemen, going as they go to inspect a property, that you can look upon it necessarily as an arbitration, because they may not agree. This

7-8 EDWARD VII., A. 1908

eminently proper letter, as you say, points out that before they can appoint a third arbitrator they must know whether they can agree.

Mr. MACDONALD.—Supposing there were 50 differences and these two gentlemen settled 45, the third man would only be called in for the 5 unsettled differences. Yet their determination of the 45 would be the arbitrators' act.

Mr. BARKER.—Why would they assume they would not agree upon everything? Mr. Woods says that since October he has been asking Mr. Lumsden to go over portions of the work with him.

Mr. MACDONALD.—Yes, but they have gone; they have been out over the work.

Mr. BARKER.—They had not up to the 23rd April when this matter was referred to us.

Mr. MACDONALD.—They have gone to look into these matters and they are determining them.

Mr. BARKER.—You are talking of something that might have happened but of which there is no evidence.

Mr. MACDONALD.—And if these two gentlemen agreed there was no need to call in the third man. That is the ordinary A B C principles of determining disputes. The third man is called in only when the other two do not agree.

Mr. BARKER.—That is all I want to say upon that particular point. Now I want a letter of 8th October to go in:—

MONTREAL, QUE., Oct. 8, 1907.

Mr. HUGH D. LUMSDEN,
Chief Engineer,
Eastern Division,
National Transcontinental Ry.,
Ottawa, Ont.

DEAR SIR,—Referring to my letter of the 7th instant *re* classification of material on section 'B' please correct error in item: Station 5842 to 5860. Classified 94 per cent solid rock, 6 per cent loose rock, slopes taken out 1½ to 1. Solid rock over classified at least 100 per cent, instead of loose rock as mentioned in my letter.

Kindly make correction and oblige.

Yours truly,

H. A. WOODS,
Asst. Chief Engineer.

The next letter to which I would draw notice is one of 14th February, 1908, from the assistant engineer of the Grand Trunk Pacific to the chief engineer of the Transcontinental Railway Commissioners as follows:—

MONTREAL, QUE., Feb. 14, 1908.

HUGH D. LUMSDEN,
Chief Engineer,
Eastern Division,
National Transcontinental Ry.,
Ottawa, Ont.

Re Classification.

DEAR SIR,—Referring to correspondence and conversations on this subject, I understand that you have recently issued instructions to your District Engineers relative to same. Will you be good enough to send me a copy of these instructions so that my assistants may know just what to expect with regard to classification while going over the work?

From reports received from our district engineers 'B' and 'F' we understand that, in their judgment, the work in places is largely over classified, particularly in borrowed material and in cuttings of mixed materials, where no ledges exist. Would it not also be possible that resident engineers, in returning estimates, should show in cuttings the amount of material found in ledges, also the amount of material classi-

APPENDIX No. 5

fied as solid rock and boulders what I understand you term 'assembled rock'? If this could be done I think it would be of advantage, not only to us, but would give you information in your office which would be of great use to you in questions arising between this company and the commission.

Yours truly,

H. A. WOODS,
Asst. Engineer.

I would also draw attention to the following letter from the same to the same.

MONTREAL, P.Q., Feb. 20, 1908.

HUGH D. LUMSDEN,
Chief Engineer,
Eastern Division,
National Transcontinental Ry.,
Ottawa, Ont.

DEAR SIR,—I beg to acknowledge receipt of your favour of the 17th instant, file 7787, giving your interpretation of clauses 34, 35 and 36 of our specifications, with blue prints and explanation of same, also copy of your instructions to your engineers.

We are quite satisfied with your interpretation of the specifications and with your instructions, which are explicit. I do not know the date of these instructions or when they are supposed to become effective, but, from reports from my assistants at Winnipeg and Quebec, there does not seem to have been any change in classification of work previously reported, the percentage of classified material being steadily increased.

We are satisfied that on some parts of the work previously estimated was not classified according to your recent instructions, being over estimated in both loose and solid rock. The attention of your district engineers has been called to the fact but apparently without effect. If your instructions were effective when the January estimates were made we certainly will have to object to the classification as rendered on certain parts of the work.

Yours truly,

H. A. WOODS,
Asst. Chief Engineer.

This letter also shows over classification.

Mr. CARVELL.—We ought to cut this short. Nobody is denying for a moment that differences of opinion have arisen between the Grand Trunk Pacific Engineers and the engineers of the commission. We are not denying that and the commission admit it.

Mr. MACDONALD.—You are not reading these letters with the idea of showing there is anything improper on the part of the commissioners.

Mr. BARKER.—These letters will not establish that.

Mr. CARVELL.—All these letters establish the fact that there is a difference of opinion, which is admitted by everybody including the commissioners, and there has been from the very beginning, and the chief engineers during the last two years—

Mr. MACDONALD.—Have been endeavouring to settle these very differences.

Mr. BARKER.—On March 24, 1908, there is a letter from the same to the same:—

MONTREAL, QUE., March 24, 1908.

HUGH D. LUMSDEN, Esq.,
Chief Engineer, Western Division,
National Transcontinental Railway,
Ottawa, Ont.

DEAR SIR,—I desire to acknowledge receipt of your favour of the 20th instant, together with contractors' progress estimates for the month of February, as follows:—

7-8 EDWARD VII., A. 1908

District 'B.'—Messrs. M. P. & J. T. Davis, mile 0 to 50, west of the St. Lawrence river; Messrs. M. P. & J. T. Davis, mile 0 to 150, easterly from the Quebec bridge; Messrs. Macdonell & O'Brien, mile 50 to 150, westerly from the Quebec bridge.

District 'F.'—Mr. J. D. McArthur, mile 0 to 245, completing returns for February.

In examining these estimates, I find no apparent change in classification since your instructions to district engineers of January 28, 1908. On the contrary, the percentages of classified material seem to be constantly increasing and are even higher than when we made our objections in September last.

I am quite aware that during the winter season it is natural that classified material shall run higher than at other times, as little earth work is opened, but I had hoped to see a reduction in classified material so reported prior to January last.

I have before me a detailed sheet showing classification as made on District 'B' and am surprised to find material classified as solid rock, which, if I am correctly informed, under your instructions could only be classified as loose rock. I also find very large quantities returned both as loose and solid rock in borrowed embankment. On the work east of the Quebec bridge a large amount was done with teams, side borrowed material, and yet the entire contract for the 150 miles only shows 25 per cent of the work done as common excavation. It appears also that the item 'assembled rock' No. 5 in your instructions, is made to cover most material where explosives are used in handling.

In excavations for foundations, where hard material is found, under this item it is classified as solid rock, giving the contractor three times the price usual for that material. Our district engineers are not satisfied with the classification as made. On District 'F' the objection lies in the first and second divisions.

It is impossible at this time to go over the work with a view of examining classification but, from reports from my assistants, I certainly must object to the classification as rendered being considered final and request that as soon as the season will permit, you accompany me over at least a part of the line, that I may have your views in regard to this most important matter of classification.

Very truly yours,

H. A. WOODS,

Asst. Chief Engineer.

On the 21st April, 1908, there is another letter from the assistant chief engineer of the Grand Trunk Pacific, Mr. Woods, to Mr. Lumsden, of the same general character giving particulars of over-classification:—

MONTREAL, P.Q., April 21st, 1908.

HUGH D. LUMSDEN, Esq.,

Chief Engineer, Eastern Division,
National Transcontinental Railway,
Ottawa, Ont.

DEAR SIR,—I desire to acknowledge receipt of your favour of the 17th instant, together with copies of progress estimates, eastern division, for the month of March, as mentioned therein.

There are few exceptions to be taken to these estimates, so far as I am advised, except to the classified material, which is constantly increasing, and the very large amount of over-break in solid rock cuttings, also increasing and representing in all a very large amount.

With reference to classification, I have to say that, in compliance with your request, I have directed my assistants to give me the location by stations and mileage of points where, in their opinion the classification, as rendered, is higher than it should be under your interpretation of the specifications, and your instructions to your assistants, dated January 30th last. I am in receipt of a letter from District Engi-

APPENDIX No. 5

neer Mann giving a list of the different divisions, District 'F,' where objections lie as to classification as rendered, copy of which I enclose herewith.

From this list you will note that he takes exception to the classification returned on nearly all of Division No. 5 except, perhaps some ten or twelve cuttings, probably wholly of solid rock. On Division No. 6, aside from solid rock cuttings, the objections are nearly as great as on Division No. 5. You will further note from the inclosed list that the larger proportion of over-classification is on that part of the line included in Divisions No. 5 and 6.

After his inspection late last fall, District Engineer Mann seemed very well satisfied with the classification on Divisions 7, 8 and 9, but he now advises that he thinks that classification is increasing on that part of the line and is now much too high. In his letter of transmittal of this list, District Engineer Mann writes as follows:—

'The classification varies greatly over this district. While in some cases the amount of loose and solid rock is not very greatly in excess, in others, where large amounts of the high priced material have been allowed, and only a small amount of common excavation, the proportion should be reversed. There is nothing in the estimates to show what is solid ledge. I have been asking for this information for several months, in fact, since September last, but have not yet received it. Will turn the question to you now and ask that I be furnished this information as soon as possible, so that I can have it on my next inspection trip over the line.'

From the enclosed list you will note that Mr. Mann makes objections not only to classification in cuttings but also to borrowed material. On mile 25, stations 1267 to 1280, there appears in this estimate a considerable amount of loose rock for the first time. Of the 25,000 cubic yards returned, 44 per cent is classified. Both Mr. Mann and Mr. Heaman claim that no classification should be given in this material.

We feel that this question of over-classification must be settled in the near future. Many of the sub-contractors will soon be completing their work and undoubtedly will receive final payment for same and if they are paid upon estimates as returned at present, general contractors will naturally object to any change in their estimates.

While I have no list like the enclosed from District 'B,' reports from my assistant indicate there that east of the river objections lie to the classification generally as returned. A very large amount of borrowed material through farming country has been returned as loose rock. Of the entire work done to date on this section 77.6 per cent is classified material, nearly evenly divided between loose and solid rock.

You will recall that in September last we made great objection to the classification as returned west of the St. Lawrence river. Later, you visited a small section of the work, and, I think, have been in a position to decide upon at least that portion of the work for several months and still no action has been taken to change the estimates as then made or as since returned. We ask now that at the earliest possible moment you will visit each of these sections and make a decision on these points, that we may know whether further action will be taken.

Yours truly,

H. A. WOODS,
Asst. Chief Engineer.

There is another letter of the same general character, dated 23rd April, 1908, from Mr. Woods to Mr. Lumsden:—

7-8 EDWARD VII., A. 1908

MONTREAL, April 23rd, 1908.

Mr. HUGH D. LUMSDEN,
 Chief Engineer, Eastern Division,
 National Transcontinental Railway.
 Ottawa, Ont.

DEAR SIR,—With further reference to our objections to classification on District 'B' and points at which we desire you to examine for purpose of inspection, I quote from District Engineer Armstrong's letter of the 21st instant:—

. As typical classification I would mention the following cuts on the contract east of the Quebec Bridge:—

Stations 7871 to 7878 Res. 4.
 Stations 7086 to 7182 Res. 5.
 Stations 6039 to 6051 Res. 7.
 Station 6000 Res. 7.
 Stations 3880 to 3890 Res. 10.

Almost any cut on residencies 10 or 11 will do. These examples are given not as being the only ones, but a visit to any one of these will show the classification given generally, and whatever agreement or disagreement is arrived at on one cut will apply to probably 75 per cent of the cuts on the whole work.

As examples of borrow with classification I may instance the following as examples: Mile 15 to mile 23.

The above for your information.

Yours truly,

H. A. WOODS,
Asst. Chief Engineer.

Mr. MACDONALD.—I do not see how you are going to put in these letters as evidence?

Mr. BARKER.—They have been produced.

Mr. MACDONALD.—In what way are you introducing these letters when we are considering whether this inquiry is to close or not?

Mr. LENNOX.—We are submitting them as a reason why the inquiry should not be closed.

Mr. MACDONALD.—It is a very adroit way of putting in evidence.

Mr. BARKER.—They are instances of these disputed questions and show that we should not close the inquiry. I want some letters from Mr. Morse to the Hon. Mr. Parent to go in:—

AT WINNIPEG, Nov. 12, 1907.

DEAR MR. PARENT,—Letter from Secretary Mr. P. E. Ryan, under date of October 18, noted, and during my absence Mr. Woods was requested to meet Mr. Lumsden in Quebec for the purpose of reviewing the work. I understand that this has been done. The object of this letter is to answer the second paragraph, page 2, in which the secretary states, 'In this connection I am to point out that your District Engineer Mr. Armstrong failed to notify District Engineer Doucet of any disagreement with respect to the classification of material in district 'B,' &c.' and again 'although this procedure was distinctly irregular the commissioners have taken full cognizance of Mr. Woods' complaint, &c.'

The understanding when I had the pleasure of meeting you and the commission, was that the departmental matters would be worked out by the heads of the departments, and failing to agree same would come before your colleagues, Mr. Woods, and myself, and I consider up to the present time that there has been no violation of this. The fact of the matter is it is more difficult for Mr. Armstrong and Mr. Doucet to have meetings at times when such meetings are most urgent, and I think one of the best demonstrations of this is that upon the arrival of the

APPENDIX No. 5

chief engineer, Mr. Lumsden, and assistant chief engineer, Mr. Woods, at Quebec, for the purpose of going over this work, Mr. Doucet could not then devote the time to take the trip. I consider it was perfectly proper on Mr. Woods' part to take the subject up as he did with Mr. Lumsden. It was then optional whether Mr. Lumsden, on his own accord, met Mr. Woods and tried to agree on these points, and failing, referred the subject to the commission, Mr. Woods and myself, or whether the entire commission took it up with Mr. Woods alone at that time, which I understand they did.

We desire and intend to co-operate in matters as far as possible and expect to be met in the same way.

Yours very truly,

FRANK W. MORSE.

Hon. S. N. PARENT,

Chairman, Transcontinental Railway Commission,
Ottawa, Ont.

On February 8th there is another letter from Mr. Morse to Mr. Parent :—

MONTREAL, QUE., February 8, 1908.

DEAR MR. PARENT,—Upon receipt of your favour of the 6th, in which you advised that Commissioner Young and Chief Engineer Lumsden were en route west, I immediately took the subject up with Messrs. Kelliher and Woods, requesting them to instruct Mr. Mann to fully co-operate and discuss the situation as he views it with the gentlemen, when they are in Kenora.

I am more impressed each day with the seriousness of the delay in constructing the line between Lake Superior Junction West, also the business that will be created along our line which we will be unable to get beyond Winnipeg, especially in view of the fact that the two existing railroads cannot to-day take care of their own business.

I understand that Mr. McArthur feels, in having sub-let his contract, he has done all he can; that there is an entire absence of intelligent supervision, by his company, of the work and, while he has sub-let the contract, that men who have heretofore been stationmen and competent to handle only several thousand feet, have been given a number of miles.

I regret that you and the commission do not coincide with my views as to the serious condition of affairs are now in section 'F,' and, due to the fact that under the existing method of management, they cannot get any better, it is going to mean a tremendous financial loss to the Grand Trunk Pacific Railway, in addition to making it impossible to relieve the situation in the way of lack of transportation in the west at as early a date as we should.

Yours very truly,

FRANK W. MORSE.

Hon. S. N. PARENT,

Chairman Transcontinental Ry. Commission,
Ottawa, Ont.

On the 7th March there is another letter from Mr. Morse to Mr. Parent :—

MONTREAL, QUE., March 7th, 1908.

DEAR MR. PARENT,—On February 8th I wrote you regarding the condition of the work on Section 'F,' the portion contracted to J. D. McArthur, outlining the serious results that will ultimately be realized in a financial way by the Grand Trunk Pacific, and the lack of any relief to the people of Manitoba, Saskatchewan and Alberta when our line is completed through these provinces because there will be no outlet for the business we can collect at Winnipeg, in view of the fact that the existing railroads have not been able to handle satisfactorily their own business during the past winter.

7-8 EDWARD VII., A. 1908

Previously instructions had been given to Mr. W. E. Mann, district engineer at Kenora, to meet and discuss with Commissioner Young and Chief Engineer Lumsden whom you advised were en route to that point.

I have spoken to you since then regarding the great importance of relieving McArthur of this contract and putting it into the hands of a company versed in that sort of work and competent to handle it, and understood from you, that upon the return of Commissioner Young and Chief Engineer Lumsden you would have information that would enable you to determine what action you would take.

Not having had any further communication from you and the seriousness of the delay in completion of this section becoming daily more apparent, I write to ask if you will kindly let me know what, if any, action is being taken.

Yours very truly,

FRANK W. MORSE.

Hon. S. N. PARENT,
Chairman Transcontinental Ry. Com.
Ottawa, Ont.

Now these letters brought in by the commission do not always give the other letters to which they refer and it is desirable to put the latter in if there is no objection. We cannot tell whether the other letters have any bearing on the case because they are not here. I think that is all I have to say.

Mr. MACDONALD.—As there has been so much talking, avoiding the real question at issue, I do not want to prolong the proceedings further than to point out that my honourable friend Mr. Barker is, as usual, very ingenious and plausible in his argument. I understood him to argue that because the chief engineer of the Grand Trunk Pacific Railway wrote Mr. Lumsden several times asking him to come and confer with him and go over the work, that, therefore, there had been no arbitration under the agreement.

Mr. CARVELL.—That nothing was submitted to the arbitrators.

Mr. MACDONALD.—Certainly, the agreement under section 7 provides that these two gentlemen who are filling the positions under that section should first meet and go over the work to see whether the classification adopted by the subordinate engineers was correct. If they agreed between themselves as to what the classification should be there was no necessity of appointing a third arbitrator. If they differed in any respects, a third arbitrator could be called in to deal with such cases as they differed upon. Now the fact is before us that Mr. Lumsden and Mr. Woods have gone out over Section 'F' of this line. They have looked at various divisions there and at this very moment they are performing the function which was contemplated would be performed by section 7 of the agreement and endeavouring to agree upon what the proper classification is, and in the event of their being unable to agree as to that, then the third arbitrator would be called in. In other words these gentlemen are now discharging the duty assigned to them and are going to arrive at some conclusion upon the differences which I understand my friends to be arguing this committee should engage in.

Mr. CARVELL.—And if any contractor has been overpaid there is lots of time and opportunity to protect the government.

Mr. MACDONALD.—As to whether the country is to be affected in any way by the situation on the work, the fact that these monies have only been paid on progress estimates gives ample and complete powers to the commission to act in accordance with the decision of these two engineers and to retain from any contractors anything which they may have received on account of over-classification. The absurdity of the position suggested by my honourable friends will be recognized when we consider that at this very moment the two gentlemen who are appointed by statute are performing their statutory functions and they are bound to come to some conclusion on the matter. Upon that conclusion the accounts will be adjusted. At the same time, if the view of my honourable friends were concurred in, we would be taking up our time

APPENDIX No. 5

in dealing with a purely academic question. I do not understand my honourable friends to urge that there is anything improper in the position of the commissioners in dealing with the engineers, so it is purely a question of a difference of opinion between these engineers as to what the classification will be.

Mr. LENNOX.—I do not want you to misunderstand our position. I am not going to charge any wrong doing without serious reason for so believing, but I do feel that there is set out in these letters sufficient to make it very very suspicious.

Mr. MACDONALD.—These letters are such as would pass between engineers representing different interests in connection with the construction of any railway in this country.

Mr. BARKER.—We admit that.

Mr. MACDONALD.—I do not know how one engineer could say to another that there was over-classification in a particular district without he used language such as is found in these letters. There is no way in which he could say there was over-classification or that he differed in his opinion with the subordinate engineers as to the classification that had been made. Now as to the point which my friend, my ingenious friend, Mr. Lennox, endeavoured to make that some of the members of this committee had taken a different view of the scope of the committee at the beginning of the investigation, I think I may be permitted to read one or two sentences which will be found at page 79 (reads):

‘Mr. MACDONALD.—I hardly follow my friend, Mr. Barker, in his observations. I apprehend this committee is here to investigate something that Major Hodgins has got to say about the Transcontinental Commission. I apprehend that Major Hodgins has got to prove what he said or take it back. That is the usual way when men make charges.

‘Mr. BARKER.—Yes.

‘Mr. MACDONALD.—I apprehend further that the proposition made by Mr. Barker is that the commission should hand over anything and everything to Major Hodgins right off the bat.

‘Mr. BARKER.—I never said that.

‘Mr. MACDONALD.—That is practically what you said.

‘Mr. BARKER.—I said the commission should produce the papers to us here.

‘Mr. MACDONALD.—And I say that if Major Hodgins makes charges he must prove them. He cannot come to this committee and hunt around to find justification for statements which he has made.

‘Mr. BARKER.—He is going to put in his charges before he sees the papers.

‘Mr. MACDONALD.—Major Hodgins on April 16, when he made certain charges in the Victoria ‘Colonist’ either had evidence to prove those charges or he had not, and if he did not have the evidence he had no business to make the charges.’
Then Mr. Barker said ‘That is ridiculous.’

Mr. BARKER.—It was ridiculous to say that when a man makes charges, if you have got the papers to establish those charges that you are not obliged to produce them.

Mr. MACDONALD.—I see. That is what you meant. That it would be ridiculous that he should not have the papers (reads):

‘Mr. MACDONALD.—I say that a man has no right to make a charge against a public man in this country—

‘Mr. LENNOX.—A man can always make a charge which he has good reason to believe or which he knows that he can prove.

‘Mr. MACDONALD.—Do not interrupt me, please. What I was going to say in regard to that subject is this: the onus of proceeding in this inquiry and of proving the case in on Major Hodgins and his counsel, and when they start in to prove their case I assume this committee will direct the production, as we proceed, of any matters which they indicate are necessary for them to prove their charges. But we would not be doing our duty as a tribunal respecting either the character or position of any

7-8 EDWARD VII., A. 1908

public man against whom any charge is made, unless we put the onus of the proceedings in regard to these charges, which is the primary object of this committee, upon the gentleman who made them.'

That was my position at the beginning; it is my position now; and as Major Hodgins has abandoned and withdrawn his charges the functions of this committee, so far as the reference to us is concerned, are in my judgment fulfilled.

Mr. BARKER.—With your permission, Mr. Chairman, I would like to show the importance of the other questions that are raised, outside of Major Hodgins altogether, in matters that he could not know anything about. I will take Mr. Woods' letter of October 7th, 1907, to Mr. Lumsden at the time when all this trouble with Major Hodgins occurred (reads):

'Station 5842 to 5860'—that covers 18 stations—'classified 94 per cent solid rock, 6 per cent loose rock. Slopes taken out $1\frac{1}{2}$ to 1.'

That is the way it has been classified in the estimate. A slope of $\frac{1}{2}$ to 1 means that in the solid rock cutting you would have to have $1\frac{1}{2}$ slope. Now, here is what he says about that (reads):

'Solid rock over-classified at least 100 per cent.'

Nothing that Major Hodgins ever said equals that (reads):

'Station 5866 to 5875. Estimated 80 per cent solid rock, 20 per cent loose rock. No rock in place in this cut. Many large boulders, but a large amount of earth.

'Station 5882 to 5901. Estimated 78 per cent solid rock, 22 per cent loose rock. A large amount of this cut wasted with slip scrapers and plowing being done with two horses. "There are hundreds of yards of earth here without a stone, large or small.

'Station 6030 to 6046. Estimated 40 per cent solid rock, 10 per cent loose rock. This is a large sand cut west of O'Brien's camp. Of the 95,000 yards moved to August 31st in this cut, at least 80,000 yards was pure sand.'

Mr. MACDONALD.—Mr. Lumsden and Mr. Woods will have to determine whether that division engineer classified correctly.

The CHAIRMAN.—I may perhaps be allowed to say a few words in this legal and technical debauchery.

Mr. CARVELL.—You are certainly a long suffering chairman.

The CHAIRMAN.—I will be very short. My view of this question is this: this is a special committee, differing from a permanent committee to which different questions necessitating prolonged investigations are referred. To this committee has been referred a special matter. This special committee, in my opinion, has been appointed to investigate a certain matter and we have to be guided by the order of reference, which for me is the only guide as to the length to which we may go. The order of reference has been read several times, but I desire to read it once more. In that order of reference we find the principal matter which was sent to us for investigation is the letter of Major Hodgins to the public press. The other things which are mentioned in the order of reference, as I read it, are of secondary importance, because if Major Hodgins' letter had not been written and had not been published in the public press the memorandum of Mr. Parent, chairman of the Transcontinental Railway Commission, would not have been read and transmitted to the House. Now, the order of reference says (reads):

'That the memorandum of the chairman of the Transcontinental Railway Commissioners to the Prime Minister of date the 23rd April, and laid on the Table of this House on the 24th instant, and the papers accompanying the same'—

which as I said a few minutes ago was written because a certain letter had been sent by Major Hodgins to the public press—.

'together with the letter of Major Hodgins to the public press therein referred to, be referred to a special committee of five members, with instructions to investigate the matters and charges therein mentioned.'—

Mentioned in what? There were no charges in the memorandum of the chairman of the commission to the House. The matters and charges therein mentioned

APPENDIX No. 5

were evidently, according to my view, embodied in the letter of Major Hodgins. It could not be the interview in the *Vocitoria* 'Colonist,' or the other newspapers which had repeated the charges, because they have been repudiated by the Major. According to my opinion, therefore, we have before this committee only one thing to investigate; the accusation, or charge, if I may call it, of wrong-doing contained in a letter which Major Hodgins has published in the *Victoria* 'Colonist,' and nothing else. If you take out that letter there is nothing left. Supposing the Major had repudiated that letter frankly and honestly, as he has now done, before the constitution of this committee, there would have been no committee at all.

Mr. MACDONALD.—Hear, hear.

The CHAIRMAN.—No committee would have been necessary, everybody would have been of opinion that there was nothing to investigate. It is not the memorandum of the chairman of the Transcontinental Commission, who denies the accusation contained in the letter, that we are to investigate; it is the letter containing the charges of Major Hodgins against the commissioners. Now that the Major has frankly and honestly admitted that he made those charges under a misapprehension, I suppose, I take it there is nothing before this committee to investigate. There is, of course, the great question of classification which has been so much talked about. Well, in constituting a tribunal to decide differences between the engineers of the Grand Trunk Pacific and those of the Transcontinental Commission, it had obviously been foreseen that some differences necessarily would arise between the engineers. It would be impossible that some difficulties should not arise in the carrying on of such an important work as the building of a transcontinental line of railway. This tribunal, according to my view, has been properly constituted and is the proper authority to decide differences of opinion as to classification between the engineers, those of the commission on the one hand and those of the Grand Trunk Pacific on the other. Let us take another phase of the question. The Major having withdrawn his charges, as he said yesterday, there is nothing before this committee to investigate. Supposing any gentleman now in this room should rise and make a charge of wrong-doing or fraud against the commissioners. This committee could not investigate such charge because it has not been referred to us by this special order of reference. In my opinion there is only one thing to investigate and a proper tribunal has been appointed for that purpose. It is all very well to enter into lengthy technical and engineering discussions such as we have had this afternoon. The only thing which has been referred to us is the letter charging the commissioners with wrong-doing, which letter with its accusations, has been withdrawn by the only person responsible for it, Major Hodgins. Now it seems to me there is nothing left for this committee but to declare that the charges have not been proven. This in brief is my opinion. The matter has been so ably discussed by the other four members of the committee that I do not think I am called upon to enter into any more details.

Mr. CARVELL.—Mr. Chairman, there is still the question which has not been disposed of about releasing Major Hodgins from further attendance.

The CHAIRMAN.—I have already asked the committee what should be done in that matter.

Mr. BARKER.—Do you mean that matter should be disposed of before the chairman has given his decision?

Mr. CARVELL.—The chairman has given his decision.

Mr. BARKER.—We have the right to vote upon that.

Mr. LENNOX.—I suppose there will be a motion that the proceedings do now close or something of that kind?

Mr. CARVELL.—I do not think so. Perhaps Mr. Murphy would like to have something to say?

The CHAIRMAN.—There is no motion before the chair.

Mr. CARVELL.—I think we have been putting the cart before the horse. I think if Mr. Lennox or Mr. Barker desire to re-examine Major Hodgins they should state so or say that they waive any further examination.

7-8 EDWARD VII., A. 1908

Mr. BARKER.—The Chairman, as I understand, rules that there is no question before the committee.

The CHAIRMAN.—I am expressing only my own opinion on the subject. If it is the desire of the committee that the Major should be further examined—

Mr. LENNOX.—I want to be candid with the committee. I said the other day that any member had a right to examine Major Hodgins, but I would not say, in view of the opinion of the majority of the committee, that any object would be gained in re-examining him.

Mr. CARVELL.—That is a fair statement.

Mr. BARKER.—I concur in that but I have asserted all the time, and do so still that we have not finished our inquiry.

Mr. LENNOX.—Certainly. There is no question about that.

Mr. MACDONALD.—Mr. Barker says there is no limit to this inquiry?

Mr. BARKER.—There is a limit but it is a good way off.

Mr. CARVELL.—Then I understand that Major Hodgins is to be discharged. I would like to hear from Mr. Murphy.

Mr. MURPHY.—After having heard the views of the committee, Mr. Chairman, I take it that the decision, when put in concrete form, would be in harmony with the views expressed by the majority. In any event, and assuming that that will be the case, I have only to say this: That while Major Hodgins has abandoned his charges and while the commission does not have to submit any new evidence, there remains on the record certain statements affecting individuals which, in justice to those individuals and in fairness to the committee, I think should be cleared up. That is certain conversations have been recalled and certain statements alleged to have been made by individuals in those conversations, the individuals to whom I refer being members of the commission and their engineers; and I submit that in order to come to a proper decision of the matter and to clear up these things we should be allowed to present these individuals to the committee and permit them to make their own explanations. Then, personally, I feel that I am under an obligation to the committee to make good the statement made by me when asking Major Hodgins some questions the other day as to the percentages returned on certain estimates, having quoted at the time from a profile and having undertaken to produce the original for the information of the committee.

Mr. LENNOX.—I do not recollect it in that way.

Mr. MURPHY.—I asked—

Mr. LENNOX.—I do not recollect my learned friend undertaking to produce the originals.

Mr. CARVELL.—All I say is that I was absent at the time but I saw it stated in the Halifax 'Herald' and other Conservative papers that the majority of the committee had refused to allow the originals to be produced.

Mr. LENNOX.—I don't know anything about that.

Mr. MACDONALD.—I would regard those papers as being regularly before the committee, if you undertook as counsel to bring them here.

Mr. MURPHY.—We proposed to produce the original and identify it. Upon that understanding I based my question at the time.

Mr. LENNOX.—I did not understand my learned friend, Mr. Murphy, the other day to say that he would produce the original. If it was so understood at that time then it would be right that he should do so. I understood him to make a statement on his own authority, as knowing it was correct, and to ask the witness, if he would be surprised to find that 32 per cent in one case and 29 per cent in the other were the correct classification. I did not understand Mr. Murphy to say that he would produce the original. If so I think it should be produced.

Mr. BARKER.—If that understanding appears on the notes it can be done.

Mr. MACDONALD.—Personally I was under the impression that the original was here and it was only a question of putting it in.

APPENDIX No. 5

Mr. CARVELL.—I read in the newspapers the next morning that the originals had been refused and it surprised me.

Mr. MACDONALD.—We must not be so technical as that, the committee must have the documents.

Mr. MURPHY.—Then in addition to the commission's engineers, who are the individuals to whom I referred, there is just one other gentleman who is affected by statements made and I submit that, for the proper guidance of the committee, he should be allowed to make a statement as to the conversation attributed to him.

The CHAIRMAN.—Do you want this man to go into the box and explain his position?

Mr. MURPHY.—The position of matters.

Mr. CARVELL.—Do you want to go into any new matters?

Mr. MURPHY.—No, sir, I do not want to go into any new matters but simply clear up statements that are on the record.

Mr. MACDONALD.—Matters referred to in the record or that came out incidentally in the course of the examination?

Mr. MURPHY.—Referred to in the charges and some of them came out incidentally in the evidence given by Major Hodgins during his examination-in-chief.

Mr. MACDONALD.—They all relate to matters that he spoke of in his examination?

Mr. MURPHY.—Certainly, he spoke of them all?

Mr. MACDONALD.—Did he make specific statements?

Mr. MACDONALD.—Specific statements?

Mr. MACDONALD.—I will want to reserve my judgment in each particular case.

Mr. BARKER.—You cannot call a witness and allow him to go into the box without his being examined.

Mr. MURPHY.—That is the request I make that these individuals be allowed to appear. Mr. Doucet has been already sworn and his examination was deferred at the time. He is one of the individuals that I would ask the committee to hear an explanation from, and if the committee is not prepared to grant our request in that respect, then I would ask that we be allowed to put in affidavits.

Mr. MACDONALD.—Oh, no, I don't think it.

Mr. MURPHY.—I submit it would be very unfair to close this matter in the shape in which the record is now, with statements attributed to gentlemen they do not admit, the gentlemen referred to having been in attendance at every sitting of the committee.

The CHAIRMAN.—It would have to be understood that no new matter would be brought out and that these gentlemen would be examined simply on the evidence already given by Major Hodgins.

Mr. LENNOX.—I want to have a word to say as to that.

Mr. BARKER.—You could not limit the investigation, you know. We would call other witnesses to substantiate Major Hodgins on those points.

Mr. MACDONALD.—Personally I reserve my judgment. I would judge each case as it comes along and consider it.

Mr. LENNOX.—I think I can very well express my view of that matter now. I do not want to oppose myself to any reasonable request that Mr. Murphy may make, but we must ascertain how this matter stands. Major Hodgins, as has been alleged over and over again by Mr. Macdonald and Mr. Carvell, has withdrawn the charges. Mr. Macdonald says particularly that he has withdrawn all imputations. That is one of the expressions used—has withdrawn all imputations and charges. In that connection he expressed to Mr. Macdonald the preference for appearing before this arbitration and presenting his views there. If Major Hodgins had not done that he would have been calling witnesses to substantiate his evidence in certain particulars. However, he abandons the charges, so far as this committee is concerned, and retires. He withdraws all charges and imputations and it is on that ground that we are now proceeding—that there is nothing more, so far as the Hodgins' branch of the inquiry is concerned, to be investigated, and there is no case before the committee. Now, the evidence which Mr. Murphy desires to present can only be in contradiction of Major

7-8 EDWARD VII., A. 1908

Hodgins. That gentleman's position was arrived at the other day. It was elicited by Mr. Macdonald and concurred in by the major himself. The major has retired and his counsel has also retired. The former is absolutely without protection and he is discharged from attendance. The inquiry has been virtually wholly wiped out, and yet it is proposed that the gentlemen referred to by Mr. Murphy are to come forward one after the other and as far as they can contradict the major. I submit that cannot be done, it would be a perfect travesty of justice. I take very distinct ground on that. If I understand Mr. Murphy rightly, and I do not know that I do, he would confine his evidence specifically to the statements that are contained in Major Hodgins' charges. But my learned friend said that other matters were brought out incidentally referring to the classification in Quebec. Many of those matters are contained in letters that we want investigated. Nevertheless on the whole question of high or low classification this committee refuses to go on and investigate those charges, and yet if Mr. Murphy's request were acceded to, evidence would be admitted dealing with all these charges by way of rebuttal, and helping them out, that we had not been allowed to substantiate in the first place. In other words the defendant would be allowed to come in and disprove charges before the plaintiff has been permitted to finish his case. For my part I enter, as clearly and distinctly as I can, my protest against any such proceeding.

Mr. MURPHY.—Perhaps the matter will be brought more clearly before the committee if I draw attention to the specific individuals and matters referred to?

Mr. LENNOX.—I know some of them.

Mr. MACDONALD.—We would want to settle each case separately.

Mr. MURPHY.—Several of them relate wholly to conversations between Major Hodgins and one other individual in regard to which the former could not possibly, even if the inquiry went on, produce any other witness. For instance the conversation alleged to have occurred between Mr. Armstrong and himself. That is a matter as to which only Major Hodgins and Mr. Armstrong can speak.

Mr. MACDONALD.—The commission are not responsible for anything Mr. Armstrong said. He was not in their employ.

Mr. MURPHY.—He is in the employ of the Grand Trunk Pacific. He is an engineer and in justice to him and to the commission—because the alleged statement reflects on the commission—I submit that he should be allowed to come here and state whether he ever made any such statement as attributed to him by Major Hodgins in the course of conversation. Then there is the conversation alleged to have taken place between Mr. Hodgins and Mr. Grant at Kenora; as to that I submit that Mr. Grant should be heard.

Mr. BARKER.—We have nothing to do with Mr. Grant and Mr. Armstrong. We are not going to sit here and hear evidence of that kind. If we are going to have such evidence we will have to reopen the whole case.

Mr. MURPHY.—Then there is Mr. Doucet, who has been already sworn and heard in part. There is a conversation alleged to have taken place with Mr. Doucet which he does not admit. Then there is another question regarding what took place at the interview at which Mr. Doucet and Mr. Armstrong were two of the gentlemen present, as Major Hodgins states. We ask that the committee hear Mr. Doucet's statement.

Mr. LENNOX.—In view of the fact that Major Hodgins withdraws all imputations?

Mr. MURPHY.—But these matters remain on the record.

Mr. BARKER.—We could not admit that without going into the whole business again.

Mr. MURPHY.—These matters remain on the record and while it is true that Major Hodgins has withdrawn his charges—

Mr. MACDONALD.—As regards the conversation about Section 'B,' I think I would not regard that as being evidence before us. It does seem to me that if there is any evidence regarding the cut at La Tuque, the profiles speak for themselves, and conversations here and there are not matters of very great importance.

Mr. LENNOX.—With regard to the question of the profiles that were before us.

APPENDIX No. 5

They were produced to the witness and did not arise necessarily at all out of any charges that were made by Major Hodgins.

Mr. MACDONALD.—Oh, yes, they did.

Mr. MURPHY.—I beg my learned friend's pardon.

Mr. LENNOX.—That opens out the question we have been asking to have investigated. If you call witnesses as to Section 'B,' all the witnesses we desire to call, then we are quite willing to go into the matter.

Mr. BARKER.—Yes.

Mr. LENNOX.—But I submit that no evidence should be admitted for the purpose of contradicting Major Hodgins, when he has abandoned his case, having been induced to do that by a member of the committee, and his counsel has retired.

Mr. MACDONALD.—What do you mean by saying 'that he was induced by a member of the committee'?

Mr. LENNOX.—My learned friend, with an adroitness I never saw exceeded, questioned the witness in such a way as to get him to recede from his position, I think, before he realized fully the position he was taking.

Mr. MACDONALD.—Oh, never mind that matter.

Mr. LENNOX.—You asked him the questions.

Mr. BARKER.—You asked him if he withdrew the imputations.

Mr. LENNOX.—And then My honourable friend, Mr. Macdonald, made some very eloquent remarks as to the propriety of his conduct and the honourable attitude he had assumed.

Mr. MACDONALD.—What has that got to do with this question of evidence?

Mr. LENNOX.—Why should we try this case partly? Why not go into the case wholly or not at all?

Mr. MACDONALD.—I have not expressed any opinion about this request of Mr. Murphy. The profiles referred to having been used in the examination the other day, not for the purpose of contradicting Major Hodgins, but of showing what the exact classification was in a particular cut, and it only being a mere matter of filing and handing them in, because having been used in evidence they form part of the record, I personally regard them now as being before us. The only thing that remains now is to give them to the reporter.

Mr. LENNOX.—What is it I understand my learned friend to say?

Mr. MACDONALD.—I do not admit the evidence of a conversation which took place at La Tuque regarding classification, but I regard these profiles as being before the committee.

Mr. LENNOX.—If it is a question of these papers not being at present before the committee, if that is all my learned friend means, I do not object to it.

Mr. MACDONALD.—If you have the originals, Mr. Murphy, you had better give them to us so that there will be no further discussion.

Mr. MURPHY.—There are conversations between Major Hodgins and certain individuals regarding which the Major, even if he pressed all his charges, could not subpoena any other witness because he has told us no other persons were present.

The CHAIRMAN.—Do you not think, from the fact that Major Hodgins has withdrawn all he has said, that it is not of very great consequence that these men should come before us—under these circumstances when he admits himself that he has made a mistake all through.

Mr. MURPHY.—You will pardon me for not expressing my personal opinion. I am representing clients and I understand their instructions to me to be that these matters, in fairness to them and their employees, should be explained, otherwise the record remains with these things spread over them and available for reference to any newspaper which chooses to refer to them.

Mr. MACDONALD.—It was not the profiles that were meant but the monthly estimates.

7-8 EDWARD VII., A. 1908

Mr. LENNOX.—It was the profiles I was speaking about. My learned friend said he was asked to produce the original profiles.

Mr. MACDONALD.—What I was referring to was the 29 and 32 per cent classification. You, Mr. Murphy, made the statement as counsel that you would produce the originals, which I regarded as tantamount to an order of the committee. Now if you have got the original documents you ought to produce them.

Mr. LENNOX.—I can quite appreciate the position of Mr. Murphy and he is quite right in making the effort he is making. He wants to put witnesses in the box to make certain statements, but I think, Mr. Chairman, you have the right idea. The matter is practically disposed of, as far as Major Hodgins is concerned; we cannot judge what he might have done, had he gone on with his case, in bringing other witnesses to substantiate certain portions of his evidence.

Mr. MURPHY.—I will point out to my learned friend, who has treated matters very fairly, that Major Hodgins has told us with respect to several of these conversations, that no one was present except the gentleman to whom he referred—

Mr. BARKER.—There may be other ways of supporting Major Hodgins' testimony. We could not allow witnesses to be put in the box who would not be replied to.

Mr. CARVELL.—I would like to ask whether Major Hodgins' estimates of the cost of Section 'F' are actually in evidence or not? If not I think it is very important that they should be in.

Mr. BARKER.—I think the blue prints are in.

Mr. MURPHY.—What did my learned friend ask?

Mr. CARVELL.—I want to know if Major Hodgins' original estimate of the cost of constructing the line in District 'F' and the revised estimate are in evidence?

Mr. MURPHY.—They are not in evidence but we propose to submit them. We propose to submit the originals.

Mr. CARVELL.—I would like those documents to go in whether any evidence is given or not.

Mr. MURPHY.—I will now offer some evidence through Mr. Doucet. I would ask Mr. Doucet to explain to the committee what paper he has in his hand?

Mr. DOUCET.—This is the classification of the different cuts at La Tuque at the end of May.

By Mr. Murphy:

Q. In what year?—A. The different cuts in 1907.

Mr. LENNOX.—Have we had any reference to this matter before?

Mr. MACDONALD.—This is the cut which was 29 per cent classification. We want this so as to make the evidence more intelligible.

Mr. LENNOX.—This is the point that I wished to have reserved for the purpose of referring to the minutes. I think it is an important question. This evidence should not go in unless Mr. Murphy's recollection of the matter is accurate. I do not know that it is.

Mr. BARKER.—That is a further question. We will have to see what the ultimate results of the progress estimates were. It will force us to follow the thing up.

Mr. CARVELL.—I would have no objection to all the progress estimates going in.

Mr. MACDONALD.—I think all the progress estimates are before us for the purpose of making up a report. I would regard all the documents which the commission have placed before us as being in.

Mr. BARKER.—If these papers are thrown loosely at the committee we may have to examine Mr. Lumsden in regard to them.

Mr. MACDONALD.—There was a statement made by Major Hodgins that he was informed as to what the classification of a certain cut at La Tuque was. He said that he thought it should not be classified more than 40 per cent. Mr. Murphy said to him, 'Would you be surprised to learn that in certain months in 1907 they were classified as 32 and 29 per cent?' There was some discussion across the board here about the

Mr. DOUCET.

APPENDIX No. 5

production of the classification statements at that time and I remember saying that they must be produced.

Mr. BARKER.—Are those the classifications that were made right through ?

Mr. LENNOX.—Of that particular month.

Mr. MACDONALD.—They relate to a particular time. I do not think you were here that day, Mr. Barker.

Mr. LENNOX.—No, I think, Mr. Barker, it was the day you were absent.

Mr. MACDONALD.—It was the day you were away, Mr. Barker. Major Hodgins spoke of what he had heard was the classification in May or June last year, June being the month when he was there. Mr. Murphy utilized these documents in all respects short of formally handing them to the clerk and that is the reason I regarded them as evidence. I wanted to have them.

Mr. LENNOX.—As I have already said, if Mr. Murphy at the time undertook to produce the documents I do not think we ought to object; if he did not they should not be received. If I remember right, counsel merely asked Major Hodgins 'Would you be surprised that in a certain month the classification was 29 per cent, and that in another month it did not exceed 32 per cent?' Major Hodgins said 'I would not be surprised.' Of course, I am not professing to give Mr. Murphy's words exactly. If the matter is as my learned friend says, of course, I have no objection.

Mr. MACDONALD.—I said to Mr. Murphy across the table 'You must produce those statements.'

Mr. MURPHY.—I do not know whether it is so stated on the record.

Mr. LENNOX.—I do not want a whole lot of papers slipped in at the end of the inquiry.

Mr. MACDONALD.—I do not see any reason why all these papers produced by the commission should not be before us. For instance, Mr. Barker had placed on the record to-day a whole lot of papers. If we are going to be technical in our procedure there is no reason why some honourable gentleman should not take the documents in question and read them and so have them placed on the record.

Mr. BARKER.—I was not objecting for a moment to those estimates going in excepting this: I think if we have them for one month we should have the continuation of them, because those estimates may have doubled the next month.

Mr. MACDONALD.—Very well, let us have them all.

Mr. BARKER.—We know that occurred out west.

Mr. MACDONALD.—My only reason for making the request is that I asked Mr. Murphy to put them in the other day at the time the question came up. Otherwise I would not have suggested it.

Mr. CARVELL.—Then it is understood, Mr. Chairman, that they all go in ?

Mr. BARKER.—If those estimates are put in they must be continued onwards.

Mr. CARVELL.—That is the understanding.

Mr. BARKER.—I do not object to any original documents, but I want them to go right through.

Mr. MACDONALD.—All these documents will be available to us here at any time.

Mr. MURPHY.—I have here a summary containing what Mr. Barker was speaking about.

Mr. BARKER.—Right down to the date I want it ?

Mr. Murphy.—Yes.

Mr. BARKER.—Who has prepared that summary ?

Mr. MURPHY.—Mr. Doucet and he signs it.

Mr. CARVELL.—I suppose that same ruling would apply to Major Hodgins' original estimate of the cost of District 'F.' That is the document in the possession of the clerk and is treated as evidence.

Mr. LENNOX.—I remember Major Hodgins tried to give the figures of his original estimate and the reduction. We have no objection, wherever we have dealt with the matter, to such statements going in,

7-8 EDWARD VII., A. 1908

Mr. MACDONALD.—My theory is that we ought to have available any information necessary for the intelligent discussion of this matter.

Mr. BARKER.—Genuine information?

Mr. MACDONALD.—Yes, in the way of documents.

Mr. LENNOX.—All right, if we have been dealing with the matter.

Mr. MACDONALD.—Yes, if these documents have been referred to us and discussed they ought to be available.

Mr. LENNOX.—If we are to have evidence we ought to have the best evidence. Where the matter has not been opened up at all we should not have it.

Mr. CARVELL.—The papers that I speak of have been referred to but not produced.

Mr. MURPHY.—The witness and the committee have discussed the estimate of Major Hodgins, his original estimate, and the estimate of Mr. Poulin.

Mr. MACDONALD.—These two should be put in.

Mr. BARKER.—There is one other document which Mr. Murphy was to put in. In a letter from the Grand Trunk Pacific engineer to Mr. Lumsden he says he encloses a list of Mr. Mann's objections to classification. That letter of Mr. Mann's is not produced.

Mr. MURPHY.—My learned friend, Mr. Hodgins, asked me about that and I inquired at the Transcontinental Commission. There they have got a copy of a letter from Mr. Mann to Mr. Woods, but the only enclosure in the letter is a list of cuttings which has been produced. I made special inquiry.

Mr. BARKER.—Did you try to get a copy of Mr. Mann's letter. Evidently it was sent to the commission.

Mr. MURPHY.—It does look as though there was such a letter, but when my attention was directed to it at the office of the commission I found that a copy of the letter was not inclosed; it was only a list of the cuttings that has been produced here.

Mr. MACDONALD.—The clerk has the profiles and estimates of the work at La Tuque. Now where is your original estimate of the cost in Major Hodgins' own district and Mr. Poulin's estimate?

Mr. MURPHY.—I would like to know whether I am to be at liberty to ask Mr. Doucet with regard to this cutting?

Mr. LENNOX.—Ask him what?

Mr. MURPHY.—Ask him to identify it on the profile.

Mr. MACDONALD.—I thought that was identified the other day?

Mr. CARVELL.—If there is any question about it you had better identify it now?

Mr. DOUCET recalled, and further examined.

By Mr. Murphy :

Q. Will you just state between what stations on the profile, filed here as Exhibit 35, the cutting at La Tuque referred to by Major Hodgins is located?—A. Between stations 6030 to 6046.

Q. Is that the cutting marked on this profile 'Tunnel 500 feet cancelled'?—A. Yes.

Mr. BARKER.—It is not easy to follow the correspondence. There has been a mistake somewhere. A most important letter was sent from Mr. Woods to Mr. Morse, a copy of which was sent apparently to the committee (reads):

'Herewith find copy of letter dated January 22nd from District Engineer Mann, which fully explains itself.' I referred you to another letter containing a list, but have you got the one referred to in the letter of January 29th, 1907, from Mr. Woods to Mr. Morse? They evidently sent it to you.

Mr. LENNOX.—There was an understanding which may cover the whole ground. Mr. Hodgins gave you some lists, Mr. Murphy, of documents required, and I understood you were endeavouring to get the papers?

Mr. MURPHY.—This was the one.

APPENDIX No. 5

Mr. LENNOX.—But you had a little memorandum the other day. Did you get all those papers referred to.

Mr. MURPHY.—What was the enclosure in that letter, Mr. Barker?

Mr. BARKER.—Somebody evidently sent to the commissioners Mr. Woods' letter to Mr. Morse, dated January 29th, 1907, and with it a letter dated 22nd January, from District Engineer Mann. These are your productions here, you know?

Mr. MURPHY.—A letter from Mann to Woods?

Mr. BARKER.—Evidently from Mann to Woods. The list is referred to in another letter.

By Mr. Murphy:

Q. I would ask Mr. Doucet if the cutting which he has identified on his profile is the one as to which the classification of 29 per cent solid rock in May, 1907, and 32 per cent solid rock in June, 1907, have reference?—A. Yes, 29 per cent solid rock and 10 per cent loose rock in May, 1907. In June 32 per cent solid rock and 10 per cent of loose rock. (Exhibit No. 40.)

Mr. LENNOX.—I might interject a statement just here while we are on this matter. I have looked up the matter of the percentages and although neither Mr. Murphy and myself is exactly right in our statement I think it is only proper that the estimates should go in. Mr. Murphy gave the classification as 32 per cent for the month and 29 per cent for the month previous. Mr. Hodgins then said, 'I ask that these statements be produced?' To which Mr. Murphy said 'They will be produced.'

Mr. MURPHY.—Yes, that was my understanding.

Mr. LENNOX.—That clears up that point.

Mr. MURPHY.—Now, Mr. Chairman, what is the view of the committee in regard to my asking Mr. Doucet about the conversations agreed to have taken place with regard to that cutting which he identified?

Mr. LENNOX.—That would not be right and it would not be fair.

Mr. BARKER.—There is just this: you want to be fair to Major Hodgins. As I understand the major was very uncertain about the cuts he saw. Now, you want to ask Mr. Doucet, who is your witness, to describe the cutting in question.

Mr. MURPHY.—Between stations 70 and 80.

Mr. BARKER.—Major Hodgins thinks that is possibly the cut that he saw.

By Mr. Murphy:

Q. Would you, Mr. Doucet, describe the cutting shown on this profile, Exhibit 35, between stations 70 and 80? I suppose my learned friend means the classification:—A. That is the cut which they saw when they were at La Tuque in June, 1907. The total quantity in the cut is 48,000 yards altogether.

Q. How do you classify it?—A. It was classified in June at 87 per cent solid rock, 13 per cent loose rock. (Exhibit No. 39.)

By Mr. Carvell:

Q. Is that the cut that you and Major Hodgins saw in June?—A. No, I was not at that.

By Mr. Murphy:

Q. Was that the tunnel cut?—A. No.

By Mr. Macdonald:

Q. Which was the tunnel cut?—A. The one immediately east of that, between 6030 and 6046.

By Mr. Barker:

Q. What is that you are giving particulars of?—A. The tunnel cut.

Mr. DOUCET.

By Mr. Macdonald:

Q. What was the classification of that tunnel cut?—A. 29 per cent solid rock.

By Mr. Murphy:

Q. In what month?—A. In the month of May, 29 per cent solid rock and 10 per cent loose rock. In the month of June 32 per cent solid rock and 10 per cent loose rock.

Mr. BARKER.—That is what you were referring to the other day?

Mr. MURPHY.—I would like to ask the witness, with the permission of the committee, whether the classification of that tunnel cut and the other cuts in the vicinity was made by him, or by Grant, or by whom?

Mr. LENNOX.—We will be getting on in this thing.

Mr. BARKER.—I only asked the other question to avoid possible misunderstanding.

Mr. MACDONALD.—I do not think it is of any importance, I don't see what difference it makes. Did you make it, Mr. Doucet?

The WITNESS.—No.

Mr. LENNOX.—As we understand now we are not following the inquiry at all.

Mr. CARVELL.—It would be opening it up for quite a time if we went into this.

Mr. MURPHY.—The only matter with reference to Mr. Doucet personally is whether he ever told the Major that this tunnel cut was classified at 86 per cent. I should like to ask the witness that?

Mr. LENNOX.—No, I submit that would not be right.

Mr. BARKER.—Not unless you are prepared to go on.

Mr. MACDONALD.—I quite agree with you. I do not see any advantage in going into that. The documents speak for themselves. I assume that Mr. Doucet would not say it classified something that it did not classify. There would not be any sense in that.

Mr. MURPHY.—At the moment, then, I understand the committee are asking for the estimates of cost on District 'F'?

Mr. MACDONALD.—Yes.

Mr. MURPHY.—Then I will ask Mr. Poulin to produce those.

Mr. BARKER.—What is wanted?

Mr. CARVELL.—We want to identify the original documents containing the estimates of the cost of construction in District 'F.'

Mr. MACDONALD.—The commission did not have the originals when we discussed the matter here before. Now, Mr. Murphy, get Major Hodgins' estimate and Mr. Poulin's and get Mr. Poulin to identify them.

Mr. BARKER.—If they are original documents on the face of them.

Mr. MURPHY.—What did I understand to be the reply to my request with respect to the question addressed to Mr. Doucet, as to whether he ever said this cut at La Tuque was classified as 86 per cent?

Mr. MACDONALD.—I do not understand how Mr. Doucet said it was 86 per cent when the estimates themselves show it was 29 and 32 per cent in those two months.

Mr. LENNOX.—This is a matter of argument.

Mr. CARVELL.—I think in view of the documents produced we would all assume that Mr. Doucet would deny that he ever stated it.

Mr. MURPHY.—Under the arrangement made with the committee I now put in the original estimate of Major Hodgins of the cost of construction on District 'F' referred to, the \$13,000,000 estimate. (Exhibit No. 41.)

Mr. S. R. POULIN sworn:

By Mr. Murphy:

Q. You have already produced Major Hodgins' original estimate, referred to as the \$13,000,000 estimate?—A. Yes, sir.

APPENDIX No. 5

Q. What is the other estimate, which you produce?—A. This estimate was made in the months of December and January by the resident and division engineers on District 'F' after the Major left. (Exhibit No. 42.)

Q. Now, as compared with the estimate of thirteen millions, what is the amount of this estimate filed as Exhibit 42?—A. This estimate is \$17,534,000.

Q. And how is the difference between these two estimates made up?—A. It was made up—this takes in everything, rails and ties and everything. The estimate of Major Hodgins was only to grading. My estimate includes everything, stations and sidings.

By Mr. Barker:

Q. Taking these items as they are here what is the difference?—A. There would be about a million and a half difference.

Q. Lower?—A. My estimate is one and a half millions higher than Hodgins'.

By Mr. Murphy:

Q. Why?—A. Because this estimate was made according to the cross sections.

Q. What estimate?—A. This last estimate, as I call my estimate, was made by the resident and division engineers on the work after the actual cross-sections had been made.

Mr. MACDONALD.—Are we not going into the evidence now?

By Mr. Barker:

Q. Was this increase of one and a half millions the result of any change in the classifications?—A. Oh, no, it was not. It was due to omissions in the quantities.

By Mr. Macdonald:

Q. Omissions in the quantities where?—A. On the line.

Q. Certain quantities were taken out, you mean?—A. Quantities in the original estimate.

Mr. LENNOX.—I think we are going beyond what was agreed upon?

Mr. MACDONALD.—I don't think we should have any evidence, the documents should speak for themselves. We certainly ought to have these two estimates.

Mr. MURPHY.—I am attaching a list of these omissions for the information of the committee.

Mr. BARKER.—I think the evidence is incomplete if you only give Major Hodgins' first estimate and then your No. 3 estimate.

Mr. MACDONALD.—We should have Major Hodgins' second estimate also?

The WITNESS.—Here is a statement of the estimates taken by each division. The estimate is a compilation from Major Hodgins' revised quantities and the estimate was made by the engineers after I went upon the work, side by side, giving the quantities of each division. That was compiled lately. I can sign it if you want it for the information of the committee?

Mr. LENNOX.—I don't think we want it.

By Mr. Barker:

Q. When was it made?—A. In the month of April this year. It is a comparison of the two estimates side by side.

Mr. BARKER.—I do not think we have a right to go into a statement made since April, 1908.

Mr. MACDONALD.—I do not want evidence, all I want is the documents as far as I am concerned, the two estimates; one made by Major Hodgins and the other by Mr. Poulin.

Mr. BARKER.—Mr. Poulin's estimate has been made in April of this year.

Mr. CARVELL.—Oh no, it was made in December.

Mr. POULIN.

7-8 EDWARD VII., A. 1908

Mr. MURPHY.—I have asked the witness to produce the revised estimate made by Major Hodgins for the information of the committee.

The WITNESS.—This revised estimate is as close as it can be had from the figures that were in the office at St. Boniface, that is the revised estimate of Major Hodgins (Exhibit No. 43).

By Mr. Barker:

Q. You say it is as close as you could make it?—A. It is compiled from the loose sheets found in the office, the only documents left in the office when Major Hodgins left, and it is compared with the estimate that he had in his book that he had here before the committee. It amounts to \$11,800,000. It is taken from loose sheets, the estimates of McIntosh, Heaman, A. G. Macfarlane, M. C. Macfarlane and McTaggart. The total amounts to within a few thousand dollars of the estimate in Major Hodgins' book.

By Mr. Murphy:

Q. Do I understand there was a single sheet containing all the details?—A. No, there were only loose sheets.

Q. What else were you offering to the committee?

Mr. BARKER.—Now this is giving entirely new evidence.

Mr. LENNOX.—I will have to ask to have struck out anything in the way of new evidence.

Mr. MURPHY.—I was asking what were the other estimates or blue prints he was offering to the committee when I was stopped?

Mr. LENNOX.—You are putting in evidence upon a question that we have not been investigating in any way. I don't think we ought to allow that.

Mr. MACDONALD.—I do not think it is material if you have got the other estimates in.

Mr. LENNOX.—I do not think we had better take it.

Mr. BARKER.—It is all after this question was raised.

Mr. MURPHY.—There is another request I made to the committee as to hearing the evidence of these individuals concerning whom statements had been spread upon the record. What I have reference to is the conversation between them and the major. I do not know whether the committee will take the question under advisement?

Mr. BARKER.—You can give them a certificate of character yourself.

Mr. MURPHY.—They do not need a certificate of character.

Mr. BARKER.—You know in court such a thing happens every day?

Mr. MACDONALD.—Of whom are you speaking?

Mr. MURPHY.—Of Mr. Grant, Mr. Armstrong, Commissioner Reid and Commissioner Young.

Mr. MACDONALD.—There is no necessity for Commissioner Young or Commissioner Reid giving any evidence in view of the present position of matters. In regard to the others it is perfectly immaterial. With respect to Grant, Major Hodgins said the other day that he did not attribute to him anything improper. I deprecate the giving of evidence now.

Mr. MURPHY.—The statement attributed to Mr. Armstrong he is prepared to deny. He denies that he ever said there were two millions over-classification.

Mr. LENNOX.—It is a contradiction.

Mr. MACDONALD.—It is a contradiction. In view of Major Hodgins' position, the explanation he has made and the fact that his case had not been concluded at the time he abandoned it, I do not think it is material. I assume that Grant would contradict the statement attributed to him?

Mr. MURPHY.—Certainly Grant would contradict the statement. It is a matter that I would press on the attention of the committee in view of the statements that are on the record.

Mr. PARENT.—Do you think it is fair, Mr. Chairman, that an engineer who has

APPENDIX No. 5

been charged with saying there was an over-classification of over two million dollars should not have a right to come here and deny it? It would be a great hardship if the statements were allowed to go on the record undenied. That man may be looking for a position later on and he will be called upon to contradict that statement. I do not think it is fair that the men mentioned by Major Hodgins should not have the right to contradict those statements. As far as we are concerned I am prepared to go on with the investigation as long as you like. We have nothing to hide.

Mr. LENNOX.—Where are we at?

Mr. PARENT.—We are here for business.

Mr. MACDONALD.—I desire to say, before we conclude, that some of the gentlemen who have been given the privileges of this room as representing the press have abused those privileges by absolute misrepresentation, distortion of the evidence and incorrect versions of what has taken place in this committee. If at any future date a similar course is taken, and I happen to be on the committee, if there is any way in which the privileges of parliament can be vindicated with respect to gentlemen of that type I propose to follow it. In this case particularly my friend Mr. Carvell and myself have been represented as having pre-judged this case from the very inception of it and yet the record of the proceedings, which is a verbatim one, shows that such an allegation is absolutely and wholly untrue. I am in the judgment of my friends of the committee who are not of our political faith if we have not in these proceedings endeavoured to act in as fair and judicial a manner as possible. Every bit of evidence, from any source tendered, that could be received has been received; and as far as desiring to deal with these charges fairly and equitably, I am bound to say, as far as I am concerned, and I think I can say for the gentlemen associated with me, that these misrepresentations are entirely unwarranted.

Mr. CARVELL.—In addition to what Mr. Macdonald has said, I want to state that as far as I have been able to read these newspapers the most vicious attacks have come from journals in the maritime provinces, evidently with the idea of having them read where Mr. Macdonald and myself are best known. I can only repeat what he has stated and hope that some means may be adopted whereby such very unfair reports may be prevented in the future.

Mr. PARENT.—Here is a statement in a Quebec paper of yesterday (reads):

‘Present indications are that the Hodgins inquiry will not be prosecuted further. It is quite clear that Hodgins has proved his charges, letters of Grand Trunk officials having been unearthed which show they strongly pleaded against over-classification. It transpires now that the commission in January last made an agreement with the Grand Trunk Pacific to refer the question to a commission of engineers to determine as to whether the company has to pay rental back upon certain building lands. When the Liberal members heard of this they suggested that it was useless to proceed further with the inquiry. The point will be fully determined to-morrow, but the evident desire is to shut off further investigation, in order to prevent Grand Trunk engineers being on the stand to uphold Hodgins’ charges.’

I do not know of anything more harmful than a report such as that.

The CHAIRMAN.—That is very unfair. What paper is that?

Mr. PARENT.—The Quebec ‘Morning Chronicle.’

Mr. MACDONALD.—It is not in accord with the evidence that is in.

Mr. PARENT.—I would have been more satisfied if we could have had all the engineers here to prove that the charges are not justified by the facts.

Mr. CARVELL.—I am not entirely satisfied with the course this has taken because, as you will remember early this afternoon, I reserved to myself at least the right to say that my learned friends could call witnesses to prove fraud on the part of the commission if they wanted to, and that necessarily involved the right of the commissioners to call their witnesses to disprove those charges. But in view of the course that the case has now taken I see nothing to do now but to close it up, therefore I will move that the taking of evidence in this case be now closed, and that the witnesses be

7-8 EDWARD VII., A. 1908

discharged and that the committee meet on say Tuesday next to decide what the next step shall be.

Mr. LENNOX.—Do not combine the two in one motion, but make a motion first as to the closing of the evidence, we want a vote on that, and with regard to the other part we will of course vote with you.

Mr. CARVELL.—I am quite willing to do that. I move that the evidence be now closed and that the witnesses be discharged.

Question put and motion declared carried.

The Committee adjourned.

(For further proceedings, see pages 57 to 62.)

REPORT OF THE SELECT COMMITTEE

APPOINTED TO INVESTIGATE

THE CONDITIONS AND GUARANTEES UNDER WHICH
THE DOMINION GOVERNMENT PAID MONEYS TO THE

QUEBEC BRIDGE COMPANY

&c., &c.

ALSO WITH

MINUTES OF PROCEEDINGS AND MINUTES OF EVIDENCE

(REVISED EDITION)

PRINTED BY ORDER OF PARLIAMENT



OTTAWA

PRINTED BY S. E. DAWSON, PRINTER TO THE KING'S MOST
EXCELLENT MAJESTY

1908

TABLE OF CONTENTS

	PAGE.
Order of Reference.....	V
Report of Committee..	VII
Draft Report proposed by Minority..	XVIII
Minutes of Proceedings..	IX
List of Witnesses..	XXI
List of Exhibits..	XXIII
Minutes of Evidence..	3, &c.

SELECT COMMITTEE ON QUEBEC BRIDGE

ORDER OF REFERENCE.

HOUSE OF COMMONS,
WEDNESDAY, February 5, 1908.

Resolved, that a Select Committee composed of seven members of this House be named for the purpose of investigating the conditions and guarantees under which this Government paid moneys to the Quebec Bridge Company and endorsed or guaranteed the bonds of the said company, and what measures were adopted by the Government to ensure the preparation of suitable plans of construction and the proper execution of the same, and what security the Government at present possesses for the sums already received by and guarantees given to the company.

That the said committee be empowered to send for persons, papers and records, and to employ a shorthand writer to take down such evidence as the committee deem necessary, and that the evidence be printed from day to day for the use of said committee, and that Rule 72 be suspended in relation thereto.

Attest.

(Signed) THOS. B. FLINT,
Clerk of the House.

THURSDAY, May 14, 1908.

Ordered, that the said committee be composed of Messrs. Maclean (Lunenburg), Talbot, Galliher, Chisholm (Antigonish), Monk, Barker, Walsh (Huntingdon).

Attest.

THOS. B. FLINT,
Clerk of the House.

MONDAY, June 1, 1908.

Ordered, that the said Committee have leave to sit while the House is in session.

Attest,

THOS. B. FLINT,
Clerk of the House.

7-8 EDWARD VII., A. 1908

THURSDAY, June 11, 1908.

Ordered, that the Return in answer to an Address to His Excellency the Governor General of the 12th December, 1907, for a copy of all Orders in Council, correspondence, reports, memoranda, papers and documents, since the 1st day of January, 1900, relating to the Quebec bridge, including all reports and Orders in Council relating to the plans and specifications for the works of the undertaking or to any approval thereof by the Governor in Council, or by the department of Railways and Canals, the same being Sessional Paper No. 154a.

Attest,

THOS. B. FLINT,

Clerk of the House.

FRIDAY, June 12, 1908.

Ordered, that the Report of the Royal Commission on the Quebec Bridge Inquiry, together with the evidence (Sessional Paper No. 154), be referred to the said Committee.

Attest,

THOS. B. FLINT,

Clerk of the House.

SELECT COMMITTEE ON QUEBEC BRIDGE

REPORT

HOUSE OF COMMONS,

WEDNESDAY, July 15, 1908.

The Select Committee of the House of Commons appointed for the purpose of investigating the conditions and guarantees under which the Government of Canada paid moneys to the Quebec Bridge and Railway Company, and endorsed or guaranteed the bonds of the said company, and what measures were adopted by the Government of Canada to ensure the preparation of suitable plans of construction and the proper execution of the same and what security the Government at present possesses for the sums already received by and guarantees given to the Company, beg leave to present the following Report, viz. :—

1. The Quebec Bridge Company was incorporated in 1887 for the purpose of constructing a bridge across the St. Lawrence River, at or near Quebec City. By subsequent legislative Acts the Company's charter was revised and amended, and by Chapter 177 of the Statutes of 1903, the name of the Company was changed to the Quebec Bridge and Railway Company.

2. In 1889, a subsidy of one million dollars was voted by the Parliament of Canada to the Quebec Bridge and Railway Company, towards the construction of the bridge. Of this subsidy, \$374,353 was eventually disbursed to the Company. The sum of \$250,000 was granted as a subsidy to aid the construction of the bridge, by the Government of the Province of Quebec, and \$300,000 by the City of Quebec for the same purpose.

3. In 1900 the Quebec Bridge and Railway Company entered into a contract with M. P. Davis, for the construction of the substructure, and in 1903, it entered into a contract with the Phoenix Bridge Company, of Pittsburg, U.S.A., for the construction of the superstructure.

The plans and specifications of both were approved by the Department of Railways and Canals of Canada, by C. S. Schreiber, its Chief Engineer.

4. On October 19, 1903, an agreement was entered into, between the Government of Canada, and the Quebec Bridge and Railway Company, which said agreement is fully set out as a schedule to Chapter 54 of the Statutes of Canada for 1903, which Act confirmed said agreement, whereby *inter alia*, the Company released any claim to the unpaid balance of the subsidy of one million dollars voted in 1899, and the Government of Canada, agreed to guarantee the payment of the principal and interest of the bonds, debentures or other securities of the Company, the amount not to exceed \$6,678,200, which amount was considered necessary to liquidate the liabilities of the Company as of that date and complete the construction of the bridge.

The Company was also obliged under the agreement, to procure a surrender of the stock of the Company held by subscribers, and which had not been fully paid, and to deliver in substitution therefor fully paid stock for the amount actually paid on such shares, and which amounted to \$65,585.70.

The Company by this agreement also undertook to procure subscribers for additional stock, to the amount of \$200,000, which was to be fully paid prior to the issue of any bonds bearing the Government guarantee.

5. The Company fully complied with the provisions of the agreement regarding the substitution of fully paid shares for partially paid shares held by subscribers to that date, and also procured the subscription of \$200,000 of additional stock.

6. The Company issued in 1904, and in the following two years, bonds to the value of \$6,678,200, which were guaranteed by the Government of Canada, and upon which issue of bonds as collateral, the Company procured advances from the Bank of Montreal, to the extent of \$5,016,066.

7. It was urged before the Committee that contrary to the provisions of the agreement ratified by Chapter 54 of the Acts, 1903, the issue of the said bonds preceded the payment of the \$200,000 of additional stock by reason of the fact that a cheque of M. P. Davis given in payment of subscription of stock, in the sum of \$94,900 was not immediately converted into cash and that there was, therefore, in this respect, not a compliance by the Company with Section 4 of the agreement of October 19, 1903.

The Company regarded the cheque as cash, and certified to the Government that full payment of the \$200,000 of additional capital had been made, and the Government, thereupon, guaranteed the issue of the bonds above referred to.

The full \$200,000 had not, as a matter of fact, been placed by the Company to its credit with its bankers at the time the bonds were guaranteed, although a cheque sufficient to make up the amount was then held by the Company as above stated. Subsequently, the cheque was placed to the credit of the Company and the full \$200,000 was used by the Company for the purposes of the undertaking.

8. The matter of the suitability and character of the plans of the bridge, both as to the substructure and the superstructure, the methods and system of inspection during the construction and kindred and allied questions, has been the subject of investigation by a Royal Commission, subsequent to the destruction of the bridge in August, 1907. The Report of the said Royal Commission being now before Parliament, your Committee deem it inadvisable to make any comment in relation thereto, particularly as the questions involved are largely of a technical character.

9. The whole undertaking of the Company is mortgaged to secure the Government guaranteed issue of bonds. Of these bonds the Government now holds approximately \$2,330,000 of the whole issue of \$6,678,000. The balance of the same is held by the Bank of Montreal which claims as of April 30, 1908, against these bonds, the sum of \$3,773,223.71. The bank is under obligation to the Government to deliver the balance of the bonds to the Government on payment of the balance of advances and stipulated interest.

Under Chapter 35 of the Acts of 1903, the Government is empowered to advance to the Company, money to release from the pledging to the bank, the bonds in question, and under this legislation, the \$200,000 referred to was advanced and a proportionate amount of the bonds was received by the Government as above stated.

When the Bank of Montreal is paid its claim by the Government, the Government will possess the whole bond issue and will have an undivided lien upon the substructure of the bridge and approaches, including the Chaudiere bridge and a large amount of delivered material. The substructure cost over \$1,000,000, and the approaches referred to, over \$1,000,000, and the value of the delivered material amounts approximately to \$1,000,000.

Your Committee also beg to submit herewith for the information of the House, the minutes of their proceedings, the evidence taken by them during the enquiry, and the exhibits filed in connection therewith; and recommend that the exhibits be not printed.

All which is respectfully submitted.

A. K. MACLEAN,
Chairman.

SELECT COMMITTEE ON QUEBEC BRIDGE

MINUTES OF PROCEEDINGS

COMMITTEE ROOM,

FRIDAY, May 22, 1908.

The committee met at 10.30 o'clock, a.m.

Present: Messieurs Barker, Chisholm (Antigonish), Galliher, Maclean (Lunenburg), and Monk—5.

On motion of Mr. Galliher, Mr. Maclean (Lunenburg), was chosen chairman.

The Chairman read the Order of Reference.

On motion of Mr. Monk, it was ordered that Mr. Ulric Barthe, secretary of the Quebec Bridge Company, be summoned to appear before this committee at its next meeting and to produce before the committee the said company's book of minutes of its meetings, its books of accounts, its contracts with regard to the works of construction of the said Quebec bridge, and contracts and agreements for loans and advances, its stock register and books connected therewith; the said company's correspondence with the Dominion government and members thereof in reference to all matters and things connected with the said Quebec bridge; and all papers and documents generally having reference to the construction and completion and the providing of the necessary funds for defraying the cost of the aforesaid bridge.

The committee then adjourned till Tuesday, June 2 next, at 10.30 o'clock, a.m.

Attest,

N. ROBIDOUX,

Clerk of Committee.

COMMITTEE ROOM,

TUESDAY, June 2, 1908.

Committee met.

PRESENT—Mr. Maclean (Lunenburg), in the chair; and Messrs. Barker, Chisholm (Antigonish), Galliher, Monk and Walsh (Huntingdon.)—6.

The chairman laid on the table a return to an Order of the House, dated December 12, 1907, for a copy of all Orders in Council, correspondence, reports, memoranda, papers, and documents, since January 1, 1900, respecting the Quebec Bridge, &c.

Mr. G. A. Bell, of the Department of Railways and Canals, laid on the table original papers giving report and evidence submitted by the Commissioners of Inquiry into the Quebec bridge collapse, in 3 vols. Also a roll of plans.

Mr. Ulric Barthe, secretary of the Quebec Bridge Company, was called, sworn and examined (in part) by Mr. Monk.

Witness' examination discontinued, pending the arrival of the papers called for by his summons.

Committee rose to resume at 2.30 o'clock, p.m.

7-8 EDWARD VII., A. 1908

2.30 o'clock, p.m.

Committee resumed.

Mr. G. A. Bell, of the Department of Railways and Canals, laid on the table certain papers used by the Royal Commission in the course of their inquiry at Quebec, which were sent at the close thereof to the Railway Department at Ottawa.

Also, a printed copy of the report of the Royal Commission on the cause of the collapse of the Quebec bridge—which was filed and marked as Exhibit No. 1.

Mr. Barthe having produced the books of accounts, &c., of the Quebec Bridge Company, the members of the committee proceeded informally to the examination of the same.

The committee then adjourned until Tuesday next, 9th instant, at 11 o'clock, a.m.

Attest,

N. ROBIDOUX,
Clerk of Committee.

HOUSE OF COMMONS,
COMMITTEE ROOM 32,
TUESDAY, June 9, 1908.

Committee met.

Present—Mr. Maclean (Lunenburg), in the chair; and Messrs. Barker, Chisholm (Antigonish), Galliher, Monk and Walsh (Huntingdon)—6.

Mr. H. T. Ross, assistant deputy minister of finance, in attendance before the committee on behalf of the Finance Department, was given leave to put questions to witnesses, if such be deemed necessary, to facilitate the enquiry.

Mr. Barthe, secretary of the Quebec Bridge and Railway Company, was recalled and further examined by Mr. Monk and others.

During his examination, the following papers, &c., were filed and marked as—

Exhibits Nos. 2, 3, 4, 5 and 6—Five bank books of the Quebec Bridge and Railway Co.

Exhibits Nos. 7 to 16, inclusive—Ten cheques aggregating the sum of \$5,000 deposited to the credit of the Quebec Bridge and Railway Co., by the directors thereof.

Exhibit No. 17.—Copy of resolutions of shareholders and minutes of directors referring to same, in connection with annual grant of \$5,000 to the directors of said company for attendance, &c.

Exhibit No. 18.—By-laws of the Quebec Bridge and Railway Co.

At one o'clock p.m., committee took recess.

Four o'clock p.m.

Committee resumed.

Mr. Barthe's examination was continued by Mr. Monk and others.

During his examination, the following documents were filed and marked as—

Exhibit No. 19.—Agreement for advances dated 23rd Feb., 1904, between the Quebec Bridge Company, the Dominion Government, and the Bank of Montreal.

APPENDIX No. 6

Exhibit No. 20.—Copy of contract for superstructure between the Quebec Bridge Company and the Phœnix Bridge Co.

Witness retired, but to remain in attendance.

Resolved, that the committee proceed to the examination of Mr. G. A. Bell, assistant accountant of the Railways and Canals Department, at its next sitting.

Committee then adjourned until tomorrow at 11 a.m.

Attest,

N. ROBIDOUX,
Clerk of Committee.

COMMITTEE ROOM No. 32,
Wednesday, June 10, 1908.

Committee met.

PRESENT:—Mr. Maclean (Lunenburg), in the chair; and Messrs. Barker, Chisholm (Antigonish), Galliher, and Walsh (Huntingdon)—5.

Mr. H. T. Ross, assistant deputy minister of Finance, and Mr. G. A. Bell, assistant accountant of Railways and Canals Department, were again in attendance.

Resolved, that Mr. J. H. Paquet, treasurer of the Quebec Bridge and Railway Co., in attendance before the committee since yesterday, be formally summoned to attend as a witness.

Mr. Barthe laid on the table two statements he was yesterday requested to prepare for the committee—which were filed and marked as

Exhibit No. 21.—List of shareholders present or represented by proxy at annual general meetings of Quebec Bridge Co.

Exhibit No. 22.—Memo. showing attendance of directors appointed by the government at Board meetings of Quebec Bridge and Railway Co., from date of appointment, January, 1904.

The following paper was filed and marked as

Exhibit No. 23.—Statement showing amounts voted by shareholders to directors and the manner in which these grants were dealt with by the directors themselves.

Mr. Monk being detained in the House, the committee rose to meet again at 3 o'clock p.m.

Three o'clock, p.m.

Committee resumed, with all the members thereof present.

Three volumes of original papers giving report and evidence submitted by the Commissioners of Inquiry into the Quebec Bridge collapse, laid on the table of the committee by an official of the Railways and Canals Department (Mr. G. A. Bell), on 2nd instant, were marked as Exhibits Nos. 24a, 24b, and 24c, respectively.

Also, a roll of plans relating to these original papers, produced before the committee by Mr. Bell, was marked as Exhibit No. 24d.

Mr. G. A. Bell, assistant accountant of Railways and Canals Department, was called, sworn, and examined by Mr. Monk and others.

During his examination, the following papers were filed and marked as

7-8 EDWARD VII., A. 1908

Exhibit No. 25.—Cancelled cheque of M. P. Davis in favour of Quebec Bridge Company, dated January 27, 1904, on Bank of Montreal, for \$119,900.

Exhibit No. 26.—Cheque of M. P. Davis in favour of Quebec Bridge Company, dated February 21, 1907, on Bank of Montreal, for \$94,900, paid into bank same date.

Exhibit No. 27.—Statement showing details of first payment of \$898,264.73 from bond account (Quebec Bridge and Railway Co.)

Witness identified Exhibit No. 23 as having been prepared by himself.

Mr. Paquet, treasurer of Quebec Bridge and Railway Company, filed the following paper, which was marked as

Exhibit No. 28.—List of first shareholders of Quebec Bridge Company and amount of their shares, &c.

The following papers were filed and marked as

Exhibit No. 29.—Recapitulation of engineer's progress estimate of work done by the Phoenix Bridge Company (Mr. Bell's statement B.)

Exhibit No. 30.—Contract dated June 19, 1900, between Quebec Bridge Company and M. P. Davis for substructure of bridge.

Exhibit No. 31.—Release Quebec Bridge and Railway Company and others to Thos. McDougall.

Exhibit No. 32.—Contract dated July 27, 1903, between M. P. Davis and the Quebec Bridge and Railway Company for construction of railway, &c.

Mr. Barthe recalled to identify Exhibits Nos. 21 and 22 as having been prepared by himself.

Resolved, that the examination of Messrs. Ross (Finance Department), and Barthe be proceeded with, at the next sitting of the committee.

Committee then adjourned until to-morrow at 3 o'clock, p.m.

Attest,

N. ROBIDOUX,

Clerk of Committee.

COMMITTEE ROOM,

THURSDAY, June 11, 1908.

Committee met at 3 o'clock p.m.

Present—Mr. Maclean (Lunenburg), in the chair; and all the other members of the committee.

Messrs. Ross (Finance Dept.), Bell (Railways and Canals Dept.), Barthe and Paquet were in attendance. Also, Mr. S. N. Parent, president of the Quebec Bridge and Railway Co., who had likewise attended the previous sittings of the committee.

A mortgage trust deed, dated Feb. 1, 1904, between the Quebec Bridge and Railway Co. and the Royal Trust Co. and the Dominion Government, was filed and marked as Exhibit No. 33.

Mr. Ross, Asst. Deputy Minister of Finance, read a memo. showing balance of indebtedness due Bank of Montreal by Quebec Bridge Co., which was marked as Exhibit No. 34.

A further list of first shareholders of the Quebec Bridge and Railway Co. was filed and marked as Exhibit No. 28a.

APPENDIX No. 6

The following documents were filed and marked as—

Exhibit No. 35.—Agreement between the Government of the Province of Quebec and the Quebec Bridge Co., dated Nov. 27, 1900.

Exhibit No. 36.—Agreement between the City of Quebec and the Quebec Bridge Co., dated Sept. 22, 1900.

Exhibit No. 37.—Letter (in French) dated February 12, 1902, from L. A. Tascherneau to Mr. Barthe, secretary of Quebec Bridge Co., *re* remunerations to directors of said company.

Exhibit No. 38.—Letter (in French) dated Nov. 26, 1903, from same to same *re* grant of \$5,000 to directors.

Exhibit No. 39.—Account of Gormully & Orde, of Ottawa, against the Quebec Bridge & Railway Co., for legal services.

Exhibit No. 40.—Subsidy agreement between the Dominion Government and the Quebec Bridge Co., dated Nov. 12, 1900.

Mr. Bell re-called and further examined by the Chairman and others.

Witness retired.

Mr. Ross, in answer to a question, stated that the records of the Finance Department's connection with the Quebec Bridge & Railway Co. were contained in the bound books, A, B, and C, forming part of Sessional Papers No. 154a before the committee—These three bound books were then marked as

Exhibit No. 41.—Copy of files *re* Quebec Bridge & Railway Co., from Sept. 13, 1900, to May 25, 1904, (Letter A).

Exhibit No. 42.—Do, do, from July 14, 1904, to July 11, 1907 (Letter B).

Exhibit No. 43.—Do, do, from Sept. 12, 1904, to Feb. 11, 1908 (Letter C).

Mr. Barthe recalled and further examined by the chairman and others.

Witness retired.

Mr. J. H. Paquet, treasurer of the Quebec Bridge & Railway Co., was called and discharged from further attendance. Witness submitted a list of shareholders of the old company who remained with the new company when Mr. Parent was made a director and president of the re-organized Bridge Co. Said list being marked as Exhibit No. 44.

Mr. Talbot moved, that the chairman be instructed to move in the House to-morrow that the report of the Royal Commission on the Quebec Bridge inquiry, together with the evidence (Sessional Papers No. 154), be referred to this committee.

Which was agreed to on division.

Resolved, that the following directors of the Quebec Bridge & Railway Co., viz.: Messrs. Sharpley, Price, Lemoine, &c., be requested to attend the next meeting of the committee.

Committee then adjourned to the call of the chair.

Attest,

N. ROBIDOUX,

Clerk of Committee.

7-8 EDWARD VII., A. 1908

HOUSE OF COMMONS,

THURSDAY, June 18, 1908.

Committee met at 11 o'clock a.m.

Present—All the members of the committee, with Mr. Maclean (Lunenburg) in the chair.

Mr. Bell, assistant accountant of Railways and Canals Department, was in attendance. Also, Hon. S. N. Parent, president of the Quebec Bridge and Railway Company, and the following directors of said company, viz.: Hon. J. Sharples, and Messrs. H. M. Price, G. LeMoine and P. B. Dumoulin, all of Quebec.

Mr. H. M. Price was called, sworn and examined by Mr. Galliher and others; and cross-examined by Mr. Barker and others.

Witness retired.

Mr. G. LeMoine, called and sworn.

It being one o'clock p.m., committee took recess.

Four o'clock p.m.

Committee resumed.

Mr. Price was given leave to explain a certain part of his evidence given this morning.

Mr. LeMoine recalled and examined by Mr. Galliher, and cross-examined by Mr. Monk and others.

Witness retired.

Mr. Thos. McDougall, general manager of the Quebec Bank, Quebec, called, sworn and examined by Mr. Galliher and others.

Witness retired.

Mr. J. G. Scott, general manager of the Quebec and Lake St. John Railway Co., Quebec, called, sworn and examined by Mr. Galliher and others; and cross-examined by Mr. Monk.

Witness retired.

Hon. J. Sharples, president Union Bank, Quebec, called, sworn and examined by Mr. Galliher and others; and cross-examined by Mr. Monk and others.

Witness retired.

Mr. P. B. Dumoulin, manager Molsons Bank, Quebec, called, sworn and examined by Mr. Galliher, and cross-examined by Mr. Monk.

Witness retired.

Resolved, that the examination of Hon. S. N. Parent, president of the Quebec Bridge and Railway Company, and of Mr. Henry Holgate, chairman of royal commission on the cause of the collapse of the Quebec bridge, be proceeded with at next meeting of the committee.

Committee then adjourned until Tuesday next at eleven o'clock a.m.

Attest,

N. ROBIDOUX,

Clerk of Committee.

APPENDIX No. 6

HOUSE OF COMMONS,
COMMITTEE ROOM NO. 32,
TUESDAY, June 23, 1908.

Committee met at 11.30 o'clock a.m.

Present: Mr. Maclean (Lunenburg), in the chair; and Messrs. Chisholm (Antigonish), Galliher, Monk, and Walsh (Huntingdon).—5.

Hon. S. N. Parent, Mr. Bell (assistant accountant of Railways and Canals Department) and Mr. A. E. Hoare (chief engineer of Quebec Bridge Company) were in attendance. Also, Mr. Lorenzo Robitaille, M.P., by request of chairman.

Mr. Robitaille, M.P., was called and examined by Mr. Galliher.

Mr. Robitaille withdrew, to prepare a statement regarding the financial condition of Quebec Bridge Company, as understood by himself, and as represented in his speech in the House on April 26, 1907.

Hon. Mr. Parent, president of Quebec Bridge & Railway Company, called, sworn and examined by Mr. Monk. (His evidence being taken down in the French language by a stenographer sworn for the purpose.)

At one o'clock p.m., Committee took recess.

Three-thirty o'clock p.m.

Committee resumed.

Mr. Henry Holgate, C.E., Montreal, attended as requested.

Mr. Holgate was called, sworn and examined by Mr. Monk, and others, and cross-examined by the chairman and others.

Witness discharged.

Mr. Parent's examination was then resumed by Mr. Monk.

Witness retired.

The following paper was filed and marked as Exhibit No. 45—First annual report of the directors of Quebec Railway Bridge Company, dated June 4, 1889, and signed by J. B. Forsyth, president, and by L. F. Burroughs, secretary.

Mr. Robitaille, M.P., submitted his statement regarding the financial condition of Quebec Bridge Company, as understood by himself on April 26, 1907, and was further examined thereon.

Mr. Robitaille then withdrew.

Committee adjourned until Tuesday next, 30th instant.

Attest,

N. ROBIDOUX,
Clerk of Committee.

7-8 EDWARD VII., A. 1908

HOUSE OF COMMONS,

COMMITTEE ROOM No. 62,

TUESDAY, July 7, 1908.

Committee met at 11 o'clock, a.m.

Present—Mr. Maclean (Lunenburg), in the chair, and Messrs. Barker, Chisholm (Antigonish), Galliher, Monk and Walsh (Huntingdon)—6.

By request of the chairman, the following persons were in attendance, viz., Hon. Mr. Fielding, Minister of Finance; and Mr. Robert Douglas, C.E., of Railways and Canals Department. Hon. Mr. Parent and Mr. Henry T. Ross were also in attendance.

Hon. Mr. Fielding called, and examined by Mr. Monk and others.

Retired.

Mr. R. Douglas called, sworn and examined by Mr. Monk and others.

Witness discharged.

Mr. Henry T. Ross called, and examined by Mr. Monk and others.

Mr. Barker asked for the production of a complete statement of the accounts between the Phoenix Bridge Company and the Quebec Bridge Company from the beginning; also with regard to the substructure.

Committee then adjourned until to-morrow at 3 o'clock, p.m.

Attest,

N. ROBIDOUX,

Clerk of Committee.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 62,

WEDNESDAY, July 8, 1908.

Committee met at 3 o'clock p.m.

Present: Mr. Maclean (Lunenburg), in the chair; and Messrs. Chisholm (Antigonish), Galliher, Monk and Talbot.—5.

Hon. Mr. Parent and Mr. G. A. Bell, assistant accountant of Railways and Canals Department, were in attendance.

Mr. Bell, recalled and examined by Mr. Monk respecting the complete statement asked for previously by Mr. Barker, of the accounts between the Phoenix Bridge Company, &c.

Witness discharged.

The following document was filed by Mr. Parent and marked as Exhibit No. 46:—Return to an order of the House dated June 18, 1891, for a copy of the report of C. Schreiber, Esq., upon a survey made by him of the River St. Lawrence immediately opposite and in the vicinity of the city of Quebec, for the purpose of determining whether it was possible to build a railway bridge there.

APPENDIX No. 6

On motion of Mr. Monk, it was

Ordered, that Mr. N. Béchard, accountant and auditor, Quebec be summoned by wire to appear before the committee to-morrow (Thursday).

Mr. Monk asked that Appendix No. 6 (Sessional Papers No. 7 for year 1896) of the Quebec Legislature, being a report of Mr. C. E. Gauvin 'respecting the proposed bridge over the St. Lawrence at Quebec,' be filed as an exhibit.

The chairman ruled the document as being irrelevant to this inquiry.

Committee then adjourned until to-morrow at 12 o'clock noon.

Attest,

N. ROBIDOUX,

Clerk of Committee.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

THURSDAY, July 9, 1908.

Committee met at 12 o'clock noon.

Present: Mr. Maclean (Lunenburg), in the chair; and Messrs. Barker, Chisholm (Antigonish), Galliher, Talbot, and Walsh (Huntingdon)—6.

Hon. Mr. Parent, and Mr. G. A. Bell of Railways and Canals, were in attendance.

The name of Mr. N. Béchard, a witness summoned to appear before the Committee this day, being formally called by the clerk, and there being no response thereto, it was

Resolved, that the books, &c., produced by the Quebec Bridge Company be returned to Hon. Mr. Parent, subject to all or any of them remaining at the disposal of the Committee for the purpose of the inquiry.

The Committee then adjourned to the call of the chair.

COMMITTEE ROOM,

WEDNESDAY, July 15, 1908.

Committee met at 8.30 o'clock p.m.

Present: Mr. Maclean (Lunenburg) in the chair; and Messrs. Barker, Chisholm (Antigonish), Galliher, Monk, and Walsh (Huntingdon)—6.

The Committee proceeded to the consideration of their report.

Mr. Galliher moved that the following Draft Report, marked 'A,' be adopted as the report of the committee.

(For this Draft Report see Report of the Committee, page vii).

Mr. Monk moved in amendment, that the following Draft Report, marked 'B,' be adopted as the report of the Committee in lieu of the foregoing:—

'B'

V.—FINANCIAL RESPONSIBILITY OF THE QUEBEC BRIDGE COMPANY.

1. The Quebec Bridge Company was incorporated in 1887, and, having regard to its undertaking to construct a bridge across the St. Lawrence at or near the City of Quebec, the cost of which would be at least \$6,000,000 the Company was from its inception deplorably weak financially.

2. Of its modest nominal stock capital of \$1,000,000, never, until the arrangements of 1903 to be presently referred to, did the money paid in by its shareholders exceed \$65,000, and even of that amount, so petty for such a vast undertaking, some \$20,000 consisted, not of cash found by the promoters, but of the proceeds of fees voted by them to the directors and paid by the country itself for their services in that capacity.

3. In 1890, the Province of Quebec voted to the enterprise a subsidy or aid of \$250,000, and further aid of \$300,000, was granted in the following year by the City of Quebec.

4. The Parliament of Canada also voted \$1,000,000 in aid of the undertaking payable as construction progressed.

5. The site being chosen, the substructure of the bridge progressed; but, in 1903, the Company had more than exhausted all its resources, its subsidies as well as its small paid-up stock capital were expended, and it had a floating debt of \$779,550. It was then without money or means to further prosecute its enterprise.

6. At this time, the Dominion had undertaken the construction of the National Transcontinental Railway whereof the Quebec Bridge was recognized as an essential and most important portion. The early completion of the bridge therefore was not only of national concern as a matter of trade and commerce, but any delay or misadventure would be fraught with most serious responsibility to the lessees of the eastern section of the great railway of which that bridge must necessarily be a part.

7. In the condition of the Bridge Company, it was not possible to prosecute its undertaking without the aid of the Dominion, and refusal of such aid would have ensued a forfeiture and abandonment of the venture. The obvious duty of the Government therefore was to refuse aid, to deal liberally with the promoters, and to take over the property and hold the bridge as a public work.

8. The president and directors of the Bridge Company, hopeless though their case appeared to be, succeeded in inducing the Government to agree to guarantee the Company's bonds up to \$6,688,200, the amount required to meet its liabilities and finish the bridge.

9. An Order in Council was thereupon passed on the advice of Ministers setting forth the terms and conditions of the proposed guarantee and an Act of Parliament was passed to confirm the same. The Act referred to (3 Edward VII., Chapter 54) was passed in the last hours of a long session, and in the course of a few days was rushed through the Senate and House of Commons with undue haste and without opportunity for deliberation and proper consideration.

10. One of the conditions enacted was that before the guarantee should be given, the Company would procure the subscription and full payment in cash of \$200,000 of additional stock, and apply the said money to a specific object, the restoration of \$188,000 discount which had previously been allowed on an issue of the company's bonds.

11. That condition was only in part fulfilled, though the Government, having accepted the written certificate of the Company's officers that it had been fully carried out, guaranteed the new issue of bonds. Attention is called to the admission of the Honourable the Finance Minister in his evidence, that had this deception been known to him, he would not have authorized the execution of the guarantee.

APPENDIX No. 6

12. The Government's present liability or outlay on bonds, subsidy and special guarantee to the Bank of Montreal is \$6,322,008.13, represented as follows:—

Subsidy	\$ 374,353 00
Special indebtedness to Bank of Montreal	174,431 36
Liability on bonds with interest to 30th April, 1908..	5,773,223 77
	\$6,322,008 13

The Bridge Company's assets consist only of some stone piers and abutments, some iron material, and some land as approaches; but the above materials are only available to persons who may undertake to use them, if suitable, in constructing a new bridge, under a new plan, upon the same site.

The Bridge Company has practically no assets to satisfy its liability to the Government.

II.—PLANS.

13. Neither at the time when the subsidy of \$1,000,000 was granted to the Bridge Company, nor later when the Government advised the larger liability of guaranteeing \$6,678,200 of bonds, nor at any time, was there reasonable precaution taken by the Government to ensure the sufficiency of the plans and specifications, and their due observance in the progress of the work.

14. Parliament, in effect, imposed upon Government the duty to approve the plans and specifications, and the consequent duty to provide themselves with independent expert engineering advisers competent to pass upon the sufficiency thereof and to prevent any unauthorized departure therefrom. But those duties were so neglected and ignored that the Government has been throughout without expert professional advisers, responsible only to them, in so vast an undertaking involving millions of public money, and as unhappily it has proved, also involving many lives.

15. The Quebec Bridge Company's engineer, Mr. Hoare, for the purposes of the \$1,000,000 subsidy, had prepared specifications which were merely the general bridge specifications of the Government in ordinary use in cases of subsidies. These came before the Department of Railways and Canals and Mr. Douglass, the bridge engineer therein, found fault with and reported against the unit stresses. Unfortunately, his report received insufficient attention, probably because of the greater authority attached to Mr. Cooper, of New York, the consulting engineer of the Quebec Bridge Company.

16. But when, for the purposes of the guarantee of \$6,678,200, the Deputy Minister of Railways found himself called upon to examine for approval the plans and specifications of the bridge, he formally applied for authority to employ a specially qualified bridge engineer. Such authority was granted by Order in Council of 21st July, 1903.

17. The Quebec Bridge Company's consulting engineer, and the Bridge Company, objected to such a course; and thereupon, for some incomprehensible reason, the employment of an expert bridge engineer to act independently was at once abandoned by the Government itself.

18. It is also incomprehensible how it came to pass that, as the Government so early as July, 1903, were acting upon their determination to guarantee the \$6,678,200 and had then procured His Excellency's assent to an Order in Council for the employment of an expert consulting engineer to advise upon the plans and specifications, and as Parliament was in session, how came it, we repeat, that for three months thereafter the Government withheld the matter from the knowledge and consideration of Parliament, and only introduced a Bill upon the subject in the last hours of a session of nearly eight months duration.

19. The Government having, as already stated, voluntarily abandoned its intention to provide itself with competent and independent professional advice, continued

to the end to leave the work wholly in the control of the Quebec Bridge Company, while every dollar of the expenditure, even the salaries of the Company's officials and experts, were provided by the guarantee of the Dominion.

20. The famous structure was in immediate charge and control, upon behalf of the Quebec Bridge Company, of that Company's own engineer, a gentleman who, in the opinion of Your Committee, had not that experience and professional skill absolutely essential to the safety and success of so vast and so exceptional an undertaking. That engineer was obliged to rely upon the advice and assistance of a consulting engineer, who, though of high reputation, is advanced in years, and had to be consulted in New York, where he lives. When the catastrophe was imminent, one of the staff was obliged to visit New York to obtain the consulting engineer's advice as to what action should be taken.

21. The Government, wholly unrepresented upon the work, left the public interests absolutely in the hands of the Quebec Bridge Company, which Company, in the opinion of Your Committee, was incompetent, and, having regard to the relations between it and the Government, utterly unfitted for that position.

22. Your Committee are of opinion that the Government stand without much, if any, useful recourse against the Quebec Bridge Company for the sums disbursed or for which the Government has rendered itself liable:—

Subsidy.	\$ 374,353 00
Liability on bonds with interest to 30th April, 1908	5,773,223 77
Extra amount claimed by Bank of Montreal.	174,431 36
	\$6,322,008 13

23. It does not appear that proper, or any enquiry was at any time made on behalf of the Government with regard to the ability of the Phoenix Bridge Company to perform its contract, or to make good any failure or default therein, nor as to its ability to make compensation where such may be due.

24. The evidence before Your Committee established that in any future construction of this magnitude it will be advisable that plans and specifications be passed upon by a board of at least three competent engineers.

25. Your Committee desire to express their opinion that the submission to Parliament in the last few hours of a session of matters of such moment and complexity as were involved in the said Act of 1903, is fraught with danger to public interest, and, in their opinion, the instance herein alluded to was, under the circumstances, inexcusable.

And the question being put on the amendment, it was negatived on division.

And the question being put on the main motion, it was carried on division.

Ordered, that the Draft Report marked 'A' be presented to the House as the report of the committee.

The committee then adjourned *sine die*.

Attest,

N. ROBIDOUX,
Clerk of Committee.

LIST OF WITNESSES

	PAGE.
Barthe, Ulric.....	4, 11, 68, 72
Bell, G. A.	10, 32, 36, 46, 70, 199
Douglas, Robert C.	191
Dumoulin, P. B.	116
Fielding, Hon. Mr.	174
Holgate, Henry.....	137
LeMoine, G.	99
McDougall, Thos.	109
Parent, Hon. S. N.	130, 149
Price, H. M.	76
Robitaille, L., M.P.	122, 158
Ross, Henry T.	38, 64, 70, 197
Scott, J. G.	110
Sharples, Hon. John.	113
Translation of Mr. Parent's evidence.	159

LIST OF EXHIBITS

- No. 1.—Printed copy of the report of the Royal Commission on the cause of the collapse of the Quebec Bridge, published in the *Engineering Record*. (*Not printed*).
- Nos. 2, 3, 4, 5 and 6.—Bank books of the Quebec Bridge Company. (*Not printed*).
- Nos. 7 to 16, inclusive.—Ten cheques aggregating the sum of \$5,000 deposited to the credit of the Quebec Bridge Company by the directors thereof. (See pages 12, &c., of evidence.)
- No. 17.—Copy of the resolutions of shareholders and minutes of directors' meetings referring to same, in connection with annual grant of \$5,000 to the directors of the Quebec Bridge Company for attendance, &c. (See pages 18 &c., of evidence.)
- No. 18.—By-laws of the Quebec Bridge Company. (*Not printed*).
- No. 19.—Agreement for advances dated February 23, 1904, between the Quebec Bridge Company, the Dominion Government, and the Bank of Montreal. (See pages 33, &c., of evidence.)
- No. 20.—Copy of contract for superstructure between the Quebec Bridge Company and the Phoenix Bridge Co. (*Not printed*).
- No. 21.—List of shareholders present or represented by proxy at annual general meetings of Quebec Bridge Company. (*Not printed*).
- No. 22.—Memo. showing attendance of directors appointed by the government at board meetings of Quebec Bridge and Railway Company from date of appointment, January, 1904. (*Not printed*).
- No. 23.—Statement showing amounts voted by shareholders to directors and the manner in which these grants were dealt with by the directors themselves. (*Not printed*).
- Nos. 24a, 24b, 24c, 24d.—Original papers giving report and evidence submitted by the Commissioners of Inquiry into the Quebec Bridge collapse; and roll of plans. (*Not printed*).
- No. 25.—Cancelled cheque of M. P. Davis in favour of Quebec Bridge Company dated January 27, 1904, on Bank of Montreal for \$119,900. (See page 47 of evidence.)
- No. 26.—Cheque of M. P. Davis in favour of Quebec Bridge Company dated February 21, 1907, on Bank of Montreal, for \$94,900 paid into bank same date. (See page 47 of evidence.)
- No. 27.—Statement showing details of first payment of \$898,264.73 from Bond Account. (See page 53, &c., of evidence.)
- No. 28.—List of first shareholders of Quebec Bridge Company and amount of their shares, &c. (See page 66 of evidence.)

- No. 28a.—Further list of first shareholders of the Quebec Bridge and Railway Co. (*Not printed*).
- No. 29.—Recapitulation of Engineer's progress estimate of work done by the Phoenix Bridge Co., *Mr. Bell's statement*, (p. 577 in *Sessional Paper No. 154a*.)
- No. 30.—Contract dated June 19, 1900, between the Quebec Bridge Co. and M. P. Davis for substructure of bridge. (*Not printed*).
- No. 31.—Release Quebec Bridge and Railway Co. and others, to Thos. McDougall. (*Not printed*).
- No. 32.—Contract dated July 27, 1903, between M. P. Davis and the Quebec Railway and Bridge Co., for construction of railway, &c. (*Not printed*).
- No. 33.—A mortgage trust deed, dated February 1, 1904, between the Quebec Bridge and Railway Company, and the Royal Trust Company, and the Dominion Government. (*Not printed*).
- No. 34.—Memo. showing balance of indebtedness due Bank of Montreal by the Quebec Bridge Company. (See page 70 of evidence.)
- No. 35.—Agreement between the Government of Province of Quebec, and the Quebec Bridge Company, dated November 27, 1900. (*Not printed*).
- No. 36.—Agreement between the city of Quebec, and the Quebec Bridge Company, dated September 22, 1900. (*Not printed*).
- No. 37.—Letter dated February 12, 1902, from L. A. Taschereau to Mr. Barthe, Secretary of Quebec Bridge Company, *re* remunerations to directors of said company. (*Not printed*).
- No. 38.—Letter dated November 26, 1903, from same to same, *re* grant of \$5,000 to directors. (*Not printed*).
- No. 39.—Account of Gormully & Orde against the Quebec Bridge and Railway Co., for legal services. (*Not printed*).
- No. 40.—Subsidy agreement between the Dominion Government, and the Quebec Bridge Company, dated November 12, 1900.
- No. 41.—Copy of files of Finance Department *re* Quebec Bridge and Railway Company, from September 13, 1900, to May 25, 1904. (Letter A.) (*Not printed*.)
- No. 42.—Do, do, from July 14, 1904, to July 11, 1907. (Letter B.) (*Not printed*.)
- No. 43.—Do, do, from September 12, 1904, to February 11, 1908. (Letter C.) (*Not printed*).
- No. 44.—List of Shareholders of the old company, who remained with the new company when Mr. Parent was made a director, and president of the re-organized Bridge Co. (*Not printed*).
- No. 45.—First annual report of the directors of the Quebec Railway Bridge Company, dated June 4, 1889, and signed by the president and secretary thereof. (*Not printed*).
- No. 46.—Return to an Order of the House dated June 18, 1891, for a copy of the report of C. Schreiber, Esq., upon survey made by him of the River St. Lawrence immediately opposite and in the vicinity of the city of Quebec for the purpose of determining whether it was possible to build a railway bridge there. (*Not printed*).

MINUTES OF EVIDENCE

TAKEN BEFORE

SELECT COMMITTEE ON QUEBEC BRIDGE

1908

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
COMMITTEE ROOM No. 30,
OTTAWA, FRIDAY, May 22, 1908.

The Select Committee appointed 'for the purpose of investigating the conditions and guarantees under which the government paid moneys to the Quebec Bridge Company, and endorsed or guaranteed the bonds of the said company, and what measures were adopted by the government to ensure the preparation of suitable plans of construction and the proper execution of the same, and what security the government at present possesses for the sums already received by and guarantees given to the company,' met at 10.30 a.m.

On motion of Mr. Galliher, Mr. A. K. Maclean (Lunenburg) was elected chairman.

The chairman read the order of reference.

Mr. MONK.—I suppose, Mr. Chairman, that the resolution which you have just read provides the committee with all the necessary machinery and powers to enable it to conduct the investigation with which it has been entrusted by the House?

The CHAIRMAN.—Yes, I do not see that anything further is necessary.

Mr. BARKER.—It is very comprehensive in its terms.

Mr. MONK.—I presume that this meeting is merely for the purpose of organization. When next the committee meets it is desirable that it should be able to proceed with some work, and with that object in view I move that Mr. Ulric Barthe, the secretary of the Quebec Bridge Company, be summoned to appear before this committee at its next meeting and to produce before the committee the said company's book of minutes of its meetings, its books of accounts, its contracts with regard to the works of construction of the said Quebec bridge, and contracts, and agreements for loans and advances, its stock register and books connected therewith; the said company's correspondence with the Dominion government and members thereof, in reference to all matters and things connected with the said Quebec bridge, and all papers and documents generally having reference to the construction and completion and the providing of the necessary funds for defraying the cost of the aforesaid bridge.

Mr. GALLIHER.—That is a pretty comprehensive motion; do I understand that actually has reference to such parts of their books and papers as refer to any dealings between the company and the government?

Mr. MONK.—That also occurred to me, Mr. Galliher, and I made it, as you see, somewhat comprehensive, because if there are parts of those books or papers that have no reference to this inquiry we can eliminate them at once from consideration.

The CHAIRMAN.—With reference to their stock book, would the production of that be necessary, or is it fair to ask them to produce it.

Mr. BARKER.—Supposing they had a very large stock subscription, with a liability of 90 per cent still remaining unpaid, that is an asset, and part of the conditions of their guarantee was that there should be a certain amount subscribed.

Mr. MONK.—It is a provision of our guarantee that there are to be \$250,000 stock subscribed.

7-8 EDWARD VII., A. 1908

Mr. GALLIHER.—I take it that we can decide that point when the time comes. So far as I am concerned I haven't a copy before me of the order of reference, so that I do not know exactly what the powers of the committee are, but we can settle that question afterwards.

The CHAIRMAN.—The production of the stock book of a company is something I never like to ask for myself, but in this case I suppose there are circumstances which may render it necessary to call for the production of the company's stock book.

Mr. BARKER.—We cannot by any resolution which we may pass enlarge our powers, which are limited by the order of reference.

The committee adjourned until Tuesday, June 2, at 10.30 a.m.

TUESDAY, June 2, 1908.

The committee met at 11 o'clock, a.m., the chairman, Mr. A. K. Maclean, presiding.

The CHAIRMAN.—This committee, Mr. Monk, was organized at your suggestion. If you could give us, just in a few words, what will be the scope of the examination, I would like it myself. I don't know whether the other members would or not. As far as I am concerned I do not know anything about this matter.

Mr. MONK.—I am ready, Mr. Chairman, to proceed with the examination of Mr. Barthe, who is here to-day. It would be difficult for me to define exactly what the scope of the examination will be, but we will endeavour to keep it, of course, within the instructions given to us by the House and cover the ground indicated in the resolution.

The CHAIRMAN.—We cannot go beyond that, that is true. I thought perhaps it would be less than that.

Mr. MONK.—No. I think we will go over the ground indicated in the resolution. We have nothing to do with the technical part of the Quebec bridge, just the business end which concerns the Dominion government, the financial responsibility, and what precautions were taken by the government before it advanced the money or passed the bonds which are mentioned in the legislation concerning the bridge.

Mr. ULRIC BARTHE, Quebec, called and sworn and examined.

Mr. MONK.—I suggested to Mr. Barthe that on account of the composition of the committee it would facilitate matters if he would undergo his examination in English. Nevertheless, Mr. Barthe, as I understand, prefers being examined in French. I understand that the documents which Mr. Barthe has brought up here are not now in his possession; they are in trunks which will arrive to-day by the noon train. I think, perhaps, Mr. Barthe, we might open your examination in English and if you find it inconvenient, when we resume, the committee can provide a French stenographer for you. Would that suit you?

The WITNESS.—I would prefer very much that my examination be altogether in French, of course.

Mr. MONK.—But we might open your examination in English.

The CHAIRMAN.—I fear that if Mr. Barthe's examination takes place in French, owing to the composition of the committee, you, Mr. Monk, will be about the only person able to follow it. We would have to make some provision for that. I think perhaps the witness can get along in English.

APPENDIX No. 6

Mr. MONK.—If the examination takes place in French we shall need an interpreter.

The CHAIRMAN.—Which will be very awkward.

Mr. MONK.—I think, Mr. Barthe, you are about as familiar with the English language as with the French, are you not?

The WITNESS.—I could not say. I am for ordinary business affairs, but it is different being here as a witness.

The CHAIRMAN.—This is a matter of ordinary business. I think you can get along all right in English.

Mr. BARKER.—We will be able to understand his English.

Mr. CHISHOLM.—If the witness feels any diffidence about giving his evidence in English it would be unfair to ask him to do so.

The CHAIRMAN.—I think we can try him any way. I wish to say that I have received from the Clerk of Public Records a number of documents which were reported to the House. They were moved for, I think, by Mr. Borden, leader of the opposition, in connection with this matter. I have not looked at them myself.

Mr. MONK.—I think we may state to the witness that the committee will endeavour to meet his desire in respect to the examination. We may, perhaps, just open the examination of Mr. Barthe in order to see what course we are going to follow. You have no objection to that?

The WITNESS.—You will have to pardon my English if I do not answer correctly.

By Mr. Monk:

Q. You are secretary of the Quebec Bridge Company?—A. Yes. Now the Quebec Bridge and Railway Company.

Q. And you have come here in answer to the summons that was sent you by the secretary of the committee, have you not?—A. Yes, sir.

Q. When were you appointed secretary of the company?—A. In March, 1897.

Q. Had the company been in existence then for some time?—A. It was then reorganized.

Q. In 1897?—A. Yes, sir.

Q. At what salary were you appointed, Mr. Barthe?—A. It was a nominal salary because it was largely a work of devotion at the time.

Q. And what is your salary now?—A. It is now \$2,400 per annum. It was then \$50 a month.

Q. Have you a pamphlet, Mr. Barthe, in which all the legislation concerning the company is contained?—A. Yes, but I have not got it here. I did not bring it with me. That information is to be found in the Statutes, of course.

Q. Have you not got the legislation collectively in one pamphlet?—A. Yes, I have collected most of it, but it is at the office.

Q. Could you produce that pamphlet before the committee?—A. Well, I would have to write for it.

By the Chairman:

Q. Is it printed?—A. Yes, these are only printed copies of the different Statutes.

Q. Have you got many of them?—A. I have got only one for my own use.

By Mr. Monk:

Q. Are there not some copies of that pamphlet in the company's office?—A. I have got only one bound for my own use.

Q. Will you send for it and produce it before the committee?—A. Certainly.

Q. Have you brought with you, Mr. Barthe, the different documents mentioned in the resolution of the committee which was communicated to you and which you were to produce? Have you those documents now in your possession?—A. No, not now. Well, they are on the way to Ottawa.

Q. They are actually on the way up?—A. Yes.

Q. From Quebec?—A. From Quebec.

Q. When do you expect them to arrive?—A. They told me at the railway office this morning that they should be here by the noon train. I have got the two checks for the two trunks billed to Ottawa yesterday in Quebec. I expected that they would follow me.

Q. They contain all the documents which were indicated in the copy of the resolution that was sent to you, I suppose?—A. They contain what I thought answered the summons.

Mr. MONK.—It is somewhat difficult, Mr. Chairman, to proceed usefully in the absence of these documents. On the other hand, if Mr. Barthe expects their arrival at noon, he might bring them up and deposit them in the hands of the secretary of the committee and the members of the committee might have access to them, which would probably shorten the examination of this witness very considerably.

Mr. GALLIHER.—There is only one thing about that, Mr. Chairman: In the production generally of books and documents there may be contained in them certain things that are not at all within the purview of this committee. It has struck me since reading over the minutes of the last meeting that probably the better way to get at what is desired would be if we had an idea of what questions we want to ask the witness to meet this case. Then the books and documents having reference to them could be produced. What I desire is to preserve absolute secrecy so far as regards anything not in any way connected with this investigation. For instance, a merchant, we will say, sues a man on an account. Well, I have seen leaves in his account-books fastened together, excepting those having reference to the particular matter. The idea was that no one would probe into matters outside of that being tried.

Mr. BARKER.—No one has objected to producing any papers.

Mr. MONK.—That is what I was going to say. I understand the objection of Mr. Galliher, and certainly it is one which is often pointed out in courts of law, but I gather from the witness, and from the company itself, that there is no objection to placing these documents generally before the committee.

The CHAIRMAN.—I think the witness ought to be here in charge of these papers. It is not fair to ask this corporation to come here and throw two trunks of papers on the table and leave them here.

Mr. BARKER.—If they have no objection why should we raise any.

The CHAIRMAN.—The members of a parliamentary committee must protect witnesses.

Mr. BARKER.—We must investigate.

The CHAIRMAN.—Certainly. That is right. We must investigate.

Mr. PARENT.—On behalf of the Quebec Bridge Company let me say that we have no objection at all to producing the documents. They will be here, but they must be brought away by the secretary after the meeting is over. They are private documents belonging to the company and we cannot allow them to remain here in the building.

The CHAIRMAN.—You mean after the committee is over?

Mr. PARENT.—After the committee is over.

The CHAIRMAN.—Certainly. I think too that while these documents are here being examined the secretary ought to be here also so as to safeguard them in every way.

Mr. BARKER.—Certainly, provide every safeguard.

Mr. PARENT.—We have already had some documents before the Royal Commission on the Quebec bridge that were not sent back to us. They were originals and we don't want that to be repeated. That is why I say that although every document required will be put before the committee they must be brought back when the committee is over.

Mr. MONK.—There will be no difficulty whatever about that, Mr. Parent. We will keep as few of the documents as we can and they will be under strict surveillance.

APPENDIX No. 6

The documents when they arrive can be placed under the care of the secretary of the committee and if necessary Mr. Barthe can be present when we examine them.

The WITNESS.—I will keep the key myself, because I am responsible to the company for their safe custody.

Mr. BARKER.—We had better understand where we are as a committee of this House. We had some years ago a stubborn and determined attempt on the part of a witness to refuse a committee full control over documents and books that he produced.

The CHAIRMAN.—I know, but Mr. Barker—

Mr. BARKER.—Allow me now, I am not going to occupy time unnecessarily. The result was that finally we had to bring the witness in question before the House and he was made to produce his books and documents under penalty, he was made to do it. The witness contended that he would not allow any person to see anything in his books except certain items that he said related to the matter in question. However, the House decided that he must produce the books and everything in connection with them; that the committee was entitled to them. I claim that it does not rest with the witness to say that he is going to keep these papers under lock and key, that he shall be the judge of what he is going to show or not going to show us.

The CHAIRMAN.—He does not say that, Mr. Barker.

Mr. BARKER.—I take exception to what he has said.

The WITNESS.—I want to explain the remark.

Mr. BARKER.—One moment. I think we had better understand where we are to begin with. I claim that we are here to investigate a certain matter and we have summoned a witness to produce books and papers. They ought to be here, but they are not for reasons that I do not think he is responsible for. However, those books and documents must be produced here and laid upon the table for the examination of every member of the committee.

The CHAIRMAN.—So far as productions of papers are concerned, there is no difference of opinion. The company have no objection to the production of those asked for, and all that the witness has said is that when they are not being used before the committee he wants to have them locked and in his possession. Now, that is the procedure in all courts. If any witness is subpoenaed to produce a document he produces it. Afterwards it is his right to have it so long as the court is not engaged with it.

Mr. MONK.—In our courts in the province of Quebec it is not permissible for a witness to impose any conditions regarding the care of documents when he produces them before a tribunal. It is for the tribunal to take the necessary measures and when the proper time comes the witness will be reinstated in the possession of those documents.

The CHAIRMAN.—I do not think there is any need of our talking about that matter. There will be no difficulty.

Mr. BARKER.—There must be a great many books that Mr. Barthe will produce that a short inspection will enable us to take an extract from and let the books go altogether; we will facilitate that in every way. But we should not be told at the beginning what we cannot have. We will find that out as we go along.

The WITNESS.—That is not my meaning, I never meant that. I want to put everything before the committee, but the only thing is when they are not being used I want to keep the trunks locked.

Mr. MONK.—We will confine the key to Mr. Robidoux. He is secretary of the committee.

The WITNESS.—I am responsible.

Mr. BARKER.—So is parliament responsible.

Mr. PARENT.—We are prepared to furnish everything that is required by the committee, but when the meeting is over we want to get possession of these books or documents, whatever they are.

7-8 EDWARD VII., A. 1908

The CHAIRMAN.—I do not think there will be any trouble about that. Can you proceed, Mr. Monk, to any extent with the examination of the witness this morning?

By Mr. Barker:

Q. What books or papers have you brought showing the financial standing of the company at the time moneys were advanced or paid by the government from the beginning?—A. As a matter of fact, I took all the books of account as requested by my summons. I did not make any distinction, I brought all the books of account.

Q. Everything?—A. All books and all minutes.

Q. Have you brought all books that will show to the committee the financial standing of the company at the various times when advances or payments were made by the government?—A. Everything should be in these books.

Q. You think they are?—A. I don't know myself, I am not the treasurer of the company.

Q. Who is the treasurer?—A. Mr. Paquet.

Q. You can obtain charge and control of everything for the committee?—A. Oh, yes.

Q. There is no trouble about that. For example, we may want to investigate the financial standing of the company at a particular stage or stages. Will the papers you are producing enable us to do that or are you leaving in Quebec any papers that will bear on that point?—A. I did not leave anything in Quebec.

Q. You have left nothing?—A. No.

Q. To be clear. Supposing that there had been a million dollars of stock subscribed—that is a mere supposition—and only 10 per cent of it paid, there would be 90 per cent of that million an asset of the company. Will the books you are producing disclose that sort of an asset of the company?—A. Assuming that, certainly.

Q. Whatever it may be, ninety thousand, or nine hundred thousand?—A. Yes.

Q. Whatever it may be will the books you are producing show that?—A. Certainly. The books show everything that was done.

Mr. BARKER.—Then we will probably have enough to go on with for some time. We do not want to lose a day, and if there is a little give and take on both sides, I am sure Mr. Monk and myself will be glad to hamper the company as little as possible. We can take these books and examine them, and as far as possible have extracts made of what we want and then allow the books to go, subject to the call of the committee. A great deal can be done to facilitate matters in that way. We don't want to trouble the company or any one else; but if we adjourn now and the books and documents are locked up until we meet again as a committee, we will have to spend a great deal of time in investigating them.

The CHAIRMAN.—Providing these books reach here at noon, do you wish to have them up this afternoon?

Mr. MONK.—Yes, Mr. Chairman; I was going to suggest that if the witness would bring up the books at 2 o'clock and place them in the hands of the secretary, Mr. Robidoux, I would be ready to proceed with Mr. Barthe's examination to-morrow. I understand he is going to remain over.

The CHAIRMAN (to the witness).—Then if you can get your trunks up to room 32 this afternoon.

Mr. CHISHOLM (Antigonish).—This examination should proceed in a regular way. No one who has asked for a committee of the House and summoned a witness to produce books, should have those books sent to a private room and examined there. This investigation is a public one. The Quebec Bridge Company are interested in the matter, too. They want to show that they have done their part in good faith.

The CHAIRMAN.—The idea is that this will expedite the inquiry. You may want to see the books, too.

Mr. CHISHOLM.—The proper way is to put the witness on the stand and ask him to produce the books.

APPENDIX No. 6

Mr. MONK.—We have done that.

Mr. CHISHOLM. This is going to prolong the inquiry indefinitely, I think. We ought to know what we are called upon to investigate. The witnesses should be called to the stand and asked to produce the things we want.

Mr. MONK.—I would like to know what my honourable friend means. Here is a witness who has been summoned to produce documents. He has not got them but nobody blames him for that. However, he has not got them. They are not in his possession. We are anxious to shorten his evidence. He expects the documents to arrive at noon. We are ready to look at those documents at 2 o'clock this afternoon and proceed with the examination afterwards. Does my honourable friend want us to adjourn and sit at 2 o'clock?

Mr. CHISHOLM.—The proposal will be to adjourn until such time as the witness can produce these books and documents and then proceed with the investigation.

The WITNESS.—I cannot promise that the books will be here.

Mr. GALLIHER.—That is really the proper course.

The WITNESS.—The railway people told me they expected the trunks would be here, but I cannot bind myself to have the books here if they have not arrived.

The CHAIRMAN.—There is no complaint whatever about that, Mr. Barthe.

Mr. MONK.—There is no complaint whatever about that. The complaint seems to be on the part of my honourable friend when we make a proposition to save time.

Mr. CHISHOLM.—No. What I wish is that the books should be placed in court, placed in the hands of the witness and the witness examined on them. This committee has no right to ask that the books be taken into the private room of some member of the committee and examined there. That is not a regular procedure. I do not say that there will be anything wrong in that, I have confidence that nothing improper or unfair would be done in connection with these books, but that is not the regular way to proceed. Moreover witnesses have a right to be protected as well as the curiosity of members to be satisfied within legitimate bounds. Witnesses have a right to be protected and when they come here they should feel that they are going to be treated in the same way as if they were in a court of law, that everything will be done above board and that their interest will not be prejudiced.

Mr. MONK.—I don't know what the custom is in Nova Scotia. In our province we proceed exactly in this way. We get a witness to bring his documents into court and they are deposited with the clerk of the court, and when the party is ready he proceeds with his examination. This is not a court. We hear too much of committees of this kind being courts of law. What we want is to shorten the examination of this witness and it seems to me that my honourable friend is wasting valuable time. Those documents unfortunately are not here at the present time. We asked that they be put—not in any private member's room, who said that?—but deposited with the clerk of this committee. If we are this afternoon afforded an opportunity of looking at the books, which we ought to have had this morning, then we will proceed with the examination of the witness.

The CHAIRMAN.—I agree with anything that will hasten the conclusion of this inquiry, because I am sure we all want to get through with it as quickly as we can. I think the suggestion made will help the matter. I am sure all the members of this committee want to see the books and papers and the secretary will be here to explain matters. I want to be present myself this afternoon.

Mr. BARKER.—I would like Mr. Barthe to be present.

The CHAIRMAN.—Oh, yes; I think he should be.

Mr. GALLIHER.—It is quite possible that committees of this kind do not proceed in the regular way that is followed in courts of law. I am absolutely certain that Mr. Chisholm is right in his statement as to the mode of procedure in a court of law. When the witness is brought to court he has his books beside him in the witness box and when a question is asked he is able to refer to them with respect to it. And the

7-8 EDWARD VII., A. 1908

books are open to the man who is questioning him. But I think we are in rather a different position from a court of law, and since the company have stated they have no objection to producing everything to the committee, anything that will expedite this inquiry it seems to me we need not quarrel over.

Mr. MONK.—I would just like to say with reference to what Mr. Galliher has said, that if we are to be governed by the custom in a court of law, this matter having arisen in Quebec, we should be governed by the customs of the courts of law in the province of Quebec, although I deny absolutely that we are to be governed by any such custom. Now, any gentleman who has practised law in the province of Quebec knows that when a witness appears before the court and produces two or three trunks of documents, the examining lawyer is allowed to see as much of those documents as he wants. That is the custom of the tribunals in the province of Quebec.

Mr. BARKER.—And it is the same in Ontario.

Mr. MONK.—We are not going to be governed by the practice in the courts of law in Nova Scotia.

Mr. CHISHOLM.—Has not the counsel for the other side the right to be present when the documents are being examined?

Mr. MONK.—Of course, without any doubt.

Mr. CHISHOLM.—And is not the witness himself allowed to be present?

Mr. MONK.—We do not ask that these books and documents should be produced in the room of any honourable gentleman. That is not what has been asked for here.

Mr. CHISHOLM.—That is precisely my contention. This examination should be made in the presence of the members of the committee and the witness should also be present.

The CHAIRMAN.—The Railway Department has sent over papers containing the evidence taken before the Royal Commission on the Quebec Bridge, also a roll of plans. Are these any good?

Mr. MONK.—Yes, Mr. Chairman.

The CHAIRMAN.—I don't think this committee is asked to find out what was the cause of the collapse of the Quebec bridge.

Mr. BARKER.—The reference to us is broad enough for anything. We are to investigate the conditions under which payments were made and under which a guarantee was given. I don't know any broader language that could be used than that.

The committee adjourned until 2.30 o'clock.

HOUSE OF COMMONS,

ROOM No. 62,

TUESDAY, June 2, 1908.

The committee met at 2.30 o'clock, p.m., the chairman, Mr. A. K. Maclean, presiding.

Mr. Bell, of the Department of Railways and Canals, appeared and filed with the committee a number of documents.

The CHAIRMAN.—Would you mind explaining to the committee what the papers are?

Mr. BELL.—They are really papers of the Quebec Bridge Company that were taken by the Royal Commission and afterwards returned to our department. I do

APPENDIX No. 6

not know what the documents are. I also place on file a copy of the Report of the Royal Commission as printed in the Engineering Record.

Report marked Exhibit No. 1.

The CHAIRMAN.—Have your trunks arrived, Mr. Barthe?

The WITNESS.—Yes, they are in this room.

Mr. BARKER.—I would suggest now, Mr. Chairman, a course that I think is usually followed in cases of this kind. The object of the preliminary examination of books and papers is to shorten the inquiry and get rid immediately of as many of the books as possible. Now, the committee may be considered as sitting and any gentleman that wants to take part in the examination can do so. I do not think it is absolutely essential that every member of the committee remain all the time if he does not want to.

The CHAIRMAN.—Very well. We will consider this an informal meeting of the committee in order to facilitate the examination of the books. Mr. Barthe, of course, will help.

HOUSE OF COMMONS.

COMMITTEE ROOM 32,

Tuesday, June 9, 1908.

The committee met at 11.15 o'clock a.m., the chairman, Mr. A. K. Maclean, presiding.

The examination of Mr. Ulric Barthe resumed.

By Mr. Monk:

Q. It was understood, Mr. Barthe, when we adjourned the other day that you were to get some documents at Quebec and produce them before this committee. There were amongst others, the four bank books of the company and the subscription list for stock. Have you been able to procure those books?—A. I have got the bank books. By some misunderstanding the subscription books were left on the table at Quebec, but I have telephoned this morning for them and they will be here to-morrow morning.

Q. Would you produce the bank books referred to before the committee?—A.—Yes (producing books).

Exhibits No. 2, 3 4 and 5.

I might say that it is in the treasurer's department and the treasurer had to come here to proceed to the audit of the books for the month with Mr. Bell. He is here present and he may be more able than I am to explain the details about these books. However, I have produced them.

The CHAIRMAN.—Mr. Ross, Assistant Deputy Minister of Finance, is here attending the sittings of the committee on behalf of the Finance Department. I suppose there will be no objection to his asking the witness a question at any time?

Mr. BARKER.—There will be no objection, as far as I can see. It is very proper, I think.

The WITNESS.—There is another book, a duplicate of which will be here to-morrow. We had to have it prepared by the Banque Nationale at Quebec.

Mr. PARENT.—As to those books of the Quebec Bridge Company they are required for the company's business. I don't think we can leave them here.

Mr. MONK.—We will release them as soon as we have done with them and made any extracts that are necessary.

By Mr. Monk:

Q. Would you please indicate in the books just filed by you as Exhibits 2, 3, 4, 5 and 6, traces of the deposit of the \$200,000 of stock which was to be subscribed and paid in cash before the government granted a guarantee of the bonds issued by the company?—A. That is one of those questions upon which you will have better satisfaction from the treasurer.

The CHAIRMAN.—Perhaps Mr. Bell could aid Mr. Barthe in giving that information.

Mr. BELL.—Mr. Paquet could give that information in a minute.

The WITNESS.—I find there is another book which I now produce.

Book produced and marked Exhibit 6.

The WITNESS.—I find the following entries: On the 1st February, 1904, a deposit in Molsons Bank in account with Quebec Bridge Company, \$25,000. Hugh A. Allan's cheque. On the 10th February, 1904, \$50,000. Two cheques from Hon. John Sharples for \$25,000 each. On March 18th another deposit of \$25,000, G. T. R. (Grand Trunk Railway). On the 22nd February, 1907, deposited at the Bank of Montreal \$94,900, a cheque from M. P. Davis. On December 16th, 1903, deposited at the Molson's Bank, \$4,933.34. On January 2nd, 1904, also at the Molson's Bank, another deposit for \$66.66, making in all five thousand. On the 19th January, 1904, another deposit of \$100. It was for one shareholder, Mr. F. G. Fortier, a new shareholder.

By Mr. Barker:

Q. Is that the five thousand?—A. Outside of the five thousand.

By Mr. Monk:

Q. Will you now please state to the committee whence came that sum of \$4,900 deposited in the Molson's Bank to the credit of this \$200,000 issue?—A. That is represented by cheques handed in by the directors in payment of stock to the amount of \$5,000. I have got the cheques here; will I produce them?

Q. If you please?—A. I now produce these cheques.

EXHIBIT No. 7.

No. 126.

Quebec, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to Hon. S. N. Parent Or order
Two thousand five hundred ⁰⁰/₁₀₀ Dollars

\$2,500.00

S. N. Parent,

(Paid)

Pres. Q. B. Co.

(The Molsons Bank

(The Quebec Bridge & Railway

Quebec

Ulric Barthe

Dec. 16, 1903

Secy.-Treasr.

Accepted

Company)

Per.....

Ledger Keeper)

Endorsed

S. N. PARENT,

for deposit only to credit of

(The Molsons Bank

(The Quebec Bridge & Railway

Dec. 16, 1903.

Ulric Barthe,

Quebec

Secy. and Treasr.

Company.

APPENDIX No. 6

EXHIBIT No. 8.

No. 125.

Quebec, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to Mr. G. LeMoine Or order
 Three hundred ⁰⁰/₁₀₀ Dollars
 \$300.00

(The Molsons Bank
 Quebec
 Dec. 16, 1903
 Accepted
 Per.....
 Ledger Keeper)
 Endorsed
 Gaspard LeMoine,

(Paid)

S. N. Parent,
 Pres. Q. B. Co.
 (The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company)

for deposit only to credit of

The Molsons Bank
 Dec. 16, 1903.
 Quebec

(The Quebec Bridge & Railway
 Ulric Barthe,
 Secy.-Treasr.
 Company)

EXHIBIT No. 9.

No. 124.

Quebec, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to H. J. Beemer, Esq. Or order
 Sixty-six ⁶⁶/₁₀₀ Dollars
 \$66.66

(The Molsons Bank)
 Quebec
 Jan. 2, 1904
 Accepted
 Per.....
 Ledger Keeper)
 Endorsed
 H. J. Beemer,

S. N. Parent,
 Pres. Q. B. Co.
 (Paid.)
 (The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company)

for deposit only to credit of

The Molsons Bank
 Jan. 2, 1904.
 Quebec

(The Quebec Bridge & Railway
 Ulric Barthe
 Treasurer
 Company)

EXHIBIT No. 10.

No. 123.

Quebec, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to John Breakey, Esq. Or order
 One hundred and sixty-six ⁶⁷/₁₀₀ Dollars

\$166.67.

S. N. Parent,
 Pres. Q. B. C.
 (Paid)

(The Molsons Bank
 Quebec
 Dec. 16, 1903

(The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company)

Accepted

Per.....

Ledger Keeper)

Endorsed by

Pay Quebec Bridge Co.,
 John Breakey.

For deposit only to credit of

(The Quebec Bridge and Railway
 Ulric Barthe,
 Secy.-Treasr.
 Company)

Dec.
 16
 1903
 Quebec.

EXHIBIT No. 11.

No. 122

QUEBEC, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to Mr. R. Audette Or order
 Four hundred ⁰⁰/₁₀₀ Dollars

\$400.00

S. N. Parent,
 Pres. Q.B. Co.
 (Paid)

(The Molsons Bank
 Quebec
 Dec. 16, 1903

(The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company)

Accepted

Per.....

Ledger Keeper)

Endorsed,

R. Audette.

For deposit only to credit of

(The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company.)

(The Molsons Bank
 Dec. 16, 1903
 Quebec.)

APPENDIX No. 6

EXHIBIT No. 12.

No. 121

QUEBEC, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to Hon. Nem. Garneau Or order
 Three Hundred and thirty-three ³⁹/₁₀₀ Dollars

\$333.33

(Paid)

S. N. Parent,
 Pres. Q. B. Co.

(The Molsons Bank
 Quebec
 Dec. 16, 1903

(The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company)

Accepted

Per

Ledger Keeper)

Endorsed,
 N. Garneau.

For deposit only to credit of
 (The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company.)

(The Molsons Bank
 Dec. 16, 1903
 Quebec.)

EXHIBIT No. 13.

No. 120

QUEBEC, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to Vesey Boswell, Esq. Or order
 Two hundred and sixty-six ⁶⁷/₁₀₀ Dollars

\$266.67

(Paid)

S. N. Parent,
 (The Quebec Bridge & Railway

(The Molsons Bank
 Quebec
 Dec. 16, 1903

Ulric Barthe
 Secy.-Treasr.
 Company)

Accepted

Per

Ledger Keeper)

Endorsed,
 Vesey Boswell.

For deposit only to credit of
 (The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company.)

(The Molsons Bank
 Dec. 16, 1903
 Quebec.)

EXHIBIT No. 14.

No. 119

QUEBEC, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to Mr. Narcisse Rioux Or order
. Three hundred and sixty-six ⁶⁷/₁₀₀ Dollars

\$366.67

(Paid)

S. N. Parent,
Pres., Q. B. Co.

(The Molsons Bank
Quebec

(The Quebec Bridge & Railway
Ulric Barthe
Sec.-Treas.
Company)

Dec. 16, 1903

Accepted

Per.....

Ledger Keeper)

Endorsed,

N. Rioux.

For deposit only to credit of

(The Quebec Bridge & Railway
Ulric Barthe
Secy.-Treas.
Company.)

(The Molsons Bank
Dec. 16, 1903
Quebec.)

EXHIBIT No. 15.

No. 118

QUEBEC, P.Q., 23rd, November, 1903.

To THE MOLSONS BANK

Pay to Mr. J. B. Laliberte Or order
. Two hundred ⁰⁰/₁₀₀ Dollars

\$200.00.

(Paid.)

S. N. Parent,
Pres. Q. B. Co.
(Paid)

(The Molsons Bank
Quebec

(The Quebec Bridge & Railway
Ulric Barthe
Sec.-Treas.
Company)

Dec. 16, 1903

Accepted

Per.....

Ledger Keeper)

Endorsed,

J. B. Laliberte.

For deposit only to credit of

(The Quebec Bridge & Railway
Ulric Barthe
Secy.-Treas.
Company.)

(The Molsons Bank
Dec. 16, 1903
Quebec.)

EXHIBIT No. 16.

No. 117

QUEBEC, P.Q., 23rd November, 1903.

To THE MOLSONS BANK

Pay to H. M. Price, Esq. Or order
 Four hundred ⁰⁰/₁₀₀ Dollars
 \$400.00. (Paid)

(The Molsons Bank
 Quebec
 Dec. 16, 1903
 Accepted
 Per.....

S. N. Parent,
 Pres. Q. B. Co.
 (The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company)

Ledger Keeper)
 Endorsed,
 H. M. Price.

For deposit only to credit of
 (The Quebec Bridge & Railway
 Ulric Barthe
 Secy.-Treasr.
 Company.)

(The Molsons Bank
 Dec. 16, 1903
 Quebec.)

Q. I see, sir, that the ten cheques that you have produced purport to be the cheques of the Quebec Bridge Company, signed by you as secretary and by Mr. Parent as president?—A. Yes, sir.

Q. Would you tell the committee in whose name this \$4,900 of stock was taken?
 —A. It is not only \$4,900, but \$4,900 and \$66, making five thousand. These cheques had been issued in accordance with the resolution of the shareholders at their previous general meeting to be paid in cash to the directors for attendance fees.

Q. Will you refer to the resolution itself?—A. The date of the resolution I have not got with reference to the last five thousand.

Q. I think I saw the date of that resolution?—A. I think it was on the 2nd of October, 1902.

Q. On the 2nd of October, I find on reference to my notes, the resolution you refer to of the shareholders authorizing the company to pay \$5,000 to the directors and president. Is that right?—A. Well, I would like to see the minute book.

Q. I think it is the 2nd of September, 1903?—A. The resolution of the shareholders was dated on the 20th of October, 1903, voting 'that a sum not exceeding \$5,000 be voted to the board as remuneration to the president and directors for the services rendered by them during the year ending 30th of June, 1903.'

Mr. MONK.—Have you those cheques, Mr. Chairman?

The CHAIRMAN.—They are down in the record.

By the Chairman:

Q. That resolution was passed before the Quebec Bridge Company's Act of 1903, was it not?

Mr. ROSS.—A few days before that.

The CHAIRMAN.—Chapter 54 of 1903 was assented to on the 24th of October.

By Mr. Monk:

Q. Mr. Barthe, this sum of \$5,000 voted, as you have just stated, was voted to the directors of the Bridge Company in payment of attendances, regarding which there

was no previous resolution fixing any remuneration for the directors, is not that so?—A. There had been some before.

Q. Yes, there had been, and we will come to that presently, but is it not a fact that those attendances for which the directors were then voted the sum of \$5,000 were covered by no previous resolution?—A. It was done in the regular way that year. I might say, in explanation as to the date, that the general meeting of the shareholders usually takes place on the first Tuesday in September, and that year, owing to the legislation going on in Ottawa, we had to adjourn the meeting from September to October, so that that meeting of the 20th of October, 1903, was an adjournment of the regular general meeting of the shareholders; practically this resolution would have been passed on the first Tuesday in September of that year if the general meeting had taken place on that day, but it could not take place for the reason I have stated. That resolution was practically a repetition of what had been done every year for two or three years before.

Q. Let us understand this part of it, Mr. Barthe, because I think it is important. This vote of \$5,000 was for past services rendered, was it not, by the board of directors in question?—A. Yes, as stated in the resolution, for the year ending 30th of June, 1903.

Q. As stated, for the year ending 30th of June, 1903, and the directors had on previous occasions, by similar resolutions, been voted two sums, that is to say, \$10,000 in 1902 and \$5,000 on the 2nd of September, 1902, for other attendances than those which were covered by this \$5,000, is not that so?—A. Yes.

The CHAIRMAN.—What is that, there was \$15,000 besides this?

Mr. MONK.—Yes, making \$20,000 altogether.

By Mr. Monk:

Q. Will you refer to the resolutions of the shareholders by which these two previous sums of \$10,000 and \$5,000, respectively, were voted to the directors?—A. Yes, I have here copies of those resolutions.

Q. Will you produce them, Mr. Barthe?—A. Yes, I produce them as exhibits before the committee.

The CHAIRMAN.—I see that these are not only resolutions of the shareholders but there is a resolution of the board.

Mr. MONK.—Will you attach them altogether and make one exhibit?

(Documents filed as Exhibit 17.)

MEMORANDUM RE QUEBEC BRIDGE.

1. (a) Copy of resolution shareholders' general annual meeting, September 3rd, 1901:—

Moved by Amedée Robitaille, seconded by P. B. Dumoulin, and unanimously resolved:—

'Whereas the construction of the Quebec bridge is now in an advanced state, which successful result is due to the unflinching and disinterested exertions of the president and directors;

'Whereas for the past four years the members of the board of directors have devoted themselves to the success of the bridge enterprise without any remuneration whatever for their services, and whereas more than one hundred and twenty sittings of the board have taken place since the reorganization of the company in 1897;

'That this general annual meeting of shareholders, considering that the gratuity of such services on the part of the president and directors should not exceed the first two years, and considering, moreover, the special services rendered to the bridge enterprise by the actual secretary, by the present resolution do authorize the board of directors to allow a sum not exceeding five thousand dollars for each of the two years

APPENDIX No. 6

1899 and 1900, to be allotted between the president, directors and secretary in such manner as the board of directors may consider the best in the interests of the company.'

(b) Copy of resolution, directors' meeting, January 15th, 1902:—

Moved by Mr. J. Breakey, seconded by Mr. G. Lemoine, and resolved:—

'Whereas the sum of \$10,000 is due to the members of the board by virtue of a resolution passed by the shareholders at their last general meeting, and whereas the directors desire to take that amount in stock;

'That the amount allowed to the directors, other than the president, be divided between them according to their attendance at meetings of the board, and that they purchase new stock fully paid-up for the amount respectively received by them.'

(c) *Re* allotment of stock between president, secretary and directors, directors' meeting, March 15th, 1902:—

'Second consultation from legal adviser in reference to allotment of stock between president, directors and secretary was examined, and the secretary was authorized to prepare an allotment list based on the attendance of directors between 11th March, 1899, and September 3rd, 1901, date of last general annual meeting.'

2. (a) Copy of resolution, general annual meeting, Sept. 2nd, 1902:—

Moved by Hon. A. Robitaille, seconded by George Tanguay, and resolved:—

'That a sum not exceeding five thousand dollars (\$5,000) be put at the disposition of the board as remuneration of the president and directors of this company for services rendered by them during the year ended June 30th last.'

(b) *Re* \$5,000 indemnity, directors' meeting, October 1st, 1903:—

'The secretary then submitted a record of attendance of directors during the year ended June 30th, 1902, and was instructed to prepare an allotment list according to the terms of the resolution of the general meeting in date of September 2nd, 1902, on the following basis: A sum of \$2,500 being allotted to the president and an equal sum of \$2,500 to be divided between the other directors in proportion to their attendance at board meetings during year ended June 30th, 1902; it being understood that the above amount is to be taken in shares of this company.'

3. (a) Copy of resolution *re* \$5,000 indemnity, shareholders' annual meeting, October 20th, 1903:—

Moved by Cy. F. Delage, seconded by A. B. Dupuis, and resolved:—

'That a sum not exceeding five thousand dollars (\$5,000) be allowed to the board as remuneration of the president and directors of this company for services rendered by them during the year ended June 30th, 1903.'

(b) Copy of resolution *re* \$5,000 indemnity, directors' meeting, October 20th, 1903:—

Moved by Hon. N. Garneau, seconded by H. H. Price, and resolved:—

'That the \$5,000 voted by the shareholders for the remuneration of the directors to June 30th, 1903, be divided as follows, viz.: \$2,500 to the president and \$2,500 to the other directors, to be divided between them according to their attendance at meetings.'

4. (a) *Re* proposed fee for directors, directors' meeting, March 29th, 1904:—

'Hon. N. Garneau proposed that regular attendance fee be voted to the directors, as is generally done in joint stock companies. The secretary was instructed to submit the question to the legal advisers.'

(b) *Re* proposed fee for directors, directors' meeting, April 9th, 1904:—

'A letter was read from Mr. L. A. Taschereau, the legal adviser, to the effect that the board have the power by resolution to provide for the remuneration of the directors as they deem fit, said remuneration being payable in cash.'

Copy of resolution and copy of vote taken by directors:—

5. (a) *Re* directors' fees, directors' meeting, April 16, 1904.

Moved by Mr. G. Lemoine, seconded by P. B. Dumoulin:—

‘That in consideration of the services rendered by the board of directors during the current year, the sum of \$5,000 be voted to the president, the sum of \$1,000 be voted to the vice-president and \$500 to each of the other directors for their attendance at meetings, and for all other vocations and services rendered in the interest of the company, said remuneration payable half yearly.’

The opinion of the board was unanimous as far as the president and vice-president were concerned, but some difference of opinion having been expressed on the question whether the remuneration of the other directors should be allotted, according to the attendance at meeting or not, it was decided to take a vote on that point, and the question was accordingly put by the president and the vote taken as follows:—

Yeas.—Hon. N. Garneau, John Breakey, J. B. Laliberte, V. Boswell, Rod. Audette, and G. Lemoine.—Six.

Nays.—H. M. Price, Narc. Rioux, V. B. Dumoulin.—Three.

The main motion was then adopted unanimously.’

By the Chairman:

Q. What does this resolution of April 16th mean, ‘That in consideration of the services rendered by the board of directors during the current year, &c., is that another amount of \$5,000?—A. Yes, that is after the issuing of debentures.

By Mr. Barker:

Q. What is meant by ‘current year’ there?

By Mr. Monk:

Q. Will you please state to the committee in regard to the vote by the directors of the 16th of April, 1904, concerning the apportionment of \$5,000, additional to the \$20,000 already referred to, for services; was this \$5,000 so apportioned, and at what meeting of the shareholders was that payment of \$5,000 so authorized?—A. It was in consideration of services rendered by the directors during the current year, that is from June 30th, 1903, to June 30th, 1904.

Q. From June 30th, 1903, to June 30th, 1904, and this was apportioned on the 16th of April, 1904?—A. It was so apportioned.

Q. And it was voted by whom?—A. By the directors, by the board.

Q. There is no resolution of the shareholders having reference to that special sum?—A. No, because I see here—there was a letter from the legal adviser of the board to the effect that the board had the power by resolution to provide for remuneration of the directors as they deemed fit, said remuneration to be payable in cash.

Q. Have you the opinion of the legal adviser upon that point?—A. No, I did not bring it with me.

Q. Who gave that opinion?—A. The Hon. Mr. Taschereau, who was counsel for the company.

Q. And he advised the board that they could vote money to themselves for their services without further authorization?—A. Yes.

Mr. GALLIHER.—Would it not be well, Mr. Monk, as you go along to start at the first of these resolutions and place it upon record how the vote was apportioned, and when and to whom the shares for that money were allocated?

Mr. MONK.—I just wanted before you take that up to complete this part of the evidence.

By Mr. Monk:

Q. Is this sum of \$25,000 all?—A. \$20,000.

Q. No, \$25,000; with this \$5,000, the total sum voted to the directors for their services was \$25,000, or are there any further amounts in addition to that?—A. I could not answer that precisely without looking up the book.

APPENDIX No. 6

Q. You could not answer that just now; will you look it up during the recess and prepare a statement of all further sums in addition to \$25,000 voted the directors?—A. I think we can have that prepared quickly, yes.

Q. And will you also have that letter of Hon. Mr. Taschereau?—A. Well, not to-day.

Q. But when you have an opportunity to procure it?—A. Yes.

By Mr. Gallihier:

Q. I think we had better deal with the amounts voted and that were taken out in stock. There has been a suggestion made that Mr. Bell can make out a statement of that and file it.

Mr. BARKER.—Can you do that, Mr. Bell?

Mr. BELL.—Yes, sir.

Mr. BARKER.—Then will you prepare that?

The CHAIRMAN.—What you want is a statement of the remuneration that was converted into stock?

Mr. GALLIHER.—And then following that up, and remuneration subsequently, either in stock or cash.

By Mr. Chisholm (Antigonish):

Q. The \$15,000 spoken of as for attendance? Is that for services as well as attendance, travelling back and forth to New York and elsewhere; it did not mean simply attendances at the meetings of the board?—A. It was for general services and attendance, but it was based on the attendance. It was decided at first it was more just that way. The word 'allotted' was used because I had to apportion. I should have used the word 'apportion.' I had to make a list of the attendances and divide it up, so that they came to these uneven figures you see there—\$160.66.

Q. But these attendances were not for the chairman, they were for the directors other than the chairman?—A. The chairman's was a regular fee—an annual fee.

Q. He was being paid, not for his attendances at the meeting alone, but for the services he rendered in New York and elsewhere?—A. Oh, yes, certainly.

Mr. BARKER.—We had better have resolutions on these points. These vague statements are not evidence. If there is any resolution to pay a specific sum annually to the president, let us have it.

By Mr. Monk:

Q. Have you any resolutions regarding the salary of the president?—A. Not specially.

Q. Apart from the resolutions to which reference has been made?—A. Not apart from the board's resolutions. It was included in those resolutions.

By Mr. Chisholm (Antigonish):

Q. The board's resolutions state that the amount which was to be apportioned among the other directors—?—A. The other directors, the president of the company being paid at a certain—

Q. Was to be based on their attendance. It was the other directors that received that proportion. The chairman himself was to be paid \$2,500 for his services and attendance and the work that he had done?—A. Yes.

By the Chairman:

Q. There was no motion of shareholders granting to the president a stated sum, was there?—A. Well, later on I think there was.

By Mr. Walsh (Huntingdon):

Q. But not previous to this time?—A. No.

By Mr. Chisholm (Antigonish):

Q. You are aware that the chairman had a good deal of travelling and a good deal of work to do other than what the other directors had?—A. Certainly; he was the soul of the whole thing, and he practically did all the work.

Q. He lost a great deal of time and must have been put to a good deal of expense travelling?—A. Oh, yes.

By Mr. Monk:

Q. Have you, Mr. Barthe, a statement of expense account for travelling in connection with the question which was put to you by Mr. Chisholm?—A. No, I have not. That can be gathered from the books, but I have no—

Q. But you don't pretend that any of these amounts just referred to, and amounting in the aggregate to \$25,000, cover the travelling expenses?—A. I don't think so. I think in some cases they would pay for their expenses and travelling expenses—disbursements.

Q. Disbursements?—A. Disbursements. We have very few of them, but we have a few vouchers for that.

Q. Well, will you, at your leisure, make up a statement of travelling expenses or disbursements paid to the president or directors?—A. Yes.

The CHAIRMAN.—For what period, Mr. Monk?

Mr. MONK.—Well, from 1897 up to the present date.

Q. Will you, please, also, Mr. Barthe, prepare at your leisure a statement showing the shareholders present at these three meetings regarding which you have already spoken, the shares held by them, those that were present by proxy and who the proxies were?

By the Chairman:

Q. Can you do that, Mr. Barthe?—A. Yes, for the shareholders' meetings?

By Mr. Monk:

Q. Yes, the shareholders'?—A. Yes.

Q. The shareholders' meetings when resolutions were passed authorizing the payment of money to the directors?

The CHAIRMAN.—Do you confine it to these three meetings?

Mr. MONK.—Just those three meetings.

Q. Have you the by-laws of the company?—A. They are in a book containing a compilation of the charters of the company and its by-laws, etc.

Q. Will you produce the by-laws of the company?—A. Yes (producing by-laws). Pages 1 to 11 of the by-laws marked Exhibit 18.

Q. And these by-laws contained in Exhibit No. 18, which you have just produced, are all the by-laws of the company in force, are they not?—A. They are all the by-laws.

Q. The actual by-laws in force?—A. Yes.

Q. I do not see there any but amendments to by-laws that are in existence?—A. (Pointing to by-laws). This is the first part. These are the old by-laws, and in 1904 we amended them on some points.

Q. Can you point out in these by-laws which you have just produced anything authorizing the payment of sums of money to the directors for their services?—A. Well, that is a question of law. I could not give an opinion on that—whether it is authorized or not by the by-laws or by the charter.

By Mr. Barker:

Q. Mr. Monk has not asked you to construe any clause but to see whether there is in the by-laws anything on that subject?—A. I would have to read them over and see. It requires the eyes of a good lawyer to find that.

APPENDIX No. 6

By Mr. Monk:

Q. Do you think you will be able to trace in the papers of the company the opinion of Mr. Taschereau, legal adviser to the company, upon that point?—A. Upon the—

Q. Upon the payments?—A. All the payments?

Q. No, no, just the opinion as to the legality of the directors voting sums to themselves—the opinion to which you referred a few moments ago?—A. Yes, I know there are some letters on all these questions. You know we generally consulted our lawyer and he gave us his opinion. I cannot say here from memory.

The CHAIRMAN.—There is just one clause in the by-laws which has, by implication, an indirect bearing.

The WITNESS.—Here is the amendment to clause 8 of the by-laws which says (reads):

‘The affairs of the company shall be managed by a board of eleven directors, eight of whom were to be elected annually by ballot from among the shareholders at their annual meeting, each of whom, when elected director, must be proprietor of, and hold in his own name, at least fifty shares of the capital stock of the company on which all calls due have been paid, and they shall remain in office and be directors until their successors shall be elected, in case of any vacancy among the elected directors, the board may appoint a qualified shareholder to fill such vacancy. The three other directors are appointed by the Governor-General in Council and need not be possessed of the qualification required in the case of elected directors; they shall be entitled, as such directors, to the same fees or allowances from the company as are paid or allowed to the other directors.’

I think this is based on the amendment to the charter of 1903.

Q. You will look and see if you find an opinion?—A. Yes.

Q. Were these three directors—the government appointees—ever allowed any fees as the others were?—A. Yes.

Q. They were?—A. Oh, yes.

By the Chairman:

Q. Who were they?—A. They were Mr. J. B. Laliberte, Mr. Henri Rioux, and Mr. P. B. Dumoulin.

By Mr. Monk:

Q. Will you file before the committee, when you have made it, a statement showing the date of appointment of these three government directors?—A. It is mentioned in the minutes, I think.

Q. The date of their appointment and the meetings which they attended?

The CHAIRMAN.—For what period?

Mr. BARKER.—During their service?—A. Yes, that can be done.

By Mr. Monk:

Q. During their service as government appointees. Now, Mr. Barthe, in regard to this last \$5,000 which appears to have gone to make up the \$200,000 of stock required by the government in this agreement under the Act of October, 1903, that sum was chequed out to the directors by the company itself. Would you show me in the company's bank book the trace of the payment of this \$5,000 out of the funds of the company? You have shown me where the \$5,000 went to the credit of that stock?

The CHAIRMAN.—He has shown you the stamped paid cheques.

Q. I want to see the book?—A. The question is one of those rather complicated ones. There is a statement of facts in which I could not absolutely concur.

Q. But you have got the bank book showing that amount of \$5,000 actually passed to the bank as paid to the directors? They were all accepted on the same day, the cheques, 16th December?—A. That is we deposited the cheques.

By Mr. Chisholm (Antigonish):

Q. You made the statement just now that the question contained a statement of facts in which you did not concur, what do you mean by that?—A. I could not undertake to repeat the whole question, but it seemed to me, you know, rather one of these complicated questions I would not give any opinion upon.

By Mr. Barker:

Q. I would like to ask Mr. Barthe this: were the assets of the Quebec Bridge Company increased \$1 by these cheques being issued to the directors and applied on that stock?—A. Well, that is not a question absolutely—

Q. It is a simple question?—A. Well a question of fact. I don't know—

Q. On the one hand you paid out five thousand on your bank and on the other hand you paid five thousand back again, is that not it?—A. Well we paid—

Q. You issued cheques against your bank account for the \$5,000 to these gentlemen, did you not?—A. Yes, to their order, yes.

Q. And they gave you the cheques back and you put them back into the bank account again?—A. Well, that—they paid with these cheques their stock, that part of the stock.

Q. They gave you back these cheques on account of their stock they subscribed?—A. Well, I would not say they gave. I don't remember exactly the fact. I know the cheques passed through the banks. I would not care to give any interpretation on that, you know.

Q. Well, wait a moment. You issued cheques to the directors?—A. Yes.

Q. And the directors gave them back to the company, is not that the case?—A. Yes.

Q. Then was the company one dollar ahead in its capital by that transaction?—A. Well, that is—

Q. Answer the question?—A. Well, I would not—

Q. Had you a dollar more, by reason of the payment of that stock, than you had before you issued the cheques for the fees?—A. Well, the company was certainly getting more capital stock. Certainly because that money had been earned by the directors. They might have put that into their pockets and kept it.

The CHAIRMAN.—They were in the same position as if they had bought \$5,000 worth of steel girders and paid for them and then got Mr. Blank to subscribe.

Mr. BARKER.—We will have to discuss that.

The CHAIRMAN.—I see your point and I think you might as well leave it there. I think it is pretty clear.

By Mr. Gallihier:

Q. I would like to ask one question in connection with that. By the payment back into the treasury of these cheques that had been issued by the Quebec Bridge Company to the directors for \$5,000, dated November 23rd, 1903, the company had discharged a debt to the directors; is that right, or is it not?—A. Yes, that is so.

Q. What would have been the position of the company's accounts had the directors turned those cheques into money to their own account, instead of buying the stock?—A. The company would have been so much short.

Q. It would have been that \$5,000 short?—A. Yes.

The CHAIRMAN.—Then there is the other question of interpretation of the statute, whether this was in compliance with the Act?

Mr. GALLIHER.—Yes, I just wanted to make it clear on that point.

APPENDIX No. 6

By Mr. Barker:

Q. You were present when this transaction took place and when the cheques were ordered to be issued?—A. Certainly I was.

Q. Was it not intended that they were to be handed back in that way on the stock? Was or was it not the intention of all parties that these cheques were to be applied on \$5,000 of that \$200,000 stock?—A. Not exactly from the beginning, not from the start.

Q. From the time of the issuing of those cheques?—A. At the time of the issuing, yes; it had been decided, but when it was voted by the shareholders it was not decided, there was in some cases no question—

Q. At the time when you issued the cheques to the directors it was understood that they were to hand them in on that stock?—A. Oh yes, in the meantime it had been agreed between the directors to take the stock.

Q. Had you cash, at that time, of the company's with which to pay these fees?—A. I think the bank book will show it, yes; I have not the bank book in my hand.

Q. Were those moneys the proceeds of discounts for certain purposes or had you actually cash balances to your credit?—A. We had balances; at that time we had current accounts with two or three banks and we always had money.

Q. Always some money, eh?

Mr. GALLIHER.—All those cheques issued show that they were marked good by the bank, and charged against the account.

The CHAIRMAN.—What bank shows the balances, the Molsons bank?—A. And the Quebec bank.

By Mr. Chisholm (Antigonish):

Q. This buying of \$5,000 stock was a matter arranged among the directors themselves? It was arranged among themselves?—A. From the minutes it so appears.

Q. There was no understanding, as between the stockholders and directors, that the directors should buy that stock?—A. I do not think that—not by the shareholders—you have the resolutions there.

By Mr. Monk:

Q. At that time the Quebec Bridge Company had no source of revenue whatever, is not that the case?

Mr. GALLIHER.—What time are you speaking of?

Mr. MONK.—The time that this transaction took place—November, 1903. The company, as a matter of fact, never had any source of revenue?—A. We had revenue through the shareholders and the calls for the capital itself. Its capital stock was its only resource.

By Mr. Monk:

Q. It was not earning anything then?

The CHAIRMAN.—Were you not earning subsidies?

A. The company had no revenue and was not earning anything—

Mr. GALLIHER.—Hadn't you the provincial subsidies?

Mr. BARKER.—That is not 'earning.' The question is as to revenue.

A. I understand you this way, that the company, not being in operation, had no revenue.

Mr. BARKER.—That is what I mean.

Mr. GALLIHER.—I think that ought to be made clear. 'Revenue' is rather a wide term. Whether it is revenue actually earned by operation of the project or whether it is something for the purpose of the company—

The CHAIRMAN.—It had a contingent revenue.

By Mr. Monk:

Q. As a matter of fact, was not this \$5,000 checked out of the proceeds of the discounts made by the company at the Molsons Bank, as shown by the book produced?—A. That is a question of the treasury that I am not ready to answer; I could not answer; I am not competent to answer that question.

By Mr. Barker:

Q. About this \$94,900 paid in by M. P. Davis on the 22nd of February, 1907, that formed part of the \$200,000 extra capital stock prescribed under the Act?—A. Yes, according to the statement made——

Q. The Act of 1903?—A. Yes.

Q. Will you explain how it was that a subscription of capital that was required by an Act of 1903 was not carried out until November, 1907?—A. I would not undertake to explain that point.

The CHAIRMAN.—In other words, why was Mr. Davis' cheque held; I suppose that is the point?

By Mr. Barker:

Q. It is quite clear it had not passed to the benefit of the company. Why had that \$94,900 not been received by the company in cash as so much of its additional paid-up capital?—A. I have myself no personal explanation to give of that, because I have only what appears in the minute book itself.

By Mr. Gallihier:

Q. What was the date of that cheque?—A. It was given in 1904.

By Mr. Barker:

Q. There was no arrangement that you should not cash that cheque?—A. Myself? I have——

The CHAIRMAN.—That is a treasury matter.

A. I waited——

By Mr. Barker:

Q. Of course, if you do not know, it is sufficient to say you do not know?—Yes, I do not know.

Q. There was no arrangement, to your knowledge, with Mr. Davis about the postponement of that payment?

The CHAIRMAN.—He says he doesn't know anything about it.

A. All I know is what is in the minute book and the bank book.

By Mr. Barker:

Q. As secretary, have you any knowledge of any arrangement between the company, or between the directors and the president of the company and Mr. Davis that that \$94,900 should not be paid in cash?—A. No.

Q. You do not know that?—A. I do not remember having any special instructions as to that.

Q. Did you ever hear there was such an arrangement?—A. Well, I may have, but——

The CHAIRMAN.—But not officially?

A. Not officially.

By Mr. Barker:

Q. I want to know what you hear; I do not know whether you have an official ear or not. Have you any knowledge at all; tell us that, and then we will see whether it

APPENDIX No. 6

is knowledge we can put in evidence; of any arrangement by which that \$94,900 was not to be paid in at once?—A. I was not a party to any such arrangement if there ever was such, but I only followed instructions that were given to me to keep the cheque, to hold the cheque.

Q. Who gave you those instructions?—A. Well, I do not remember exactly; it may have been the president or some of the directors, but I cannot say. I know at the time it was understood that the railways would come in and divide it between themselves. I understood that was one of the reasons.

Q. Would you accept the directions of any ordinary director upon such a subject as that, or would you seek the direction of the president?—A. Of course, it is generally the president who gives instructions.

Q. Have you any recollection of that?—A. On that question? I could not; no, sir.

Q. To your knowledge, was any arrangement ever made between the directors or the president of the company and Mr. Davis in relation to that subscription of stock by him?—A. No; I just received the subscription as secretary and gave the receipts for the stock. I was not party to any arrangement.

Q. You never heard that there had been any arrangement in regard to that, other than the ordinary subscription by Mr. Davis, just the same as a subscription by Mr. Allan or anybody else; did you hear any special arrangement with regard to that \$94,900?—A. No; I told you I was not a party to any negotiation of that kind; I was just acting as secretary, receiving the subscriptions and carrying out my instructions.

Q. I am not quite so sure when you make use of the words that 'you were not a party' what you mean, do you mean that there was such an arrangement but that you were not a party to it?—A. I mean—that is why I do not like to be examined in English, it is not fair for me, because in my own language I would make myself plain.

Q. I understand that you are not a party to any arrangement of that kind, but have you any knowledge of any such arrangement?—A. I said, no, I have no official knowledge of it, the only knowledge that I have—

Q. You have no official knowledge?—A. As secretary.

Q. You have no knowledge as secretary; have you any knowledge at all, Mr. Barthe?—A. You mean to say, have I heard by this man or that man that something—

Mr. GALLIHER.—I want to object; if that knowledge comes from a source such as a director or the president of the company it is a proper question—

Mr. MONK.—The witness is asked, 'Have you any knowledge', and we all interfere at once.

Mr. GALLIHER.—I do not want to interfere at all, but the question whether it is evidence or whether it is not evidence depends upon who he received it from. If he has no knowledge from a director or the president of the company then it is not evidence.

By the Chairman:

Q. The holding of this cheque and not cashing it was not your act, Mr. Barthe?—A. Well, yes, I held it.

Q. You held it on the direction of your superiors?—A. Yes.

By Mr. Barker:

Q. Now, Mr. Barthe, I intend to get an answer to my question if it takes all week, as the saying is. I have asked you, have you any knowledge of any arrangement between the company, the directors or the president, and Mr. Davis with regard to that subscription by him?

Mr. GALLIHER.—I object to that.

The CHAIRMAN.—Let Mr. Barker finish his question.

By Mr. Barker:

Q. I ask you, have you any knowledge on that subject?—A. No.

Q. Now, wait a moment, you have told me two things, first of all that you have no official knowledge of it, and that you have no knowledge of it as secretary; that is not my question. I want you to say, 'Yes' or 'No;' that is all I am going to ask you, have you any knowledge whatever on the subject?

Mr. GALLIHER.—I object to that question for this reason, that it will depend on the source whence it comes whether it is evidence. If Mr. Barker will alter his question by adding 'from anyone in authority,' then I think there could be no objection.

By Mr. Barker :

Q. He can say, 'Yes' or 'No,' and then I can ask him from whom he obtained his information.

The CHAIRMAN.—I do not understand your question myself, Mr. Barker, now what knowledge do you want? You want to know if he has any knowledge of—

Mr. BARKER.—Any transaction.

The CHAIRMAN. Or any arrangement—

Mr. BARKER.—Between the company, or the directors or the president and Mr. Davis with regard to that subscription.

The CHAIRMAN.—As to whether he was to hold the cheque or not?

Mr. BARKER.—Anything outside, as I have said before, the ordinary subscription of stock.

Mr. CHISHOLM (Antigonish).—It would have to be official knowledge, or if it was not, it would not be evidence at all.

The CHAIRMAN.—As I understand it you want to know if the witness had any knowledge of any arrangement between the company and Mr. Davis regarding his payment of that subscription?

By Mr. Barker :

Q. From the company or any of the directors, or Mr. Parent?—A. No other knowledge than the instructions to hold the cheque until further orders and with the proper understanding which I may have gathered, at the time, that that payment was held to be divided later on between the railways, and then, I think too, that there was some question of Mr. Davis, some objection to Mr. Davis holding too much of the stock.

Q. Objection by whom?—A. Generally among the directors, I would not mention anybody.

The CHAIRMAN.—That is a pretty fair answer.

By Mr. Barker:

Q. There was some hesitation about accepting his subscription for the whole?—A. Yes, generally.

Q. And therefore the matter was held in suspense?—A. Yes, well, I had it in suspense, I got the cheque and I was told to keep it until further notice.

Q. And this question as to whether he should be the holder of so much stock was, as you thought and understood, the reason for the holding of the cheque?—A. Yes, that was it. I might add, that the cheque, the first cheque was for over \$100,000, because it covered \$25,000 of the Grand Trunk Railway which was paid in the month of February, some time afterwards, reducing the amount to \$94,900.

By Mr. Monk :

Q. You say there was another cheque before this one for \$94,900?

The CHAIRMAN.—For \$94,900 plus \$25,000.

APPENDIX No. 6

By Mr. Monk :

Q. What became of that cheque for over \$100,000?—A. It was exchanged for the other.

Q. When?—A. After the payment by the Grand Trunk, I suppose; after the Grand Trunk took the stock.

Q. You got the cheque for the company of \$94,900 plus \$ 5,000, and some time after you got the cheque for \$94,900. Surely you are able to fix the dates to a certain extent? When was that cheque for \$100,000 odd taken up and replaced by the cheque for \$94,900? In what month or year?

The CHAIRMAN.—Can you get that between now and this afternoon?

A. Perhaps Mr. Paquet can get it.

The CHAIRMAN.—Can you get it for this afternoon, Mr. Paquet?

Mr. PAQUET.—Yes, sir.

The CHAIRMAN.—Then we will get it this afternoon.

By Mr. Galliher :

Q. I just want to have one point made clear. Do I understand it was not a question whether Mr. Davis would take the stock \$94,900, but the question was whether the company was willing to give him stock to that amount?

The CHAIRMAN.—I suppose they wanted to conform with the Act.

Mr. GALLIHER.—That is all right, but I think it is a little different to what Mr. Barker expressed it. The way he expressed it would convey the meaning that Mr. Davis merely put up that cheque, but had no intention of taking, at any time, \$94,900 worth of stock.

Mr. BARKER.—I did not say that.

By Mr. Galliher :

Q. That is the way it was put. I want to know—if you do not know, why say so—I want to know if you know that it was a question of Mr. Davis wanting himself to take \$94,900 or rather a question of the company not desiring to give him that much stock?—A. There was a general desire.

Q. The cheque was held?—A. There was a general desire not to issue that amount of stock in the whole to Mr. Davis, because it was—

Q. A general desire with whom, with the company?—A. Of the company.

The CHAIRMAN.—Or the directors, which?

Q. There was \$188,721 coming to Mr. Davis out of that anyway, wasn't there—out of the \$200,000?—A. Yes.

Q. So that he was practically getting, under any circumstances, the proceeds of that subscription of \$200,000?—A. Yes.

The committee rose.

HOUSE OF COMMONS,

COMMITTEE ROOM NO. 32,

TUESDAY, June 9, 1908.

The committee met at 4 o'clock p.m., the Chairman, Mr. A. K. Maclean, presiding.

The examination of Mr. Barthe resumed:

By Mr. Monk :

Q. Have you had time to prepare the different statements which you were asked for this morning: travelling expenses, the opinion of Mr. Taschereau, a list of those

present at the shareholders' meeting, the stock they represented and those that were represented by proxies, who were the proxies, and the attendance of the three directors named by the government?—A. As to the letters from Mr. Taschereau, I have to get them from Quebec. I can get them only to-morrow. As for the other statements, they are in the typewriter's hands just now.

Q. All the other statements are in the typewriter's hands?—A. I understand the travelling expenses are not.

Mr. BELL.—To get out the travelling expenses you would have to go through the cash book from one to the other; there was no ledger account kept. They are very small items; but to make sure of the amount, you would have to go through the cash book from one end to the other.

The CHAIRMAN.—Do you accept that as satisfactory, Mr. Monk?

Mr. MONK.—That is satisfactory.

Q. Such expenses, Mr. Barthe, as were incurred in travelling were charged separately from these amounts devoted to the directors for their services, were they not?—A. Oh, yes, that was charged outside of that.

Q. Was it you, Mr. Barthe, who had charge of the banking of the company, who deposited the different amounts that came into the company?—A. Yes, up to 1903, I think, after which the by-laws were changed so as to divide the office of secretary-treasurer in two.

Q. In 1903?—A. No, in 1904. Mr. Paquet was then appointed secretary. After that he had charge of the banking business.

Q. Can you give the date of Mr. Paquet's appointment?—A. I think it was in April, 1904, if I remember well.

Q. By the directors?—A. By the directors. It can be shown by the minutes.

The CHAIRMAN.—Is that about correct, Mr. Paquet, April, 1904?

Mr. PAQUET.—Well, I don't remember exactly; it is about that date.

The WITNESS.—You can see by the minute book.

By Mr. Monk:

Q. Who was instructed, Mr. Barthe, to deposit the cheque for ninety-four odd thousand dollars at the end of 1907?—A. I think it was Mr. Paquet.

Q. Do you remember receiving any instructions at that time as to the deposit of that cheque?—A. Not exactly for the deposit of that cheque. I don't remember ever having had any special instructions.

Q. Was the cheque in your possession as secretary at that time?—A. Yes; it was in our books, in our vault.

Q. It was payable to the order of the company, was it?—A. Yes, as far as I can remember it was payable to the order of the company.

Mr. BELL.—I have those cheques, Mr. Monk.

By Mr. Monk:

Q. Did the company, Mr. Barthe, keep a separate account of what was done with the \$200,000 of stock subscribed under the agreement with the government of October, 1903?—A. That would be for the treasurer to answer exactly to that. I think so, but—

Q. You could not point out in the books yourself that account?—A. No, I am not familiar enough.

Q. How was that account carried, Mr. Barthe, while you held the cheque for \$94,600 in your possession?—A. Well, it was debited, or credited, I don't know which, to the capital stock account.

Q. Can you tell the committee anything as to when and how the \$188,000 discount, representing the discount on the first debentures of the company, were paid and taken up?—A. Well, it was paid out of the bonds, the new bonds—the proceeds of the new bonds, through the Bank of Montreal and the Royal Trust.

APPENDIX No. 6

Q. Do you know if it was paid in one lump sum?—A. It formed part of the outstanding debt, you see.

Q. And was that outstanding debt all paid at the same time?—A. Yes.

Q. With the product of the new bonds guaranteed by the government?—A. Yes.

Q. Can you fix a date for the payment of that \$188,000?—A. No, not myself. It would be for the treasurer to give those particulars.

By the Chairman:

Q. Section 4 of the agreement strikes me as being very awkwardly drafted. What is put here as discount on bonds of \$188,721 was really a debt to Mr. Davis, was it not?—A. Yes.

Q. He took bonds in payment of work performed by him as a contractor?—A. Yes.

Q. At a discount?—A. At a discount.

Mr. BARKER.—He owned the bonds. It should not be a debt to him. He took \$400,000 of bonds at 60 cents on the dollar.

By the Chairman:

Q. There is still due to him the difference between 60 and 100?—A. Yes. Well, not only that, but he did—

Q. Other work?—A. Other work.

Q. Yes, I know; but there was \$188,721 due him as contractor?—A. Yes.

Mr. BARKER.—Mr. Barthe had better be careful about it, because it does not follow there was any such figure at all. Bonds to the amount of four hundred and odd thousand dollars were sold at 60, by which the capital lost \$188,000. There may not have been any such difference.

By the Chairman:

Q. Who lost this discount on the bonds, the contractor or the company?—A. I could not answer.

The CHAIRMAN.—All right, we will get that from Mr. Bell.

By Mr. Monk:

Q. Where were those bonds engraved, Mr. Barthe?—A. By the American Bank Note Company.

Q. Do you happen to have one unsigned here? There are generally some left over?—A. No, I have not one here. We may have kept a sample in our records, but I am not sure.

Q. Will you look and see if you have a sample?—A. You have the whole text of it in the mortgage trust deed. In the mortgage trust deed you have the whole thing—the form of the bond.

The CHAIRMAN.—Yes, it would be there, of course. It always is.

The WITNESS.—The form of the bond, yes.

The CHAIRMAN.—At page 27.

Mr. MONK.—The form of the bond is to be found at page 27 of the printed mortgage trust deed.

The CHAIRMAN.—Yes, at pages 27, 28 and 29.

By Mr. Monk:

Q. Can you give me the date of the signing?—A. The signing of the bonds?

Q. By the government and by the company?—A. Oh, no; I could not, not from memory.

Q. Is there not a resolution regarding the signing and the affixing of the seal of the company to these bonds in the record of the bridge company?—A. Well, yes, there must be.

7-8 EDWARD VII., A. 1908

The CHAIRMAN.—There must be an authorization. In what year were they issued?

Mr. MONK.—In 1904 they purport to have been signed—the 1st of February. Do you remember the date of that, Mr. Bell?

Mr. BELL.—Some time between December, 1903 and February or March, 1904.

Mr. MONK.—It is 1904 some time.

The CHAIRMAN.—The mortgage deed would recite the resolution, probably, of the board.

Mr. BELL.—But the bonds would be signed afterwards.

The CHAIRMAN.—The resolution of the company is dated 28th January, 1904.

By Mr. Monk :

Q. Were those bonds all delivered to the bridge company, had you them at any time in your possession?—A. As soon as they were signed by us they were delivered to the Royal Trust Company.

Q. What was the procedure? Were they signed by your company and then handed over to the government and then handed back to you and by you to the Trust Company, or was it in some other way it was done?—A. I think the government's signature was dispensed with. I don't remember exactly but I don't think they went to the government.

By the Chairman :

Q. These bonds were never sold, were they?—A. No, sir.

Q. A loan was obtained upon them from the Bank of Montreal?—A. Yes.

Mr. BELL.—The committee can get one of these bonds from the Finance Department.

The CHAIRMAN.—I think it would be well if we were to have the resolution passed by the board showing how the bonds got into the possession of the Bank of Montreal. I will read it (reads):

'Whereas the president and the committee of this board have reported to this board that the Bank of Montreal is prepared to make or arrange for an advance to this company of \$1,250,000 to bear interest at the rate of five per cent per annum and to be repayable on or before the first day of July next, the repayment of same to be secured by an agreement to deposit in pledge with said bank as soon as issued first mortgage bonds of the company of the issue authorized on the 28th of January, 1904, guaranteed by the government of Canada to the amount of \$6,678,200 par value or its equivalent in pounds sterling, said agreement in the meantime charging the whole of said issue of first mortgage guaranteed bonds to the amount of \$1,437,500 as aforesaid, with repayment of said advance and interest, said agreement to be executed by all such parties and to contain all such terms and provisions as the bank may consider reasonable for the purposes aforesaid. Resolved that the arrangements in respect of said advance and security so made with said bank be and the same are hereby approved and adopted, and the president be and he is hereby authorized on behalf of the company to do and cause to be done all such acts and things as he may deem proper and the bank may require for the purpose of completing such arrangements including a settlement on behalf of the company of the terms of the said security agreement or agreements; and the president and the secretary treasurer be and they are hereby authorized in the name of and on behalf of the company to execute such agreement or agreements as the president may agree to and any other deeds or documents that may be required for the purposes aforesaid. Said advance when made to be paid over to the Royal Trust Co. and dealt with as provided in the tenth clause of the mortgage trust deed, dated the first of February, 1904.'

That resolution was presented at a meeting of the board of directors on the 6th February, 1904, and was unanimously passed.

APPENDIX No. 6

By Mr. Monk :

Q. Who were the directors present at that meeting, Mr. Barthe?—A. (Reads): ‘Hon. S. N. Parent, in the chair; Messrs. R. Audette, J. Breakey, H. M. Price, Gaspard LeMoine, Vesey Boswell, Hon. N. Garneau, J.-B. Laliberte, N. Rioux, P. B. Dumoulin and Hon. J. Sharples.’ I think it was pretty nearly a full board. (After examining minutes). Yes, a full board.

Q. Have you, Mr. Barthe, the agreements which were entered into with the Bank of Montreal, pursuant to the resolution which has just been quoted?—A. Yes, sir (producing document).

EXHIBIT No. 19.

(Duplicate)

THIS AGREEMENT made the twenty-third day of February, A.D. 1904.

BETWEEN

The Quebec Bridge and Railway Company, a body corporate, duly incorporated by the Parliament of Canada, and having its chief place of business in the City of Quebec, and herein acting and represented by the Honourable S. N. Parent, its president, and Ulric Barthe, its secretary, duly authorized for the purposes hereof, (hereinafter called the company) of the first part.

AND

His Majesty King Edward VII., acting in respect of the Dominion of Canada, herein acting and represented by the Honourable William Stevens Fielding, Minister of Finance for Canada (hereinafter called the government), of the second part.

AND

The Bank of Montreal, a chartered bank of Canada, having its head office in the City of Montreal, and herein acting and represented by the Hon. George A. Drummond their vice-president, duly authorized for the purposes hereof (hereinafter called the bank), of the third part:

Whereas the company on or about the 28th day of January, A.D. 1904, resolved to exercise the borrowing powers granted to the company under the Acts of the Parliament of Canada being 3 Edward VII., Chapters 177 and 54 (1903), by creating an issue, and did thereby create an issue, of first mortgage bonds of the company to the extent of six millions six hundred and seventy-eight thousand two hundred dollars to be guaranteed by the government, under said Act 3 Edward VII., c. 54 and the agreement dated the 19th day of October, A.D. 1903, hereinafter called ‘the scheduled agreement.’

And whereas the government in pursuance of said Act 3 Edward VII., c. 54, and the scheduled agreement, by order of the Governor in council has directed the Minister of Finance to execute and accordingly the Minister of Finance has contemporaneously with the execution hereof duly executed the guarantee, guaranteeing the payment both as to principal and interest of all the said first mortgage bonds of the company forming part of the said issue;

And whereas by a notarial mortgage trust deed dated the 1st day of February, A.D. 1904, and executed before Mr. Joseph Allaire, Notary Public, of the City of Quebec, and made between the company of the first part and the Royal Trust Company of the second part and His Majesty King Edward VII., of the third part, the company did thereby grant and convey unto the said trust company, as trustees, all the railway bridge, property and undertaking of the company to secure the payment of the whole of said issue of first mortgage guaranteed bonds; all as and in the manner fully set forth in the said mortgage trust deed, which also contains full particulars of the said issue of bonds and of the forms thereof and of the form of said government guarantee so given and executed as aforesaid;

And whereas some delay will intervene before the said first mortgage bonds can be engraved, executed and completed by the company and delivered over to the said trust company;

And whereas the company has applied to the bank for advances to the extent of one million two hundred and fifty thousand dollars to be applied in the first place in the payment of the balance of the obligations and indebtedness of the company mentioned in the scheduled agreement, and then in and towards the construction and completion of the undertaking and acquisition of the right of way and other lands in accordance with the provisions in that behalf contained in the scheduled agreement.

And whereas the bank has agreed to make the said advances upon the terms and upon the guaranteed and other securities and subject to the agreements and stipulations herein contained; all of which are hereby declared to be conditions of, and one of the considerations for the making of such advances;

Now therefore this agreement witnesseth that it is hereby agreed by and between all and every the parties hereto as follows:—

The bank agrees to make to the company from time to time between the date hereof and say the 15th day of June, A.D. 1904, advances not exceeding in the aggregate the sum of one million two hundred and fifty thousand dollars upon promissory notes of the company payable on demand with interest computed at the rate of five per cent per annum; said advances to be made in such sums as may be required by the company from time to time during said period; and the company hereby obliges itself to pay to the bank on demand all said advances and interest thereon at the rate aforesaid computed from the respective times of the makings of such advances, and the promissory notes from time to time respectively representing the said advances and interest; all said advances are to be paid over by the bank to said trust company who shall deal with the same as follows:—

Firstly. Out of said advances to pay all the obligations and indebtedness of the company mentioned in the scheduled agreement, including the existing outstanding bonds and mortgages therein mentioned and interest (if any), as and in the manner provided by subclause (a) of the 10th clause of the said mortgage trust deed;

Secondly. Then out of the said advances to pay to the company eighty-five per cent of the par value of the amount of bonds mentioned in such certificates in writing addressed and presented to and left with said trust company as may be granted by the chief engineer of government railways, or such other officer as the government may appoint to give and sign such certificates in pursuance of the said 10th clause of the said mortgage trust deed.

2. The company hereby agrees with the bank that the company will, as speedily as reasonably possible, cause to be engraved, sealed and executed by the company, the said issue of \$6,678,200 first mortgage bonds of the company, all as mentioned in and in accordance with the provisions of the said mortgage trust deed, dated the first day of February, 1904, and will, so soon as the said bonds are so sealed and executed, deliver the whole of the said issue, with all the interest coupons belonging thereto, to said trust company, as provided in the said mortgage trust deed.

3. And it is agreed that so soon as the said issue of guaranteed first mortgage bonds shall be delivered to the said trust company as aforesaid, the said trust company is hereby authorized to deliver thereout to the bank bonds of the par value of one million four hundred and thirty-seven thousand five hundred dollars Canada currency (or its equivalent in pounds sterling, if said bonds are issued in sterling money), together with all the coupons belonging thereto; to be held by the bank in pledge as an additional continuing collateral security to secure to the bank repayment of all said advances made to the company in pursuance hereof and interest, whether represented by the demand notes aforesaid or by any renewals or re-renewals thereof, in whole or in part, or otherwise howsoever; and if default shall be made in the repayment at the respective maturities of the same from time to time of all or any of the said advances, interest, notes or premises, or any part thereof, the bank, after giving to the company fourteen days' written notice of its intention to sell said bonds so pledged, may from time to time sell in any way whatsoever it may deem advisable, and in one lot or several, and transfer to the purchaser or purchasers of same all or

APPENDIX No. 6

any of said bonds; and the bank, out of the moneys received from any such sale or sales, in the first place, shall pay or retain the cost and expenses incurred in and about any such sale or sales; and, in the next place, shall apply the residue of said moneys in or towards payment of the said advances, interest and premises; and it is declared that any such written notice shall be sufficient, if signed by the general manager of the bank, or the manager of the Quebec branch of the bank for the time being, and if sent by registered letter addressed to 'The Quebec Bridge and Railway Company, Quebec, Quebec,' and mailed in the city of Montreal or the city of Quebec fourteen days before any such sale; provided that nothing herein contained shall be deemed to oblige the bank to renew any negotiable paper of the company at any time held by the bank; and it is further agreed that until the delivery of the said \$1,437,500 of said first mortgage guaranteed bonds to the bank in pledge as aforesaid, the bank (subject to the obligations and indebtedness of the company mentioned in the said 10th clause of said mortgage trust deed, which are to be paid out of said advances), shall have first lien and charge upon the whole of the said issue of first mortgage guaranteed bonds by way of collateral security to secure the amounts from time to time owing by the company to the bank in respect of said advances to be made hereunder, and interest thereon.

4. It is further agreed that if the company shall duly and punctually perform, observe and carry out all and every the terms, provisions and conditions of this agreement, and shall duly give the security as herein provided, the bank will not, before the 1st day of July, A.D. 1904, demand payment of the said advances from time to time made in pursuance hereof and to be represented by demand promissory notes as aforesaid.

5. It is hereby declared that, notwithstanding anything herein contained, the bank, whilst holder of any of the said bonds of the company, shall, as such bondholder, be entitled to and have and exercise all the powers, rights and remedies which bondholders are entitled to and given and granted by the said bonds and by the said mortgage trust deed, it being hereby declared that the powers, rights and remedies expressly given or agreed to be given to the bank by these presents are in addition to those to which the bank may be or become entitled to as such bondholder as aforesaid.

IN WITNESS WHEREOF the parties hereto have executed these presents.

Signed and delivered by the company, and
countersigned in the presence of
N. A. CANNON.

S. N. PARENT.
ULRIC BARTHE.

Signed on behalf of the government, in the
presence of
C. W. TREADWELL.

W. S. FIELDING.

Signed and sealed by the Bank of Montreal,
in the presence of
JAMES SMITH, Montreal,
Transfer Clerk,
Bank of Montreal.

For the Bank of Montreal,
GEO. A. DRUMMOND,
Vice-President.

By Mr. Gallihier:

Q. These bonds according to that resolution, were not left on deposit with the Bank of Montreal for the advance of one and a quarter million dollars?—A. No.

Q. They were turned over to the Royal Trust Company?—A. Yes.

Q. Then as amounts became due the Bank of Montreal advanced 80 per cent of those due amounts according to progress estimates. Is that correct?—A. Yes.

Q. And a sufficient number of those bonds were handed over from the Royal Trust Company to the Bank of Montreal to meet that advance?—A. Yes.

Q. Is that correct?—A. Yes.

Q. And only that sufficient number of bonds?—A. Yes, certainly.

7-8 EDWARD VII., A. 1908

Mr. BELL.—Eighty per cent of the face value. Supposing there were \$80 of money you paid \$100 of bonds.

The WITNESS.—Eighty-five at the beginning.

Mr. GALLIHER.—We will say there were \$100,000 due. If I understand it, bonds to that extent would be transferred from the Royal Trust Company to the Bank of Montreal?

Mr. BELL.—If there were \$100,000 due, bonds to the par value of \$120,000 would be transferred to the Bank of Montreal. In the case of progress estimates, the chief engineer of the department issued a certificate to cover the amount of money due, also certifying to the amount of bonds required to cover this amount. Supposing \$100,000 was the amount of the estimate, the Royal Trust Company transferred \$120,000 in bonds, and the certificate of the chief engineer would be that \$100,000 was due the company, and the Royal Trust Company should release \$120,000 in bonds to cover this amount.

The CHAIRMAN.—You say there was 20 per cent premium, it was not discounts?

By Mr. Galliher :

Q. Was every progress estimate for the full amount due or only for 80 per cent?

Mr. BELL.—For the full amount due.

Q. Were the contractors paid the full amount of the progress estimate?

Mr. BELL.—It was not with the contractors at all; it was the amount due the bridge company. The certificate was only to cover the amount due the bridge company, and the bridge company, when they got the money paid the contractors or whoever they owed.

By Mr. Chisholm (Antigonish) :

Q. Then the progress estimate was a matter between the contractors and the company?

Mr. BELL.—Yes, the chief engineer certified to the amount due the Quebec Bridge Company what they had earned, or spent, it did not matter how much it was.

By the Chairman :

Q. This is part of Section 7 of the agreement: (reads).

'The said bonds, debentures or other securities shall be so issued as to provide for monthly payments as far as practicable to the company, and they shall be issued, or the proceeds thereof paid to the company, as the construction of the undertaking is proceeded with to the satisfaction of the government and in such sums as the chief engineer of the government, or such other officer as the government may appoint, may certify are justified.'

Then to get the amount in question, if the engineer certified progress estimates to the extent of \$100,000, \$120,000 worth of bonds were transferred from the Royal Trust Company to the Bank of Montreal and the Bank of Montreal advanced this \$100,000 on them, is that right, Mr. Bell?

Mr. BELL.—Yes, that is right. It is understood of course that the bonds were never sold, they were always in the hands of the trust, the Bank of Montreal advanced the money and these were given as collateral security.

By Mr. Galliher :

Q. The point I want to make is that they were only hypothecated from time to time as necessary, in order to meet the estimates?

Mr. BELL.—Yes.

The CHAIRMAN.—Why would there be a premium advanced on the estimates of 20 per cent?

APPENDIX No. 6

Mr. BELL.—I do not know the reason of it, but I presume you might have put those bonds on the market and they might only have brought 80, or they may have brought 100.

By Mr. Barker:

Q. That is an additional security to the bank ?

Mr. BELL.—To give them a first class security.

The CHAIRMAN.—That would be valuing them at about 80 ?

Mr. BELL.—It was only a temporary loan, and these were given as collateral.

Examination of Mr. Barthe resumed :

By Mr. Monk :

Q. Under the terms of that agreement which you have just produced of the 23rd of February, 1904, what was the sum of money which the Quebec Bridge Company had placed at its disposal; how much was the amount of the loan upon the Bank of Montreal?—A. It is stated in that agreement.

Q. I have not had the time to read over this agreement. Will you tell me how much the amount was ?

The CHAIRMAN.—I think, Mr. Monk, you will have to put the question in another way. \$1,437,500 was apparently the amount they had in mind at the time, but they never got it. You had better reserve that question for the treasurer.

By Mr. Monk:

Q. At any rate, Mr. Barthe, the proceeds of that first loan made from the Bank of Montreal under that agreement of the 23rd February, 1904, to what object were they to be applied? Is it a fact that they were to be employed to pay off the outstanding liabilities?—A. They were for all the purposes of the company, the object is given, for the construction of the bridge, of course including the outstanding debt which was part of that.

Q. Can you trace in the books of the company the payment of those outstanding liabilities mentioned in the agreement, as over \$700,000, and when they were paid?—A. Yes, it appears from the books, I suppose the first note that we gave to the Bank of Montreal will show it.

The CHAIRMAN.—That is the first estimate?—A. No, it was not an estimate.

By Mr. Monk:

Q. I understand that they were to extinguish those outstanding liabilities before giving estimates, and I would like to know when that was done?—A. That was done after the mortgage trust was signed.

Q. I presume it was done with this first money that came from the Bank of Montreal?—A. Yes, out of that temporary loan.

By Mr. Barker:

Q. Out of the temporary loan?—A. Of course.

By Mr. Gallihier:

Q. Surely the books will show that?—A. The treasurer will show that in the books.

The CHAIRMAN.—Mr. Bell, Mr. Monk wants to know when the outstanding liabilities of the company were liquidated through the Bank of Montreal?

Mr. BELL.—I think on the 18th of February, 1904, he will find it in my report there.

Mr. ROSS.—Later than that ?

Mr. BELL.—It may be later than that, I will look it up.

Mr. BARKER.—Mr. Bell, although he is assisting here, is not an officer of the company and we want to get it from an officer of the company.

Mr. BELL.—It was in February, 1904, the first payment out of the \$898,000 odd.

Mr. MONK.—Where is that to be found?

Mr. BELL.—It is in the detailed statement attached to the file.

The CHAIRMAN.—It is not in the report, Mr. Bell?

Mr. BELL.—Not in the main report, the detail of it is attached to 'A' in this file, this is the file brought down by the Railway Department giving copies of everything we have in our possession practically.

Mr. BARKER.—Put it in as an exhibit; are these copies or originals?

Mr. BELL.—Copies prepared for Mr. Borden, but it has been turned over, I believe, to the committee.

The CHAIRMAN.—Perhaps you had better read that.

Mr. BELL.—Add amount paid Ottawa, February, 1904, to settle account of Mr. M. P. Davis, and not entered in cash-book, \$898,264.73.'

By Mr. Gallihier:

Q. I think that was applied in this way. That amount that is shown, and has been mentioned, \$800,000, was paid for the purpose of liquidating the interim bonds held by Mr. M. P. Davis?

Mr. BELL.—Not only the interim bonds but the balance of the account.

Mr. GALLIHER.—At all events all the interim bonds held by Mr. Davis had to be liquidated before they could issue new bonds?

Mr. BELL.—Yes.

Mr. GALLIHER.—And were liquidated out of that amount?—

Mr. BELL.—Yes.

The CHAIRMAN.—How would it do to leave this question for Mr. Bell to deal with?

Mr. ROSS.—There is a complete statement in the return here showing how that amount is made up.

The CHAIRMAN.—Is it lengthy?

Mr. ROSS.—Yes, it covers several pages, but there is a summary of it.

The CHAIRMAN.—Could either or both of you give us the chief items of it?

Mr. ROSS.—The chief items of it in the summary are, 'Amount to M. P. Davis, as cash, 23rd February, 1904, cash account, \$396,878.46,' and then there are the details of that cash account showing what makes it up, and then, 'Bonds with interest to 23rd February, 1904, \$501,386.27.'

By Mr. Monk:

Q. Which were old bonds?

Mr. ROSS.—Yes, and accrued interest.

The CHAIRMAN.—Those two, I think, explain the whole thing.

Mr. ROSS.—Making a total of \$898,264.73. Then there are the details of the statement which make up these two aggregates.

The CHAIRMAN.—I suppose that is satisfactory, isn't it?

Mr. MONK.—This statement has been produced, has it not?

Mr. ROSS.—This is in possession of the House now.

By Mr. Monk:

Q. What I want to get at, Mr. Barthe, is how that money, which I suppose became available to the company on the 23rd of February, 1904, was employed? There was \$1,400,000; how was it used?

Mr. BELL.—I think I can explain that to you.

By Mr. Barker:

Q. Who did act for the Quebec Bridge Company, Mr. Barthe, in the application of these borrowed moneys? You?—A. In the application of borrowed money from the Bank of Montreal.

APPENDIX No. 6

Q. Yes, who did the work in the office on behalf of the company entailing these amounts?—A. I do not understand well; who applied it? It was done by the company on the certificates of the engineers.

Q. But this is what I would like to know, Mr. Barthe: the day that the company borrowed from the Bank of Montreal the sum mentioned in the agreement of 23rd February, 1904, was that amount placed to the credit of the company in some bank? How did it come into the possession of the company?—A. It was assigned, Mr. Barker, as the work progressed. He did not get that amount all at once.

Q. Therefore you checked it up gradually, didn't you?—A. As a matter of fact I had nothing to do with that part. I was keeper of the minute book and the general work of secretary, but I had nothing to do with the financing part; the treasurer had that.

Q. Have you the account that you had with the Bank of Montreal? Have you that bank book here?—A. Oh yes, we have all those bank books.

Q. Were operations carried on with the Bank of Montreal in Quebec?—A. Yes.

Q. Were all these payments made in Quebec?—A. Yes, I think so.

Q. Have you that bank book with you?—A. I think so.

The CHAIRMAN.—Mr. Monk, they never got that whole advance at once from the Bank of Montreal.

Mr. MONK.—Yes, I suppose they had a credit opened up to them at Quebec.

By Mr. Monk:

Q. So on reference to the bank book you produced this morning as Exhibit 4, you say that it contains the payments on the different loans apparently made from the Bank of Montreal since 23rd February, 1904? Have you the cheque books with the stubs attached which will show those payments?—A. No, they are in Quebec.

Q. Would you place before the committee the cheque books covering the payments made from the time this account was opened in Quebec in book Exhibit 4 up to the last payment?—A. Well, the treasurer can answer that.

Q. Now let me refer to another point, Mr. Barthe. When were the plans of the bridge company for the construction of this bridge completed and submitted to the government for its approval?—A. They were first submitted in '98.

Q. They were first submitted in '98?—A. Well, all that appears in the report of the Royal Commission; that is in the department of the engineer. Of course, I have kept a record, as far as the board was concerned, but to answer exactly, I would refer you to the report of the Royal Commission.

Q. Have you duplicates of these plans in your possession?—A. No, sir.

Q. Or in the company's possession?—A. The chief engineer may answer that, I could not say, I never had the custody of them.

Q. Are you in a position to say whether the plans of the superstructure were passed upon by the government and formally approved by the government?—A. I could not answer that just now.

Q. Have you in the archives or in the records of the company any correspondence regarding the approval of the plans by the government?—A. I think, so, and that we have the letter from Mr. Collingwood Schreiber saying that the plans and specifications had been approved at that time. Of course I was not prepared to answer that particular matter.

Q. Will you produce such correspondence as you had with the government in regard to the approval of the plans?—A. Yes, it is already produced before the Royal Commission, I know.

Q. Were you a witness before the Royal Commission.

The CHAIRMAN.—That is here, Mr. Monk, you need not bother about that.

By Mr. Monk:

Q. Who represented the company as legal adviser in regard to the matter of the bond issue?—A. Mr. Taschereau was the legal adviser of the company. He had

charge of all legal matters. As to that particular point, I know that Messrs. Gormully & Orde were also consulted, as they lived in Ottawa; I know that they did a great deal of work in that.

Q. Did they act for the company?—A. Yes, I know we paid them.

Q. Would you be able to say, would it be in the volumes of the treasurer to give us a statement of the legal expenses incurred by the company from the 30th June, 1903, to the 30th June, 1904?—A. The treasurer will be able to give you that.

Q. The treasurer will be better able to do so than you?—A. Yes, sir.

The CHAIRMAN.—I would like to get in evidence a resolution by the shareholders authorizing the payment of \$15,000 to the directors before 1903, we had it the other day.

Mr. BARKER.—I think they were all put on record this morning in Exhibit No. 17.

By Mr. Monk:

Q. Where is the company's engineer now, is he in Quebec?—A. He is in Quebec.

Q. Has the Bridge Company done anything in view of these instructions since the accident happened to the bridge?—A. There was something in the minutes, yes.

Q. I mean, has any work of any kind been done?—A. Oh, no.

Q. No plans have been sought or new specifications made or anything of that kind?—A. No.

By Mr. Barker:

Q. Have you the contract between the Quebec Bridge Company and the constructing bridge company?—A. Which one of the companies? For the superstructure?

Q. For the bridge?—A. For the superstructure do you mean, with the Phoenix Bridge Company. The original is in the hands of the Royal Commission.

Q. Have you a copy of it?—A. No, I have not.

The CHAIRMAN.—It is on file.

Mr. BARKER.—Perhaps that had better go in as an exhibit at this stage.

The CHAIRMAN.—The contract between the Quebec Bridge Company and the Phoenix Bridge Company for the superstructure of the Quebec Bridge is Exhibit No. 20.

By Mr. Barker:

Q. Are you aware who negotiated the contract with the constructing company, the Phoenix Bridge Company.—A. The board of directors generally.

Q. That is vague you know, the board of directors generally do not make the contract.—A. Well, the president, of course the president and the directors.

Q. Who as a fact, to your knowledge, did actually do the actual work of entering into that contract?—A. Do you mean the supervision of the execution of the contract?

Q. Making the bargain, getting the tenders?—A. All that appears in the report of the Royal Commission.

Q. I would like to get it from you, shortly, as secretary, if you do not know, say so. Do you know who it was who undertook the negotiation for the contract for the construction of the superstructure on the part of your company?—A. Of course the president and the secretary were instructed to execute it.

Q. But you did not execute the contract until it was made?—A. As for the negotiation I could not give you exactly the facts as to that.

Q. You do not know?—A. Well, I cannot say, I do not know altogether, I would not—

Q. Tell me what you do know as to the persons, whoever they were, who undertook the negotiation for the making of that contract; what were the negotiations?

APPENDIX No. 6

—A. It appears from the correspondence which has been, I think, produced before the Royal Commission that there were lots of letters exchanged between the two companies; the whole story of the negotiations is on the file.

Q. Showing who took it up. Of course I do not know that we ought to take for granted that everything is there. I would like to know it from you?—A. You may be sure I do not know anything else.

Q. Do you mean to tell me, as secretary of this company, you have no knowledge of the president or the directors, or whoever the people were, who conducted the actual negotiations in this bargain with the Phoenix Bridge Company?—A. I know that the president and some of the directors went over to the States to see the Phoenix Bridge Company people.

Q. Who did that?—A. Well, I tell you, the president and some of the directors.

Q. You say 'some of the directors.' Give me the names.—A. Mr. Price was one of them, I know, and Mr. Audette, I think. I do not remember exactly, but there are the minutes, and I think they will show who exactly went over.

Q. You will prepare yourself and be able to turn to the minutes and give to the committee specifically the names of those directors who conducted the negotiations, I want to see just how this thing was done; it is quite possible that the Royal Commission may have done it, but I do not know that we can take it for granted at present.—A. All that appears clearly from the correspondence.

Q. From the correspondence that you have produced?—A. Yes, all that was produced. We produced before the Royal Commission not only the correspondence, but copies of the minutes and everything connected with it.

Q. Was there any resolution passed by the board deputing the president and secretary or other gentleman with authority to make that bargain?—A. I remember that in some cases the president and directors were delegated to go to Phoenixville.

Q. There are resolutions, are there, to that effect?—A. Yes, they were authorized.

Q. By resolution?—A. By resolution.

Q. Then you will be able to turn to that?—A. I will make a memo.

Q. You want to get that. Did the Bridge Company's officials come to Quebec to your knowledge?—A. The Phoenix Bridge Company people?

Q. Yes?—A. Yes.

Q. With whom did they negotiate?—A. All that appears in the correspondence, you know—the visit of the Phoenix Bridge Company people to Quebec.

Q. Do not misunderstand me. I am speaking now entirely of the negotiations before the contract was made?—A. I mean before the contract was made.

Q. And these gentlemen did come at that time and had interviews with the company?—A. Yes, it appears in the minutes.

Q. It does?—A. Yes.

By Mr. Monk:

Q. Were there other tenders, Mr. Barthe, received for the preparation of the plans or the construction of the superstructure?—A. Yes, certainly.

Q. They were called for?—A. Oh, yes.

Q. How were they called for?—A. Well, in September, 1899, I think, if I remember well, I was authorized to issue—to call for tenders.

Q. Yes?—A. For the preparation of plans and the construction of the bridge.

Q. How did you carry out those instructions? I mean to say from whom did you invite tenders for those two objects?—A. We advertised in lots of papers in Canada and in the States, and everything was well—

Q. Have you a copy of that advertisement or notice you mentioned?—A. The only sample copy that I have kept, you know, has been deposited before the Royal Commissioners.

Q. And is with their report?—A. Yes.

7-8 EDWARD VII., A. 1908

Q. Well, did you get answers?—A. Oh, yes. We had lots of correspondence on that.

Q. Could you show us the answers you got for the call for tenders and for plans?—A. I have a bundle here that I brought with me, correspondence in connection with that.

Q. I notice that you had in 1898 a number of answers to your advertisement for tenders. Will you file these answers that are contained in the bunch of documents which you have produced?—A. Yes (produces documents). Of course, this is only part of it, because the correspondence that led to getting bids, you know, from big companies, was more with the engineer. He may have more; I don't know. I kept only—

Q. I see that in many of these answers to your advertisement for tenders reference is made to, and the company is asked to send, specifications in detail. Have you any copies of those?—A. The only copies that we had left—I distributed all that I could get printed at the time. At last we had to get a new printing even on one occasion, but the only copy I had I filed with the Royal Commissioners. There is one copy attached to the Subsidy Act with the federal government and that is in the Royal Commissioner's report.

Q. How many replies did you receive to your invitation for tenders and does the file produced contain all your replies?—A. Well, we had—you mean bidders?

By the Chairman:

Q. No, just as inquiries?—A. I could not say how many.

Q. Forty or fifty?—A. From big contracting companies we received several; I could not say the number of them.

By Mr. Monk:

Q. I would like to know, Mr. Barthe, if you received separately tenders for plans and tenders for construction?—A. No, the whole.

Q. You had first to settle upon the plan and then find out who would carry it out?—A. Have you read the advertisement?—We called for competitive plans.

Q. There was not one specification upon which they all tendered? Each company submitted their own plans along with the prices?—A. That is more a matter of engineering.

By the Chairman:

Q. Did you have charge of that?—A. Just as the secretary of the company. I had to follow instructions, I had nothing to do with it.

Q. You would hand the replies over to the engineer?—A. Yes.

By Mr. Monk:

Q. Do I understand that the company, or contractors submitted a plan and the cost at which they would carry it out, or did you get plans from engineers and an estimate of the probable cost of construction? That is what I would like to find out because I do not know?—A. Every one of the bidders sent their plans and tenders at the same time.

Q. I understand. Did you then proceed to decide whose plans would be adopted and who would carry it out? You say you had tenders on different plans, that different people tendered. How did you arrive at the conclusion that you would give the execution of the plans to the Phoenix Bridge Company?—A. The tenders were open and the date fixed—I think it was the 1st March, 1899, and then it was decided to submit the tenders to Mr. Cooper—

Q. I see?—A. To report on the same.

Q. Well, then, Mr. Cooper was chosen by the company as the man who would, so to speak, arbitrate upon these different principles of construction?—A. Yes, he

APPENDIX No. 6

was appointed for the special purpose of examining and studying the different plans and making a report on the same.

Mr. BARKER.—I think we ought to have on record a copy of this advertisement calling for tenders, it is very short. I will read it (reads):

BRIDGE.

OFFICE OF THE QUEBEC BRIDGE COMPANY (LIMITED).

QUEBEC, September 24, 1898.

'Sealed proposals for the construction of a combined railway and highway bridge across the River St. Lawrence, near Quebec, will be received by the undersigned until noon, Monday, January 2nd, 1899.

Forms of tender with circular of conditions, specifications, &c., can be had on application to the undersigned.

The company does not bind itself to accept the lowest or any tender.'

By the Chairman:

Q. Who had charge of this, your engineer?—A. Our engineer.

By Mr. Barker:

Q. Is that Mr. Hoare?—A. Yes.

By the Chairman:

Q. Is he in Quebec now?—A. Yes.

Mr. GALLIHER.—In answer to the question of how the Phœnix Bridge Company's tender came to be accepted, that is set out in appendix 3 of the report of the commission.

The CHAIRMAN.—Perhaps we had better have matters go consecutively. There is a resolution of the directors appointing Mr. Cooper consulting engineer.

Mr. BARKER.—It was preceded by the appointment of Mr. Hoare as the engineer of the company.

Mr. GALLIHER.—In this appendix there is a direct answer to the question referred to which can be identified and placed in the record here.

By the Chairman:

Q. Who is your engineer, Mr. Barthe?—A. Mr. E. A. Hoare.

Q. Was there a consulting engineer?—A. Yes.

Q. Who was he?—A. Mr. Theodore Cooper of New York.

Q. By whom was he appointed?—A. He was appointed by the company.

Q. By the directors of the company?—A. By the directors of the company.

Q. On what date?—A. He was appointed by the board's resolution of 23rd March, 1899.

Q. Do you know if Mr. Hoare and Mr. Cooper gave evidence before the Royal Commission?—A. Yes.

Mr. GALLIHER.—The list of tenderers for which Mr. Monk has asked will be found in the evidence already taken before the Royal Commission.

Mr. BARKER.—I think the convenient course, to avoid going over these matters over and over again, would be to call Mr. Hoare before this committee, place before him the evidence given by him, and ask him whether it is correct.

By Mr. Monk:

Q. How many plans and tenders had you to choose from?—A. I will tell you in a moment (after referring to volume 2 of the minutes of the board of directors of the Quebec Bridge Company) It was on the 4th March, 1899, at a board meeting (reads):

'The following sealed tenders received by the secretary were handed to the president as follows: From the Union Bridge Company, New York and Key Stone Bridge

Works, William Davis & Son, and Dominion Bridge Co., Ltd., and the Phoenix Bridge Co., Phoenixville, Pa., together with their respective rolls of plans and designs.

'It was unanimously resolved to open the above bids and after having taken knowledge of same the directors left them in the secretary's custody to be handed to the engineers to be appointed for analysing them.'

There is another part here (reads):

'Letters were read from following parties in reference to the reception of tenders: Toledo Bridge Co., Toledo, O., 23rd February, 1899; Pittsburg Bridge Co., Chicago, Ill., 24th February, 1899; Telegram from Pennsylvania Steel Co., 25th February, 1899; Telegram from Phoenix Bridge Co., 27th February, 1899; and letters from Union Bridge Co., addressed to the president, the secretary and the engineer of this company.

'The secretary was instructed to answer the Pennsylvania Steel Co. that the one month extension of time asked for could not be granted.'

There was another inquiry here (reads):

'Letter read from Chs. E. Hewitt, treasurer New Jersey Steel and Iron Co., dated 27th February, 1899, accompanied with one roll of plans.

'The secretary was instructed to answer that the directors regretted that the New Jersey Steel and Iron Co. should not have found their way to be ready in time and that it was impossible to comply with their request on account of objections which have been raised from among the other bidders to any further extension of time. The secretary was also instructed to return the plans to the same parties.

'A letter was read from Theodore Cooper, consulting engineer, New York, dated 25th February, 1899, accepting the charge of expert engineer to analyse tenders.

'Moved by G. LeMoine, seconded by H. M. Price and resolved.

'That the cantilever tenders received from the Dominion Bridge Co., the Key Stone Bridge Works, and the Phoenix Bridge Co., and the tender received from the Union Bridge Co., for a rigid bridge structure be submitted to the expert engineer in charge of the analysis, and that the president be authorized to arrange with Mr. Theodore Cooper, consulting engineer of New York, for the analysis on above four tenders and for a report on same.'

That was what was done at that meeting.

By Mr. Chisholm (Antigonish):

Q. What time were tenders called?—A. They had been called in September, '98. At first they were called for 2nd January, but on the 2nd of January, or before that, we got correspondence with some of the intending tenderers who asked more time, so the board extended the time to the 1st March, or the 4th March—the beginning of March. At that time while there were two companies were not then in time, we could not extend the time any more.

By Mr. Monk:

Q. Have you the report of Mr. Cooper on that?—A. Yes, it is in the report.

By Mr. Gallihier:

Q. Following out that, tenders were submitted to Mr. Cooper for analysing, and you got the report from Mr. Cooper.—A. Yes, in June.

Q. June 23rd, '99. I might read the report—

'On 23rd June, 1899, Mr. Cooper reported to the Quebec Bridge Company upon the tenders submitted (Exhibit 9) the following being an extract from his report:—

'From the facts and consideration as stated above, I find the cantilever superstructure plan of the Phoenix Bridge Company an exceedingly creditable plan from the point of view of its general proportions, outlines and its constructed features. I also find that it is designed in accordance with your specifications.

'Their tender accompanying this plan is the lowest in price and is the most favourable as to the prospective duties upon the materials to be used in its construction.'

APPENDIX No. 6

That is the customs duty, I take it.

'I therefore hereby conclude and report that the cantilever superstructure plan of the Phœnix Bridge Company is the "best and cheapest" plan and proposal of those submitted to me for examination and report.'

That is the superstructure, and the concluding sentence is in reference to the substructure, as follows:—

'I likewise report that the general plan and proposal for the substructure made by the engineering contract company and by Messrs. Davis & Sons are both satisfactory and at favourable terms.'

Can you answer this question—on the strength of this report from Mr. Cooper, did the Quebec Bridge Company accept the tender of the Phœnix Bridge Company for the superstructure?—A. Yes.

By Mr. Chisholm (Antigonish):

Q. What steps did they take in the way of discussing that before the meeting? Did you have this report before your meeting and discuss it before passing the resolution?—A. Yes, I was just looking for the date.

Q. You refer to \$188,721, which you say was paid with the outstanding debts out of the guarantee bonds. Do you know that this money was replaced by cash when the directors paid \$200,000?—A. It was replaced.

By Mr. Monk:

Q. How do you know that?

The CHAIRMAN.—Mr. Bell will explain that.

By Mr. Monk:

Q. How does the witness know?—A. I know that from the information I got from the book.

Q. What is the operation that took place? I understood you to say in answer to Mr. Chisholm that \$188,000 had been taken out of the product of the new bonds—it was taken out of the product of the new bonds, was it not?—A. Yes.

Q. And it was subsequently replaced by cash furnished by the subscribers to the stock, how was that done?—A. You have that amount of \$188,000; you have actual cash payments that we showed you.

By the Chairman:

Q. He does not mean where you got it, but how was the transfer made?—A. That is a question for the treasurer.

By Mr. Barker:

Q. You say you know it to be the case?—A. That is why I wanted to be interrogated in my own language; when you say 'replace' that word in French may have another sense.

Q. Paid back?—A. Well, paid back.

Q. Do you know that it was paid back so that you can swear it has been paid back? That is what you have answered Mr. Chisholm that you know.—A. I understood that money that we paid, \$188,000—I beg pardon, I would ask to be excused.

Q. Will you withdraw that expression?

By the Chairman:

Q. You say you understood it was paid back?—A. Yes.

By Mr. Barker:

Q. When did you understand it was paid back?—A. When did I understand?

Q. When was it paid back according to your understanding?

By the Chairman:

Q. Is there anything in your books that will show the date?

By Mr. Barker:

Q. Mr. Monk asked when you understood this was paid back.

The CHAIRMAN.—There is no need asking the witness that question because Mr. Bell will answer it.

Mr. MONK.—When the witness answers categorically, we want to know on what he founded his answer.

Mr. ROSS.—If you will allow me, the witness has given the dates this morning.—
A. That is what I had in mind.

Mr. MONK.—What we want to know is how the operation was done.

The CHAIRMAN.—Was there a bond account? And was there a stock account or just an open current account?—A. There was a capital stock account.

Q. When was there a transfer from stock to bond account covering that?—A. The books will show that.

By Mr. Barker:

Q. Was part of it paid in those ten cheques that you spoke of this morning?—A. Part of it.

Q. And that is what you call paying it, replacing it out of capital? You replaced out of new capital the money that you had used out of the bond, is not that what you say?—A. I would ask to be excused from answering.

The committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

WEDNESDAY, June 10, 1908.

The committee met at 3.30 o'clock p.m., the Chairman, Mr. A. K. Maclean, presiding.

Mr. G. A. BELL, of the Department of Railways and Canals, called and sworn and examined:

By Mr. Monk:

Q. There is one question I would like to ask you, and that is in reference to the cheque for \$94,600, which constitutes a part of the subscription to the stock of \$200,000 which was given by Mr. Davis. Would you explain to the committee what knowledge you have of that cheque? When it was given in the month of February, 1904, it never became available until, I think, the month of February, 1907. Would you explain how those operations were carried on through the books of the company, to the best of your knowledge?—A. The first cheque that was given by Mr. Davis was dated January 27th, 1904, and it was for \$119,900. That \$119,900 of the \$200,000 of new stock subscribed would give Mr. Davis the controlling interest. The company did not desire that, as there were a number of railway companies who wished to come in and take up a portion of the new stock. Some of them—only one railway that I know of, the Quebec Central—had not the authority, they were not empowered under their charter at the time to take stock. The Grand Trunk Railway, I understand, wished to come in, too, and that company, immediately after Mr. Davis gave this cheque, or about that time, took up \$25,000 of stock, so that reduced Mr. Davis' holdings to

APPENDIX No. 6

\$94,900. But the cheque remained in the possession of the Bridge Company and was not deposited by them, but I understand it could have been cashed at any moment. However, they did not cash the cheque until February, 1907. As to the first cheque, they never reduced it by \$25,000 as they should have, I presume, when the Grand Trunk Railway took up \$25,000 of it. So that when they went to cash the cheque they had Mr. Davis give them another cheque for \$94,900, and that cheque was deposited in the Bank of Montreal, and there are two retired cheques to speak for themselves—one cancelled and the other which was deposited in the bank. I might explain, in connection with the case of the Quebec Central, that they afterwards took up \$25,000 of the stock. The stock was purchased from the Hon. John Sharples. We have his cheque for fifty thousand.

EXHIBIT No. 25.

No.

QUEBEC, QUE., Jan. 27th, 1904.

To the

Bank of Montreal.

Pay to Quebec Bridge and Railway Co. or order

One hundred and nineteen thousand and nine hundred dollars.

\$119,900.

M. P. DAVIS.

EXHIBIT No. 26.

No.

QUEBEC, 21 Feb., 1907.

To the

Bank of Montreal.

Pay to Quebec Bridge and Railway Company or order

Ninety-four thousand nine hundred dollars.

\$94,900.

M. P. DAVIS.

(PAID.)

Endorsed

For deposit only to credit of

THE QUEBEC BRIDGE AND RAILWAY CO.,

J. H. PAQUET.

Q. From whom did you get these cheques which you now show the committee?

—A. From Mr. M. P. Davis. Those are his retired cheques—his property.

By Mr. Barker:

Q. I see that the first one was never accepted by any bank?—A. No, sir, I see that.

Q. The second one was?—A. The second one would be accepted in the ordinary course of business. When you went to cash the cheque the teller would have it marked good and then deposited.

By the Chairman:

Q. At this stage you had better tell us who were the subscribers of the \$200,000?

—A. (reads):—

Hon. S. N. Parent.....	\$2,500	December 7, 1903.
H. M. Price.....	400	“ 9, “
J. B. Laliberte.....	200	“ “
N. Rioux.....	400	“ “
V. Boswell.....	300	“ “
Hon. N. Garneau.....	300	“ “
R. Audette.....	400	“ “
J. Breakey.....	200	“ “
G. LeMoine.....	200	“ “
F. G. Fortier.....	100	January 3, 1904.
Hugh A. Allan.....	25,000	“ 27, “
John Sharples.....	50,000	“ “
Charles M. Hays (in trust).....	25,000	February 24, “
M. P. Davis.....	94,900	“ “

I might explain that where the list ends with G. Lemoine, a total of \$5,000, the cheques are already filed with the committee as exhibits. For the remaining amounts, with the exception of \$100—which is an odd share—I have the cheques here.

By Mr. Barker:

Q. I do not know, Mr. Bell, that your statement is quite an accurate way of putting it. Mr. Davis must have had \$119,900 at one time, that is in 1907?—A. He first gave his cheque. I have read ‘Charles M. Hays (in trust), \$25,000; M. P. Davis, \$94,900.’ His first cheque was to cover that. Charles M. Hays gave his cheque for \$25,000 you will find there. The \$119,000 covers those two entries. I might explain, in connection with these cheques, that they are the private property of different men, and they are anxious to get them back when the committee are through with them.

By Mr. Monk:

Q. Then Mr. Davis did not, at any time, have the \$119,900 worth of shares?—A. I understand not. Subject to correction, he gave his cheque. I understand that ninety-four—

Q. The cheque he gave was for \$119,000 at that date?—A. Yes, but immediately the Grand Trunk took up the \$25,000.

By the Chairman:

Q. Did he sign the subscription list for anything at that time?—A. I don’t think the subscriptions lists were signed at that time.

By Mr. Monk:

Q. Can you find any trace of the operation by which that \$119,900 worth of shares, represented by the cheques which you have produced—

The CHAIRMAN.—He has explained that already.

Mr. MONK.—You say there were transfers of stock then?

The CHAIRMAN.—No, no. He says there was a substitution after that was paid on account of stock. The Grand Trunk really took \$25,000 which reduced the \$119,900 to \$94,900 and then there was a substitution of cheques?

A. Pardon me one moment, Mr. Monk. Will you let me see the Grand Trunk cheque and those two Davis’ cheques (cheques produced)? Mr. Davis’ cheque for the \$119,900 was dated January 27, 1904. The Grand Trunk agreed to take stock for \$25,000, and it was entered in Mr. Hays’ name. He bought it on February 24th. The cheque for \$119,000 covered both.

By the Chairman:

Q. Mr. Hays’ cheque was given in 1904?—A. Yes, it was not issued until March.

APPENDIX No. 6

By Mr. Galliher:

Q. Here is the point which is not clear to me. The cheque for \$119,900 given by M. P. Davis to the Bridge Company is dated January 27, 1904?—A. Yes, sir.

Q. Was that then handed over into the possession of the bridge company?—A. I understand so, I am so informed.

Q. Which bears date of 21st February, 1907?—A. Yes.

Q. And what is the date of the cheque of the Grand Trunk Company for \$25,000?—A. March 15, 1904. You will see that was the reason they agreed to take it. The cheque had not been received and Mr. Davis had covered it with his cheque. The stock was issued to them February 24th.

Q. I understand what the Grand Trunk people proposed to take was really covered by the cheque of \$119,900?—A. Correct, sir.

Q. Can you explain why the \$94,900 was not given until 1907 if the Grand Trunk cheque was dated 25th February, 1904? I want to clear that point up?—A. It was still supposed, I understand, that the Quebec Central were going to purchase from Mr. Davis and that his \$94,000 would be again reduced by \$25,000. But as a matter of fact, the purchases of the Quebec Central,—part of it is in the name of the Quebec Central and part of it in the name of their general manager but really all Quebec Central—they purchased \$25,000 from the Hon. John Sharples so that \$94,900 was the holding of Mr. Davis.

Q. Whose cheque came to the Bridge Company for the Sharples \$50,000?—A. The cheque of Hon. Mr. Sharples himself. He put in two cheques of \$25,000 each. One cheque was on the Union Bank and the other on the Bank of Montreal, for \$25,000 each.

Q. Have you any trace of that in the books of the company?—A. Yes, it is in the stock book.

By the Chairman:

Q. That cheque for \$119,000 was counted by the company as a payment on account of stock but the issuance was suspended pending the securing of the entrance of the Grand Trunk, and other companies as shareholders? That is the way they put it to you?—A. I might explain that the Quebec Central were very anxious to get in, and, as explained to me by their manager, they had not authority under their charter to take stock at the moment.

By Mr. Monk:

Q. What authority have you for saying, Mr. Bell, that the cheque of \$119,900 remained with the company until 1907 when it was exchanged for the cheque of \$94,900?—A. The word of the officers of the company.

Q. Is there any trace of that cheque of \$119,900 anywhere in the books of the company?

By Mr. Barker:

Q. Any trace of any kind?—A. I don't think so, except the entry showing the \$94,000 in cash book. I do not know that there is any reference unless it is in the Minute books.

The CHAIRMAN.—Mr. Paquet, do you know if there is any trace of the \$119,900 in the books of the company?

Mr. PAQUET.—I don't remember but maybe there is a trace.

The WITNESS.—I do not remember if there is any entry.

By Mr. Monk:

Q. Have you found any trace in the books of reports or certificates to the effect that this stock was issued to Mr. Davis before 1907?—A. Yes, there is something in

connection—there is a document connected with that. For the moment I cannot remember. I remember tracing that up.

By Mr. Barker:

Q. Was there an actual issue of stock?—A. The stock may have been issued and held by the company.

By Mr. Monk:

Q. There must have been a certificate issued to the effect that the \$200,000 had been paid up in cash?—A. I think you will find something in my report. I see here (reads): 'Quebec, 22nd February, 1907'—

Q. You are quoting from what?—A. This is attached to a stub. This is a certificate bearing the number 121 which was to be issued on the 6th July, 1904, and was pledged for advances as delivered this day to the shareholders. Signed by Ulric Barthe, secretary; J. H. Paquet, treasurer.

By Mr. Barker:

Q. What is that certificate?—A. It bears date 22nd February, 1907.

By the Chairman:

Q. It is attached to a stub. And what does the stub show, Mr. Bell?—A. The stub shows a receipt from Mr. Davis. It reads 'Received certificate No. 121 for 949 shares this 6th day of July, 1904. (Signed) M. P. Davis.'

By Mr. Monk:

Q. And attached to that stub is the note you have just mentioned that that certificate is pledged?—A. It was pledged for advances.

Mr. BARKER.—With the knowledge of the company?

Mr. MONK.—Yes, it is signed by the president and the secretary.

A. 'Ulric Barthe, secretary, J. H. Paquet, treasurer.'

Mr. BARKER.—Is that pledge by Mr. Davis?

By Mr. Monk:

Q. By whom was the pledge made of the stock?—A. I do not know who it was pledged to.

Q. Doesn't it refer to a pledge there of the stock?—A. 'And so pledged for advances', that is all it says, it does not say to whom.

Mr. BARKER.—I don't see how anybody else could pledge it.

By Mr. Monk:

Q. To whom were these 949 shares so pledged as per the certificate of July, 1904?—A. I presume to the company, I have no knowledge, though. You will have to ask one of the officials.

Q. Perhaps Mr. Barthe can tell us that—can you refer, Mr. Bell, since you have the book of the stubs of the certificates issued in your possession at the present moment, to the certificates issued to the shareholders, the list of which you have just given to the committee?—A. Yes, sir, do you wish all these small amounts or just the large ones, will that do?

Q. You might give us the larger ones.

The CHAIRMAN.—You have asked this morning for a list of the shareholders, perhaps we had better have the whole list of shareholders, as of date, made an exhibit?—A. I see the entry here of the transfer of 25,000 to the Quebec Central which I spoke of; here is the issue to the Quebec Central of 174 shares, it is receipted by J. S. Walsh, general manager; then here is the account of 50 shares to John S. Walsh, that is the manager.

Q. What is the date of that?—A. That is the transfer, they are both dated May 23, 1906.

APPENDIX No. 6

Q. They are transferred to whom?—A. From the Hon. John Sharples.

Q. Yes, but have you the certificates of stock issued to John Sharples, of \$50,000, that is the original?—A. I have Charles M. Hays (in trust), the certificate was issued on the 24th of February, 1904, for 250 shares; Hugh A. Allan, on the 27th of January, 1904, received by him on the 29th of January, 1904.

By Mr. Parent:

Q. How many shares?—A. 'Hugh A. Allan, 250 shares,' that is his \$25,000.
The CHAIRMAN.—After all, I do not see much relevancy in this matter.

A. I have the certificate here of 276 shares on the 14th of May, 1906, that is the balance from the shares transferred to a certain date, the remainder of which were transferred to Mr. Walsh.

By Mr. Barker:

Q. You did not find the Sharples certificate?—A. It is here in some place, but it is all mixed up, I will get it.

Q. I think the most simple way would be to bring it out in schedule form?—A. There are a great many transfers of stock in small amounts, but it can be taken out of the stock book.

By the Chairman:

Q. At the time you made the audit, do you know from your knowledge of the books, did the company owe Mr. M. P. Davis any money from 1904 down to 1907? Were they in debt to him?—A. Well, yes, that is, he was carrying on the work on the approaches and they owed him money.

By Mr. Monk:

Q. Had not the company transferred to Mr. Davis all the subsidies, both municipal, provincial and federal by notarial deed of the 5th of September, 1900?—A. Yes, but that had been cleared up. This is between the dates Mr. Maclean mentioned from 1904 to 1907. As I understood him, he asked if the company were ever indebted to Mr. Davis who, as contractor, was carrying on the work on the approaches. From time to time they were indebted to him and these debts were ultimately met.

Q. Did you know that the company had transferred all its grants to Mr. Davis by notarial deed?

Mr. GALLIHER.—That was before the Act of 1903.

A. That was before the legislation of 1903 guaranteeing the bonds.

Mr. BARKER.—There could not be any doubt that he must at times have had claims against the company.

By Mr. Monk:

Q. Can you give us the exact date of the handing over of the government guarantee for \$6,000,000 odd to the Trust Company or the Quebec Bridge Company, whichever it was?—A. No, sir, you will have to ask the Finance Department that question.

Q. Do the company's books give any information on that point?—A. The Minute book may, I have no knowledge of it from the books of account.

Q. I find in the report that you made as accountant of the Department of Railways and Canals, that you refer to a detailed statement of the employment of the sum of \$800,000 odd, that was paid to Mr. Davis at the time those bonds became available?—A. Yes, sir.

Q. Can you refer to that detailed statement?—A. Before I answer that, sir, I have the certificate of the 500 shares of the Hon. John Sharples, it was the 27th of January, 1904; that was cancelled and taken up by giving him the balance when he transferred his stock to the Quebec Central Railway and their representatives. I have the statement before me, Mr. Monk, that you refer to.

7-8 EDWARD VII., A. 1908

Q. At that time, what was the amount that Mr. Davis received from the company?—A. At what time, sir?

Q. At the time this \$800,000 odd became available?—A. At the time it was paid to him?

Q. Yes, what was the exact amount and what was the date?—A. \$898,264.73 paid in February, 1904.

Q. And it is indicated in that detailed statement what these sums were for?—A. Yes, sir.

Q. Will you give the items?—A. Interim bonds, \$472,000—

By the Chairman :

Q. Explain as you go along, Mr. Bell. That is to retire the interim bonds, is it not?—A. That is the amount to retire the total issue of the interim bonds which had been issued by the Bridge Company; the Bridge Company's own bonds issued by them, handed over to Mr. Davis at 60 per cent, in payment of the work he did for the company.

By Mr. Barker :

Q. Does that purport to pay him in full?—A. What is the par value, \$472,000. Interest on these interim bonds to 23rd February, 1904, \$29,386.27, and there is the balance due Mr. Davis on his contract and some exchange of notes amounting to \$396,878.46, which makes up the total amount.

By the Chairman :

Q. Then do I understand that these bonds Mr. Davis took at 60 were liquidated at par?—A. Were liquidated at par.

By Mr. Barker :

Q. That is taken up by the company at par?—A. Taken up by the company at par, that was provided for in the Act of 1903.

By the Chairman :

Q. And this \$200,000 of new stock required under the Act of 1903, was intended to recoup the company for the 40 per cent?—A. The intention of that \$200,000 or at least a portion of it, \$188,000, was to reduce this claim of Mr. Davis' by that amount, the company were to meet that amount themselves, but the balance as set out in the Act was to be met from the funds available from the guaranteed bonds. I am taking it from the Act.

By Mr. Barker :

Q. I take it that the object of the legislation and of parliament was to make this company restore the \$200,000 of lost capital, by selling them at *0 per cent?—A. That is another way of looking at it.

The CHAIRMAN.—I think that is right, it is a badly drafted section, but I think Mr. Barker is right.

By Mr. Monk :

Q. What is the exact amount of the discounts?—A. Of the discounts on these bonds?

Q. Yes?—A. It is stated in the Act.

Mr. BARKER.—\$188,721.

The Chairman.—Yes, that is 40 per cent of the total indebtedness at that time.

A. Yes, they realized \$283,279 at 60 per cent.

APPENDIX No. 6

By Mr. Monk:

Q. What was the date of the payments made to the contractor, Mr. Davis, by means of these bonds? When did he receive it at 60?—A. He received the cash some time in February, 1904.

Q. Yes, I mean previous to that he had claims against the company for work done and they gave him these bonds in payment at 60, can you fix the date for that?—A. I really could not give you that, because I never looked into that question, I was not interested in that.

Mr. PARENT.—The notarial deed between Mr. Davis and the company, by which Mr. Davis undertook to do the work of the Quebec Bridge Company, for which he was to take part payment in bonds, without interest, will give you that.

The CHAIRMAN.—Did he charge interest on those bonds?—A. Yes, they were regular bonds and the company had to pay interest and redeem them.

By Mr. Monk:

Q. What was the total interest on the bonds?—A. \$29,386.27.

Q. That would be interest from the time the interim bonds were issued?—A. From the date of the bonds until the 23rd of February, 1904.

Q. Can you tell us when the bonds were issued? When they are dated?—A. I cannot.

The CHAIRMAN.—I think we had better make that detailed statement an exhibit.

EXHIBIT No. 27.

QUEBEC BRIDGE AND RAILWAY COMPANY.

1902.

STATEMENT showing details of first payment of \$898,264.73 from Bond Account

May 15.—Mortgage bonds for \$472,000 issued and trust mortgage deed.
1904.

March 2.—Interim bonds redeemed. Interest thereon to the 23rd February, 1904,
\$29,386.27.

DETAILS of outstanding liability paid out of Guarantee Bonds.

Interim bonds as above.....	\$ 472,000 00
Interest thereon.....	29,386 27
	<hr/>
	\$ 501,386 27
Balance due M. P. Davis, as per statement.....	396,878 46
	<hr/>
	\$ 898,264 73

THE QUEBEC BRIDGE AND RAILWAY COMPANY, LIMITED

Dr.

To M. P. Davis.

Total amount of estimate No. 13, dated December 2, 1902.....	\$ 1,416,394 38
20 per cent payable in bonds.....	283,278 88
	<hr/>
80 per cent payable in cash as per contract.....	1,133,115 50
Cash received to date.....	784,861 93
	<hr/>
Amount due in cash.....	348,253 57
Interest on overdue cash payment as per statement.....	26,485 20
	<hr/>
	374,738 77
Cash paid Quebec Bridge Co., Feb. 14, 1904.....	\$ 35,000 00
	<hr/>
Amount returned for superstructure per estimate 13.....	156,640 00
Less paid thereon.....	138,546 85
	<hr/>
Balance due on superstructure.....	\$ 18,093 15
	<hr/>
	\$ 16,906 85

7-8 EDWARD VII., A. 1908

Balance due M. P. Davis for work on superstructure.....		16,906 85
Extras as per statement herewith.....		1,492 68
Lighting north and south main piers from May 10 to November 30, 1903.....		116 75
	\$	393,255 05
Amount payable in bonds, \$283,878.88 at 60 per cent.....	\$ 472,131 46	
Bonds received.....	472,000 00	
Balance due on bonds.....		131 46
Amount due as cash, January 1, 1904.....	\$	393,386 51
Interest from January 1, 1904, to February 23, 1904, 54 days at 6 per cent.....		3,491 95
	\$	396,878 46

OTTAWA, 20th February, 1904.

Certified correct,
(Sgd.) ARCH. R. FRASER.

(Sgd.) E. A. HOARE,
Chief Engineer.

'Amount due by the Quebec Bridge Company, for work performed for their account during the years 1901 and 1902, as per account rendered.'

20 per cent for superintending work done on north abutment, authorized by resolution of Board of Directors, June 30, 20 per cent on \$3,058.39.....	\$	611 68
Sundry work on south side—building towers, &c.....	\$	63 60
20 per cent for superintending.....		12 72
		76 32
Cutting checks at north abutment, per statement.....	\$	527 52
Cutting checks at south abutment, per statement.....		260 94
Cutting checks at abutment, additional.....		16 20
		804 66
	\$	1,492 68

Ottawa,
'M. P. DAVIS.

'Certified correct,
'ARCH. R. FRASER.'

'QUEBEC BRIDGE COMPANY, LIMITED.

DR.

'To M. P. DAVIS.

To lighting north and south main piers of the Quebec bridge from May 10, 1903, to November 30, 1903, as instructed by Mr. A. E. Hoare, C.E.....	\$	116 75
---	----	--------

'Ottawa, Ont., 3rd February, 1904.

'Certified correct,
'ARCH. R. FRASER.

'(Sgd.) E. A. HOARE,
'Chief Engineer.'

APPENDIX No. 6

'THE QUEBEC BRIDGE AND RAILWAY COMPANY, LTD.

DR.

'To M. P. DAVIS.

'Interest Account.

'Interest to 31st December, 1903, at 6 per cent .

1902.					
Jan.	30—Total amount of estimate No, 9, \$831,175.38				
	at 80 per cent.....	\$	664,940	30	
	Less cash received on account.....		656,620	63	
					\$ 8,319 67
July	31—Estimate 10, \$128,529.80 at 80 per cent.....		120,823	84	
	Due August 15, 1902.....	\$	111,143	51	Aug. 15
Aug.	31—Estimate 11, \$88,739.58 at 80 per cent.....		70,991	66	Sept. 15—31 \$ 566 38
	Due Sept. 15, 1902.....	\$	182,135	17	
Sept.	13—By cash.....	\$	30,640	00	
"	15— "		36,880	00	
					67,520 00 Sept. 15.
		\$	114,615	17	
Oct.	1—Estimate 12, \$129,305.50 at 80 per cent.....		103,444	40	Dec. 20—96 .. 1,808 72
					Oct. 13—66
		\$	218,059	57	
Dec.	1—Estimate 13, \$238,674.12 at 80 per cent.....		190,939	29	Dec. 15.
		\$	408,998	86	
Dec.	20—By cash.....		23,513	33	Dec. 20—5 156 93
					Dec., 1902'
		\$	385,485	53	8 July, '03—201 12,736 81
1903.					
July	8—By cash.....		30,000	00	8 July.
		\$	355,485	53	
July	23—By cash.....		7,207	97	23 July—15 876 60
		\$	348,277	56	Dec. 31—161 9,217 46
					\$ 26,485 20

'E. and O. E.

'Ottawa, 31st December, 1903.

'(Sgd.) E. A. HOARE,
'Chief Engineer.

'Certified correct,

'ARCH. R. FRASER.'

'THE QUEBEC BRIDGE AND RAILWAY COMPANY, LTD.

DR.

'To M. P. DAVIS.

'Total amount of cash received to date :

From Dominion Government.....	\$	374,353	33
From Provincial Government		120,000	00
From Quebec city.....		290,508	60
	\$	784,861	53

'(Sgd.) E. A. HOARE,
'Chief Engineer.

'Certified correct,

'ARCH. R. FRASER.'

The CHAIRMAN.—I see from the document Mr. Parent has handed me that it was on the 6th of May, 1902, the company, by resolution, decided to issue these first mortgage

bonds in payment of part of the construction of the said superstructure in accordance with the terms of the agreement entered into between Mr. Davis and the company. You say that agreement provided that the bonds were to be taken at 60, that provision is not here.

Mr. PARENT.—Look in the main contract, it is in the main contract.

By Mr. Monk:

Q. Mr. Bell, while that matter is being looked into; in your report you refer to the standing of the company on May 31, 1907, giving the details of receipts and expenditures, the receipts amounting to \$5,464,178.80 and the expenditure to \$5,356,236.38, leaving a balance of cash on hand of \$107,942.42. In your details of receipts there is an item called 'Balance from notes outstanding, '\$121,312.84.' What were those notes outstanding which figured among the receipts to such a large amount?—A. Probably if I explain the financing you will understand that. When, in 1904, this debt of Davis was wiped out, with the exception of the \$200,000 received for the stock, the company had no cash on hand. There was just that \$200,000, and the only cash they had was from the guaranteed bonds. Now, the Railway Department, under the Act—the Chief Engineer has to arrange for the payment of progress estimates monthly, the payment of amounts due the company—all amounts earned by the company. Now, naturally during that month there was a certain amount of financing. For instance, you take the amount due on the estimate for July, they might not receive it until September and they were forced to borrow some money from the banks, make a temporary loan, and as the money was received—these were all short notes, demand notes I think they were called—as the money was received on bond account these notes were promptly taken up. That amount of \$121,000, at the date of my audit, was the amount that was owing on these short notes. If this amount of balance due on June 11, 1907, had been paid the company—if the bridge had not collapsed and that had been paid the company, they would have taken that and met the liabilities that are set out in this statement, as on the 1st of June, and they would have been clear of debt.

Q. But this balance from notes outstanding is mentioned as receipts?

Mr. GALLIHER.—I fancy that is profits from discount of notes outstanding.

A. Profits from discounted notes, temporary loans. Some of them were represented by cash on hand and some had been expended. There may have been \$50,000 of that cash on hand. I could not tell you at the moment without looking up all the notes.

By Mr. Monk:

Q. These were borrowings of the company?—A. Their personal borrowing from the bank, just the financing of the company. The notes were always promptly met upon the receipt of money from bond account, money earned from bond account.

Q. Will you explain what is meant by the item, 'Amount due by M. P. Davis, \$65,000'?—A. Yes. In the Act of 1903 it is set out, 'Whereas the government of the province of Quebec has granted a subsidy to aid in the construction of the said work to the amount of \$250,000 and obtained the full amount thereof. As a matter of fact, that subsidy of \$250,000 had been granted but had not been paid up in full at the time. It was payable in annual instalments of \$30,000, and the company, having transferred the amount to Mr. Davis, evidently took it as a cash receipt. But when this transaction was completed with Mr. Davis and Mr. Davis was paid in full, he transferred back the balance of the subsidy due.

By Mr. Barker:

Q. That was an additional asset, was it then?—A. Yes. He transferred back the balance of the subsidy due, but between the date he was paid and the date he transferred back, a payment of \$30,000 became due, and was paid by him.

APPENDIX No. 6

By Mr. Monk:

Q. Paid to him, you mean?—A. Yes, I mean paid to him, a sum of \$30,000, and in the account, the detailed account of Mr. Davis which, I have just referred to, there was included the amount of a note for \$35,000. Previous to 1904 Mr. Davis was really the one debtor of the company. There had been a good deal of financial assistance one way and another from him, and the company had drawn on him for \$35,000, and he included that in his account, but the company afterwards met the draft themselves. Mr. Davis had been overpaid by \$35,000, and that made the total due by him of \$65,000. That was met by the company by debiting it to his account as an advance on account of drawback.

Q. That \$35,000 out of the \$65,000 was, if I understood you right, a draft by the company upon Davis?—A. Yes, which he had accepted.

By Mr. Barker:

Q. For their accommodation?—A. For their accommodation.

By Mr. Galliker:

Q. A personal advance by Davis to the company?—A. Yes.

By the Chairman:

Q. Which they subsequently paid?—A. Which they subsequently paid themselves.

By Mr. Monk:

Q. Have you that draft? You must have seen it when you made that audit?—A. I saw the entry in the books at the time I made the audit, but I have not the draft.

Q. I wonder if Mr. Barthe has the draft for \$35,000 by the company upon Mr. Davis and accepted by him and then retired by the company.

The CHAIRMAN.—Mr. Bell says the company retired it. That is good enough evidence surely.

The WITNESS.—Mr. Davis in his account debits the \$35,000 and afterwards acknowledges it is an error; that the company having accepted the draft themselves he is indebted to them for that amount and \$35,000 is taken, practically out of Mr. Davis' pocket to recoup the company.

By the Chairman:

Q. That is in your report at page 572?—A. That is in my report?

By Mr. Monk:

Q. At that time was that draft drawn by the company? Was it a two months' draft or what was it?—A. I really do not know, I really could not tell you.

By Mr. Barker:

Q. Can you not give us the date or say whether it was about the time of the passage of this Act?—A. It must have been before the date of Mr. Davis' account.

By Mr. Monk:

Q. It must be easy to trace it up in the books of the company, it seems to me, Mr. Bell.

By the Chairman:

Q. In your report you say (reads): 'On June 30, 1906, the amount of \$65,000, viz., \$30,000 from subsidy and \$35,000 overpaid on account of draft, due by Mr. Davis to the company'?—A. That is the part I mentioned. It really makes no difference. Mr. Davis had been overpaid \$35,000 and that is the only explanation how the error

came to be made. It is an error. Mr. Davis had been overpaid and he acknowledged it and he paid it back in the manner I speak of.

By Mr. Gallihier:

Q. Should not the expression be 'debited' instead of 'credited' to his account?
—A. The term should be debited. I have noticed that since the report was made. It should have been debited.

By Mr. Monk:

Q. Did you at any time see that draft?—A. I may have, Mr. Monk. I saw a great many drafts; I could not keep them all in my head. As I say there were a good many drafts between Mr. Davis and the bridge company one way and the other in the way of accommodation.

Q. I see that in the file produced by your department, and it is now before the committee, there is evidence of an arrangement made under an order in council of 27th January, 1904, in regard to the payment of customs duty on material?—A. Yes, sir, I made that arrangement myself. I might explain that. In the case of the greater part of these notes outstanding, these temporary notes, the money was borrowed from the Bank of Montreal to meet customs duties. They had to meet at that time the customs duties as they became due. There was probably, I imagine, \$50,000 a month to be met, and to curtail these notes as much as possible I made that suggestion that we should make an arrangement with the Customs Department to keep an open account of what entries came in in bond, and after we repaid the company out of bonds for the amount due—customs, of course, to be included—the cheque would be immediately handed over to the customs. It was only a matter of waiting for their cheque. We had the money in our hands and it was perfectly safe. It was a matter between the departments.

Q. There was a question I notice in the report of the minister, and the order in council, I think, of some \$400,000 due the Customs Department?—A. \$400,000? You will find there never was due to the Customs Department any amount of \$400,000. There could not possibly be because on the 31st May, 1907 every cent had been paid the customs that was due and the only time that this account was started was after this arrangement which has been spoken of. The bridge collapsed within two months of that. I do not think it was until 1st July that the arrangement was made. This report is dated 26th June and you could not have \$400,000 of customs duty in two months. I think it is about \$100,000.

Q. At the present moment do you know if there is money coming to the Customs Department on any of the materials in question?—A. Yes, sir, customs duties are owing on all the material that came in after I made that arrangement. The Bridge Company received nothing from bond account after that date.

Q. It would represent some \$100,000?—A. I think about \$100,000. I can give you the exact amount. I think it is on the file here some place.

By the Chairman.:

Q. It is in bond you say now?—A. They allowed the entries in bond.

By Mr. Monk:

Q. The entry is in bond but the material is in the river?—A. Oh, no, not a bit of material is in the river.

Q. Where is the material?—A. It is piled just outside of Quebec, at Bellair station. There were immense quantities of material.

Q. While you are at it can you give us the amount of customs duties?—A. I find here (referring to statement) on the 31st August there was \$110,187.17. That brings the statement up to within a few days after the bridge collapsing. There were a few cars in transit at that time which will add to this amount, I do not know the exact sum.

APPENDIX No. 6

Q. That is a statement up to August last?—A. Yes, three days after the bridge fell \$110,187.17 is the amount that was due the customs. I can give you the details of that. July was \$69,115.47; August, \$41,071.70. That bears out my statement about \$50,000 a month during the working season.

By Mr. Gallihier:

Q. In regard to the cars that were in transit at the time, you say there is duty due the customs yet on that material?—A. Yes, in addition to the amount I have just stated.

Q. In addition to that? Well, now if that material is still in bond the customs have not released it?—A. I presume it is. I am not an official of the customs.

Q. I did not know whether you knew or not?—A. No, I presume it is.

By the Chairman:

Q. What is the average duty on that material, do you know?—A. I could not tell you that. I would have to look up the detailed entry.

By Mr. Barker:

Q. There is \$110,000 owing?—A. Owing? The customs dues, appraisements, and fees up to the 31st May, 1907 amount to \$483,339.92. That is from the date of the legislation covered by 1903. That amount has come out of the guaranteed bonds, \$483,338.92. That includes customs duties, appraisements, and fees.

By Mr. Monk:

Q. That has been paid out?—A. It has been paid in cash for customs appraisements and fees.

Q. Who is Mr. E. V. Johnson who purports to have acted as inspector?—A. He is inspecting engineer of the Department of Railways and Canals.

Q. Do you know anything about the approving of the plans by the government?—A. I do not, sir. I have no knowledge that would be of any benefit. That comes under the engineering department.

Q. You have no knowledge of that?—A. I might give you something that would be entirely wrong. It is the engineering department entirely.

Q. Who is the proper officer?—A. To give you an opinion? Mr. M. J. Butler, Deputy Minister and Chief Engineer.

Q. But was not Mr. Collingwood Schreiber acting at that time?—A. At that time, Mr. Collingwood Schreiber.

Q. Is he in Ottawa?—A. I believe he is. He was this morning.

Q. Does he occupy any government position now?—A. He is consulting engineer to the Dominion government and Chief Engineer for the western division of the Transcontinental Railway.

Q. Does he receive a regular salary in connection with these offices?—A. Yes, he receives the salary of \$6,000 per annum.

Q. You know nothing personally about the suggestion made of the employment of an expert to examine the plans?—A. No, sir.

By the Chairman:

Q. Do you happen to know at the time that the sum of \$5,000 was paid to the directors for remuneration and which was indirectly transferred into the purchase of stock whether the company had any money to their credit?—A. It had, sir, always money to meet its cheques.

Q. They might have issued a cheque for these services and it could have been cashed upon current account?—A. The cheques would have been honoured.

Q. It would have been just the same?—A. Yes, sir.

MR. BARKER.—I suppose somebody would have had to go without though?

By Mr. Monk:

Q. Were you not asked to produce some statement with regard to the amount that was voted to the directors?—A. You have that statement here, sir.

Q. Have we got it now?—A. The details of that \$20,000 are on the file.

Q. The \$20,000 which was all converted into stock?—A. You have got the full details on your file, sir.

Q. In your own individual files?—A. In your own files.

Q. I would like to know what amount the directors have received in cash, that has not been converted into stock, for their services?—A. Yes, that can be got, but I will have to pick those amounts out. I will have to go over the cash book and pick them out. I expect that returns made to the Senate will show that. We will get those and bring them down here and file them.

Q. Will you do that?—A. Yes, sir.

Q. You mean to take that information from the answers given in the Senate?—A. I will look at the answers given in the Senate and see. I understand the Senate got the whole amount paid to the directors. To get at the question asked you would have to subtract \$20,000 from it. Do you wish the details?

Q. I would like to verify it by the books?—A. Very well; I will get it from the books. It was just to save you a good deal of detail, but I will get that information for you.

Q. Down to date?—A. Right down to date.

By the Chairman:

Q. I want to ask you if the proceeds of that \$200,000 of new stock, required under the Act of 1903, was used for the purposes of the company?—A. For the purposes?

Q. Of the company?—A. Of the company? Certainly, sir. I might answer that in another way by saying I passed every account and approved of it and it was approved by the then Chief Engineer, Mr. Butler, as being correct accounts for which this money was used.

By Mr. Monk:

Q. Do I understand you to say that the proceeds of the \$200,000 of the new stock was used for the purposes of the company? Is that what you say?—A. Yes, sir.

Q. But they were not used for the purposes of fulfilling the agreement which required that the money should be used to pay off the discount on the interim bonds?—A. The Act, as I stated in my report, was not strictly complied with in that respect.

Q. You stated that in your report?—A. I stated that in my report; the Act was not strictly complied with.

Q. It was not complied with at all?—A. In that respect it was not complied with at all.

Q. There is no limit. You say, 'strictly complied with'?—A. I mean speaking of the whole Act. It is admitted that particular part was not complied with, but the \$200,000 was subsequently used and paid out, and if that had not been there the \$200,000 would have been taken out of bond account for the same purpose; so that one replaced the other. The net result in the end is the same. That is, if the Act had been strictly complied with the company would have been in exactly the same position to-day.

Q. It is a question of what would have happened. Would the bonds, in your opinion, have been issued if the government had known that one-half of that \$200,000 had not been paid up when they issued the bonds?—A. You will have to ask the Finance Department that. I had no control.

APPENDIX No. 6

By Mr. Barker :

Q. As an accountant let me ask you this : supposing Mr. Davis had paid his \$94,000 in cash and that had been used, there would have been so much less at the moment borrowed on bonds, would there not ?—A. I hardly understand your question.

Q. The company used the \$6,800,000 guaranteed bonds to raise money for their purposes. If they had got the cash from Mr. Davis and applied it there would have been so much less necessary from the bonds at the moment ? ?—A. At the moment but they would have had later to take from bond account a similar amount to meet the accounts which were paid by the money secured from the stock.

By Mr. Gallihier :

Q. As a matter of fact, Mr. Bell, this loan of one and a quarter millions from the Bank of Montreal to the company—A. Pardon me, sir, I think you are mistaken ; that was not a loan. That million and a quarter that you see mentioned there is simply an authority for the Bank of Montreal to advance money to the Bridge Company on bonds as these bonds are authorized to be issued on the chief engineer's progress estimates.

By Mr. Barker :

Q. A line of credit I suppose ?—A. That is really it, but the Bridge Company really never got that at all.

Q. I understand that, but it is not the point I want to make. They were authorized to obtain advances to that extent from the Bank of Montreal ?—A. Yes.

Q. And as a matter of fact they had advanced a portion of that even before the guaranteed bonds were issued ?—A. That is a question you will have to ask the Finance Department.

Q. You don't know that ?—A. No, I do not know.

By the Chairman :

Q. Following the line of Mr. Barker's question. Mr. Barker suggests that on the progress estimate No. 1 there would have been about \$200,000 less, or perhaps \$94,000 less advance, if Mr. Davis' cheque had been cashed, and there is something in that. How long afterwards did matters adjust themselves so that accounts were balanced ?—A. Sometime I imagine—it would be straightened out in my report. My report would bring that right down. I brought all the accounts into one.

By Mr. Barker :

Q. When were those bonds that Mr. Davis had bought payable ?—A. When were they payable ?

Q. Yes ?—A. I never saw the bonds.

Q. Supposing they were not due for 20 years ?—A. I really don't know. I took the Act of 1903 as far as the amounts of those bonds and the balance.

By the Chairman :

Q. They had to be realized before you could finance the matter at all ?—A. He might have held the bonds I suppose until they became due.

By Mr. Chisholm :

Q. I do not think it is very clear how that \$200,000 was paid up ?—A. By cash, absolutely cash. There was an actual cash deposit in the banks. You have the bank book and can prove the actual deposit of the whole \$200,000.

By the Chairman :

Q. The \$200,000 should have been paid up before the bonds were issued but as a matter of fact they were not. Mr. Bell explains that in his report ?—A. And the

purposes for which those \$200,000 are used. They were supposed to be used for discount, but that discount was paid out of bond account afterwards. That \$200,000 was used to pay debts thus doing that which should have been paid out of bond account. You see one balanced the other. I now produce Exhibit No. 23, a statement showing the amounts voted by shareholders to directors and the manner in which these amounts were dealt with by the directors themselves, from July 1, 1899, to June 30, 1903.

By Mr. Monk :

Q. What was the occasion of this audit which you made of the books of the company?—A. In the last session of parliament, that is the session of 1906-7, a Bill was passed authorizing the government to take over all the guaranteed bonds in connection with the Quebec Bridge Company and advance them money on them from time to time up to their par value—that is first repaying what had already been advanced on them—and the balance up to their full value, Hon. Mr. Fielding, Minister of Finance, I understand gave a promise in the House at the time this legislation was going through, that before the transaction took place he would have a complete audit made of the books.

By the Chairman :

Q. I think Mr. Monk asked that?—A. I think Mr. Foster or Mr. Monk.

By Mr. Monk :

Q. Can you turn up in the file which was placed before the committee the request, or demand, made on the 28th January, 1907, for additional aid from the government by the Bridge Company?—A. That would be in the Finance Department. What is the nature of that letter?

Q. It is a letter from the Bridge Company asking for a few millions additional. You remember the amount which was asked for by the company on or about the 28th January, 1907, in order to complete the erection?—A. I did not have any knowledge of that. Any correspondence would be either with the Minister or the Deputy Minister.

Q. Did you see in the file the resolution passed by the Board of Directors on the 28th January, asking for such additional aid?—A. It may be in the office but I have no personal knowledge of that.

Q. Who would have?—A. I presume the Deputy Minister.

By the Chairman :

Q. The Deputy Minister of Finance?—A. If it is addressed to our department I presume our Deputy Minister.

Q. How much money had been advanced to the Bridge Company up to the date of the purchase of the whole bond issue?—A. You have already got that information. I think it is somewhere about five millions.

Q. As an expert accountant if you had been sent down to Quebec by the government to look into this stock subscription of \$200,000 before the bond issue was made of the six millions, would you have certified, as regards the services of the directors paid in stock in the manner which has been shown before this committee—would you have certified this was a cash payment in accordance with the terms of the agreement?—A. That is a matter, Mr. Monk, that I don't think I should be called upon to answer. It is a matter with which I had nothing whatever to do. It is a duty which would not concern me whatever. It is a finance matter, I presume for the Finance Department, but I would not be sent down there to certify to that; it is a matter out of my province.

By Mr. Barker :

Q. You would have stated the facts?—A. I assure if I had been sent and been qualified to do that work I would have done my duty.

APPENDIX No. 6

Q. If you had been sent down to examine in the way Mr. Monk has stated would you have reported the simple facts?—A. I don't think it is a fair question to ask me what I might have done in a certain case.

Q. Do you mean to say you would not have called attention to the facts?—A.—When I was sent down to Quebec I did what I was called upon to do.

Q. That is not my question?—A. I know, sir.

Q. Mr. Monk's question is very plain and there is nobody finding fault with you. Supposing you had been sent down there to report for the government and you had found that a portion of that \$200,000 had been floated by the application of those allowances to directors, would you have reported that as so much cash or reported the facts?—A. Was that Mr. Monk's question?

By Mr. Monk:

Q. Yes?—A. I considered that a cash transaction. The cheques were issued by the Bridge Company, they had the funds there to meet those cheques, and if the directors choose to get together and re-deposit those cheques and buy stock it would not have been any of my affair.

Q. You would not have reported the facts as they stood?—A. I would not have especially drawn attention to that fact. As a matter of fact I did not. I went to Quebec and passed that \$5,000 but it never entered into my mind to draw attention to it especially.

By Mr. Barker:

Q. Would you have reported the \$94,000 as paid?—A. I did, sir.

Q. As paid on the \$200,000 of stock?—A. No, I beg your pardon. The cheque had not been cashed until later. I reported that.

By Mr. Monk:

Q. I do not think that is the object of the question: had you been sent down in the beginning of 1904, and before the issue of the bonds, to ascertain if the \$200,000 of stock required by the agreement had actually been paid up in cash, would you have certified as to the \$94,900, that it had actually been paid up in cash.

The CHAIRMAN.—What date?

A. That is the way I understood your question at first.

Mr. MONK.—In February, 1904, I fix the date.

Mr. BARKER.—At any time in 1904 would he have reported that \$94,900 as having been paid on the \$200,000. That is the question and you may not think it important.

The CHAIRMAN.—I think it is fair.

A. It is a question I should not be called upon to answer what I would have done in a certain case. The question should be as to what I did do. Unless the committee insists upon my answering the question I do not care to answer. If the committee insists, of course—

By Mr. Barker:

Q. That is your answer: you do not care to answer?—A. Unless the committee insists.

The CHAIRMAN.—I think it is obvious he could not.

By Mr. Monk:

Q. I believe there has been a sum of \$2,000,000 paid quite recently to redeem some of the bonds of the government in the hands of the trust company or in the hands of the Bank of Montreal?—A. Yes, sir.

Q. You must know something about the financial condition of that company at the present moment?—A. It is merely carrying out the legislation of 1907. There was nothing paid out of bond account for some months before the collapse of the bridge

7-8 EDWARD VII., A. 1908

and nothing has been paid since. The only transaction that has taken place under the government guarantee is on the back of these bonds which are pledged and the government has, already, to my knowledge, redeemed \$2,000,000 worth. That will represent a little over two millions in bonds.

Q. When were the two millions bought?

The CHAIRMAN.—It is not fair to say. Redeemed is more correct. They were simply pledged as collateral?—A. 19th February, 1908.

By Mr. Monk:

Q. As I understand the position to-day, all that bond issue is in the hands of the trust company at the present moment?—A. No, sir; the two million odd dollars in bond are in the hands of the Minister of Finance—the Receiver General—to cover those two million dollars of each.

Q. With the exception of the \$2,000,000 of cash that have been paid on the 19th of February, the rest of the issue is in the hands of the trust company?—A. Of the Bank of Montreal. The trust company may hold them for the Bank of Montreal, but the remainder is all pledged to the Bank of Montreal for advances made.

Mr. Ross.—To correct Mr. Bell on the date. It was some time early in February, 1908.

By Mr. Monk:

Q. The whole of the six million and some odd thousand dollars have gone into the construction of the bridge?—A. The six millions?

Q. Yes?—A. No, sir; the money that was borrowed. When you are speaking of six millions, \$6,678,000, you speak of the par value of these bonds, that is guaranteed bonds. Now, those bonds were pledged with the Bank of Montreal for advances. The first advance was 85 for 100 of bonds, and afterwards that was reduced to 80. Now, it is practically ready cash that went into the bridge out of the money raised from these guaranteed bonds. That would be 80 per cent of \$6,678,000 in round figures.

By Mr. Barker:

Q. When the rate of loan was changed from 85 to 80 was the account adjusted down to 80 for the whole?—A. I would not be sure of that, but I think you will find that the 85 stood on what had been issued. It must have been, because they were in the possession of the Bank of Montreal.

Mr. BARKER.—The bank might have made that arrangement to reduce the rate to 80. What I wanted to know was this: At one time the loan was 85 per cent on its face and subsequently 80. When it got down to 80, did they bring the whole account down to that figure, or did part stay at 85 and part at 80? Did they remain distinct?

Mr. PARENT.—Yes.

Mr. MONK.—I understand these bonds are in the hands of the trust company.

The CHAIRMAN.—As trustee.

Mr. MONK.—For whom?

The CHAIRMAN.—For the Bank of Montreal, as collateral security for advances. You see the bonds were never sold; they were pledged as collateral for advances. If you get an advance of 80 you simply have to repay the 80 and not redeem at 100.

Mr. MONK.—I think it would be useful to have a statement of what we stand to pay.

Mr. ROSS.—There was an answer given in the House a month or six weeks ago which was correct at the time.

Mr. GALLIHER.—We must have that in connection with our inquiry.

Mr. ROSS.—It is a matter between the Bridge Company and the Bank of Montreal. We would not know the exact balance due at any moment.

APPENDIX No. 6

Mr. MONK.—Surely the government are in possession of the information of what we stand to lose.

Mr. ROSS.—It is a matter of calculation to bring it up to date. We can get that information, of course.

Mr. MONK.—Would it not be possible for you to get from the Bank of Montreal a statement of indebtedness?

Mr. ROSS.—I would not like to hand the statement in until it has been properly audited. Mr. Bell can tell approximately what it is.

The WITNESS.—It is practically subject to audit as to any clerical errors. The interest would all have to be checked.

Mr. MONK.—Or if Mr. Ross of the Finance Department will work it out and let us know what is claimed.

Mr. ROSS.—I will ascertain what they claim.

Mr. GALLIHER.—How much the government is called upon to date to pay, what the Bank of Montreal claims is due.

Mr. MONK.—Do you know, or is it mentioned in your report, what the Quebec Bridge Company owes, what its liabilities are, its floating and other debt?—A. I could not tell you that without going into it.

By Mr. Monk:

Q. Can you by examination of the books tell us what the liabilities are, outside the liabilities to the Bank of Montreal and what the assets are?—A. There might be, for instance, you may have claims, there may be claims against them and you would have to take the legal form of publicly calling for all claims against the company in order to do that.

Q. You might include only the claims that come in?—A. And the claims for damages, and the assets, they would not be in the books.

The CHAIRMAN.—The secretary of the company should give that if anyone does. Mr. Bell would not know that.

Mr. PARENT.—They owe salaries for the last month.

The CHAIRMAN.—Is that all you owe?

Mr. PARENT.—Yes.

Mr. MONK.—Is there no floating debt?

Mr. PARENT.—No, and there never has been any floating.

Mr. BARKER.—What about your liability to the Phoenix Bridge Company?

Mr. PARENT.—That is a question of law.

Mr. ROSS.—The liability might be the other way.

By Mr. Monk:

Q. Are you able by an examination of the books to give us a balance sheet, I think that is what you call it?—A. Assets and liabilities?

Q. Yes?—A. You understand what that means? I would have to give a value of the Chaudiere Bridge, and the approaches, and all the iron they have in it, and get the value of it and all that sort of thing, and then in order to get the liabilities I would have to advertize for all claims against the company.

Q. I do not ask you to do that, can you give us the liabilities as they are shown by the books?—A. I can show you all the liabilities, I can take out all the liabilities as indicated by the books, yes.

Q. That is what I would like to have, and what we must have in order to make a sufficient investigation.

The CHAIRMAN.—That is all right; that statement is to be prepared by who?

A. It will take a little time to work it out.

By Mr. Parker:

Q. I would like to know exactly where we are in regard to full information about this company. Mr. Bell, does your statement show the original stock subscription, I do not mean the \$200,000?—A. No, sir, I had nothing whatever to do with the original stock subscription. Of course I think I have seen it.

Q. Have you shown how much in cash and how much in votes was paid on that original stock?—A. I took the figures of the Act.

Q. You haven't shown it from the books?—A. No, sir.

Q. Have you shown how much of that was refunded under the Act?—A. Refunded?

Q. Yes, to the shareholders?—A. In what way?

Q. You understand that some of the shareholders had the right to take back their money?—A. I made out no detail, anything received is mentioned as cash received, but it is very, very small.

Mr. PARENT.—Here is a statement of the whole thing.

Mr. BARKER.—I propose to put this in as an Exhibit furnished by the treasurer of the company.

The CHAIRMAN.—All these old shareholders are wiped out.

EXHIBIT No. 28.

FIRST SHAREHOLDERS OF THE QUEBEC BRIDGE COMPANY.

Names.	Number of Shares.	Date of Payment.	Amount Paid.	
			\$	cts.
Col. Rhodes.....	4 p.c. on	25 Feb. 29, 1888..	100	00
J. A. Charlebois.....	"	5 " " ..	20	00
Estate Hall.....	"	10 " " ..	40	00
P. P. Hall.....	"	25 " " ..	100	00
H. M. Price.....	"	50 " " ..	200	00
V. Chateauvert.....	"	5 " " ..	20	00
G. Lemoine.....	"	20 " " ..	80	00
J. I. Tarte.....	"	50 Mar. 30, 1888..	200	00
P. Landry.....	"	50 " " ..	200	00
A. J. Turcotte.....	"	50 " " ..	200	00
C. Duquet.....	"	25 April 3, 1888..	100	00
A. Lavigne.....	"	20 " " ..	80	00
T. C. Casgrain.....	"	20 April 9, 1888..	80	00
J. B. Forsyth.....	"	20 April 17, 1888..	80	00
*H. J. Beemer.....	"	5,100 May 19, 1888..	20,400	00

* Shown in old books as paid up, but consisted in a certificate of deposit of the Banque du Peuple or which there was no money deposited, and which was never paid to the company.

Four of the above shareholders, Messrs. P. Landry, C. Duquet, A. Lavigne and T. C. Casgrain took advantage of one clause in statute of 1897, and requested reimbursement of the amount paid on their stock, and were repaid.

June 20th, 1888. W. Rhodes, H. M. Price, Colonel Forsythe, H. J. Beemer, Cyr. Duquet, J. I. Tarte, P. Landry, P. P. Hall, Gaspard LeMoine, were elected directors.

Col. Forsythe was elected president 27th August, 1888.

By Mr. Barker:

Q. Now, I want to ask next in order, is it shown upon that last exhibit how much of it was paid in actual cash and how much by vote or resolution of the shareholders?

APPENDIX No. 6

I think we have it in a loose sort of way, but I want it condensed so as not to have to hunt through a mass of evidence in order to get at the facts. Did you not give us the statement yesterday or the day before of the amounts paid by vote or resolution?—A. The shareholders voted cash and the directors turned it into stock; you have that entire in the file. Of that amount \$15,000 is in the way that you speak of.

By Mr. Gallher:

Q. All other shareholders, except those mentioned there, paid their amounts in cash?—A. In cash, yes.

By Mr. Barker:

Q. This Exhibit 28 shows how much?—A. The total amount of these payments?

Q. Yes?—A. \$21,900 is the total.

Q. Well, now, Mr. Bell, have you made up a statement showing what further payments were made than those shown on that Exhibit 28?—A. A further statement of that \$65,000?

Q. That is only \$21,900?—A. No, sir, I did not make up that statement.

Q. Can that be made up?—A. I presume it can; it might be made up; I have not looked into it, but I presume you could make up the full amount of that \$65,000.

Mr. BARKER.—I wish the treasurer to complete that statement by bringing it up to the \$63,000 or \$65,000, whatever it was, showing how the increases were paid and by whom. I want the company as it was first started, with all the shareholders who subscribed, showing how much they paid, how much was refunded and who has been allowed to withdraw, right up to the time of the \$63,000 or \$65,000.

The CHAIRMAN.—I see that some people were allowed to withdraw their money.

Mr. BARKER.—That is quite according to law; it was done under the statute, there is no objection to it, only I want to get at the facts of what was done.

The CHAIRMAN.—Why don't you find out if it was legal?

Mr. BARKER.—It was legal.

The CHAIRMAN.—I see Senator Landry was a shareholder and he ran away; perhaps he didn't run away legally; why not go into that? It will be just as fair for us to find out whether Senator Landry ran away fairly and squarely, morally and legally.

Mr. TALBOT.—We want to get the document first, and we can ask then whether he did or not.

The CHAIRMAN.—All right; then we will get that statement. You will try and prepare that to-night, Mr. Paquet.

By Mr. Barker:

Q. Now, there is a further question I want to ask; there is the qualification for directors. I would like to have it shown what the qualifications of the different directors were at different times?

The CHAIRMAN.—Will you turn up, Mr. Barthe; and show the section of the by-laws which ascribes the qualifications of directors?

Mr. BARTHE.—It was \$5,000 after 1897.

The CHAIRMAN.—That is fifty shares?

Mr. BARTHE.—Yes.

Mr. BARKER.—I want to know who the directors were and what the different directors' qualifications were.

Mr. TALBOT.—There were two qualifications—\$2,000 for a time, and then it was put up to \$5,000.

Mr. BARTHE.—The government directors were not required to have qualifications.

Mr. MONK.—We want the directors since 1897 and their qualifications.

Mr. BARKER.—Then, Mr. Chairman, I want a statement of Mr. Davis' account.

Mr. BELL.—You have a statement on file here; the statement of account is here in my report; it is statement 'D' that was marked as Exhibit 28.

By Mr. Barker:

Q. Then there is the Phoenix Bridge Company's account, have you that?

Mr. BELL.—You had better take the synopsis of their estimates, which has been prepared.

Q. Is there any detailed account from them of payments made?—A. You have each one of those, you will have an estimate for each month; it will be an endless job to cover this, there are thirty-four of these detailed estimates.

Q. You have no general statement comprising the whole?—A. I have taken it and made a synopsis of these estimates, giving the date, number of the estimate, the gross amount, the drawback, the previous payments and payable and remarks, that is all shown in this schedule here; it is not marked, but it is referred to in my report as statement 'B' in the report of 26th June, 1907, at page 577.

(Statement marked as Exhibit 29.)

Mr. BARKER.—Another thing I want, that a little table be worked out showing the dates and the names and everything else that can be put in the table in reference to that \$200,000 stock transaction; it can be taken from the stock certificate book. I also want every contract with Mr. Davis, whether it relates to construction or finance, or loans, or anything of that kind.

The CHAIRMAN.—There are two here, the construction contract of the 19th June, 1900, which I will mark as Exhibit 30, and the other contract is in relation to the interim issue of bonds, dated 2nd March, 1904, which is Exhibit 31. Here is another Davis contract, dated the 20th July, 1903, which is Exhibit 32.

Mr. BARKER.—Now, I want all contracts with the Phoenix Bridge Company.

Mr. PARENT.—They are on file with the Royal Commission.

Mr. BARKER.—And I want all the plans and specifications referred to in the contract.

By the Chairman:

Q. I want to ask you a question, Mr. Bell. You are the accountant of the Department of Railways, are you not?—A. I am the assistant accountant.

Witness retired.

Mr. ULRIC BARTHE, recalled.

By Mr. Gallihier:

Q. I produce Exhibit No. 21, being a statement of shareholders present or represented by proxy at the annual general meeting of shareholders on September 3rd, 1901, also for the meeting on September 2nd, 1902, and for the meeting on October 20th, 1903?—A. Yes.

Q. I also produce Exhibit 22, showing the attendance of directors appointed by the Dominion government at board meetings of the Quebec Bridge and Railway Company from the date of their appointment, January, 1904?—A. Yes.

Q. Have these been correctly extracted by you from the books of the company?—A. Yes, by myself, and I certify they are correct.

By Mr. Talbot:

Q. In connection with this subscribed amount by Mr. H. J. Beemer, of \$20,400, in Exhibit 28, that was never paid, can you tell us why it was not paid?—A. When the company was re-organized in 1897 we found in the books that Mr. Beemer was given as having subscribed for \$510,000 of capital stock, 5,100 shares, on which he had paid 4 per cent, that is \$20,400. It was found later on that that payment had not been made, that that \$20,400 was represented by a certificate of deposit in the Banque du Peuple, for which there was no money deposited, and which had never been paid to the company. But Mr. Beemer had advanced money to the company, cash, and

APPENDIX No. 6

later on the matter was settled with him for a certain amount of stock for his advances in cash plus the interest.

By Mr. Barker:

Q. Was that the amount stated there?

By Mr. CHISHOLM (Antigonish):

Q. As a matter of fact he had not paid that \$20,000 at all?—A. No.

Q. And the books of the company show it was paid up?—A. Yes.

By Mr. Monk:

Q. How much stock had Mr. Beemer?—A. Mr. Beemer had subscribed; he had put his name in the old book of subscription, which I can also produce if you like, for \$500,000, for 5,000 shares, I mean in the subscription book, but in the stock ledger he was a subscriber for \$10,000, over the half million, and it was supposed at the time that it was to have a majority of the stock.

By Mr. Barker:

Q. Did you get this \$20,400 in cash?—A. Oh, no.

Q. What did you get?—A. We got—well, we got his bill certified for certain advances, he had advanced money.

Q. He had claims against you?

Mr. CHISHOLM (Antigonish).—Subsequently though.

By Mr. Barker:

Q. And you allowed him stock in settlement?—A. Yes, we gave him 35 shares.

Q. How many shares did he get in settlement?—A. 35 shares of \$100 each.

By Mr. Barker:

Q. And this \$20,400 was never paid in any shape?—A. Never.

By Mr. Chisholm (Antigonish):

Q. How long did it appear in the books?—A. From 1888 to 1897.

Q. Who were the directors at that time?—A. Well, I have given the list in that statement that was put in as Exhibit 28. The directors at that time were Colonel Rhodes, H. M. Price, Colonel Forsythe, H. J. Beemer, Cyr. Duquet, J. I. Tarte, P. Landry, P. P. Hall, Gaspard Le Moine.

Q. What year was the new company organized?—A. It was reorganized, the new board sat first in March '97.

Q. And how much cash was on hand at that time?—A. \$51.49.

Q. The 35 shares given to Mr. Beemer was for advances to the old company?—
A. Advances to the old board.

Q. The new board had nothing at all to do with that?—A. No.

Q. And he got 35 shares of your new stock?—A. Yes.

Witness retired.

Committee adjourned.

HOUSE OF COMMONS,
Committee Room 62,
THURSDAY, June 11, 1908.

The committee met at 3 o'clock p.m., the chairman, Mr. A. K. Maclean, presiding.

Mr. BARKER.—Mr. H. T. Ross, who is here representing the Finance Department, was yesterday asked to produce a statement of the amount claimed by the Bank of Montreal. Has that statement been prepared?

Mr. ROSS.—I was asked for a statement of the amount claimed by the Bank of Montreal on guaranteed bond account. They claimed for total principal advances \$5,016,453.66. They claimed a total of interest to April 30, 1908, \$756,770.11, a total of principal advances and interest of \$5,773,223.71. Less February 9, 1908, \$2,000,000 repaid by the company under Chap. 35 of the Acts of 1907, leaving a balance claimed on Thursday, April 30, 1908, on above account of \$3,773,223.71. There are also temporary advances, interim advances, of the Bank of Montreal to the Bridge Company, exclusive of the foregoing, which up to May 31st, 1908, the bank claim, amount to, with interim interest, \$174,431.36 (*Marked as Exhibit 34.*)

By Mr. Monk:

Q. Is that a statement to the bank?—A. That is my memorandum.

By Mr. Talbot:

Q. This is part of your evidence? Have you been sworn?—A. No, I have not. The CHAIRMAN.—It is a memorandum furnished by Mr. Ross.

Mr. ROSS.—Every word of it is incorporated in the record. It is hardly necessary to make it an exhibit.

Mr. G. A. BELL recalled and examined.

By the Chairman:

Q. Did you examine the accounts of the company beyond 1903?—A. That is back?

Q. Back?—A. No, sir.

Q. Is there any evidence before us showing the total cost of the sub-structure of the bridge that you remember?—A. Yes, the cost would be given in our file.

By Mr. Barker:

Q. It ought to be in these Davis' accounts?—A. It will be in Mr. Douglas' estimate.

Q. When you speak about substructure and superstructure, what about the approaches and landings? It covers all, that does it?—A. Substructure and superstructure would not cover it. When you speak of substructure I presume you speak of the cost of the piers themselves. You can get that exact cost. Mr. Davis' first contract I think covers the substructure.

By Mr. Chisholm:

Q. When you went down to examine the accounts of the Quebec Bridge Co., did you ascertain whether they had been audited from year to year?—A. They were

APPENDIX No. 6

audited every year. Their year-ended 30th June. It ran from 1st July to 30th of June, and there was an audit made every year.

Q. By whom was that audit made, do you know?—A. By an outside auditor. He was not an official of the company's.

Q. And how did the balance struck by this auditor compare with yours?—A. My audit was made in an altogether different manner. I took it out in a different way. He struck off a balance sheet, I did not do so.

Q. What did you do?—A. All I did was to ascertain the cost of the work from 1903 down to the date of my audit.

Q. How did you verify it?—A. By an examination of the books and an examination of every voucher.

Q. An examination of every voucher?—A. Every voucher. I think of all the vouchers there were only four or five missing, probably for one or two dollars. In those cases I examined the cheques and made them duplicate the vouchers.

Q. How many vouchers do you suppose there would be?—A. I have no idea, hundreds of them.

Q. You went into the—A. The actual vouchers and saw they were properly certified and receipted and the entry corresponded in the cash book.

Q. You found the books all right?—A. And the cash books corresponded with the ledgers and so on.

Q. Of course, you did not examine the books previous to 1903?—A. I never saw them before.

Witness retired.

The CHAIRMAN.—Mr. Ross, is there any statement you would like to make on behalf of the Finance Department?

Mr. ROSS.—There is not any statement at present. The records of the subsequent transactions connected with the legislation of 1903 are in the returned produced to the House and which has been tabled here, I think, in a series as Exhibits a, b, and c.

The CHAIRMAN.—There is nothing with regard to which you would like to enlighten the committee?

Mr. ROSS.—Personally I have no knowledge of these matters. What knowledge I have has been gained by me from the record. Perhaps the committee ought to be acquainted with the record which has been handed in. However it is not for me to suggest that.

Mr. BARKER.—I would like if you would just state where it is to be found.

The CHAIRMAN.—It is a return to the House upon a motion of Mr. R. L. Borden.

Mr. ROSS.—I might say that the records of the Finance Department's connection with the Quebec Bridge and Railway Company are contained in the bound books, a, b and c. They are now a part of the returns of the House.

Mr. BARKER.—They had better be exhibited.

Mr. ROSS.—Very well you can mark them as exhibits.

Volumes referred to marked as Exhibits Nos. 41, 42 and 43.

Mr. BARKER.—You see there are lots of matters open to us that we may not have here.

Mr. ROSS.—If the committee wants any explanation from me I shall be glad to afford it.

Mr. BARKER.—We shall have to examine you.

Mr. ROSS.—I was under the impression I was to give evidence this afternoon. I would be glad if the committee would indicate at the earliest possible time when they would like to examine me.

Mr. BARKER.—We will give you twenty-four hours, anyway.

Mr. CHISHOLM.—What does the file produced contain in a general way?

Mr. ROSS.—Perhaps it would not enlighten the committee very much if I explained in a general way.

Mr. CHISHOLM.—What does it refer to?

Mr. ROSS.—The first entry in it is a communication from the Deputy Minister of Railways and Canals, of date September 13, 1900, to the Secretary of the Department of Finance.

Mr. CHISHOLM.—Could you, in a general way, give us an idea what that has reference to?

Mr. ROSS.—It chiefly has reference to the matters immediately subsequent to the legislation of October, 1903.

The CHAIRMAN.—It refers to the financial aspect of the question?

Mr. ROSS.—The issue of the bonds, the guaranteeing of the bonds and payments out on bond account.

Mr. BARKER.—Everything done by the government pursuant to the Act?

Mr. ROSS.—I would not say that, because the Privy Council—

Mr. BARKER.—Are there orders of the Privy Council there, too?

Mr. ROSS.—Some of them are, and some are in the railway return.

Mr. BARKER.—Do you understand, Mr. Ross, that there are some orders in council here, relating to these matters, that are not being exhibited?

Mr. ROSS.—If the return of the Railways and Canals Department has not been exhibited, there are orders in that return not before the committee.

The CHAIRMAN.—There are lots of orders in council referring to the paying of estimates.

Mr. ROSS.—You would not refer to these merely formal orders?

Mr. BARKER.—Not routine orders.

Mr. ROSS.—Not routine orders.

Mr. BARKER.—What I mean, Mr. Chairman, is this: The department may have brought into the House of Commons or the Senate cart loads of papers; they are not before us. We have power to look at them, but what we intend to use should be exhibited here formally before this committee.

Mr. CHAIRMAN.—Who are you blaming for that?

Mr. BARKER.—I am not blaming anybody. Mr. Monk is trying to get everything in in a very general way, but I do not want to be understood as accepting something that has been produced in 1903, 1904 or 1905 before the Senate. That is no evidence before us. It is accessible, but it has not been brought before us.

Mr. BARTHE recalled.

By Mr. Monk:

Q. You are not able, from the books of the company, to say who were represented by proxy at the meeting?—A. No.

Q. Or who were personally present?—A. I could not say.

Q. I think you were asked the amount of stock possessed by each person, do you remember that?—A. I find I haven't that.

By Mr. Talbot:

Q. In connection with that subscription of Mr. Beemer's of 5,100 shares, you told us that the certificate of deposit had been handed over for the 4 per cent of that amount of shares; are you able to tell us how long that certificate of deposit was in the hands of the company before it was produced or put in the bank for realization?—A. It was in the company's safe when I took charge in March, 1897.

Q. When did you take possession of the books, when you were appointed?—A. On the 11th or 12th of March, 1897. The certificate of deposit which was given by Mr. Beemer had been in the company's possession since 1888.

APPENDIX No. 6

Q. From May 19, 1888?—A. I do not know that it was that date.

Q. Here it is here (indicating document)?—A. Yes, that is the date.

Q. And it was when you took charge, when the new company was organized, that certificate was handed to the bank, and you tried to realize on it?—A. Yes.

Q. And you were told?—A. That there was no money to cover that deposit.

Q. Was it covered in any way?—A. Not at all, because it never was paid.

Q. Did Mr. Beemer file any claim for any amount?—A. Yes, he had advanced small sums of money, between \$2,000 and \$3,000, from time to time.

Q. How was that settled?—A. It was settled with the directors by the company allowing him a certain amount of stock, 35 shares in full payment of his advances, and interest.

Q. And the balance was not taken?—A. The balance was not taken.

Q. But was cancelled?—A. As shown there.

Q. The balance of that stock on the list that you have here (Exhibit 28), was paid for in cash, all except Mr. Beemer's, these other documents were all paid?—A. Yes, but as I have already said, four of these amounts were returned to the shareholders. Four of the above shareholders—Messrs. P. Landry, C. Duquet, A. Lavigne, and T. C. Casgrain, took advantage of one clause in the statute of 1897 and requested reimbursement of the amounts paid on their stock, and they were repaid by the new company.

Q. As a matter of fact, those four amounts had all been paid, but Mr. Beemer's had not been paid, although it had been kept in the safe of the company for ten years?—A. For over nine years.

By the Chairman:

Q. He got stock in the new company for the amount of the claim he filed?—A. Yes, stock in the new company.

By Mr. Chisholm (Antigonish):

Q. Was the stock allotted to Mr. Beemer?—A. Yes, it was allotted to him, 35 shares.

Mr. WALSH (Huntingdon)—Mr. Chisholm's question was whether the 5,100 shares were allotted to Mr. Beemer in the old company.

Mr. TALBOT.—\$510,000 in shares were purchased by Mr. Beemer, and on that 4 per cent deposit was covered by a certificate of deposit, and that certificate of deposit was held in the hands of the company for over nine years, and when they tried to realize upon it they found there was nothing there.

By the Chairman:

Q. He paid 4 per cent on the amount of the subscription, and that is what he got the certificate for?—A. He did not pay 5 per cent, there was a call of 4 per cent and he was given a certificate of deposit for that 4 per cent, but there was no money for it; but instead of that, at the time I was told by the late secretary, and it was recorded in the books, he had made small advances in cash to the company amounting to between \$2,000 and \$3,000, and in settlement of that he got 35 shares in the new company.

By Mr. Talbot:

Q. This was posterior to 1897, but up to 1897, as matter of fact, was not Mr. Beemer in possession of \$500,000 worth of shares?—A. Yes.

Q. Upon which a claim of 4 per cent had been made?—A. Yes.

Q. And for which he had been given a certificate of deposit?—A. Yes.

Q. Now, who was president at that time?—A. Colonel Rhodes, I think, the first president of the company.

7-8 EDWARD VII., A. 1908

Q. During that period from 1887 or 1888 to 1897?—A. Afterwards he was replaced by Colonel Forsythe.

Q. Who was president when the company was reorganized in '97?—A. Col. Forsythe was president during the years 1896 and 1897, and at the first general meeting of the shareholders in 1897, Mr. Parent was elected president. He had been elected to the board of directors on the 11th of March, 1897, and was elected president in September, 1897, at the first annual meeting of the new company.

By the Chairman:

Q. Mr. Barthe, I want to ask you in reference to the four old shareholders who were permitted under statutory authority to retire from the old company and to recover their payments into the old company?—A. Yes, sir.

Q. Who secured that legislation, who asked for it?—A. We never quite knew exactly, but I will tell you exactly the facts as I know them about it. During that session, Mr., now Sir Francois Langelier, now judge, was in charge of our Bill, and when the Bill was before the Senate he asked Senator Landry to take charge of the Bill, and we never knew how it was; but when the Bill was returned, it came back with a special clause dealing with the old shareholders prior to 1896 and providing that they had the right to get reimbursed what they had paid on their stock, the 4 per cent paid to the old company.

Q. Was that a Senate amendment?—A. It was a Senate amendment.

Q. And that company never asked for it?—A. Never asked for it.

Q. After that, was Senator Landry a friend of the company?—A. After that?

Q. Has he been a friend of the company thus far?—A. He has never been a friend of the company, he has always been antagonistic.

By Mr. Talbot:

Q. Even when he was a director?—A. I mean from what I know.

By Mr. Barker:

Q. I suppose he was turned out of the Board, was he?—A. No.

Q. Was he re-elected?—A. No, he was not re-elected. Later on, we had even to take a law sui against his paper for certain aspersions it made against the company. I mention that to show he was against the company.

Q. Now, wasn't he turned out of the Board by his colleagues?—A. I do not know about that.

By Mr. Talbot:

Q. Did he not withdraw his qualifications when he got reimbursed and got repaid the money he had put in?—A. Yes, after that general meeting.

By the Chairman:

Q. I am not sure about it, but didn't he once start a rumour that the piers of this bridge were built on silt or sawdust?

By Mr. Barker:

Q. Are you swearing to this?

The CHAIRMAN.—He is under oath.

A. Yes.

By Mr. Barker:

Q. Did you hear him state that as a fact?—A. That was stated in his paper.

By Mr. Monk:

Q. That amendment that you speak of, and which has been referred to by the Chairman, are you sure that it was introduced in the Senate and was not in the Bill

APPENDIX No. 6

when it was in the House of Commons ?—A. I have been so informed by Sir François Langelier.

Q. That deposit receipt which covered Mr. Beemer's 4 per cent and which was in the hands of the company for a time, did not I understand you to say it was a deposit in the Banque du Peuple?—A. It was the Banque du Peuple.

Q. Then the receipt was worthless because the Banque du Peuple had failed ?—A. I do not remember exactly whether it had failed at that time.

Q. But it was a Banque du Peuple receipt ?—A. Yes.

By Mr. Chisholm (Antigonish):

Q. How many shares did Senator Landry subscribe for ?—A. Fifty shares, and he paid at the time in 1888 4 per cent of that, that is \$200 cash.

Q. That is all he paid ?—A. That is all he paid.

Q. Did he keep his shares or withdraw from them ? I understood you to say he withdrew his shares afterwards?—A. Yes, he did, in '98, I think.

Q. How much did he withdraw ?—A. He withdrew his \$200. He was entitled to it by the clause which had been put in the Bill.

Q. There is another gentleman mentioned there as having withdrawn, Mr. T. C. Casgrain, did he do the same ?

Mr. BARKER objected to the question.

By Mr. Chisholm (Antigonish):

Q. I wish to know who Mr. T. C. Casgrain is ?—A. Mr. Thomas Chase Casgrain, the late member for Montmorency.

Q. How many shares did he subscribe for ?—A. Twenty shares.

Q. And did he withdraw his money, too?—A. Yes.

Q. When ?—A. In 1898, within the time specified by the Act. They had one year from the passage of the Act to withdraw.

By Mr. Talbot :

Q. When the new company was organized I think you told us in your evidence that you had \$51 in cash ?—A. Yes.

Q. How much money has the new reorganized company paid to the shareholders of the old company ?—A. They paid back \$460 to the shareholders of the old company.

Q. Have you the names of those to whom the amounts were repaid ?—A. Senator Landry, \$200; C. Duquet, \$100; A. Lavigne, \$80; T. C. Casgrain, \$50.

Q. Was there anything paid by the new company to the old company in order to balance the accounts either in cash or in stock ?—A. We had to pay outside of that to Mr. Beemer, to give him 35 shares for money which we have not got ourselves, because he paid it to the old company, so that we had practically \$3,500 and \$460 paid to the shareholders of the old company which went against that \$51 that we received in cash, so that there was an outstanding liability of \$4,000 that we were charged with when we started.

Q. That you had to pay either in cash or in stock ?—A. That is what we were short of, over \$4,000.

By Mr. Chisholm (Antigonish):

Q. Previous to the reorganization of the company, as I understand it, the shareholders had to pay 4 per cent on their stock subscription ?—A. Yes.

Q. What did the members of the new company, on the reorganization of the company, have to pay ?—A. Twenty-five per cent of the subscribed stock which was \$200,000. I remember well, because we had trouble enough getting \$200,000 subscribed at that time.

Q. What was the original capitalization fixed at ?—A. The authorized capital of the first company was \$1,000,000.

7-8 EDWARD VII., A. 1908

By Mr. Talbot :

Q. There were also two qualifications for directors, the one for the old company was \$2,000 ?—A. That is right.

Q. And the qualification for the new company was put at \$5,000, and they had to pay up 25 per cent ?—A. Yes.

Q. How did that change come about ?—A. When that legislation was passed in 1896 it was by an amendment to the charter made in the Senate.

By Mr. Monk :

Q. In 1906, do you say ?—A. Yes.

By Mr. Talbot :

Q. The amendment was made that changed the qualification ?—A. Yes, that changed the qualification from 20 shares to 50 shares.

Q. Do you know who introduced that amendment ?—A. Do I know who introduced it ?

Q. Yes ?—A. No, I do not.

Witness relieved from further attendance for the present.

Committee adjourned.

HOUSE OF COMMONS,

ROOM No. 62,

THURSDAY, June 18, 1908.

The Committee met at 11 o'clock a.m., the Chairman, Mr. A. K. Maclean, presiding.

Mr. H. M. PRICE, called and sworn and examined.

By Mr. Gallihier :

Q. Mr. Price, where do you reside ?—A. At Montmorency Falls.

Q. Near the city of Quebec ?—A. Yes.

Q. Do you know the Quebec Bridge Company ?—A. Yes.

Q. You are one of its directors ?—A. I have been a director since 1887.

Q. Then you were a director of the old company as well as the present company ?—A. Yes.

Q. What position do you occupy now; what is your business ?—A. My own business?

Q. Yes, your own personal business ?—A. Lumber merchant.

Q. Have you been connected with any other business transactions, associated with any other lines of business, except lumber, Mr. Price ?—A. I have been connected with a great many companies.

Q. You have been a bank manager too, have you not ?—A. Yes, I was bank manager for 20 years, and when I left I was manager of the Merchants Bank of Canada in Quebec in 1884.

Q. Then you have had, in various lines of business, a long experience ?—A. Yes.

Q. You have been a director of the new company since 1889 up to the present time, and you are still a director ?—A. No, I was a director of the old company from 1887, and I have been continuously a director of this company ever since.

Q. You know Mr. Parent, of course ?—A. Very well.

APPENDIX No. 6

Q. He has been associated with you in this enterprise?—A. Yes.

Q. And the other directors, of course, you also know them? Well, the gentlemen you are associated with? By the way, to what extent are you financially interested in the company?—A. To the extent of \$5,200.

Q. Paid up?—A. Paid up.

Q. Fully paid up? Have you had to do with negotiations in connection with the building of this bridge?—A. Yes, as director I have been connected with them all.

Q. What do you say, as a director and as a business man, as to the way in which the affairs of this company have been conducted?—A. They have been conducted absolutely on sound business principles.

Q. They have been conducted on sound business principles. You know of the acceptance of what is termed interim bonds by Mr. M. P. Davis, who had the contract for the substructure?—A. Yes.

Q. Do you know at what price those were accepted?—A. At 60 cents on the dollar.

Q. And for what were they accepted?—A. They were accepted to help the building of the substructure.

Q. For moneys due by the company to Mr. Davis?—A. For moneys due by the company to Mr. Davis?

Q. The company at that time had not the necessary cash to pay Mr. Davis—A. No.

Q. To pay Mr. Davis in money, in cash?—A. No, although the contract called for the payment in cash.

Q. Yes, although the contract so called. Now, for what amount of debt did he take bonds?—A. He took, as far as I can remember, \$472,000 on bonds at 60 cents on the dollar.

Q. This being all for indebtedness due from the company to Mr. Davis?—A. Yes.

Q. As contractor for the sub-structure?—A. Yes.

Q. You have in the course of your business career, I suppose, had a good deal to do with, or if not a good deal to do with, had considerable knowledge of the value of bonds under circumstances of this kind, such as exist in this case?—A. Yes.

Q. These bonds were simply the bonds of the company not guaranteed by anyone?—A. Yes.

Q. What do you say as to these bonds handed over to Mr. Davis at 60 cents on the dollar from a business standpoint?—A. Mr. Davis took them when he could not get anybody else to take them.

Q. You had tried?—A. Yes.

Q. The company had tried to sell the bonds and when Mr. Davis took them you could not get anybody else to take them?—A. No, because there was absolutely, there was practically no security at the back of the bonds or a security, of course, of unknown value.

Q. The security really depended upon the future?—A. Yes, based upon the success of the bridge.

Q. Do you consider that a good bargain, or otherwise, made by the company from a purely business standpoint?—A. Well, when you can only get one man to buy something that nobody else will buy you are generally satisfied with your bargain.

Q. Of course, you have got to take the circumstances into consideration. Taking the circumstances that existed into consideration, do you consider that the company showed good business judgment in making this deal with Mr. Davis?—A. Absolutely so, because if the substructure had been completed and the superstructure had never been completed, the bonds would be absolutely valueless.

Q. And he took that risk?—A. He took that risk.

Q. Mr. Davis accepted those bonds as payment in full of the amount that was due him?—A. Yes, but he had great confidence in the outcome, the eventual outcome, and he took all the risk himself

Q. Now, these bonds were afterwards redeemed at par?—A. Yes.

Q. How long did Mr. Davis hold these bonds between the time he took them and the time he completed his work on the bridge, the substructure? Can you tell us that?—A. Well, I cannot tell exactly. I should fancy it was some two or three years.

Q. Some two or three years?—A. Yes.

Q. Roughly speaking, some two or three years. And was it at the end of that time that the bonds were redeemed?—A. Yes, they were redeemed. The bridge company got the government to guarantee the bonds.

Q. Not those bonds?—A. Not those bonds. Those were redeemed in full in cash.

Q. Yes, but during the time that these interim bonds—we will call the bonds the government did not guarantee—interim bonds——?—A. Yes.

Q. During the time those interim bonds were outstanding in the hands of Mr. Davis——?—A. Yes.

Q. Some two or three years elapsed between the time they were accepted and the time they were redeemed at par?—A. Yes.

Q. And that was while the substructure was under construction?—A. Yes.

By the Chairman:

Q. Did he get these bonds periodically or did he get them all at once?—A. At one transaction.

Q. He never got any interest on the bonds?—A. No, never.

By Mr. Galliher:

Q. I was just following that up. During the time that the work was continued, that is, from the time he took these interim bonds up to the time he completed his work, in the payment of these bonds at par, was he allowed any interest by the company?—A. Not to my knowledge.

Q. Not to your knowledge?—A. Not that I remember, no. I am satisfied that it was a debt, non-interest bearing for the time being, because the interim bonds said that the 5 per cent interest only ran on completion of the substructure?

Q. Yes, on the completion of the substructure, but I want to just make that clear.

Mr. MONK.—Will you allow me a question?

Mr. GALLIHER.—Certainly.

By Mr. Monk:

Q. Ultimately was not the interest fully paid up on the \$472,000 of bond issue?—A. Mr. Davis got his interest when his work, according to contract, was completed.

Q. But my question is whether, when the bonds were totally redeemed in 1904, \$472,000 of bonds, accrued interest was not also paid? I think there is no doubt about that.

By Mr. Barker:

Q. Was there not the sum of \$28,000 paid?—A. Yes, he was paid with interest.

By Mr. Galliher:

Q. Either my understanding is wrong or my honourable friend's understanding is wrong. My understanding is that the interest that was paid to Mr. Davis on these interim bonds was when they were redeemed?—A. Yes.

Q. Was interest due from the time the work was completed up to the time of the——?—A. No, he had no interest due during the currency of the bonds. It was only after the completion of the substructure.

Q. I suppose during all these years that you were connected with this enterprise, Mr. Price—you and the other directors—you had a good deal of work in connection with it?—A. Yes, a great deal of work, a great deal of anxiety.

APPENDIX No. 6

Q. A great deal of work and a great deal of anxiety. I suppose Mr. Parent was your president?—A. Yes.

Q. And I presume he had the greater share of the work?—A. Well, he had nine-tenths of it.

Q. Nine-tenths of the work was on his shoulders. What do you think of him as a business associate in a matter of this kind?—A. I beg your pardon?

Q. What is your opinion of Mr. Parent as a business associate, and from a business standpoint in this matter, with you professionally?—A. Well, I might say that Mr. Parent only came into the company after very great pressure on the part of two of the directors specially, that is Mr. Gaspard LeMoine and myself. We waited on Mr. Parent in 1897, I think it was, or at the end of 1896, and we pressed him very hard to come in as a director of the company, and he refused absolutely to come in. After a time we went back to him and we put fresh pressure on him and we went so far as to say to him that if he would become a director of the company we would pay up his stock and it would not cost him anything. Such was the confidence we had in him, in his administrative ability to bring the enterprise through.

Q. Yes?—A. Mr. Parent refused. He said, 'If I come in I will pay up my own stock, and I don't want a dollar from any of you to help me in this'—

Q. And during your transactions in connection with this matter, from a business point of view?—A. Mr. Parent has always had the absolute confidence of the board, and I have never known any case in which he has not had the board at his back.

Q. And were you satisfied with his work in connection with it?—A. Absolutely. The board absolutely trusted Mr. Parent and on all occasions where they proposed to remunerate his services he has always protested, saying that he did not want to be paid as president of the company. But the pressure was so strong from the whole board that he did accept some compensation for his services.

By Mr. Talbot:

Q. You have always lived in Quebec or near Quebec?—A. No, I have lived in Quebec since 1874.

Q. You have always taken considerable interest in Canadian affairs since you have been living in Quebec?—A. Yes.

Q. Generally?—A. Yes.

Q. Can you tell us how long this question of the bridge company has been before the people?—A. Well, as far as I know the question had been before the people some 30 years before we got our charter in 1887. It had been a live question more or less.

Q. Were there many appeals made to the federal parliament for help in connection with the bridge or financial assistance to secure its construction?—A. Well, for 10 years from 1887 to 1897 we had been continually waiting on the government at Ottawa for financial assistance which had been promised on certain conditions, but one way and another we had never got what we wanted.

Q. When the new company was reorganized, Mr. Price, did any of the shareholders leave the company and go out?—A. Well, I will explain that. When the new company was organized the directors had in the Act—they had a clause by which it was thought advisable as some wanted to get out that the directors would have the option of buying any stock—

MR. BARKER.—I do not want to interrupt, Mr. Chairman, but surely we do not want to prove everything that is in the statute?

MR. TALBOT.—We want to know what has occurred in connection with this company?

MR. BARKER.—Your question was proper enough. You asked him what they did. That is a proper question to answer, but not to go into the history of the thing, and why it was done.

Mr. TALBOT.—Then I will follow up my question by asking Mr. Price the reasons as far as he knows.

Q. Were these shareholders forced out?—A. No. The clause was drawn 'That the directors may repay any of the shareholders their stock.' 'May repay.' The company found out that the word 'may' had been changed in the Act to the word 'shall' and when they found that out it was too late, the Act had been passed. When we got the printed copy we found it out and we had to recoup some \$450 worth of stock in consequence.

Q. Since the new company has been reorganized do you find that things have gone on much more satisfactorily in connection with the bridge question?—A. Well, unfortunately, they did not go along at all until it was reorganized.

Q. So you consider the real work of the company has begun since its reorganization?—A. Yes, there was no life into the company until it was reorganized under the presidency of Mr. Parent.

Q. Since Mr. Parent has become president of the Transcontinental Railway Commission has he continued to show interest in the work of the company?—A. He has shown as much interest as he did previously.

Q. Has he drawn any salary from the company?—A. No.

Q. Since he has become president of the Transcontinental Railway Commission?
A. No.

By the Chairman:

Q. This statement was made by a public man, member of parliament, and I want to see what you think of it (reads):

'We all know that there are very few gentlemen of the city of Quebec really interested in this enterprise. I assert that this company in reality is composed of four or five men at the utmost who have contributed an extremely small sum of money to the capital stock of the company, but who have taken hold of that enterprise with most unpatriotic motives, motives of personal gain and private interest.'

What do you say about that statement?—A. Well, of course, the man who made that statement is utterly ignorant of what the word patriotism means.

Q. There are a great number of shareholders in the city of Quebec interested in the bridge?—A. Yes. If I am not mistaken there are over 200.

Q. And I suppose most of them became shareholders through patriotism to the bridge?—A. Entirely. To help Quebec in this enterprise, entirely from that motive.

Q. I suppose the hope of gain was very remote?—A. Well, it has not appeared so far.

Q. What precautions did the directors take respecting the superstructure, Mr. Price? Do you know?—A. In which particular point? As regards engineering?

Q. The engineering, yes?—A. Well, as far as the selection of the engineer, they took the advice of some of the most prominent people, engineers, on this continent, as to what list they should pick from. A list was made out by inquiries from all quarters as to who were the most prominent people on this continent capable of inspecting such a work and from that list names were gradually eliminated until we came down to the final choice, and that final choice was supported, I think, by some of the most prominent men on this continent. They told us that we had made a right choice in selecting Mr. Cooper.

Q. You got the best man available then?—A. Yes.

Q. Did you not think there should have been another man with him, or did you make any effort in that direction?—A. The company were so generally satisfied that they had the right man and their choice was so generally supported by the engineering profession that they thought they could not have done better.

APPENDIX No. 6

By Mr. Talbot:

Q. Can you tell us if you consider the government made a good bargain in 1903 when they guaranteed the bonds of the company?—A. As far as I can see the government got a good deal for which they did not give anything. For instance, they got under that act some \$265,000 stock, they had the subsidy of \$300,000 from the city of Quebec, and \$250,000 from the province of Quebec, they had the unpaid balance of the subsidy from the Dominion government itself of some \$625,000 or \$650,000, and in addition to that they had the customs that would probably, as they calculated, amount to \$1,000,000.

Q. That is on the material?—A. On the material, a total of \$2,500,000, taking it altogether.

Q. Is it your opinion that the government got rather the better, or did the company get the better of the bargain?—A. I should say that the government got the best of the bargain, because they undertook to give the shareholders back their money with a bonus of 10 per cent, 5 per cent interest, and as it was uncertain how long that might be before it was redeemed, and it has practically lasted ten years, so that if they redeemed it to-day that would be ten times five and the 10 per cent, that would be an average of 60 per cent on the whole investment of the shareholders.

Q. Mr. Price, are you satisfied as a director of the company that the company took all necessary precautions to prevent any accident or collapse?—A. As much as human foresight could accomplish.

Q. You had a Mr. Cooper as supervising engineer?—A. Yes.

Q. What was the reputation of Mr. Cooper?—A. As I have previously stated Mr. Cooper stood, as far as we could ascertain, at the head of his profession.

Q. Did you consider, at the time, that you could have secured anywhere a better man?—A. No.

By Mr. Galliher:

Q. There is another phase of the case that has struck me. Now, apart from the actual bridge which spans the river itself, what other assets have the company in connection with that bridge?—A. They have no assets.

The CHAIRMAN.—You mean the approaches?

By Mr. Galliher:

Q. Well, haven't you some terminals?—A. The approaches go with the bridge, of course you cannot make a bridge without the approaches.

Q. I grant you that, but have you or have you not connection with the terminals of other railways?—A. Yes.

Q. In all, what mileage have you in that respect?—A. I should think about four miles now—no, on one side it is about four miles, on the south side, and on the other side I suppose practically to-day there is, it might be eight miles altogether, that is absolutely built.

Q. That is built?—A. Yes.

Q. Graded and the tracks laid?—A. That is what I understand.

Q. That is in connection with the approach?—A. Yes.

Q. And is part of the assets?—A. Part of the assets.

Q. Of the company?—A. Yes.

By Mr. Barker:

Q. Mr. Price, I suppose in your knowledge of this undertaking from the beginning you can tell us whether this should be rightly considered one of the great engineering works of the century?—A. The greatest.

Q. The greatest and at an enormous probable cost. Will you tell us now roughly in round figures, what the probable expenditure will have amounted to on completion?—A. Between \$6,000,000 and \$7,000,000.

Q. Over and above bonuses?—A. Yes.

Q. You do not mean that \$6,000,000 or \$7,000,000 did not include everything?—A. It is according to how far the approaches were carried.

Q. I am not going into particulars, I want to know in round figures about what would be the ultimate expenditure on the undertaking over and above the bonuses, Dominion, provincial and city?—A. Outside bonuses?

Q. Yes, you see you got a guarantee of \$6,800,000 which indicates that there must have been a very large expenditure?—A. If you deduct the bonuses from \$6,000,000 or \$7,000,000 you arrive at about \$5,000,000.

Q. Your knowledge as a director of the undertaking is that about \$5,000,000 plus the bonuses would have paid for the work?—A. About that.

Q. Will you tell me why you wanted a guarantee of, \$6,800,000?—A. We wanted it to build the bridge.

Q. You wanted it for the money, I suppose, to expend on the undertaking over and above the bonuses?—A. Yes.

Q. Why did you want \$6,800,000 to pay \$5,000,000?—A. If you come to deduct from the \$6,678,000 that the Dominion Government guaranteed, there were a good many things to be deducted from that, discount on bonds and \$1,000,000 in customs.

Q. That is all included in the cost of construction, I do not mean to eliminate the discount and customs, but I want to test your knowledge as a business man of what you were superintending as director. What was this undertaking going to cost you over and above the bonuses of the Dominion and Provincial Governments and the City of Quebec?—A. We estimated \$6,678,000 would cover the cost.

Q. Roughly that was it?—A. Yes.

Q. The bridge would cost \$7,000,000 in round figures?—A. Yes.

Q. Now will you tell me how much money the stockholders of the company put into that undertaking out of their own pockets and apart from anything they received from the company?—A. They put in \$265,000.

Q. That actually went into the work out of the pockets of the shareholders?—A. Yes.

Q. Do you mean that was before the \$200,000 or after the \$200,000?—A. Before the \$200,000.

Q. The \$200,000 that was put in under the last statute?—A. The \$200,000 was part of the \$265,000.

Q. How much outside the \$200,000 did the shareholders put into this undertaking out of their own pockets?—A. The \$200,000 was just as much a part of the \$265,000 as the other.

Q. You need not argue the question, we will take that up separately. Outside of the \$200,000 how much did the shareholders of this company put into this undertaking?—A. \$65,200.

Q. And out of their own pockets; if you remember I said apart from what they drew from the company?—A. What they drew from the company went into their pockets first.

Q. We are not going to catch you in any way; but apart from what they took from the company, or what they drew from the company, what did they put into this undertaking?—A. I have said \$265,000.

Q. No, that includes the money voted to you as directors?—A. You asked me how much they put in the undertaking out of their own pockets?

Q. Independent of what was voted to them by the company and which they put into stocks?—A. Our fees as directors went into our pockets, and from our pockets into the company.

Q. If you are a business man you know what I am asking you, we expect you to be candid in this matter. I ask you again, outside of what was voted to them by

APPENDIX No. 6

the company how much did the shareholders of this company put into the undertaking out of their own pockets?—A. I am unable to say that because—

Q. Well, then, that is an answer, you are unable to say. Now, Mr. Price, you say you hold \$5,200 of fully paid up stock?—A. Yes.

Q. How much of that \$5,200 was paid by you out of your own pocket apart from the money voted to you as director?—A. I never divided it in that way; my fees came to me in the shape of a cheque and the money would go into my pocket, and then I paid my calls out of my pocket.

Q. Will you be good enough to divide it now?—A. I am unable to divide it.

Q. You are unable to divide it, you do not know?—A. No.

Q. You told us you do not know of that \$5,200 how much you paid in cash and how much you paid in money voted to you?—A. No, I never looked it up, it covered a series of years, and unless I went over it and divided it I could not tell you.

By Mr. Monk.

Q. I see by an answer given by the government in the senate that you received up to the month of March, 1908, from the company, \$3,505.92?—A. That would show there was \$1,700, then.

By Mr. Barker:

Q. That you paid out of your own pocket, strictly speaking?—A. Yes.

Mr. GALLIHER.—It would show more than that, as I understand it, because there were payments made in cash to the directors that were not afterwards taken in stock, that is the old payments that were made. So that that amount would not represent that, as there would have to be further deductions from the total amount.

Mr. BARKER.—I am not particular about the exact amount, I am rather putting this question to Mr. Price as a business man for the purpose of testing him to see how much he knew about his own interest in the company.

Mr. GALLIHER.—But I think it is fair to point that out.

Mr. MONK.—That would go rather to contradict the statement just made by Mr. Price.

Mr. GALLIHER.—No, it would go to increase the amount he paid in cash?

A. Very much.

Mr. MONK.—No, it would increase the amount he actually received from the company, but the question that Mr. Barker actually asks is this, 'How much did he pay in cash into the company apart from the amount that he received from the company and converted into stock.

Mr. TALBOT.—The question was, how much did he pay out of the cash he received.

Mr. BARKER.—I am quite willing to leave it as it is, to take Mr. Price's statement just as it is, as indicating his knowledge of the business of this company.

By Mr. Barker:

Q. Now, Mr. Price, when was the sale of \$472,000 of bonds to Mr. Davis—I am not sure those are the exact figures, but you know the sale I mean?—A. I do not remember the date.

Q. I do not want the exact date, but what year?—A. I think it is some eight years ago, I do not know, but something like that.

Q. I am not holding you to a year. About eight years ago the company sold these bonds to Mr. Davis at 60 cents on the dollar?—A. Yes.

Q. And you say that was a good business transaction from the company's point of view?—A. Yes.

Q. I suppose that means, then, that was the full extent of the financial credit of your company at that time; you were worth about 60 cents on the dollar in point of security?—A. I am sorry I do not look at it in the same light as you do

Q. Possibly not, but if you were worth more than that possibly you could sell them for more; you say it was a good business transaction. Did you consider you sold for the full value of the bonds?—A. A good business transaction is generally to get the highest price possible for anything you have for sale.

Q. You thought that was the highest possible price that could be obtained for those bonds at that time?—A. Yes.

Q. I think that is a fair inference, that it is an indication of your financial standing. Mr. Davis had a claim against you for the work he had done?—A. Yes.

Q. Had he any means of getting that except out of you as a company?—A. No.

Q. He had no security at that time?—A. No.

Q. Did his claim bear interest?—A. No, only his claim naturally would bear interest under the common law.

Q. Did it bear interest under the common law?—A. Under this compromise bonds—

Q. I am not speaking of any compromise. When he came to you for that deal he had a claim for so much money?—A. Yes.

Q. Was that claim bearing interest, or was the interest postponed until the completion of the work?—A. The claim was an ordinary one against the company.

Q. An ordinary claim?—A. Yes.

Q. A noninterest-bearing claim?—A. Well, the common law giving any body interest—

Q. Unless he is entitled to it as a matter of law there was no agreement to pay him interest?—A. Not that I can remember, I cannot recall that exactly.

Q. So that when he took \$472,000 in bonds on account at 60 cents on the dollar, those bonds not bearing interest at the time, it just left him where he was with regard to interest, did it not, but he got the bonds?—A. No, he would have interest on his ordinary claim under the common law, whereas he contracted himself out of interest by taking the bonds without interest until the substructure was completed.

Q. You say that there was no contract to pay him interest?—A. Not that I remember, but he had it under the common law

By Mr. Monk:

Q. What is this common law that gave him interest on a claim for work done?—A. Anybody that has a debt owing him has a right to interest on it.

Q. A contractor has, during the pendency of his contract?—A. Yes, if the estimates had been given him, and the amount was due, anything that is past due most certainly bears interest.

The CHAIRMAN.—That would be right, I think.

Mr. MONK.—It is not the law in our province.

The CHAIRMAN.—It must be, certainly; supposing a contractor is entitled to payment on progress estimates and supposing he gets one progress estimate and it becomes due, and then a second estimate becomes due and he does not get the money, he is entitled to interest.

Mr. MONK.—There is only one way he can get interest in our province, and that is by suit at law.

Mr. BARKER.—We had better not argue the law here, let us get the facts.

By the Chairman:

Q. You might make it clear, I do not quite understand, Mr. Price is not making it clear. Now, did Mr. Davis enter into an agreement whereby he abandoned any claim for interest up to the time that the substructure was completed?—A. He did, by accepting that \$472,000 bonds at 60 per cent.

Q. How did that suppress the interest, was there an agreement to that effect?—A. He was only to be paid interest—

APPENDIX No. 6

Q. I want to know if there is an agreement to that effect between Mr. Davis and the company that the interest was postponed until the completion of the substructure? Was it in writing, I have not seen it?

Mr. CHISHOLM.—If I understand Mr. Price right, what he means is this: that when Mr. Davis did his work he was entitled to pay, and that not having been paid he would under the common law be entitled to interest as damages for breach of contract to pay him at that time. As he says these damages, which would be interest, were waived by Mr. Davis by his acceptance of these bonds.

A. In fact, Mr. Davis put himself in a better position by accepting the bonds because he had some security on the work he had already done, prior to that he had no security.

By Mr. Barker:

Q. What you think would be the result of it was that interest was stopped on the \$283,000, which was the equivalent of 60 per cent on the amount of the bonds?—A. Yes.

Q. But he got 40 per cent premium and when the work was completed he got interest on the whole?—A. Excuse me, there was no premium in the matter, there was a discount.

Q. When he got the bonds at 60 he had a premium of 40?—A. That is a discount.

Q. It was a discount to you, but he got a bonus of 40 per cent on the whole. Discount on the one side means profit on the other. He credited you with \$283,000 against the general account?—A. Yes.

Q. And you say that stopped the interest on \$283,000?—A. Yes.

Q. Then he held your bonds and at a certain date he drew 5 per cent on the whole \$472,000, is that right?—A. He got paid cash.

Q. And he got interest, as the accounts will show?—A. He got interest from the date the substructure was completed.

Q. So he stopped interest on his current account of \$283,000 and he got a bond for \$472,000, and that bond on the completion of the work bore interest at 5 per cent?—A. Yes, he got a bond without any security at the back of it.

Q. On which he received the money, that is the evidence we have here?—A. Yes.

Q. That is a good business transaction on the part of a solvent company, I suppose?—A. A company is very fortunate if they can get bonds bought at 60 cents on the dollar without any security at their back.

Q. What were those bonds a charge upon?—A. A charge on the substructure practically.

Q. And I suppose this \$283,000 that he advanced 60 per cent on was a very small portion of the value of the substructure, was it not?—A. Yes.

Q. It was, so there was pretty good security there?—A. The substructure was utterly valueless until the superstructure was put on it.

Q. That would depend upon the mortgage bonds, would it not?

The CHAIRMAN.—Supposing the superstructure were never completed?

By Mr. Barker:

Q. Have you a copy of the bond here?—A. No.

Q. Have you ever seen a copy of the bond?—A. Yes, a great many years ago.

Q. Was there a mortgage in connection with it?—A. It would be an ordinary interim bond.

Q. Was there a mortgage in connection with it?—A. The interim bond always represents a mortgage.

Q. Then there was a mortgage on something on which these interim bonds were issued?—A. Yes.

Q. So he had that, whatever it was, as his security?—A. Yes.

Q. And he took them at 60 per cent and you gave them to him at a discount?—
A. Yes, willingly.

Q. Well, I can see that, very plainly, it was a good thing for him. Without taking these bonds, I suppose he stood in the position of having an ordinary debt at law against you?—A. He was a creditor without security.

Q. Simply on his contract, and you had a large portion of the work done and he had no security whatever except the right to sue you at law?—A. Yes.

Q. And you think it was a good business transaction on the part of your company to give him \$1.00 for 60 cents secured by mortgage on some property?—A. There are various sorts of mortgages, some mortgages are only paper ones.

Q. I know, but this was a mortgage as good as you could give, I suppose?—A. It was the best we had.

Q. You gave him the best mortgage you had upon the work done by himself, on which you had paid large sums?—A. Yes.

Q. And therefore this \$283,000 was secured upon property, a large portion of which had been paid for, and you gave him that on a mere claim that he had the right to sue upon?—A. Yes.

Q. And you gave him a bonus of 40 per cent?—A. No, we did not give him a bonus.

Q. By the way, you gave him 100 for 60, didn't you?—A. There was no bonus.

Q. You gave him 100 for every 60 of that credit?—A. Excuse me, you talk about bonus, I use the word discount.

Q. I am taking it from Mr. Davis' point of view, you gave him \$100 for every \$60 he gave you credit for, that is the transaction, is it not? He realized 100 on the bonds?—A. On the bonds.

Q. And you think that was a good business transaction from the company's point of view?—A. Most decidedly I do.

Q. I suppose it greatly improved Mr. Davis' position?—A. We did not see it by his demeanour.

Q. You did not. It ultimately became very valuable, did it not?—A. Distance lends enchantment to the view sometimes.

Q. Especially when you realize on the enchantment. Now you did inquire about Mr. Cooper, you say. You made a great many inquiries?—A. Yes.

Q. In what capacity did you employ Mr. Cooper?—A. As engineer in chief—as consulting engineer, I should say.

Q. As consulting engineer?—A. Yes.

Q. Who was the engineer in chief, the engineer in charge?—A. Mr. Hoare.

Q. How long have you known Mr. Hoare?—A. How long from now, or from when we engaged him?

Q. From now, say, how long have you known him?—A. I have known him over thirty years.

Q. You are aware that Mr. Hoare was an ordinary railway engineer, wasn't he, on general construction work on railways?—A. Well, I would not class him under the word 'ordinary.'

Q. Oh no, you could say 'superior'?—A. Yes.

Q. He was an engineer on construction work for the railway?—A. Yes, he was an engineer, more than an ordinary engineer, because he was in charge of the whole Lake St. John system.

Q. That is a provincial railway running north for how many miles?—A. Some 200 miles, I suppose.

Q. I think that is a fair statement of his position. He would have the general charge of the construction of that railway and of the maintenance of it, and in that capacity he would have to look after the ordinary bridges on the railway?—A. Yes.

APPENDIX No. 6

Q. Did you know, or do you know, that Mr. Hoare was ever connected with any great bridge construction work, apart from the ordinary bridge on the railway?—

A. I do not know exactly what work he has done; I know he has had a varied experience.

Q. In the way you have spoken of?—A. Generally on bridge work, on railways and on general engineering work.

Q. But are you able to say that you do know he was connected with any large, very large, bridge construction in metal?—A. I believe he built the largest bridge for the Lake St. John, or the Great Northern at Hawkesbury, I believe a cantilever bridge.

Q. He built an iron or steel bridge I presume?—A. Yes.

Q. For the Lake St. John Railway?—A. Or the Great Northern.

Q. Have you had any knowledge, Mr. Price, in your long and varied experience as a bridge director whether these railway engineers design these bridges themselves?—A. Well I presume they are designed in connection with the bridge company that builds the bridge.

By Mr. Monk:

Q. Do you know has Mr. Hoare ever built a cantilever bridge in his life?—A. He was engineer for one. I don't know how far he drew the plans and how far the bridge company that built the bridge drew the plans, but I presume the two heads worked together.

Q. He was engineer for a cantilever bridge?—A. I presume so.

Q. Where?—A. He built the bridge at Hawkesbury, I believe.

By Mr. Barker:

Q. That is the Lake St. John Railway?—A. The Great Northern.

By Mr. Monk:

Q. You say the bridge at Hawkesbury is a cantilever bridge?—A. I think on this subject Mr. Scott would be better posted.

By Mr. Barker:

Q. You don't know?—A. No.

Q. You do know something about these things. Are you not aware that when a railway company is getting a metal bridge constructed it sends to an expert bridge builder all the particulars, the general particulars and gets him to design the bridge?—A. Yes.

Q. So that Mr. Hoare, in doing what you say as engineer of the St. John Railway, would get the design of the bridge prepared by the expert of the bridge company?—A. I presume he would consult with other people, yes.

Q. You know, do you not, that is the practice?—A. Yes.

Q. So that being the engineer of the railway company all he would have to do would be to ascertain the necessary span and the kind of traffic?—A. Yes.

Q. And submit that to the expert engineer of the bridge company, who would design the bridge accordingly?—A. Yes.

Q. And that is the kind of professional knowledge that Mr. Hoare, who was the chief engineer of this immense, world wide, renowned undertaking of yours had, and he was to control and manage it on the spot?—A. Yes. I should say that Mr. Hoare really was the engineer on the spot under Mr. Cooper's direction.

Q. Well I was just coming to that. Mr. Hoare was the engineer in charge?—A. Yes.

Q. Where did Mr. Cooper live?—A. He has a residence in New York.

Q. And has an office there?—A. Yes.

Q. His office and residence were in New York and he was to be consulted by the engineer in charge?—A. Yes.

Q. Did you provide that Mr. Cooper was to pay regular visits to the work?—A. Well he paid the visits that as consulting engineer he deemed necessary.

Q. That is too general. I want to know, as a fact, did you provide in your arrangement with Mr. Cooper that he personally should examine the work from time to time?—A. He was responsible.

Q. I have not asked you that. You know the question I put. Did you provide that Mr. Cooper was to personally visit the work and inspect it from time to time?—A. He would make what visits he deemed necessary.

Q. I did not ask you what he deemed necessary. I asked you did you provide that he was to go to that bridge from week to week, or from any period to another period, and see for himself what was going on?—A. He undertook to supervise the work and make any visits that were necessary.

Q. But you did not provide for any specific visits or any periodical visits?—A. There were no stated ones.

Q. That was left to his discretion entirely?—A. Yes.

Q. By the by, do you know Mr. Cooper's age?—A. I do not know his age. I know it is over 60.

Q. Eh?—A. I know it is over 60.

Q. Over 60. Is that the highest you can go?—A. Well I have not seen him for some years.

Q. Well we will probably get his age exactly. Did you ever see Mr. Cooper?—A. Yes.

Q. At the bridge?—A. No, in New York.

Q. You went to New York?—A. I have seen him in Quebec.

Q. But never at the bridge. How did Mr. Hoare consult Mr. Cooper?—A. Consulted him when he has been in Quebec and also in New York. Mr. Hoare was constantly in New York.

Q. He was constantly going to New York for the purpose, was he?—A. And for other business in connection with the Phœnix Bridge Company.

Q. If he was going for other purposes it had nothing to do with the consulting engineer?—A. Yes.

Q. Did he frequently go to New York to consult the consulting engineer?—A. He went to New York on bridge business connected with the Phœnix Bridge and to see Mr. Cooper, he killed two birds with one stone.

Q. Who else was employed, other than these two gentlemen, in the way you have mentioned?—A. There were inspectors of the work and, of course, the Phœnix—

Q. Was the inspector employed by the company?—A. Yes, employed by the company.

Q. By the Quebec Bridge?—A. By the Quebec Bridge and Railway Company.

Q. Who was he?—A. It was Mr. McClure.

Q. What was he?—A. I suppose he was a sort of—

Q. Eh?—A. He supervised the work personally.

Q. What was he professionally?—A. An engineer.

Q. What was his experience?—A. Varied.

Q. Eh?—A. Varied.

Q. Did he have any knowledge of bridge building?—A. I don't know. I know that he had some experience before he came there and was looked upon as a man quite competent for the position.

Q. Had he any knowledge of the practical work?—A. Yes, the practical work.

Q. A sort of inspecting foreman, I suppose?—A. Yes.

Q. When the catastrophe occurred I understand the engineer had to go to New York to see the consulting engineer?—A. Yes.

Q. Before it had actually taken place?—A. Yes.

APPENDIX No. 6

Q. The consulting engineer did not come to the bridge?—A. No, but he was advised by wire.

Q. So the consultation was, therefore, 100 miles away from the work, you see. Who consulted Mr. Cooper?—A. Well I believe the whole is in that correspondence.

Q. I want to know personally who went to New York to see Mr. Cooper?—A. Mr. McClure, I believe.

Q. Anyone else?—A. I believe Mr. McClure went personally at that time.

Q. Mr. McClure alone?—A. Yes.

Q. So the inspecting foreman on the bridge, there being danger, went off to New York to see the consulting engineer?—A. Yes.

Q. Where was Mr. Hoare?—A. He was on the bridge.

Q. He did not go to New York?—A. No.

Q. And Mr. Cooper did not come to the bridge?—A. No.

Q. Eh?—A. No, except that Mr. Hoare had advised him.

Q. And while they were skipping to and fro the bridge went down?—A. It looks like it.

Q. Now you say you thought the government made a very good bargain in the last deal?—A. Yes.

Q. And you say that they got a large part of their subsidy which was unpaid?—A. They did not pay it. In fact—

Q. That was gained to the government?—A. Yes.

Q. And what else do you say they got?—A. They got \$2,265,000 of stock. They got the provincial subsidy—

Q. That included the money you had subscribed about 20 years ago?—A. No, no.

Q. That \$5,000 was money you paid partly with the votes and partly with cash out of your own pocket?—A. No. There was only some \$200,000 subscribed when the new company paid up I think. The new company I think took over the—

Q. I wish you to leave out of the bargain for a moment the \$200,000 which had not then been paid in. You say the government got \$265,000?—A. Yes.

Q. They got an undertaking that you would find that money, the \$200,000?—A. Yes.

Q. And they got the money that had all been spent some years before?—A. Yes, they had \$550,000 subsidies.

Q. I just wanted to find out. You say they got all. What else do you say the government got?—A. They got a subsidy \$300,000 from the city of Quebec and \$250,000 from the province.

Q. That had all been spent, had it not?—A. Yes, and some \$350,000 of their own money. And then the balance was cancelled.

Q. They were making money very rapidly?—A. Yes.

Q. And this was a good bargain for them?—A. I think so.

Q. But they left the thing in your hands?—A. Well I would like to know what better hands it could have been left in.

Q. I can quite understand that. They did not take the property but they gave it to you and they were making money that way. Was that your evidence?—A. When they guaranteed the bonds we became practically trustees.

Q. You became practically trustees?—A. Yes.

Q. And you took control?—A. Well, trustees generally have control.

Q. But you had a beneficiary control?—A. It was a benefit to the government.

Q. I see you really thought that was a good bargain for the government?—A. That is really what I honestly thought.

Q. To guarantee \$6,800,000 to enable you to go on?—A. \$6,678,000.

Q. Yes, but I was speaking in round figures. They guaranteed that and left you in full control?—A. Yes.

Q. You appointed the engineer and the consulting engineer?—A. Yes.

Q. And they said 'God bless you' and let you go on and make all this money out of it? Is that what your view of it is?—A. You are so difficult to follow when you go into these—

Q. Well I will drop any prayers or anything of that kind. That was really, Mr. Price, what you considered a good thing for the government?—A. That is what I honestly think.

Q. You say the shareholders took the risk?—A. Yes.

Q. What was your risk? You paid up in full and spent it?—A. The shareholders had nothing practically to gain and a possibility of loss.

Q. Your words were the government got everything and you took the risk?—A. Yes.

Q. You had paid up your own stock? For example \$5,200 of yours is fully paid up?—A. And if there was any profit to come out of the bridge we did not get it. The government would take over all our work and the risk we had taken practically for 6 per cent interest.

Q. And, Mr. Price, you really wish us to understand that that \$5,200 of your stock was worth a dollar at that time?—A. It was worth a dollar plus 5 per cent interest and a possible—

Q. No but you were speaking a little while ago of actual values in the market?—A. Yes, I did.

Q. Could you have sold your stock for 50 cents?—A. No, and I would not have sold it for anything under par.

Q. Then your risk was of losing the stock that was worth nothing?—A. I am afraid that you—

Q. I am taking your position as you explained it a little while ago. You said the government got everything and the shareholders took the risk?—A. The shareholders took the risk and they took it to benefit the district.

Q. Supposing the government had not guaranteed this \$6,800,000 what would have become of the concern?—A. Excuse me correcting you, you have \$122,000 over stated the amount they guaranteed.

Q. Well I will say if you like six and a half millions, I am speaking in round figures?—A. I would not like the bond indebtedness increased.

Q. I think you are quite right to be a little touchy on that matter. What is the exact amount?—A. \$6,678,000.

Q. Now then supposing the government had not chosen to guarantee that \$6,678,000, where would your company have been?—A. Where would the company have been?

Q. Yes?—A. Well it would mean that the interim bonds given Davis were valueless.

Q. They would never be worth a cent to the company?—A. No.

Q. You took all the risk of losing that? Is that the risk you took?—A. We had nothing to gain under the Act of 1903.

Q. You had only something to lose? You took all the risk, you say?—A. Yes.

Q. In addition to the \$6,678,000 you had a floating debt, had you not?—A. No. A floating debt? There is always in any company a certain amount of unpaid indebtedness. But we had bonds back of that to pay it.

Q. You had bonds back of that to pay it?—A. Yes.

Q. Now, Mr. Price, you have told us that the affairs of the company were conducted in a businesslike manner throughout?—A. Yes.

Q. You assert that as an ex-bank manager and as a business man?—A. Yes.

Q. Of varied experience. Do you think when you as a company agreed to issue and get in \$200,000 of stock, as a consideration of that guarantee, that it was sound business conduct to pay that \$200,000 out of the proceeds of the guaranteed bonds or any part of that sum?—A. I do not understand exactly the import of your question.

Q. You say the company was conducted on sound business principles?—A. Yes.

APPENDIX No. 6

Q. I think those were your words?—A. Yes.

Q. I ask you, having undertaken to procure subscribed and paid-up stock of \$200,000 as a condition of the government giving you that guarantee—A. Yes.

Q. Was it sound business conduct to use the proceeds of the guaranteed bonds to put into the company's treasury that \$200,000 or any part of it?—A. The \$200,000 was absolutely paid up in cash.

Q. You actually found it out of the proceeds of the bonds at first?—A. Yes, at first, I believe.

Q. And you think that was sound business conduct?—A. Well it was—

Q. Do you think that was sound?—A. It was a book-keeping entry more than anything else.

Q. Then when the government made a condition of your getting this guarantee that you should put up the cash you think it was sound business conduct to simply do it by making a book-keeping entry?—A. I say that actually the \$200,000 was paid-up out of the stock.

Q. Ultimately?—A. Yes.

Q. Yes, but the contract was not that you should do it ultimately. As a consideration for the government's guarantee you were to replace the capital, were you not?—A. It made no difference at all except as a book-keeping entry, the result was the same.

Q. I suppose, Mr. Price, you told the government that, did you?—A. The government generally knows things without being told.

Q. You assumed that, did you?—A. I don't know what we assumed, it is so long ago.

Q. Did you or did you not tell the government, or any member of the government, that you were using the proceeds of these guaranteed bonds to pay that \$200,000, or any part of it, into your treasury?—A. I did not myself.

Q. Did anybody?—A. Beyond myself I cannot speak.

Q. Do you know?—A. No, I do not.

Q. Did you ever hear?—A. No.

Q. Were the directors ever asked by the government if they had found that \$200,000 of paid-up capital?—A. I do not remember. I know that the transaction—the result was absolutely the same, the result was the same.

Q. You knew it was being done in the way it has been done?—A. Yes.

Q. You did know that?—A. Yes.

Q. You did not communicate, I understand, your knowledge that that was being done to any member of the government?—A. It was looked upon as regular.

By the Chairman:

Q. Did you not have a solicitor looking after that?—A. Yes, we have done everything under legal advice.

By Mr. Barker:

Q. Did you consult your solicitor as to whether you could do it in that way?—A. I presume I did.

Q. You either did or you did not, I do not want you to say you presume?—A. Then I will say I don't know.

By the Chairman:

Q. Who prepared the plans of this bridge, was it Mr. Cooper?—A. I believe Mr. Cooper and Mr. Szlapka.

By Mr. Gallihier:

Q. Just to clear up a few points, Mr. Price. I suppose you were not hearing while the bridge was going along, and before this unfortunate accident happened, any comments as to the wisdom of your giving these interim bonds at 60 per cent, to Mr. Davis?—A. It was never questioned.

Q. There was nothing coming up about that?—A. No.

Q. The outside business world were not making any remarks about that?—A. I never heard any comment upon it.

Q. And I do not suppose there would have been any, but for the accident, at the present day?—A. No.

Q. Now, Mr. Hoare was the engineer of construction on the work?—A. Yes.

Q. That was his position, was it not?—A. Yes.

Q. He did not prepare the plans?

Mr. BARKER.—Are you giving testimony or asking questions? You say he did not prepare the plans instead of asking the witness if he had.

Mr. GALLIHER.—Of course as my honourable friend wants the examination to be confined strictly to rules of court—

Mr. BARKER.—There is a great difference between asking a question and telling the witness that a person did a certain thing. Let us have a little moderation.

Mr. GALLIHER.—Does it make any difference whether I ask the witness 'did not Hoare prepare the plans' or 'who prepared them'?

Mr. BARKER.—It is a different thing for you to tell him that Mr. Hoare or somebody else prepared the plans.

The CHAIRMAN.—You had better go on and ask the question.

By Mr. Gallihier:

Q. Did Mr. Hoare prepare the plans of this bridge?—A. No, I believe Mr. Szlapka in conjunction with Mr. Cooper.

Q. Did Mr. Hoare have anything to do with the designs of this bridge?—A. No, I believe not.

Q. With the passing on the plans or designs of the bridge?—A. No, he had no authority in that way.

Q. By whom were they passed upon?—A. Mr. Cooper.

Q. Mr. Hoare was the engineer on construction?—A. On construction, yes.

Q. How did the material come to build the bridge from the contractors, the Phoenix Bridge Company? By that I mean did it come in accordance with plans and specifications?—A. It came absolutely according to contract. There was a certain—

Q. And what were Mr. Hoare's duties when the timber, or iron, or whatever material it was came there?—A. His duty was generally to look over and see that everything was according to the contract and he reported to Mr. Cooper from time to time. He took his orders—

Q. What about the placing of the material in the structure?—A. That was in the hands of the Phoenix Bridge Company absolutely.

Q. Those were his duties and he performed those in connection with the construction of the bridge?—A. Exactly.

Q. Now clear up the matter of the \$5,200 which you took out in shares. I find on September 3rd, 1901, a vote of \$10,000 to the shareholders of which an amount of \$795.92 was allowed to you as one of the directors?—A. Yes.

Q. That \$795.92 was used by you in taking 800 shares?—A. \$800.

Q. \$800 of shares rather on the 15th January, 1902?—A. Yes.

Q. Making the difference I suppose between \$795 and \$800?—A. Yes.

Q. That represents \$800 that you got by vote for services that you invested in shares?—A. Yes.

Q. On September 2nd, 1902, I find a vote of \$5,000 for the same purpose and you received the sum of \$400?—A. Yes.

Q. You re-invested that, taking that amount in shares?—A. Yes.

Q. That makes \$800 and \$400. Later on there was another \$400 on the 1st October, 1903, which you also took out in shares?—A. Yes.

APPENDIX No. 6

Q. Making in all \$1,600 that you paid in for shares out of moneys that you had received?—A. Yes.

Q. That sum deducted from \$5,200 would leave \$3,600 of actual money put in by you out of your own pocket outside the moneys voted you which you put in?—A. Yes, I took \$3,500 as per that return. I took the honourable member's question to mean what was the difference between the \$3,500 that I had received and the \$5,200 of stock. Of course, I had paid out a good deal in cash but I took it to be the total that I had received as per that return in stock and the total of—

Q. I merely want to clear up, what did not seem to have been made very clear, the amount that you had actually paid?—A. In cash?

Q. Out of your own pocket, independent of these votes, out of the \$5,200 of stock?—A. Yes.

By Mr. Monk:

Q. It is not a very important matter but that part of your examination, I think requires to be cleared up. Are you in a position to tell us to-day how much you received from the company for services or otherwise?—A. No, except by that return I see I have received about \$3,500, but I bought a good deal of stock and paid for it in cash previous to that. But, of course, since then my fees have come up to \$3,500 in all.

Q. You cannot tell us how much you received from the company?—A. No, except by that return.

Q. That is the only source of information you have?—A. I should say it would be about that. That would be about 7 years' fees at \$500 a year.

Q. Can you tell us how much you paid into the company in cash?—A. \$1,700, the difference between the total of my fees and the total of my stock.

Q. Is that correct?—A. That is correct.

Q. You said that Mr. Hoare reported from time to time to Mr. Cooper?—A. Yes.

Q. Have you any personal knowledge of that? Do you know that he reported?—A. Yes, because it came up at the Board meeting.

Q. Were these written reports he sent to Mr. Cooper?—A. Yes.

Q. On the bridge work?—A. Yes, on the bridge work. He constantly reported to the board.

Q. He constantly reported to the Board that he had reported to Mr. Cooper?—A. All the time, he was keeping him posted.

Q. Do you know if he made reports in writing?—A. Yes.

Q. How do you know that?—A. Because at the Board meeting he reported that he had written. He would sometimes read his report to Mr. Cooper. He practically always attended.

Q. Did you ever see any of these written reports?—A. Well he would come to the Board meeting sometimes and read us the things he had written to Cooper and extracts from his reports.

Q. Did you go down to New York when the engagement of Mr. Cooper took place?—A. I was in New York on other occasions with the Hon. Mr. Parent.

Q. Did you see Mr. Cooper?—A. Yes.

Q. Were you present when his services were engaged?—A. Well I do not know whether it was the very day, but I was there on two occasions, I remember, at the commencement when we first discussed it.

Q. Did you confer with any other bridge expert, apart from Mr. Cooper, before undertaking the work?—A. Not myself personally, but we made a great many inquiries in the United States with reference to all the leading bridge engineers.

Q. Do you know if Mr. Cooper came often to the bridge during its construction?—A. I do not know the exact number of times, but they were limited.

Q. Can you speak as to about how often he came?—A. I could not say.

7-8 EDWARD VII., A. 1908

Q. Did you hear of the possibility of an accident to the bridge before the accident actually occurred?—A. The directors never heard one single remark about any danger or any possibility of it.

Q. Was any report made to you that anything had gone wrong with the bridge at any time?—A. No.

Q. The first you heard that anything had gone wrong—A. Was the fall.

Q. You never heard any report before that?—A. I never heard one single word as to the danger.

Q. Are you aware that some defect had become manifest before the accident?—A. I saw there were defects in the report of the Royal Commission.

Q. That was the first you heard of it?—A. Yes.

Q. Now, Mr. Price, were you and your co-directors in Quebec at the time of the accident?—A. Yes—well, I can't say they were all there, I was there, I know.

Q. The others are all residents of Quebec, are they not?—A. Yes.

Q. Can you give us some idea of the financial position of the company to-day?—A. Well, it is an unknown quantity.

Q. But are you not in a position to give us some statement of its liabilities to-day, at the present moment?—A. The liabilities? If everything were carried out according to the existing legislation there would be about enough money to pay the obligations and to complete the work.

Q. But to-day, is it your opinion as a business man that there are enough assets to meet liabilities?—A. There were, I am speaking of conditions before the fall, of course.

Q. I am speaking of now, since the accident.

By the Chairman:

Q. Have you any money?—A. Practically nothing.

By Mr. Monk:

Q. Is there a large floating debt to-day?—A. No, I do not think so.

Q. You say there is not?—A. No, not a floating debt.

Q. What would be the extent of the floating debt to-day?—A. The floating debt is practically nothing.

Q. It has no liabilities outside the bond issue to-day?—A. No.

By the Chairman:

Q. Or what you might owe the Phœnix Bridge Company, whatever that is?—A. What we owe the Phœnix Bridge Company, but it is impossible to say whether that is a liability or not.

By Mr. Monk:

Q. Have the directors conferred among themselves with reference to that, have you had any sittings since the accident?—A. Several.

Q. And what is your position with regard to the Phœnix Bridge Company?—A. It is undefined.

Q. Is that company solvent to-day?—A. It depends upon where the liability rests for the fall of the bridge.

Q. If that liability exists would you call it a solvent company?—A. I am afraid they could not stand the blow, that is my own private opinion.

Q. Was the bridge insured at any time?—A. No.

Q. Is there any such a thing as insuring a bridge under construction?—A. I have heard there is some company does it, but in this case I do not know that there is such a thing.

Q. You never inquired?—A. You can do it with buildings, but I do not know if you can with bridges?

APPENDIX No. 6

Q. The Board never inquired as to that?—A. No, it was not the Board's liability.

Q. It was not the Board's liability?—A. No.

Q. Whose liability was it?—A. The Phoenix Bridge Company's.

Q. What was the extent to which the Phoenix Bridge Company had been paid upon its contract at the time of the accident?—A. Some \$3,000,000.

Q. What was the total amount of the contract?—A. It was difficult to say, they were paid so much per pound upon the metal that went into the bridge.

Q. You have had, therefore, an insurable interest in reference to \$3,000,000 of material that had gone into the bridge, that belonged to the company?—A. Yes.

Q. As to the terminals, are you able to say approximately how much has been spent upon the terminals, that is the railroad approaches to the bridge?—A. I think some \$700,000.

Q. On the approaches?—A. I think so.

By the Chairman:

Q. That is outside the piers?—A. Yes.

By Mr. Talbot:

Q. Is that in construction or for the purchase of land?—A. I think the last balance sheet shows that?

By Mr. Monk:

Q. Has there been any expropriation of land?—A. Yes.

Q. Do you know approximately what has been spent on land?—A. No, I do not know the total cost.

Q. Can you give any figure?—A. No, of course it goes into the cost of approaches.

Q. Can you tell me in whose name the approaches are vested, actually vested?—A. The Quebec Bridge & Railway Company.

Q. Are there none of these approaches vested in other names?—A. Not that I am aware of.

Q. Are there any options existing as regards property in the vicinity of the bridge?—A. No, I think not.

Q. Are you sure that there is no such thing as options existing?—A. Of money that the company have paid out?

Q. On any land approaching the bridge for the purpose of the bridge, any option?—A. By whom?

Q. That is what I am asking you?

By the Chairman:

Q. Mr. Monk wants to know if the company holds to-day any option on lands in connection with their undertaking?—A. The company, naturally, where they are making approaches get offers from people before they build, instead of expropriation they get offers from persons for the purpose before they proceed to expropriate.

By Mr. Monk:

Q. Do these offers exist to-day to your knowledge?—A. I do not know what exists to-day, but of course there have been offers, and where they were not acceptable the company has in every case gone to expropriation.

Q. Where would these offers be?—A. With the secretary.

Q. From the north end of the bridge towards Quebec are there any options at present in force in favour of the company or for the company?—A. I do not know what options are existing to-day, but all purchases are approved of by the Board.

Q. Do these purchases appear on the minutes of the Board?—A. Yes.

By Mr. Barker :

Q. Did you make any inquiry on behalf of the Quebec Bridge Company as to the stability, financial and otherwise, of the Phœnix Bridge Company when you made the contract with them?—A. Yes, we considered that they had been generally successful in all their undertakings.

Q. Did you make any inquiry into their financial position?—A. Their financial position?

Q. What was the capital stock of the company?—A. I believe the capital is limited, I do not know exactly what it is.

Q. Their capital is limited, of course, what would you say it was, \$50,000?—A. Yes, a great deal more than that.

Q. \$100,000?—A. About half a million, but of course it was not altogether their financial standing, but their character—

Q. I am not speaking of their reputation as bridge builders, but as to their financial capacity for carrying out this contract. What did you ascertain as to their capital?—A. We understood that their capital was limited, but they were well supported by the Phœnixville Iron Company, an independent company, a very wealthy corporation.

Q. This bridge company that you contracted with was an offshoot of the Phœnixville Iron Company?—A. Yes.

Q. The Phœnixville Iron Company was a concern that had various offshoots for undertaking contracts?—A. I do not know of any offshoot except the Bridge Company.

Q. That was one of them?—A. Yes.

Q. You did not get any contract from the Phœnixville Iron Company?—A. No.

Q. You took this allied company?—A. Yes.

By Mr. Monk :

Q. Had you a report from any Mercantile Agency as regards the solvency and stability of this company?—A. Yes, we made general inquiries from bankers, I remember on one occasion Mr. Parent and myself were in Philadelphia, and we went to see Drexell & Co., bankers, and they spoke most highly of them, and they were the financial backers of the bridge company with whom we were then discussing the contract.

By Mr. Walsh (Huntingdon) :

Q. Was there a statement from R. G. Dun & Co. before the Board in regard to this company?—A. I presume there was, I do not know that, but we made a personal visit to Philadelphia, and examined into their financial standing, and one of the greatest bankers in Philadelphia, Drexell & Co., spoke most favourably of their ability to carry out anything they undertook.

By Mr. Monk :

Q. Do you know where that report of R. G. Dun & Company is?—A. No.

Q. Do you know that this company was organized for the purpose of building this bridge?—A. No, it has been in existence for a good many years.

Q. Has it built any large bridges?—A. Yes, a great many.

By the Chairman :

Q. It has built bridges all over the world, hasn't it?—A. Well, all over this continent, I know.

Q. Didn't they build a bridge in Africa?—A. Yes, I believe they did, on the Nile there.

APPENDIX No. 6

By Mr. Monk :

Q. Do you know anything about Mr. Szlapka?—A. No, except by reputation.

Q. Do you know if he designed the bridge himself?—A. I believe he did.

By Mr. Gallihier :

Q. In speaking about the liabilities of the company, in answer to Mr. Barker, you stated, I think that you have practically no liabilities outside the liabilities on the bonds?—A. Yes.

Q. Did you take into consideration your Bank of Montreal account? Is there a liability, special account, or otherwise?—A. Well, if the bonds were all paid up and redeemed that liability would disappear out of the proceeds.

Q. That may be, but is there an existing liability with that bank?—A. Yes, there is one.

Q. Do you know the amount as to that, Mr. Price?—A. Some \$400,000, I think—not exactly.

Q. It is in the evidence that it is \$174,434.31; I merely wish to draw Mr. Price's attention to the matter, which I thought he had forgotten.—A. Yes.

By Mr. Monk :

Q. Do you know that there is \$174,000 due to the Customs Department of the Government?—A. Yes, but when I spoke of liabilities I thought you put it in the light, was there any liability accruing to the company that we had no assets to redeem?

Q. No, any floating liability?—A. Yes, but the floating liabilities would be wiped off by the realization of the bonds.

By Mr. Barker :

Q. If sold?—A. Yes, presuming they were sold.

Q. Do you not owe the government a very considerable sum?—A. I think the government owe us.

Q. Have not the government redeemed a certain portion of the Bank of Montreal claim?—A. Yes, but then the—

Q. Don't you owe them that money?—A. Well, we do, but there is an asset against it.

Q. What asset is against it?—A. The bonds.

Q. Which the government guarantee?—A. Yes.

By Mr. Chisholm :

Q. Leaving out the shareholders and the compensation to the directors?—A. Yes.

Q. The disbursements made to the directors were for the whole amount of their compensation?—A. Yes.

Q. Now, coming back to the meeting of the shareholders, was there no understanding or agreement between the shareholders and the directors that the compensation to the directors should be used in the manner that it was afterwards used?—A. All grants to the Board were seconded by vote of the shareholders, proposed and seconded at the annual general meeting.

Q. And the purchase or the buying of stock to the amount voted by the shareholders was a matter agreed upon amongst the directors themselves?—A. Entirely.

Q. And the shareholders did not suggest it, or make an agreement that it should be applied in that way?—A. No, the directors bought the stock entirely to help the finances of the company.

Q. You could have put that money in your pocket?—A. Yes.

By Mr. Talbot:

Q. Have all the moneys raised by the company been spent for no other purpose than construction?—A. For the purpose of construction?

Q. Yes, are you aware that any of the money that has been raised has been spent for any other purpose than construction?—A. Oh yes, the general expenses of the company, of course, were paid out of that.

By Mr. Chisholm:

Q. That is practically construction?—A. Well, if you include that in construction.

Q. Are you aware of any expenditure in any shape or form whereby any of the shareholders or directors or anybody else may have benefited improperly by it?—A. I can honestly declare that not one single dollar, to my knowledge, has gone out of this company to any source whatever except what has been told to this committee, and except it is perfectly legal in every way.

By Mr. Monk:

Q. Are you aware of a resolution passed at a meeting of the shareholders in which reference is made to the payment of moneys to your co-directors and yourself on the understanding that it is to be taken out in stock? Were you aware of such a resolution?—A. Well, I do not know whether there was a resolution to that effect, but that was the understanding that we were to take stock for the amount of our fees.

Mr. CHISHOLM.—That understanding was amongst the directors?

By Mr. Monk:

Q. I am speaking about a resolution by the shareholders, you are sure there is no such resolution?—A. No, I do not remember any such resolution nor do I remember it ever being discussed at any meeting of the shareholders.

Q. Or any resolution of the shareholders confirming any resolution of the directors in which that understanding is incorporated?—A. As regards the application of the fees?

Q. Yes?—A. No.

Q. Do you say none that you know of, or that there is no such resolution?—A. I am satisfied it was never discussed by the shareholders.

By the Chairman:

Q. But that was the understanding among the directors?—A. That was the understanding.

Q. At one time the company wanted to have another consulting engineer as an assistant to Mr. Cooper, didn't you?—A. Yes.

Q. And Mr. Cooper objected to it, did he?—A. Mr. Cooper said if a consulting engineer were appointed that he would resign immediately.

Q. He did not want to have any divided authority?—A. He said he was competent himself and did not want any one else there.

Witness discharged.

Committee rose.

The Committee resumed at 4 o'clock, p.m.

Mr. H. M. PRICE.—Mr. Chairman, I desire to make a statement before you proceed further in connection with my evidence this morning. I believe there was some little misapprehension as regards my answer to the question about the \$200,000, if the \$188,721 was paid out of the bonds. We had previously been speaking of \$188,500,

APPENDIX No. 6

and Mr. Barker had said he was only dealing in round figures, and I was thinking of the \$188,500 as being \$200,000, as he was speaking of round figures; I said it was absolutely paid out of the bonds; that was done but it was corrected afterwards by a cross-entry in the books. I would like the question to be read to me so as to be certain there was no mistake in my answer.

The CHAIRMAN.—I do not think there is any misapprehension, Mr. Price, I understood it that way and the other members of the committee so understood it.

Mr. PRICE.—Some of my friends were under the misapprehension that I had confused that \$200,000 stock subscription. I think I made the point clear that the \$200,000 stock subscription was absolutely paid in cash.

The CHAIRMAN.—Yes, you made that quite clear. It was first settled by taking something from the bond account, but it was afterwards transferred back. I think you made that quite clear.

Mr. MONK.—It is clear from the documents.

Mr. GASPARD LEMOINE, called, sworn and examined.

By Mr. Galliher:

Q. Mr. LeMoine, where do you reside?—A. At Quebec, sir.

Q. How long have you been living in Quebec?—A. Since I was born.

Q. What is your position there now?—A. I am a merchant.

Q. Have you ever been associated with other institutions in an official capacity?—A. I have been president and vice-president of the Quebec and Lake St. John Railway, a director of the Quebec bank and have been associated with other institutions as well.

Q. You are a director of this Quebec Bridge Company?—A. Also a director of the Quebec Bridge Company.

Q. How long have you been director of this bridge company?—A. Since the beginning, I think, since 1887.

Q. Since 1887?—A. Since the company was organized.

Q. That company was reorganized in?—A. 1897, I think.

Q. You were a director of the old company as well as a director of the new?—A. Yes, from the beginning.

Q. What was the condition of the old company at the time of the reorganization?—A. Well, the old company had been working with small capital and making every effort to induce the governments and the city corporation to come in line and help with the building of that bridge, and finally Mr. Price and I thought that if we could interest Mr. Parent, who was the then mayor of Quebec and premier of the province, and who had given so many proofs of his ability to do things, we might attain our end. We went to him and, as Mr. Price said, we got him to come in if we could secure promises of aid from the different governments, and he came in.

Q. And at the time of the reorganization had you anything? What was the financial condition of the old company?—A. No, the old company had spent whatever money was paid in—4 per cent was paid in on the old shares—and that had been expended in connection with the expenses and for surveys.

Q. Had you at that time any portion of the substructure constructed?—A. No, the substructure had not begun, there were different sites surveyed and these were approved of by the government.

Q. So that actually all the material and work in connection with the construction of the bridge was supplied and done after the reorganization?—A. Yes, all the actual work on the bridge was done by the new company.

Q. What interest have you in the company?—A. \$5,000 shares.

Q. A portion of that was money paid directly by you for shares?—A. The money was paid by me.

Q. There was some portion of it was paid directly by you for shares in the company?—A. Well, I cannot answer that unless you finish the question.

Q. And the remainder of it was paid out of money you received for services as director, from the company?—A. I think it would be better to say that I paid the money and that I got so much as fees, because the fees were not paid all at the same time, some when the new shares were taken, and moreover when we got those fees there was no understanding with the shareholders that we were to take those shares. I considered it was my own money.

Q. But you did turn back into shares a certain amount of that money?—A. I did take some shares in the undertaking.

Q. All your charges are paid up in full?—A. They are all paid up in full.

Q. Now, I suppose you were present at the majority of the meetings of the board of directors?—A. Yes, I was present at most of the meetings.

Q. And you were in close touch with the business as it was carried on?—A. Yes.

Q. You knew the arrangement with regard to the employment of Mr. Cooper?—A. Yes.

Q. And did you, as a director, satisfy yourself as to Mr. Cooper's standing?—A. Yes, I was perfectly satisfied, we had different recommendations, and then the president and Mr. Price went to New York and they saw Mr. Cooper and we were generally satisfied he was the best man to be had in America.

Q. From enquiries you came to that conclusion?—A. Yes.

Q. Now what do you say as to the manner in which the affairs of your company had been carried on up to the time of this disaster—since the reorganization—up to the time of the disaster?—A. In a general way they were carried on in a businesslike manner, like any other company I have been connected with, and they were all honestly carried on.

Q. They were all honestly carried on?—A. Yes.

Q. And the moneys received, either from the sale shares or from other sources, was expended in what way?—A. All money received from the shareholders or from the different governments or the bonds was expended in the construction of the bridge and the running expenses of the company.

Q. You knew of the issue of the interim bonds to Mr. Davis?—A. Yes, they were issued according to the contract.

Q. What do you mean by the contract?—A. Well, there was a contract entered into with Mr. Davis for building the substructure; I think that contract is on file here.

Q. But that contract did not call for the issue of bonds as payment?—A. That contract called for 20 per cent in bonds to be taken at 60 per cent and they were to bear interest after completion of the substructure.

Q. At that time the company were indebted, as I understand it, to Mr. Davis in a considerable amount?—A. Not when the contract was made.

Q. The contract was made in the beginning?—A. Yes.

Q. And when did Mr. Davis accept these interim bonds?—A. He accepted them right along. They were to be paid on monthly estimates, I do not know if they were paid every month, but they were to be given out on a monthly estimate.

Q. What means had you of meeting the payments as they became due to Mr. Davis?—A. The subsidies paid 80 per cent, that is from the two governments, and the bonds paid the balance, and what money we had went to pay the running expenses and other things.

Q. Did Mr. Davis take the interim bonds to a greater extent than 20 per cent?—A. Greater than 20 per cent?

Q. Yes?—A. I do not think that he did unless—there were further works made later on, I could not say if he had more than his proportion of interim bonds on that. The debt was greater than first estimated and he had to go deeper and that increased the total amount; I could not say exactly how much he had.

APPENDIX No. 6

Q. Speaking of the bond transaction with Mr. Davis, and taking into consideration all the circumstances at the time, as a business man, what would you say, what is your opinion as regards the advisability of doing so by the company?—A. Well, first of all the company had not much choice, but we thought that Mr. Davis was rather liberal, he waived the interest for two or three years, which was so much to his loss, on these bonds, and then, when I saw later on that on the bonds endorsed by the government he could only get 8 per cent, his taking these bonds at practically about 75 was a good price for them.

Q. You thought that the price at which he took them, considering the price they were receiving for bonds of that nature, was very good?—A. Was very good, and his only security was that the bridge would be finished, and if it was not finished his bond, which was secured on these piers, would be of no value whatever.

Q. Have you any other experience in regard to other bonds of institutions with which you have been connected yourself?—A. Well, we have sold some Lake St. John bonds in England, but these were peculiar bonds, the interest on them was guaranteed for 10 years by the local government, and they sold at about 80, they bore the government guarantee for ten years.

Q. But bonds of this nature without any guarantee, simply bonds issued by the company, have you had any experience with them?—A. There was the Quebec Northern Construction bonds. I was interested in their behalf, and the price was fixed at 60, they were pooled, and they were not sold at 60.

Q. Were they offered at that?—A. We could not get a sale at 60, they were pooled and could not be sold at less than 60, later on they were changed, endorsed by Mackenzie and Mann, but then they were not sold at 60, I think their value was about 52 or 55.

Q. And were these original bonds?—A. They were first mortgage bonds on the road.

Q. But not guaranteed by anybody?—A. Guaranteed by nobody, but they were first mortgage bonds on that road.

Q. You say that you weren't interested in those bonds, were you?—A. I was interested in the Construction Company.

Q. And the price at which they were to be offered was fixed you say at 60?—A. At 60, they were pooled and we had the right to sell them at anything over 60.

Q. At anything over 60?—A. I think that was the proposition, 60 or over.

By Mr. Monk :

Q. I see from an answer given to a question put to the government on the 7th of March last in the Senate that you received from the company the sum of \$3,280.95, is that correct?—A. Well, I would say if it is given by the government that it is right, but I never added it. That would make, well, I suppose it is something like that.

Q. The \$5,000 interest you have at present is represented by that sum and the balance you paid in cash?—A. I do not admit at all it is represented by that sum.

Q. You don't admit that? Well, that sum was due?—A. Well, some of it was used in my own private expenses, more or less ordinary, I suppose, but it was not used to buy those shares.

Q. Are you prepared to tell the committee how much of these \$5,000 shares you purchased you paid for in actual cash, and how much represents what was allowed to you for your services in the company?—A. I could not say anything else but that I received so much in fees, and that I have so many shares paid up, but I cannot say how much went for this and how much went for that.

Q. Is it not a fact that the cheque you got at different times for these services was immediately handed back to the company for these shares?—A. I think it was twice, or perhaps about three times, but that was a small proportion of that \$3,000.

Q. It was not done every time?—A. No.

Q. Are you sure the shareholders were not a party to that arrangement?—A. Well I am sure as much as I can be, I am a member of the board, and I was at the meetings, and there was no talk about at all the meetings, I never heard tell about it.

Q. It was mentioned in the minutes of the Board?—A. I do not know whether it was or not.

Q. There is no doubt about it?—A. It might be, I do not know.

By Mr. Gallihier:

Q. Was it mentioned in the minutes of the Board that they should do this, or that they would grant to the directors those fees?—A. No shares were granted to the directors.

By Mr. Monk:

Q. I find a directors' resolution on the 15th of January, 1902, whereby the directors agreed among themselves to purchase \$10,000 stock, the above amount to be allotted on the basis of attendance?—A. That was done after the money had been voted by the shareholders, that was afterwards.

The CHAIRMAN.—They could not vote it themselves, the shareholders would have to do that, that is all in the record and the record also shows how many shares each man got for it.

A. We agreed to do that to help the company.

By Mr. Monk:

Q. Then there is a resolution dated the 20th of October, 1903, by which the directors agreed among themselves to purchase \$5,000 stock with the condition that it be allotted on the basis of attendance and the following was the resolution—A. That is all right, that is the directors' meeting.

Q. I do not suppose they would have voted any money to themselves except under those conditions, would they?—A. Well, it is the shareholders voted it, it was not proposed by ourselves, the shareholders wanted to do it. Mr. Parent did not think then it should be voted, that is as far as I can remember.

By the Chairman:

Q. Did you have to devote much time to the business of the company?—A. We had occasional meetings, and we had to go there pretty often and see about things, and there was a good deal of property in regard to the expropriation of which some of the directors were called upon to investigate and report to the Board.

Q. Which would require considerable time?—A. Yes, time and insight.

By Mr. Monk:

Q. I understood you to say that according to the terms of the contract 20 per cent of the money due the contractor was to be paid by bonds at 60, and that is why I read the contract, this is the contract for the construction of the substructure?—A. Yes, the contract is here.

The CHAIRMAN.—That is in evidence here.

By Mr. Monk:

Q. Do you remember the date approximately of that contract?—A. Somewhere around 1900.

Q. Had the Board at that time made any effort to place its bonds anywhere?—A. No, no effort had been made. We inquired about the value of the bonds at the bank, but we thought it was much better to place them with the contractor.

Q. Was there no public steps taken to negotiate the bonds?—A. No, they were not negotiable at all—on a bridge that was not built.

APPENDIX No. 6

Q. Did you go to the United States at all in regard to making a contract or consulting with engineers with regard to the plans?—A. No, I never went to the United States.

Q. Had you any occasion to examine the plans yourself at any particular time?—A. We examined the specifications and I had a general idea, but I never examined the detailed plans, they were made later after the contract was given.

Q. Do you know if these plans came under the consideration of the government at the time the government began paying the million dollars subsidy?—A. Everything had to be submitted to the government before anything was done.

Q. And that was done?—A. It was done, I always understood it was.

Q. Do you know whether these plans came again under the consideration of the government when the bond issue for \$6,000,000 was floated?—A. I do not know if they were submitted the second time, but I know that they were submitted to the government.

Q. Did you have any knowledge at all, as a director, or warning of the accident? That is to say, what took place before the accident that led to the communications being had with the consulting engineer, Mr. Cooper?—A. I had none.

Q. Your co-directors and yourself are all residents of Quebec, I believe?—A. Well there is Sir Hugh Allan and there is the representative of the Quebec Central Railway.

Q. He does not reside in Quebec?—A. He does not reside in Quebec.

Q. Is Sir Hugh Allan a director?—A. Sir Hugh Allan is a director.

Q. Have you any knowledge, Mr. LeMoine, of the way in which the \$200,000 new stock stipulated for by the government in 1903 was taken up?—A. It was taken up, by these new shares being sold to different parties.

Q. Do you know if it was all taken up?—A. It was all taken up, yes.

Q. Was there a subscription book, to your knowledge, in which these shareholders signed their subscription of stock?—A. Well, I really could not say, but there must have been. There was a subscription book for the company.

Q. You did not take any of that new stock?—A. I took some at that time, I only had \$2,000 and I think it was increased then.

Q. Do you know if all that stock was fully paid up in cash before the bond issue was made?—A. Yes, it was all paid up in cash.

Q. Therefore you know that clause 4 of the agreement of the 19th of October, 1903, between the government and the Bridge Company reads as follows:—

‘The company will procure subscriptions for additional stock to the amount of \$200,000, such new stock to be issued at a price not below par and to be immediately paid up in full, the proceeds to be applied in the first place in the payment of the discount at which the bonds of the company were issued as aforesaid, to wit, the sum of \$188,721.’

You know that was done?—A. I know the money was subscribed, it appears that \$188,721 was first paid out of the proceeds of the bonds and then it was charged to that subscription; of course it was taken out of the funds of the company and it did not matter which account it was paid from, but the auditor came from Ottawa and he thought it should be paid out of our bank account, and that was done.

Q. To which auditor do you refer?—A. To Mr. Bell.

Q. That was the visit he made in 1907?—A. I am not quite sure which visit it was, it was quite lately.

Q. As a matter of fact do you know that part of that \$200,000 was not actually paid up until lately?—A. I do not know that.

Q. Do you know that the cheque of Mr. Davis for \$96,000 odd remained in the possession of the company for several years?—A. I knew that Mr. Davis had given his cheque for that subscription but I only knew quite lately that that cheque remained in the possession of the company without being cashed for some time.

Q. Taking in view all that you have learned about that lately, as a business man would you be prepared to say that that clause, No. 4, which I have just read, was carried out?—A. I think so, the cheque was quite good because it was cashed.

Q. That is your reason for saying that the clause was carried out?—A. Yes.

Q. How do you know that it was good, was it an accepted cheque?—A. I don't know whether it was accepted, but I know that Mr. Davis' cheque is good.

Q. Now let me read another stipulation, it is clause 5 of that agreement :—

'When and so soon as the company shall have completed all the arrangements mentioned in the two preceding clauses and the proceeds of the said issue of \$200,000 stock shall have been paid in full to the company, the company shall be at liberty to issue such bonds, debentures or other securities as hereinafter provided, to an amount not exceeding \$6,678,200.'

That being the case, and since you have learned that the \$96,000 cheque was only paid up long after the issue of the bonds, are you prepared to say, as a business man, that that clause was carried out?—A. And for the same reason, because I believe that cheque was money.

Q. But if you were told that the discount of the first bonds, the unguaranteed bonds amounting to \$188,721, had only been paid by the company out of the proceeds of the new bond, then would you be prepared to say that that part of the agreement had been fully carried out?—A. Well, really I do not see—

Q. I understand that the intention of the government was that the \$200,000 should be not only subscribed but paid up and applied to the extent of \$188,721 to the extinction of those first bonds, and the re-establishment of its capital, the extinguishment of that discount, and that having been done only out of the proceeds of the bonds, is it or is it not in your opinion that the provision of that clause was fulfilled?—A. I think the object was to re-establish that capital and I think it was attained, but of course, I think technically that was not done.

Q. Now as regards the waiver of interest by Mr. Davis to which you have referred, let me understand what it is. What was the interest that he waived in the first place?—A. The interest on those bonds, that is the interim bonds, from the date he was to receive them until the completion of the substructure.

Q. The bonds therefore on their face bore interest like all bonds?—A. Yes, the bonds on their face must have had that condition, I should think so.

Q. Did you say he waived that interest?—A. When he agreed to that condition he waived the difference between being paid in cash and taking the bonds in place of cash, money; when the tenders were asked they were supposed to be paid in cash as the work went along. Then we told Mr. Davis we could not pay cash, and we would pay him 80 per cent.

By the Chairman :

Q. Let me read this extract from Exhibit 30 : 'And the balance of 20 per cent shall be secured from time to time as said progress estimate is made by the delivery to the contractor of first mortgage interim bonds of the company (to bear not less than five per cent interest computed from the completion of said substructure) as collateral at sixty per cent of their face or par value, said bonds to be held by the contractor without bearing interest and not negotiable till his work is completed satisfactorily.'

Were the bonds ever lithographed, were lithographed bonds delivered or were they just typewritten?—A. I cannot say, I do not remember.

By Mr. Monk :

Q. Do you know when the bonds amounting, according to the face value, to \$472,000, were eventually taken up, Mr. Davis received the sum of \$29,000 odd in interest?—A. Yes.

Q. What was that interest?—A. Since the completion of the work until the moment he got his money, that is the way it was explained.

APPENDIX No. 6

By the Chairman:

Q. Until the bonds were retired?—A. Until the bonds were retired. I do not think those bonds were retired until about two years afterwards, that interest would cover about that much.

Q. Do you remember what rate of interest they bore?—A. The bonds?

Q. Yes?—A. Five per cent.

Q. But if he did waive any part of the interest in the final settlement he got of course the premium?—A. He got the 40 per cent certainly. He got full value, they were redeemed at par, that was the contract.

By Mr. Talbot:

Q. Did I understand you to say in your evidence that when the new company was organized you increased your holdings and took more stock?—A. Yes, all the directors did.

Q. Can you give us the reason for so doing?—A. Because the qualification was made \$5,000, and as we had to have \$5,000 fully paid up, we had to subscribe for more shares, because on the first subscription we had only 25 per cent paid up, but by the Act of Parliament we had to pay up the other 75 per cent in order to get the \$5,000 qualification, so that we had to buy more stock.

Q. Was that simply to comply with the new conditions or a mark of the increased confidence you had in the new company?—A. We had to comply with the new condition of affairs.

Q. But outside of that compliance with the new condition?—A. Well, I got a lot of my friends to subscribe at the time, and really we thought more of the advantage the bridge would be to the interests of Quebec and the Dominion than we were looking at it from a monetary point of view.

By the Chairman:

Q. I suppose that was the basis on which you all proceeded?—A. That is the basis I proceeded on, and that is the basis the others proceeded on.

Q. I suppose you naturally looked forward to the time when it would be financially profitable to you?—A. Well, we did look to that, because we had the estimates from the different railways of the traffic they could bring, in this way they were very favourable, however, they were in the distant future.

By Mr. Monk:

Q. Have you looked into the financial standing of the company since the disaster?—A. I have not gone into it.

Q. Has the board taken up that question?—A. Well, things are brought before the board at meetings and I have an idea how they stand, but I do not know the exact figures.

Q. Has a statement been made out and presented to the board?—A. A statement was made out and submitted to the board and sent to the government.

Q. Of its financial situation now?—A. Yes.

Q. When was that done?—A. Well, it was done after the accident.

Q. Without binding you to any figure, what is that financial position?—A. Well, we owe a certain amount to the Bank of Montreal, and we owe the Phœnix Bridge Company about \$260,000, \$160,000 of which represents the last estimate, and \$100,000 the drawback.

By Mr. Gallihier:

Q. By the way, Mr. LeMoine, in carrying on this enterprise in the expenditure of money and all that, what do you say as to the way in which that was done? Was it done with the usual economy, generally speaking?—A. What is that?

Q. In carrying on the affairs of the company how was that done?—A. It was done like any other company, these monthly estimates would come before the board

7-8 EDWARD VII., A. 1908

with the report of the engineer and they would be approved of, all the different accounts that came were approved of by the directors and one government director; the government had three directors on the board and one of them would have to approve of every payment made. On several occasions we discussed accounts, and I know that in several instances the accounts were reduced; and things were done as they are usually done in any other company.

Q. In any other good company?—A. In any other good company—well, I have only been on good companies.

Q. Would they have to be certified by anybody before they were submitted for the directors' approval?—A. All accounts concerning construction were certified to by Mr. Hoare, the chief engineer. The other expenses were certified to by the secretary.

Q. And generally speaking you consider that the business of the company was carried on in a proper and businesslike manner?—A. Like any other good and well organized company.

By Mr. Monk:

Q. Do you know if the government had any engineer down there watching the work under construction?—A. I know that the government wanted to appoint an engineer and Mr. Cooper would not allow of it. He said that he bore the responsibility and he did not want to have divided authority, that he was able to have the work done in a proper way and he did not want to divide his authority with anyone. It was not in the hands of the company. He came up here, I think, himself, to discuss the matter with the government, and they seem to have been satisfied because they dropped the matter.

By Mr. Galliher:

Q. Who, by the way, has been chairman of the board since reorganization?—A. Mr. Parent has been the chairman ever since reorganization.

Q. What was his standing with the other members of the board?—A. The board always acted as a unit, we were all of one mind, that is to do the best we could.

Q. How do you regard Mr. Parent as chairman?—A. We elected him unanimously and went for him to get him to come on the board.

Q. And after you had been associated with him on the board did you regard him as an able chairman?—A. We regarded him as the best man we could have on that board, and every one on the board was quite pleased with the way in which he did his share of the work.

Q. You were pleased with the way in which he did his share of the work. I suppose a great deal of the work devolved upon the chairman?—A. Naturally, and that is why we decided to divide those fees the way we did, because we thought he did his share of the work.

By the Chairman:

Q. Why didn't you make Senator Landry chairman?—A. He would not stay in the company.

By Mr. Galliher:

Q. How did the board consider the chairman's action in regard to the steps he took to secure an efficient engineer?—A. Every step he took was submitted to the board and approved of. He went to a great deal of trouble, he went over and over again to New York and to Phoenixville, and came to Ottawa and went elsewhere, he went to a great deal of trouble.

By Mr. Monk:

Q. At whose request did you attend before this committee?—A. I was told by Mr. Barthe I was expected to appear here to-day.

APPENDIX No. 6

By Mr. Talbot:

Q. You were in the old company?—A. Yes.

Q. How long was the company organized before reorganization took place?—A. Some years.

Q. Was any progress made under the old company?—A. Well, progress was made with the different sites that were acquired.

By Mr. Monk:

Q. I want to ask you regarding the reorganization certificate. The reorganization was made probably with the object of having among the directors of the company some persons who would have the ear of both the federal and provincial governments, is not that a fact, some one who would be able to get the ear of those governments?—A. That was a factor, but that was not the principal factor, we wanted the work done.

Q. I think I heard either you or Mr. Price, state that Mr. Parent, being the mayor of Quebec, and prime minister of the province, for that very reason, and as you wanted the co-operation of these bodies, it was thought desirable to have him on the board?—A. I said it was a factor, but I also add that Mr. Parent, by the work he had done for the city had shown that he was the most able man to work out the enterprise.

Q. Is it not a fact that many of those who formed the board of the old company withdrew for the reason that they felt their presence there would be an obstacle rather than a help to the company in its negotiations with the three governments for subsidies?—A. I do not know the reason they had.

Q. You never heard of that reason?—A. I never heard of that.

By Mr. Talbot:

Q. You remained in the new company?—A. Yes.

Q. That had no influence with you, the fact that there was a change in the organization?—A. It was I brought it about, I considered it a favourable change.

By Mr. Galliker:

Q. There is one question I forgot to ask you. All the moneys received, either by the sale of shares or from subsidy, or from the sale of bonds, or from any other source that came into the treasury of the company, was that money disbursed in any way other than in the payment of actual work in connection with the construction of the bridge?—A. I do not know of a cent being paid otherwise than towards the construction of the bridge or the expenses of the company. There was no subscription of any kind, not even to a charitable institution, nothing was done, every cent went into the enterprise.

By Mr. Chisholm (Antigonish):

Q. It has been alleged publicly that at the time the agreement was entered into between the government and the Quebec Bridge Company in 1903, that the Quebec Bridge Company was absolutely in an insolvent state, what have you to say to that?—A. Well, it had no debts, but it had very small capital.

Q. Would you say it was insolvent?—A. No, it was not, because it owed nothing.

Q. It had assets?—A. There were certain assets.

Q. Was it anything like insolvent?—A. It owed nothing.

Q. Representing the expenditure?—A. The expenditure on the different plans made up to that date.

Q. Out of the moneys received from the provincial government?—A. That was in 1903, it had assets, this money had been expended before that.

Q. It was not correct to say that it was absolutely insolvent?—A. Certainly not.

By Mr. Talbot:

Q. How do you consider the state of the company in 1903 as compared with 1907—comparatively?—A. The company had made a great deal of progress in 1907.

By Mr. Chisholm (Antigonish):

Q. There was a certain amount of money voted for the remuneration of directors, do you consider that compensation was reasonable for their services?—A. Yes.

Q. From your knowledge of the salaries and the compensation paid directors on other enterprises of large magnitude would you say that the amount paid to these directors was excessive or otherwise?—A. I would say it was reasonable.

Q. With regard to the salary paid to Mr. Parent, \$2,500, I think it was, do you consider that his services were worth that?—A. I consider his services were worth more than that.

Q. And if he were a director of a similar institution, what then?—A. I think if the company had the permission of the government he would have a higher salary.

Q. You stated that payments would be made Mr. Davis on monthly progress estimates, what percentage of the estimate was paid him?—A. I think 10 per cent drawback was kept.

Q. I see it is stated he was to be paid 40 per cent?—A. 40 per cent coming from the federal and 40 per cent coming from the other subsidy. But from the total estimate there was first deducted the drawback, and then it was divided in that way.

By Mr. Monk:

Q. The company on the 15th of October, 1903, had a floating debt of \$17,000?—A. I made a mistake when I said it had no debt, no doubt I thought you meant 1907. In 1903 the construction had begun and it had a floating debt.

Q. Of \$779,50?—A. That floating debt was represented by the work, you know.

Q. What were the assets for it?—A. The works.

Q. Such as it was in 1903?—A. Certainly.

Q. And they had a floating debt against it?—A. They had a floating debt against it. I do not know what it was, I could not say.

Q. Have you any doubt that under these circumstances the company was not able to meet its obligations, because that is what Mr. Parent said himself in his letter to the government of the 14th of October?—A. I made a mistake. I understood it was in 1907, but in 1903 they had assets, but they had further liabilities which they could not meet, they had to continue the work and they had nothing to meet it.

Q. At the present moment, if nothing is done, I suppose you have no doubt whatever that the country will have to meet this guarantee without any recourse whatever, there is no doubt about that?

Mr. GALLIHER.—Who will?

Mr. MONK.—The country, the government.

Mr. GALLIHER.—You had better ask that question.

By Mr. Monk:

Q. What is your opinion, have you any doubt on that point?—A. The Dominion has endorsed the bonds and they will have to pay the bonds.

By Mr. Galliher:

Q. You mean if no further progress is made on the bridge?—A. If the thing is dropped, that is what I understand.

By Mr. Monk:

Q. Do I understand you to say, as suggested by Mr. Parent, that if the government would release that clause in the agreement by which they have reserved the right to take over the bridge the company could finance the scheme now, is that your opinion?—A. Not without the aid of the government.

Q. Therefore, as the matter stands now there is no doubt whatever in your mind that the government will have to meet this guarantee, the bridge company will not meet it?—A. That is my opinion.

APPENDIX No. 6

By Mr. Galliher :

Q. You are not speaking now, in answer to that question, of any recourse that may be had against those who are responsible for the accident?—A. No, I am not taking that into account, that is an uncertainty.

Q. What is your opinion, as a shareholder, as to the bargain made between the government and the company in 1903 in guaranteeing those bonds, and their attitude at that time?—A. Of course the shareholders, as I said before, having first in view the building of the bridge, were pleased very much to see the government endorse those bonds, and in another sense there was the fear that the government would take over the enterprise and that we would lose a great deal of the pleasure of being able to say that we had been able to complete such a big enterprise, and also that if there was any profit later on in the working of it we would not have it.

Q. Do you think it was a good or a bad bargain on the part of the government, from the government standpoint?

By Mr. Chisholm (Antigonish) :

Q. In the interest of the public do you think that the bargain made by the government in 1903 was a good one?—A. I think it was.

By Mr. Monk :

Q. And for whom, sir?—A. For the public, because they got the work done at a reasonable price by people who were very much interested in bringing the enterprise to completion.

Q. I understand the question put to you by Mr. Chisholm is, was not this a case of good investment?—A. No, if it was in the public interest, I was asked.

By Mr. Chisholm (Antigonish) :

Q. In the public interest generally.

By Mr. Talbot :

Q. You might go further, as a business man do you think the government made a good business transaction in guaranteeing those bonds in 1903? Do you think it was a good business transaction on the part of the government?—A. I think it was the best transaction they could undertake to insure the building of that bridge.

By Mr. Monk :

Q. Do you say that from a public standpoint?—A. From the government standpoint.

By Mr. Galliher :

Q. Had there not been any accident you would still think the same?—A. Had there been no accident I still believe the bridge would be a paying enterprise, and I believe that it still may become a paying enterprise.

Witness discharged.

THOMAS McDUGALL, called, sworn and examined.

By Mr. Galliher :

Q. Mr. McDougall, you live at Quebec?—A. Yes, sir.

Q. You have lived there a number of years, I presume?—A. Yes.

Q. What is your present position?—A. I am general manager of the Quebec Bank.

Q. Had your bank, or you yourself, any connection with those interim bonds for \$472,000?—A. Yes, we had possession of those bonds.

Q. Do you know anything about the terms of Mr. Davis' contract with the Bridge Company?—A. Well, I have seen the contract but not very lately. We have it in our possession now.

Q. You, no doubt, would have it at the time you took these bonds and became trustees of the bonds?—A. Yes.

Q. What do you say with regard to the value of those bonds, the value at which they were handed over to Mr. Davis, 60 per cent?—A. Do you mean my opinion as to what they would be worth, looking at them now, or what they were then?

Q. Just as they were then, at the time they were given?—A. Well, I have a copy of this bond, this bond was an interim first mortgage bond, there was no mortgage, you understand.

Q. No?—A. There was an agreement to give a mortgage which bore interest, at least the bond for which they were to be exchanged was to bear interest at 5 per cent; it, itself, bore no interest, it was the bond of the company, not negotiable. Do you want to know what anybody would have bought that bond at?

Q. Will you, as a bank manager, probably dealing in these matters, tell us what you think about it?—A. Of course when we took this bond from Mr. Davis we took it as collateral security for his account which was a running account with us for the construction of the bridge. We did not go minutely into the exact value of it, Mr. Davis handed it to us and told us he had a good contract and we knew that he knew his business well.

Q. You are hardly going along the line that I meant?—A. I wanted to show you our reasoning in the case, that we were not putting an exact value on this, as if we were lending simply against the bond, because we had confidence in Mr. Davis. At any rate looking at it now, I know he took these bonds at 60 cents on the dollar because we got paid in bonds for 20 per cent of the estimate, we received bonds on his account for 20 per cent of his estimate.

Q. Give us your opinion as banker, for Mr. Davis?—A. As banker I think he took very considerable chances on these bonds.

Q. As a banker you think he took very considerable chances in taking those bonds on his contract?—A. Yes.

Q. Do you think that price could have been obtained in the bond market for them?—A. Never.

By Mr. Talbot :

Q. You have studied this question of the guaranteeing of the bonds by the government in 1903, have you looked into the matter?—A. Well, those bonds that we had, you know, were redeemed about—I do not know the exact date—but about 1904 by the government and then we were out of the transaction.

Q. From what you know as a business man, outside the transaction in your bank, from what you gathered and what you know do you think the government made a bad or a good deal in guaranteeing those bonds and getting all the assets of the company?—A. Of course if the bridge had remained in the position it would have been fair enough, I think, but it is very hard to say what kind of a deal it is now.

Q. Apart from the accident, of course you could not have foreseen that, what kind of a bargain do you think it was? Was it the best that could have been made at the time?—A. I think so.

Mr. JAMES G. SCOTT, called, sworn and examined.

By Mr. Gallihier :

Q. Where is your residence, Mr. Scott?—A. Quebec.

Q. You are vice-president of the Great Northern Railway, are you?—A. No, I am general manager of the Quebec and Lake St. John Railway.

Q. That is a local road in the province of Quebec, entirely within the limits of the province, running some 200 miles?—A. About 300 miles now.

APPENDIX No. 6

Q. Have you, or your company, had any experience in connection with the flotation of bonds, railway bonds?—A. Well, yes, I was also general manager of the Great Northern. I built both roads, about 500 miles in all—300 of the Lake St. John and 200 of the Great Northern. I have had some experience in connection with bonds and debentures.

Q. From your experience in connection with bonds what do you say with regard to the turning over of these bonds at 60 per cent of the face value to Mr. Davis as was done under the contract between the company and Mr. Davis?—A. I only know of this transaction from what I have heard here to-day.

Q. Well, I mean take the bonds, take what you have heard with regard to the bridge itself, and what you have heard about the bonds being turned over under the circumstances under which they were taken over, and then speaking as a man with experience as to the value of the bonds under certain transactions and conditions, what do you say with regard to this transaction between the company and Mr. Davis?—A. I think Mr. Davis took considerable risk.

Q. And as to the value, 60 per cent what do you say as to that?—A. I think the value is a reasonable one, seeing that the bonds did not bear interest until after the completion of his work.

Q. And do you base that opinion as well upon the experience that you may have had yourself in connection with the flotation of bonds?—A. Yes, I do.

Q. I do not wish to enter into the private affairs of yourself or company in any way, but that is your opinion?—A. Yes.

By Mr. Talbot:

Q. As a man who has had considerable experience in railway matters do you consider that the prospects of the bridge and the business that could be obtained, were such that the investment would be a good one, once the bridge is completed?—A. Yes, I do; I have always thought so.

Q. That is your opinion?—A. Yes.

Q. Had the accident not happened do you think that the government made a good bargain to guarantee the bonds and take over all the assets of the company as they did in 1903?—A. Yes, I think so.

Q. Have you any personal interest in the company?—A. Well, I am a small shareholder in the company. I took \$1,000 of stock to help it along.

Q. You never formed part of the board of directors?—A. No.

Q. And as a shareholder you are satisfied with the conduct of the affairs of the company since the reorganization?—A. Entirely so.

Q. Are you satisfied with the management, and are the shareholders satisfied with it?—A. Yes, entirely so.

By Mr. Monk:

Q. In your experience as a railway man have you knowledge of any case where you have defrayed the cost of construction by handing over in payment, bonds at a discount? Has it ever come under your observation personally?—A. What is the question?

Q. Have you ever, in paying for the construction of any railway with which you have been connected, handed over bonds in the way in which they were handed over in this instance, to the contractor for construction?—A. Yes, I have known such cases.

Q. Can you give any instance in which bonds were handed over as in this case?—A. Well, the Great Northern Railway paid its construction company in bonds at a discount.

Q. At what discount?—A. Well, I cannot remember the exact figure, but I think it was in the neighbourhood of 55—that is at a discount of 45. 55 per cent of the face value.

Q. In a case of that kind, speaking as a business man, as you are, would you say that if the company had subsequently redeemed its bonds it would be a good busi-

7-8 EDWARD VII., A. 1908

ness to pay the contractor the face value of the bonds?—A. Well, if the bonds were not collateral, if they were the contractor's property, I do not see how you could avoid it.

Q. I put it to you in this way: are you familiar with the operations that took place in this case, that the government offered to assist the company by guaranteeing its bonds for over \$6,000,000 provided the company itself found sufficient stock to pay the discount. Are you of the opinion that in making that arrangement the government did a prudent thing? You understand my question?—A. Quite so.

Q. The government said, 'We will guarantee your bonds for six million and some odd thousand, provided you will find sufficient stock to cover the discount on your own bonds,' is that a wise provision?—A. It looks to me as if it showed the desire of the government to have the company in a stronger position to give better evidence of good faith.

Q. Now, in the carrying out of that provision would you consider it to be evidence of good or bad faith on the part of the company—

The CHAIRMAN.—That is not fair to put that question that way, Mr. Monk.

Mr. GALLIHER.—More especially as there is a definite line of cleavage there whether they did or not.

The CHAIRMAN.—That is a matter of law, whether they carried out the provision of the contract, that we can discuss with ourselves.

By Mr. Monk:

Q. I am putting a hypothetical case to the witness, that under a certain condition of affairs does he consider that the company not carrying out to the letter that part of its agreement is doing good or bad business?—A. I understand, from the evidence, that the company did carry out that part of it.

Q. That is not borne out by the evidence?—A. I have been listening to the evidence all day and I understand that it did carry it out.

Q. Supposing that it had not, would you be of the opinion that the agreement had been substantially complied with supposing that instead of supplying the \$200,000 of stock which was destined to cover the discount, that the company had not done so prior to the issue of the guaranteed debentures, would that have been a business-like way of conducting the transaction?

The CHAIRMAN.—What do you want to ask the question that way for?

By Mr. Monk:

Q. I put the question; if it is not a proper one, Mr. Chairman, you can rule it out. I think it is. I do not know if I make my meaning plain, Mr. Scott, but I say that the government having come to the assistance of the company and having declared that it would endorse these bonds, provided money was found to cover up the discount on the bonds; if that is not carried out, is it the opinion of the witness that the substance of the agreement was complied with?—A. If the company broke their agreement with the government I should think the government would have their recourse against them, but I do not see from the evidence that I have heard that they did break their agreement.

Q. You can judge from the evidence that you have heard to-day?—A. Yes.

Q. And from that evidence you consider that that agreement has in every respect been absolutely complied with?—A. I think it has been, fairly so.

By Mr. Talbot:

Q. Did you think so before you heard this evidence?—A. I did not know anything about it until I heard this evidence.

By Mr. Monk:

Q. At whose request did you appear before the committee?—A. Mr. Barthe, the secretary of the company asked me to come here.

APPENDIX No. 6

The CHAIRMAN.—Mr. Parent gave the names of a number of witnesses on the last day the committee met.

Mr. MONK.—Yes, but some gentlemen seem to be of the opinion that it was ourselves that brought them before the committee, and I am not aware of that, I did not ask for them to come here.

The CHAIRMAN.—The meeting adjourned to meet again at my call and when I saw Mr. Parent the other day I told him he could get his witnesses here to-day, that is the way it happened.

By Mr. Monk:

Q. Do you know anything about the present financial position of the company in detail at all?—A. No, I do not.

Witness discharged.

Hon. JOHN SHARPLES, called, sworn and examined.

By Mr. Galliher:

Q. Mr. Sharples, you are a resident of the city of Quebec, are you?—A. Yes, sir.

Q. What is your present calling or occupation?—A. Merchant.

Q. Are you connected with any bank in any official capacity?—A. President of the Union Bank.

Q. You are also in the Legislative Council there, are you not?—A. Yes.

Q. You are also connected with a newspaper, you are a man of prominence there?—A. I am president of the Morning *Chronicle* Company.

Q. And a director of this bridge company? Now you have been a director since 1903, have you?—A. 1904, I believe.

Q. Since 1904?—A. I think so.

Q. To what extent are you a stockholder in the company?—A. I had \$50,000 originally and I sold some 230 shares since.

Q. You originally had \$50,000, was that all paid-up?—A. You have the cheques before you here.

Q. Yes, but I am just merely getting it on the evidence, I understand it is all paid up, I want to get the evidence consecutively?—A. Yes, all paid up.

Q. Who was it urged that you should go on the board of directors, was it Mr. Parent?—A. He is chairman.

Q. And as a business man, and as a man of experience in many matters as you appear to be, what have you to say as to the manner in which the business of this company has been conducted since you came on the board of directors?—A. As far as I could see it was always well conducted and I must say that one of the reasons that I took such a keen interest in the enterprise was due to the fact of Mr. Parent having the management under his control, and I may say that when Mr. Parent was made chairman of the Transcontinental Commission he tried on two or three occasions to get relieved from the chairmanship of the Bridge Company and the board were all decidedly opposed to any change.

Q. The board then had the utmost confidence in Mr. Parent's ability and honesty in administering its affairs?—A. I have.

Q. You as a member of the board have. With regard to the expenditure of moneys out of the treasury of the company in connection with its undertaking, what have you to say as to that, Mr. Sharples?—A. Well, the expenditures as far as I can see were all correct.

Q. And were made in a businesslike way?—A. All the engineering accounts are certified to by the engineer, Mr. Hoare. And all the smaller accounts are all certified to by the directors before they are passed by the board.

Q. You have heard Mr. LeMoine's evidence, Mr. Sharples, with regard to the conduct of the affairs of the company; generally speaking do you confirm that evidence?

—A. Yes, since I have been connected with the board, I know nothing antecedent to that.

Q. Since you have been a director; I should have limited my question to that, that is right. Now about these interim bonds, what is your opinion of that transaction?—

A. I was not a director at the time, I knew nothing about it, I wasn't in the company at the time, not even a shareholder.

Q. But as president of the bank, you would, no doubt, in the course of your business transactions, your bank would no doubt be the holders of bonds, probably purchasers, or are you ever purchasers of bonds?—A. Of course, at times.

Q. From your general business experience what do you say as to the value received by the company for those bonds, and the amount at which they were turned over?—A. I presume you mean 60.

Q. Under the conditions as you know them to have existed?—A. I think they got full value for them.

Q. You believe they got full value for them?—A. Yes.

By Mr. Talbot:

Q. Did I understand you to say that you entered the company in 1904?—A. Yes.

Q. Before that time were you approached and asked to subscribe to that company any time?—A. No, not before that; it was at the reorganization.

Q. And when you went into it you were perfectly satisfied to invest the amount of money you did in it?—A. I was perfectly satisfied.

Q. So far you were confident?—A. Certainly.

Q. And nothing has happened since that to shake that confidence?—A. In whom?

Q. As regards the Quebec Bridge Company?—A. Nothing except the unfortunate collapse.

Q. We bar that out?—A. And if it had been built by the government it would have been in just the same position as it is there to-day.

By Mr. Galliher:

Q. Or if it had been built by any other company?—A. Or any other company. The fault, if you will allow me to say it, gentlemen, was with the plans, the engineering plans.

By the Chairman:

Q. A fundamental error in the design?—A. Yes.

By Mr. Galliher:

Q. There is one question I would like to ask you, Mr. Sharples. What bearing, if any, would the financial position and condition of the Quebec Bridge Company have on the present status of the bridge?—A. The condition of affairs?

Q. Yes?—A. Nothing at all.

Q. None whatever?—A. No, not at all.

Q. No matter how much the bank account was, it would not have had any effect whatever?—A. It would not have held up the bridge.

Q. My object in asking the question was if by any financial stringency, or the lack of a large paid-up capital, or anything like that, the fact that they were hampered in any way, if they were hampered, would that have anything to do, in your opinion, with the present condition?—A. No, they were not hampered.

By the Chairman:

Q. You did not have to retrench in such a way that the efficiency of the bridge was impaired; you tried to get a good bridge?—A. All these contracts were made before I was a member of the board of directors.

Q. But the construction proceeded after you became one?—A. Certainly, that had nothing to do with it.

APPENDIX No. 6

Q. I mean you did not favour a cheaper bridge by reason of limited capital?—
A. There were no alterations, there were no alterations made since the contracts were entered into. There was no cheeseparing attempted at all.

By Mr. Monk:

Q. The \$50,000 that you took in what we call the new stock, did you intend it to be personal, for yourself?—A. Certainly, I got the stock, subscribed for it, and the certificates were issued in my own name, and I hold them in my own name, excepting the 230 shares I sold to another railway company.

Q. Yes, but the question I wanted to ask you was whether at that time you contemplated keeping the whole of that stock for yourself?—A. Certainly.

Q. You said, Mr. Sharples, that the cause of the collapse of the bridge was a fault in the design?—A. That is my opinion, sir.

Q. And the same thing would have happened if the government had constructed it?—A. Yes, or anybody else.

Q. Perhaps the government would have adopted another design?—A. Oh, well, Mr. Monk, I am going on the presumption that they would have followed out the plans they approved of.

Q. You are going on that assumption?—A. Well, these plans were approved of.

Q. Who is responsible, in your view, for that design?—A. Mr. Cooper.

By Mr. Talbot:

Q. Do you think if the company in 1903 had been insolvent, as has been rumoured, you would have invested your \$50,000 if you had been aware of that fact?—A. I am not such a fool.

By Mr. Walsh (Huntingdon):

Q. You became a shareholder subsequent to the legislation of 1903?—A. After the legislation of 1903, when the government guaranteed the bonds.

By Mr. Monk:

Q. Would you have invested had this arrangement of 1903 not been made?—
A. No.

Q. Nobody stated, as far as I am aware, that the company was insolvent after that agreement was made.

Mr. CHISHOLM (Antigonish).—It was that the government had made an agreement with an absolutely insolvent company, that was the idea conveyed.

By Mr. Monk:

Q. Did you have occasion, as a business man, to look into the company before this agreement was made?—A. No, I had no interest.

Q. Your interest was confined to the company after the agreement was made?—
A. Yes.

Q. Has the company had occasion to look into its financial situation since the disaster?—A. As I mentioned, I had been away when it took place, and I was away for a month afterwards.

Q. Do you know that a statement has been forwarded to the government?—A. To the government?

Q. In regard to the financial condition of the company?—A. I cannot answer that.

Q. You have not seen that statement yourself?—A. No, I have not.

By Mr. Chisholm (Antigonish):

Q. What do you say, as a business man, regarding the contract entered into between the government and the company? Do you consider it a prudent one, or otherwise, under the circumstances?—A. Do you mean the agreement of 1903?

Q. On the part of the government, the agreement of 1903?—A. I think it was a very good arrangement, and I will give you my reason: because the bridge would have

been built with more expedition and perhaps a little closer attended to than it would have been as a government concern.

By Mr. Talbot:

Q. Did you consider the bridge undertaking as a paying undertaking once it was completed?—A. Well, it is a little difficult to answer that; but from all the statistics we had before us we had every reason to believe that the traffic would warrant the construction of the bridge and that it would pay a return on the investment.

Q. So that, after all, you do not consider that the government was taking such a big risk?—A. Such a big risk? In what way?

Q. In guaranteeing the bonds of the company?

Mr. MONK.—I do not think that question arises here, or that we are called upon to investigate that; it is not in the reference.

Mr. GALLIHER—Yes, all the conditions under which the government acted in guaranteeing the bonds.

The CHAIRMAN.—I understand that you are questioning the propriety of that arrangement in 1903, and that is relevant.

By Mr. Talbot:

Q. That is what I want to find out from Mr. Sharples as a business man, if he thought that eventually, after the construction of the bridge, the traffic would be sufficient to pay the running expenses, and probably a profit?—A. The running expenses and a profit—you mean to pay interest on the bonds?

Q. Yes?—A. Oh, yes.

By Mr. Galliher:

Q. And in addition to whether it might or might not be actually a paying proposition, was it a work that, in your opinion, as a business man, should have received encouragement and aid from the government, or is it a work of such national importance?—A. Certainly it is, there is no question about that.

By Mr. Monk:

Q. What has led you, Mr. Sharples, to the conviction that it was a fault in the design that was the cause of the disaster to the bridge?—A. The report of the commissioners; personally I know nothing about it.

Q. Do you suppose that if the commission had gone fully into the matter of the design and the plans, before the plans were finally adopted, it would have been a safeguard against the accident? Don't you suppose that, since they found the defect to be in the design by their examination of the plans?—A. No, Mr. Monk, you know we are all very wise after the event.

Witness discharged.

Mr. P. B. DuMOULIN, called, sworn and examined.

By Mr. Galliher:

Q. You are a director of this Quebec Bridge Company?—A. Representing the government, one of three.

Q. What is your profession or occupation?—A. Bank manager.

Q. Of?—A. Molsons Bank.

Q. In the city of Quebec, that is where you reside?—A. Yes.

Q. What were the duties assigned to you by the government in connection with this Quebec Bridge Company?—A. We were appointed by the government to represent them, but we had exactly the same status as the other directors—we were not bound to any qualification as to stock.

Q. You are not a stockholder?—A. I subscribed \$1,000.

APPENDIX No. 6

Q. You took a little interest in it yourself; and your duty was to attend the meetings as an ordinary director and supervise?—A. And more particularly to check all the accounts.

Q. And you did attend the meetings, most of them?—A. I must have attended over 80 per cent of the meetings.

Q. How long have you been manager of the Molsons Bank?—A. Going on ten years now.

Q. And I suppose you had other business experience before that as well?—A. Well, I had been manager before of the People's Bank for ten years in Quebec.

Q. For how long?—A. Ten years.

Q. So then you have had twenty years' experience as manager of banks, and you are now acting as one of the directors appointed by the government?—A. Yes.

Q. What is your opinion as to the way in which the business of this company was carried on?—A. Well, I think it was carried on very economically and very honestly, and on the best methods that could be followed.

Q. And with what end in view?—A. To carry to completion the work at the lowest expense and to the best advantage possible.

Q. Did you find that the funds of this company were being expended in the proper direction at all times?—A. I did.

Q. Do you consider that the sums voted to the directors for their services by the shareholders were legitimate?—A. I do.

Q. And that they were within the mark?—A. I do.

Q. As to Mr. Parent's services, what have you to say in regard to them?—A. Well, Mr. Parent wanted to resign when he was made chairman of the Transcontinental Commission, and we all felt that we could not dispense with his services, and not only his colleagues on the board, but also the shareholders felt the same way. And later on, again, after the collapse of the bridge, we had our annual meeting, and then again he thought possibly someone else should take charge, but the shareholders and his colleagues again objected.

Q. So that he retained the confidence of the shareholders and the directors of the company throughout, and still holds it?—A. Absolutely.

Q. You have some idea, I suppose, in a business way, as to the value of bonds, &c.?—A. Well, I have, you see I am a director of the savings bank in Quebec, and we hold over \$6,000,000 of bonds of all kinds.

Q. You understand about these bonds that we have been speaking about, interim bonds?—A. I do.

Q. Do you know the arrangement between the company and Mr. Davis with regard to the acceptance of certain of these bonds in payment of the work of construction?—A. Of course, that was before my time.

Q. But you have knowledge of them?—A. Yes, I have.

Q. What do you say as to the act of the directors in turning over these bonds at the price they did to Mr. Davis under the conditions that existed?—A. I am absolutely convinced that the bonds had no commercial value of any kind; I mean that they were not saleable on the market.

Q. They would not be saleable bonds?—A. They could not have been sold on the market, and only Mr. Davis, who had faith in the enterprise, and who knew more than any one else, could take those chances that he did take.

Q. So you think that the arrangement by the company was what you would consider a good business arrangement?—A. The very best that could be made. I know that later on when we had to borrow money from the Bank of Montreal on bonds that were secured in principal and interest by the government we only could borrow up to 80 per cent.

By Mr. Monk:

Q. When did you become a director?—A. In January, 1904.

Q. What is the amount of stock you now hold?—A. Well, I sold my stock when I was made a director in order to be disinterested, being there on behalf of the government.

Q. You sold your stock?—A. I wanted to have no personal interest in it from that time.

Q. Did I understand you to say that you sold your stock when you became a director?—A. After I was appointed, but before I acted as such.

Q. You had stock when you were appointed?—A. I had subscribed for \$1,000, yes.

Q. And you sold it?—A. I disposed of it then.

By Mr. Gallihier:

Q. I understand you disposed of your stock?—A. As soon as I was appointed.

By Mr. Monk:

Q. Did not the company vote you some money as director?—A. As director, yes, but not to myself more than to any others. I shared with the others to the extent of \$500 a year.

Q. Amounting in total to \$2,000?—A. I could not say exactly; that is since 1904.

Q. And this amount was converted into stock?—A. No.

Q. It was not converted into stock?—A. No.

Q. You took the amount in cash?—A. Yes.

Q. And it was voted at the same time as the vote to the other directors?—A. Yes, by the shareholders.

Q. Have you, Mr. DuMoulin, from time to time while you acted as director to the Bridge Company, made reports to the government?—A. No, I did not. I had occasion to speak to some of the ministers, but I did not make any regular official report.

Q. Since 1904 you have not made any official report?—A. No.

Q. Have you made any report since the disaster?—A. No.

By Mr. Gallihier:

Q. I am advised—I think you made a certain statement that the shareholders voted the moneys that were paid to you as director; I am advised it was voted by the directors?—A. I am sure that the shareholders voted to the board a certain amount annually.

Q. But did the shareholders vote this amount to the board after 1904, or did the directors settle it themselves?—A. No, I think it was before that. The directors could not pay this without a vote of the shareholders; we could not draw and pay that without a vote from the shareholders.

By the Chairman:

Q. Under the statute would the directors have power to draw that?—A. I thought that the money had been voted by the shareholders.

Mr. GALLIHER.—I simply mention it so that if it was not the case you might not have a misconception of that?—A. It was my impression, but I might be making a mistake, that it was usual for the shareholders to vote any remuneration to the directors, and I thought it was done in this case.

By Mr. Monk:

Q. In this case, was it the shareholders or the directors themselves who voted the money?—A. I was always under the impression that the amount had been granted by the shareholders, that was my impression all along.

Q. Well, now, Mr. DuMoulin, you were there as representing the government. Did you look into the subscription of what is called before this committee the new stock, the \$200,000 which under the agreement of 1903 had to be subscribed and paid in cash. Did you have occasion to look into that?—A. No, I did not look into it.

APPENDIX No. 6

Q. Do you know, as a matter of fact, whether it was paid in cash before the \$600,000 bond issue was made, do you know that?—A. Well, at the time the amount was subscribed it came to my knowledge that certain shareholders who had taken some of that new stock, paid up in cash, it came to my knowledge.

Q. But did you have occasion to verify whether the whole of the \$200,000 had been paid up in cash previous to the bond issue?—A. No.

Q. Well, now, do you know that the company certified to the government in order to secure that issue of bonds, that the whole issue of \$200,000 had been paid in cash, do you know that?—A. I understood that was a condition, but I did not inquire particularly.

Q. Had you any knowledge as a director of the company that a certificate was given to the government on the 26th of February, 1904, as follows:—

‘I hereby certify that additional stock to the extent of \$200,000 has been duly subscribed to the capital stock of the Quebec Bridge and Railway Company and paid up in full, in compliance with clause 4 of the agreement made on the 19th October, 1903, between the Quebec Bridge and Railway Company and the Dominion government.’

That is signed by Ulric Barthe, treasurer, and by Mr. Parent, president, and the seal of the company is attached to it?—A. This must have come to my knowledge at the time I was on the board; this was in 1904, was it?

Q. The 26th February?—A. But to-day I haven’t any recollection of it; certainly I must have seen it.

Q. Was that certificate issued with your concurrence?—A. That was four years ago, and I cannot say to-day. I may have forgotten it, but I do not remember. I have no recollection of it.

Q. Do you know whether it was a true and sincere certificate at that time?—A. I have no recollection of this matter to-day.

Q. You never made it a special matter of inquiry as to whether that certificate was well founded or not, did you?—A. Not to my recollection.

Q. As a business man of large experience, Mr. DuMoulin, did you study the situation of the company in 1903? Before you became a director did you know the situation?—A. I knew the situation in a general way, but I made no particular study of it.

Q. But you knew the company was hard up at that time, before the government came in, didn’t you?—A. I knew that the enterprise was a national enterprise that could not be carried on unless the government could come to the help of the company.

Q. As a business man, that being the case at that time, don’t you think the government could have done better to pay Mr. Davis the amount actually due him, since the bonds were worthless, his bonds I am speaking of?—A. Which bonds, the interim?

Q. Yes, the unguaranteed bonds. Would it not have been better for the government to pay him the amount actually due on the work instead of Mr. Davis ultimately making a profit of 40 per cent? Wouldn’t it be better, since the government was coming to the relief of the company, to do that?—A. I don’t believe the government could have built that bridge for less money than the company could.

Q. Perhaps I am not putting my question properly. The government found the company embarrassed financially, would it not have been wiser for the government, since the contractor had worthless bonds in a sense, to have paid him the amount actually due him rather than to provide for this large amount which he might eventually get by receiving the full amount of the bond?—A. The government made a good bargain, because in securing these plans the government secured the right to take the new bridge at any time they chose.

Q. I do not quite understand; what is that?—A. I say that the government when they secured the issue of bonds, the law provides that at any time, by giving a month’s

notice, the government may take back the bridge by paying the shareholders the amount of their stock plus 10 per cent premium.

Q. Do you think that is a very great advantage?—A. Well, of course it is, because the government had undertaken before that to pay a bonus of \$1,000,000, so that that bargain relieved the government of paying that amount, to the extent that that had not yet been paid, and besides that there were also the grants made by the city of Quebec and the province of Quebec.

Q. I might direct your attention to this large profit he made upon the bonds from \$218,000 to \$472,000, and the interest. I am asking you as a business man if it would not have been better for the government to pay to Mr. Davis the amount actually due him rather than to have provided for the redemption of the bonds in full?

The CHAIRMAN.—The shareholders paid that, the government did not.

A. Well, you see when Mr. Davis was paid with the interim bonds he got them at 60, but afterwards that discount was recouped by the new shareholders putting in some money to the extent of \$200,000.

Q. Well, that is true, but was that actually carried out? That stipulation of the government's? You were there as the government's representative, Mr. DuMoulin?—A. As the company stands to-day they have received the full amount.

Q. You were given to understand they had received the full amount and paid off the discount on the bonds; who gave you to understand that?—A. Well, I attended the meetings, and this was the understanding; I never understood anything else than the fact that the new stock had been subscribed and paid for.

Q. You were given distinctly to understand that at the meetings?—A. Yes.

Q. Otherwise I suppose you would never have concurred in that certificate which I have read to you?—A. No.

Q. Do I understand, Mr. DuMoulin, that your ground for saying this has been a good transaction for the government, that you base that judgment upon the fact that the government stipulated that it could take the works over at thirty days' notice.—A. They only secured the bonds and we all expected that the bridge would be a paying enterprise, and therefore the government who had merely endorsed, instead of giving a bonus of \$1,000,000, became an endorser for property that was expected to give profits, so that the government, taking back the bridge, a paying proposition, they would have got a bridge without subscribing a cent.

By Mr. Gallihier:

Q. And not only that, but the bonus of the Quebec city and the government as well?—A. Yes, and not only the unpaid balance of the \$1,000,000 bonus, but the whole amount of the bonus, what they had given before the agreement was made had been spent on the bridge, and the \$625,000 unpaid yet.

Q. In addition to the bonus from the Quebec government and the city?—A. Of course, that part of it would have remained there, but they would have been shareholders, and the government would have been compelled to consider them as shareholders or reimburse them.

By Mr. Monk:

Q. When you came on the board the plans and specifications of the superstructure had passed and they actually were at work on the superstructure?—A. It was at the beginning, about that.

Q. Did you have occasion yourself to look at any of these plans since you became a director?—A. Yes, of course I never intended to look at them in a technical way, as an engineer; I relied very much upon the judgment of the engineers; I had to do so.

Q. Do you know whether the Dominion government took cognizance of any of those plans, or any of the specifications, after you became a director?—A. I was aware that the government had approved of the plans.

Q. But when? Before or after?—A. Before the contracts were given out.

APPENDIX No. 6

By Mr. Galliher:

Q. Did you know of any changes in the plans afterwards?—A. No, I did not hear of any change in the plans afterwards.

By Mr. Monk:

Q. Do you know if there was any change in the plans or specifications after you became a director?—A. No, I never heard of any change, and surely if any change of very much importance had been made we would have heard of it.

By Mr. Chisholm (Antigonish):

Q. You would not be likely to know of any change anyway?—A. I would have; I never heard of any.

By Mr. Monk:

Q. How do you explain this clause in the agreement under which you became a director? Clause 12 says:

'The plans and specifications for all the works of the undertaking shall be submitted to and approved by the Governor in Council before any work is constructed thereunder.'

I am now reading to you from the agreement of October 19, 1903. That would seem to call, as I understand it, for the government doing something in regard to these plans and specifications after this agreement of October 19, 1903, since it says: 'Shall be submitted.' Do you know, as a matter of fact, whether the government did examine or approve of any plans and specifications from the time you became a director?—A. At the time I became a director I understand that the government had its own engineer on the spot there at Phoenixville supervising everything. They had an engineer there.

Q. You understood, then, after you became a director, that the government had an engineer at Phoenixville supervising everything?—A. There was an engineer representing the government there at Phoenixville, who took the measures and the weight of every piece of steel that left the works and that was shipped to Canada.

Q. Had that man anything to do with the plans and specifications?—A. No.

Q. What were his duties?—A. To keep account of every piece of steel and the weight of the steel that was shipped to Canada.

Q. But the information I want to get from you is this; as I read clause 12, it says that the plans and specifications shall be submitted to and approved by the Governor in Council before any work is constructed thereunder?—A. I understand that the plans and specifications have been approved by the Governor in Council as provided in that clause.

Q. Since the date of this agreement, of course?—A. Previous to any work being done.

Q. You understand that that clause has been complied with?—A. This clause provides for the government accepting all the plans and specifications before the work is begun, is that it?

Q. Yes? Well, now, I want to ask you this, as a director named by the government, do you know that stipulation was complied with after you became a director?—A. Well, I have no absolute personal knowledge of it.

By Mr. Chisholm (Antigonish):

Q. You could have no personal knowledge of it anyway; it would be the engineer of the government?—A. Yes.

By Mr. Galliher:

Q. In connection with the certificate that was given in regard to the \$200,000, did you consider this cheque of Mr. Davis', when it was stated that the amount had been subscribed for and the terms complied with, would you consider that this cheque of

7-8 EDWARD VII., A. 1908

Mr. Davis' that they had for the sum of \$94,000, but which had not been turned into cash, was a payment?—A. Yes, because Mr. Davis is perfectly solvent for that amount and his cheque, for me, would be that much money.

Q. And you, if you had been signing this certificate, would have taken it in that way?—A. I would.

Witness discharged.

Committee adjourned.

HOUSE OF COMMONS,

ROOM No. 32,

TUESDAY, June 23, 1908.

The Committee met at 11.30 o'clock, a.m., the Chairman, Mr. A. K. Maclean, presiding.

Mr. LORENZO ROBITAILLE, M.P., called and examined.

By Mr. Gallihier:

Q. You are a member of the House of Commons?—A. Yes.

Q. In looking through your speech, as reported in 'Hansard' of April 26, 1907, and reading it over, it has struck me that possibly there are some statements you may have made through error and which you might set right if they are wrong. For that reason I thought it due not only to yourself, but to this Committee, the matter having application to this inquiry as well, to ask you to answer a few questions. I will read you a few extracts and if necessary I will show the volume to you. At page 7939 of 'Hansard' in the course of your statement you say (reads):

'Those then promoting it'—referring to the Quebec bridge—'were Hon. S. N. Parent, then mayor of the city of Quebec, premier of the province of Quebec, and president of the bridge company.' My information is that Mr. Parent was not premier of the province of Quebec at that time. Do you know as to that?—A. Well, I am not in a position to state exactly if he were not at that time. but I am aware that he obtained a subsidy to the helping of the bridge from the provincial government, and it was in his capacity of premier that he obtained it. If it was a few months after or a year after, it was through his capacity as having the position that he obtained the provincial subsidy?

Q. Do you think that he obtained the provincial subsidy, when he did obtain it, while he was premier of the province of Quebec?—A. I think so.

Q. Do you state also and because he was premier?—A. Well, the presumption is, I think, that he got it for that because he had good influence with the provincial government, without casting any discredit on the venture.

Q. Yes, I understand. It merely struck me, and I wanted to clear that point as to whether he was or was not, at the time you speak of, premier of the province?—A. When he obtained the subsidy I am sure he was.

Q. Do you know when that subsidy was obtained?—A. No.

Q. Now, a little further on in the same speech you stated (reads):

'In 1901, after having secured this subsidy, a company was formed called the Quebec Terminal and Railway Company. Associated with Mr. Parent were Hon. John Sharples, E. Taschereau and Gaspard LeMoine.'

APPENDIX No. 6

Do you know, as a matter of fact, that Mr. Parent was ever a member of that terminal company?—A. I must say, in passing, that there are a few statements in that speech that were not correctly taken by the stenographers. In reading it up this summer I found, for example, that certain figures do not corroborate certain statements. I corrected some of these with the original that I had when I gave them out, and I think personally that Hon. Mr. Parent's name was not mentioned in the House by me at the time. I read from the statute book the names of the parties who had registered themselves when they asked for letters patent. Mr. Parent's was not, if I remember right, but there was Mr. Edmond Taschereau, who is a notary in Mr. Parent's office.

Q. And you are incorrectly reported in stating that Mr. Parent was one of the members of the terminal company?—A. I think so. It is my impression that his name was not on the Quebec Terminal Company's directorship. But I mentioned later on in the course of the speech, which probably was misconstrued by the 'Hansard' reporter, that Mr. Taschereau was in Mr. Parent's office, and he belonged to the same clan.

Q. Now, page 7940 of 'Hansard' I think, must be a mistake, too. You referred to grants being received by the bridge company. You referred to a municipal grant of \$374,353, a Quebec city municipal subsidy of \$300,000, and a Quebec provincial subsidy of \$250,000. As a matter of fact, was there not only one municipal subsidy?—A. I think so. One municipal, one provincial and one federal.

Q. So that the mention of two principal grants—?—A. Well, it is in 'Hansard.'

Q. It is an error?—A. It was late at night, and I believe I spoke a little fast, and they made it up, and next morning I had no chance of correcting it, because it was the close of the session.

Q. I am only asking these questions to clear up those matters?—A. Yes.

Q. Now, before we leave this matter of the Quebec Terminal Company, I see that at page 7942 of the 'Hansard,' on April 26, 1907, you are quoted as saying (reads):

'Another important question. The company has power to work with terminals. This company has the power, as I said before, by statute, of transacting business with that Quebec Terminal Company. Now, what is the operation? Both are interested parties, the one company is the same as the other. The Quebec Bridge Company gets a guarantee from the government, gets money from the government, and buys property from the Quebec Terminal Company, who has options all along from the bridge to the entry of the city, and they will buy at an enhanced price, which the said terminal company will fix, and the bridge company will be too glad to purchase because the chief officials will be buying their own property.'

Now as a matter of fact did the Quebec Terminal Company become merged in and form part of the Quebec Bridge Company?—A. I am not aware if it has or if it has not. By what I so state there I showed there was close contiguity or close interest between the two boards and by my statement I was just giving what was liable to happen on account of the good understanding of both boards. I was not affirming that they were doing it.

Q. It was not your intention—A. If you read it closely you will find that the explanation I give concurs with the statement. I was showing the close affiliation between these two boards and I say 'What is the result? How shall it operate?' And then I say—

Q. Then you are not stating, as a matter of fact, anything that had occurred but what might occur?—A. What might occur, yes.

Q. As a matter of fact do you know that the Quebec Terminal Company never had bought any properties at all, never had controlled any properties?—A. I am not aware they had.

Q. In connection with this?—A. I am not aware they had. I understand that later on they merged or did not take advantage of their charter. I don't know what happened with it afterwards.

Q. So your later information, as a matter of fact, is, what you anticipated, at all events when you were making this statement, did not take place?—A. Yes. The only information I had was by Mr. Power in the House that they never operated that charter, but still the way the charter worked out. That is why I gave that explanation.

Q. I understand you to say, Mr. Robitaille, that you were just making the statement that on account of the close relationship certain things might be looked for?—A. Might be looked for. Yes.

Q. Since then your knowledge has led you to understand that these things you anticipated, or may have anticipated, did not take place?—A. Even at this moment I am not in possession of the facts as to whether they have taken place or have not, but as I stated before, it is the close relation of these two directorships. The presumption was they could come to a satisfactory understanding and operate in that sense.

Q. Then your speech has really no relation whatever except in the sense that such and such things might occur?—A. Yes.

Q. To your knowledge, or as far as you know, they never did occur?—A. Yes, that is why I was asking the government to take the thing under its control because I was foreshadowing the result.

Q. This statement was made in 1907 and I am instructed that in 1903 they became amalgamated and the company was called the Quebec Bridge and Terminal Company. So at this time and three years prior to that, there could not have been anything of that nature?—A. Probably.

Q. You say probably. Would you not think that a natural outcome of the fact that they were one and the same company and that there were not two companies?—A. Yes, I would deduce that but you and the president are more aware of the workings of that company than I was at the time.

Q. Excuse me. I am no more aware of it than you are. You also at page 7942 of 'Hansard' make this assertion (reads):

'The second point I wish to call to the attention of the Finance Minister, is his own statement which I find in the 'Hansard' of a few days ago, that there was no permanent officer of the works and no official was sent to look after the works. Well, we know an official who is a brother of the president of that company, a man who keeps a small retail grocery store in my own parish, and who does not know the difference between a cross beam and a purlin in bridge work. He is a very worthy man but he allows the wool to be pulled over his eyes,—'

And so on. Your meaning, I take from that, is that Mr. Parent's brother was employed in an official capacity on that work?—A. That is incorrect.

Q. Is that correct?—A. That is incorrect. That is what I meant, but this summer I have seen him again, and the way it is: in conversation he was telling me what influence his brother had and he was naming the different positions his different brothers assumed with the government, and I think he even stated that his own mother was inspector of women's labour and he himself intimated that he made very frequent visits to the bridge, and he led me to believe he was getting \$1,000 out of it. This summer after making that speech I sent it to him and he was very inquisitive and he thought probably his name was on the pay list and he was not drawing the salary. That is how it turned out. I found that he first and foremost was wrong and my statement based on those facts was not accurate.

Q. In fact was entirely wrong?—A. Entirely wrong, yes.

Q. Just another little point I want to bring up. Have you gone over the figures that you gave with respect to the liability of the company and the value of the work, as extracted, I think, from the report of the engineer?—A. Well, the figures there, I could not vouch for them—

Q. I will come to that in greater detail afterwards, but have you revised these figures, or gone over them, since you made that speech in the House?—A. I have

APPENDIX No. 6

revised them, as I say, with the sample that I had at home but I know there are many figures there that are not proper. The figures given by me in the House were figures taken from the record, this statement of a balance sheet given by the bridge company at the time they came to parliament to get the guarantee of their seven millions of bonds.

Q. This is reported at page 7941 of the 'Hansard' of April 26th, 1907. Had you taken the trouble to more than look at the figures as they were put down, had you gone into their application to the work at all?—A. I have taken the figures as given by the engineer, as handed over to the government when they asked the government to guarantee their bonds to the amount of \$7,000,000.

Q. Did you consider the application of these figures, one portion or section of them to another, when you did that or did you take them baldly as they appeared in the statement?—A. I gave them out as I had them before me.

Q. Without looking into the thing at all or applying them in your mind as they should be applied?—A. I am not aware that I applied them wrongly. The only thing I am sure of is I took the report as it was given. I took for granted that the report was correct and I read the figures as they appeared there.

Q. You simply took the report and you read the figures as they appeared there?—A. Yes.

Q. Without going into any detail or study of the thing yourself?—A. If I remember right I studied them sufficiently in order not to give false figures.

Q. I would not for a moment intimate that you gave false figures, in fact I know you did not. Are you an accountant, Mr. Robitaille?—A. I am able to discern such figures as are given to me.

Q. But you are not an accountant?—A. I have had a degree as accountant and I have been doing some accounting work in the States as a business doctor.

Q. I want to go through those statements shortly. You start off by saying (reads):

'Now this M. P. Davis took \$472,000 worth of bonds at a discount of 40 per cent. thereby causing a loss to that company——'—A. Sixty per cent.

Q. At a discount of 40 per cent?—A. Yes, but they made a mistake.

By the Chairman:

Q. No, that is right. Forty per cent and they got 60?—A. Then that 40 per cent is correct.

By Mr. Gallihier:

Q. (Reads):

'thereby causing a loss to that company of \$188,800. The actual money received was \$283,200 and on a finance of \$1,273,217.70 they admit having a floating debt of \$779,550 in 1903. Now the value of the work was then estimated at about \$1,400,000. That was the estimate of the government engineer, and it is natural to suppose that he was given a hint to make his estimate excessive rather than exact.'

I suppose in the latter part you were enlarging a little?—A. I was presuming a little, if you can read what is there.

Q. (Reads):

'If on a sum of a million and a quarter there is a difference of \$779,000, the shrinkage is about fifty per cent. What guarantee has the government to-day if it lends \$6,000,000? Judging the future by what we see in the past, a shrinkage of fifty per cent will represent a floating debt of three millions on the six or seven million dollars granted to this company as is proposed by the present bill.'

Do you still have the idea that there was, even from the figures as presented here by the engineer, a shrinkage of that nature?—A. There was a shrinkage of \$779,000 by the figures given in the statement handed over to the government when they asked to have guaranteed bonds to the extent of——

Q. That is your idea of the figures given by the engineer?—A. I understand there was a deficit at the time.

Q. That is your idea as a man having had some experience in accounting?—A. It was, if I read the figures given there. If I had been aware that I would be asked to give evidence this morning I would have brought the report up.

Q. Are these the figures that you were quoting from (showing witness printed statement)?—A. (Pointing to statement.) This is the one here, floating debt.

Q. Here is '\$1,416,394 value of work done engineering, &c.?'—A. I took this floating debt.

Q. That is the same as you got your information from?—A. Yes, and here is the same floating debt.

Q. And that is the conclusion you came to after having gone over these figures? A. Well if I understand the English language floating debt means it is a debt and the figure opposite shows that it is not a surplus.

Q. Let us now take this up and see if we can get along a certain line. We find the value of the work, as certified by the engineer at the time this statement was made out and presented to parliament, is \$1,416,394. That is correct, is it not?—A. Yes, by the figures.

Q. I am taking the same figures that you took. Now we find there is interest on bonds and cash owing, \$34,298. You will admit, I presume, Mr. Robitaille, that interest on monies in a work of this kind is really chargeable against the assets, or at least really chargeable against the work on the bridge just the same as the making of a portion of the structure is?—A. Yes.

Q. So we find \$34,298 a question of interest. We find engineering and so forth \$25,000, don't we?—A. Yes.

Q. I presume you will admit that also is chargeable against the construction. Then on superstructure work we find due since 11th August, 1903, \$30,000, do we not?—A. Yes, money owed.

Q. That is for work done on the superstructure, that forms a part of the monies expended or sunk in the work?—A. Yes.

Q. So these three items will be properly added to the original \$1,416,394?—A. Well, I claim it should not be added. It should not be 1,416,000, it should be \$1,100,000, because you see you cannot add the \$30,000 and the \$25,000. The engineering and the amount due on superstructure should not be added to the total value of work done.

Q. Why not?—A. Why not? Because this is money you owe. The interest on bonds and cash owing should not be credited to the work but should be debited. Then this amount for engineering is also included in the amount which is represented here as the value of work done.

Q. I think you will find not?—A. When you appraise a building you may appraise for the full amount of the building and if you want to strike a balance sheet deduct from the value of the building what you owe and it gives you exactly your status. Now in this case you give as the value of the work, just a lump sum, without taking into consideration what is owed and what is not. You cannot add to that account money which the Quebec Bridge Company owe for engineering, or even what they owe still on the superstructure of the work.

Q. But, Mr. Robitaille, the engineering, the superstructure and the interest on monies borrowed to carry along the enterprise, are they not a part of the bridge building proposition itself, are they not something properly chargeable?—A. In the cost, perhaps.

Q. In the cost of the bridge?—A. Yes, just the same as the scaffolding. When you have the value of work done that amount here is supposed to include all expenditure.

Q. These three are subsequent, viz. the item for interest on bonds, engineering and superstructure. They are in addition to the original amount of \$1,416,394. They

APPENDIX No. 6

are subsequent to the estimate of that?—A. Your last statement does not corroborate the first one, if these three amounts are subsequent to the value of the work done. This does not agree with what you said a few minutes ago that the superstructure, the engineering and so forth are supposed to be a part of the work.

Q. Well but it does?—A. Yes, because the scaffolding of the building is included in the cost; the cost of the building is valued as it is erected.

Q. But you are going on the wrong principle there all the time. If those three latter items that have just been mentioned are not included in this first figure should they not be added to that first item if they are not included in balancing up and ascertaining how the moneys received have been expended?—A. If they are not included?

Q. Yes, going on that basis?—A. Yes, but what guarantee have you that in that figure these are not properly appraised?

Q. I know, as a matter of fact, from the auditor who went over the books, that they are not included; the statement shows they are not, they would not be separated if they were?—A. Not necessarily, because if you value the work done in a certain building everything is supposed to be included, but anyway, taking for granted they are not included in that, they should be.

Q. That would bring us to \$1,505,692?—A. Yes.

Q. That is what the figures show, is it not?—A. Yes.

Q. Now, let us take the other side of the sheet, and we find in the item of, 'payments made,' \$1,198,141, don't we?—A. Yes.

Q. Yes. Now, let me see, just a moment—

The CHAIRMAN.—What you are trying to show is that the floating debt was not as great as \$779,000, is not that so, Mr. Galliher?

Mr. GALLIHER.—In fact I propose to show there is no floating debt except those outstanding bonds of \$472,000.

Mr. MONK.—The return to parliament shows a floating debt of \$779,000.

Mr. GALLIHER.—Yes, I am going to show what that \$779,551 includes.

By Mr. Galliher :

Q. The floating debt is given at \$779,551, is it not?—A. Yes.

Q. Now, of the floating debt \$472,000 is bond issue, isn't it?—A. Of that floating debt, what?

Q. \$472,000 is bond issue?—A. It is not stated there.

Q. Yes, \$472,000?—A. \$472,000, oh yes.

Q. Yes, \$472,000 is the bond issue; then outside of that bond issue there is a floating debt of \$307,551, is there?—A. That is by your figuring?

Q. Yes, take your original floating debt reported as \$779,551?—A. I will add some figures and then I will calculate on that.

The CHAIRMAN.—That is merely as a matter of subtraction. I suppose that is right?

By Mr. Galliher :

Q. \$779,551 is the floating debt, and of that \$472,000 is bond issue, is it not?—A. Yes.

Q. Therefore the balance is the floating debt?—A. What are your figures?

Q. \$307,551 is the floating debt, that is right is it not, \$779,551 less \$472,000?—A. Yes.—one minute, \$307,551?

Q. That is outside of the bonds?—A. But you should add to that \$188,000, which is the discount on those bonds, because you owe the difference.

Q. Wait a moment, we will come to that by and by, but let me get at it my way first and then you can explain it the other way?—A. All right.

Q. So that we find the payments made \$1,198,141, and the floating indebtedness outside the bonds \$307,551?—A. Why do you take the bonds out of that?

Q. For the simple reason that I am going to deal with them in another way?—

A. Because the amount—

Q. If you will follow me and answer my question then I will let you make any explanations you like, Mr. Robitaille, that is right, is it not?—A. The way you look at it.

Q. The way anybody looks at it as far as that is concerned. The payment made \$1,198,141, and outside the bonds there is \$307,551?—A. Yes.

Q. Then we find that the floating debt and the monies paid out amount to \$1,505,692, do we not?—A. Payments made?

Q. Payments made, and added to that the floating debt outside the bonds?—A. Yes.

Q. And you find that that corresponds exactly, to a dollar, with the former calculation of the values expended in the bridge, do you not?—A. Yes.

Q. Now, then, we will go on and deal with the question of bonds, that is an exact balance if you leave the bonds out of the question?—A. If you leave the bonds out of the question.

Q. Then we will take up the proposition of the bonds. Of this \$1,198,141, \$283,279 is the proceeds of the bonds, that is right, is it not?—A. Yes.

Q. That is included in that, \$283,279 is the proceeds of the bonds. Now the bonds if sold at par would be \$472,000?—A. Yes, the amount that you subtract from the other.

Q. And supposing you, as a company, owe \$472,000 and issue bonds and sell them to that amount you wipe out the indebtedness as far as the contractor is concerned, do you not?—A. Yes.

Q. But you still have your \$472,000 of indebtedness?—A. Yes.

Q. On your bonds which you have to redeem?—A. Yes.

Q. Which would be the case in this instance?—A. Yes.

Q. So that if these bonds had been sold at par an accounting here would show that every dollar received had been expended, and you would get an equal balance?—A. Yes, by the figuring.

Q. By the figuring, yes. So that the only thing is the \$188,000, the discount on the bonds?—A. Yes.

Q. Now, that being the case, it is clear, is it not, that really with regard to the money received the bridge company have in construction, engineering, interest, &c., received dollar for dollar in value less whatever discount (\$188,000 odd) there was on these bonds?—A. By the figuring you have just made it shows that. Are you finished now on that?

Q. Yes, I think that covers it—well, just one question. And on that basis, Mr. Robitaille, your statement here of a shrinkage of 50 per cent must be absolutely wrong; that is if the basis I have established is right?—A. By that basis, but I was taking the report.

Q. Yes, that will give you that result, according to the basis I have established; in questioning you here I am not saying that basis is correct, or I do not ask you to say it is correct, but that is correct according to that basis?—A. That is correct.

Q. That is if the basis of figuring is correct, then your statement with regard to a shrinkage of 50 per cent or with regard to any shrinkage outside of what was brought about by the discount on those bonds was wrong, there is absolutely nothing?—A. There is something in this, and I take this report, a paper with the signature of Collingwood Schreiber, chief engineer, as authentic, and it states here, that the floating debt up to the 15th of October, 1903, is \$779,000. Now let me figure in another way than your method of figuring. He claims that is right and you claim you are right.

Q. I claim both are right.—A. Probably it may be, but to an ordinary eye it does not look that way and I am looking at the papers as submitted to the House.

APPENDIX No. 6

Q. I am trying to show—A. If they thought that they should reduce that floating debt by the amount of the discount 40 per cent why did they not include that in the report?

Q. Of course I am not responsible for that?—A. And I am not responsible for what knowledge I have any more than that I have taken this report as my source of information.

Q. But you will admit that if the basis I have established here is correct, as taken from the figures there, and I have only taken such figures as there are there, if the basis I have established is correct the conclusion I have arrived at is correct also, is it not?—A. Yes, taking it that everything is correct, which is the presumption.

Q. Exactly?—A. Well, wait until I do some figuring now. Now, take \$1,416,395, value of work done, engineering; interest on bonds and cash owing \$34,298; engineering, \$25,000; due on superstructure since 11th August, 1903, \$30,000; that makes a total of \$1,505,792. Now \$472,000 bond issue, balance due on work, \$218,000; payments made, \$1,198,141, and add that other indebtedness, \$561,298, that makes \$2,449,439. First I take the value of the work done, engineering, \$1,416,395, that is acceptable, isn't it, as to the first amount?

Mr. GALLIHER.—Of course I am not giving evidence, but that is the statement there.

By the Chairman:

Q. You are trying to figure out a deficit. It would take quite a long while to figure it up, and you can come here at any time. Take a week and figure it out, you will have lots of time to come here after you have done so?—A. All right, and I will bring the figuring the way I had it figured up when I read it to the House.

Q. That is fair, the witness should have a chance to go over his figures.

By Mr. Chisholm (Antigonish):

Q. He wants to say that he was under a misapprehension when he made that statement in the House?—A. That would not be right to say I was under a misapprehension, because I made the same figuring twice—my manuscript was stolen from my desk at six o'clock and I had to make it up a second time, so that if I had made a mistake in the first instance, I had no copies of the figures I had made at first. I could not have produced the same results a second time.

By Mr. Galliher:

Q. But you found your manuscript afterwards?—A. No, I did not, I never found it, but I will make the calculations again and I will come before the committee with the figures I have. At all events the little information that there was before the House, whatever I could get, whatever was available I had it, that is why I was very careful in the statement I made.

By Mr. Chisholm (Antigonish):

Q. Of course you did not anticipate that that statement would be called into question here?—A. My statement could very easily be called into question in the city of Quebec where I live.

By the Chairman:

Q. According to Mr. Roblin a political statement is a different statement to one made by a witness under oath, they are two different things altogether?—A. You know more about that than I do, I have not been as long in the game as you have.

Witness retired.

L'honorable S. N. PARENT est appelé, prête serment et est examiné.

Par M. Monk :

Q. Vous avez agi pratiquement comme directeur-gérant de la *Quebec Bridge Company* pendant que vous en étiez le président?—R. J'ai agi comme président.

Q. Y avait-il un gérant?—R. Non, monsieur.

Q. Pratiquement, est-ce que vous n'en remplissiez les fonctions?—R. Non, monsieur; je ne puis dire cela.

Q. Il y a des témoins qui ont dit que vous aviez fait les neuf dixièmes du travail?—R. Je ne puis avoir travaillé beaucoup sans être gérant.

Q. Vous n'aviez pas ce titre, mais en définitive vous avez fait les neuf dixièmes de travaux d'administration?—R. Je ne dis pas cela; j'ai fait beaucoup de travail mais je ne sais pas si je puis dire les neuf dixièmes.

Q. Voulez-vous dire au comité quelles sont les raisons qui vous ont fait choisir monsieur Cooper comme ingénieur?—R. Eh bien, lorsque nous avons eu des soumissions des différentes compagnies, la première chose que nous avions à faire était de trouver un homme compétent pour examiner les plans.

Q. Les différentes compagnies de ponts?—R. Les compagnies qui avaient soumissionné. Après informations prises, M. Théodore Cooper, ingénieur de la ville de New-York a été recommandé comme l'homme le plus capable en matière de ponts, comme faisant autorité. Voilà ce qui l'a fait choisir; et nous avons constaté que ce qu'on avait dit de lui était conforme à la vérité; c'était une autorité dans la matière.

Q. Ce monsieur a-t-il visité le site du pont plusieurs fois?—R. Il est allé le visiter quelques fois, certainement.

Q. Combien de fois à peu près a-t-il été sur les lieux?—R. Il est allé sur les lieux à ma connaissance quand nous construisions la substructure, quand M. Davis faisait les piliers; il est venu une couple de fois.

Q. Je crois constater qu'il y est allé une couple de fois, est-ce que c'est correcte?—R. D'après nos arrangements avec lui, M. Cooper devait aller au pont environ une fois par mois s'il le jugeait à propos; il était juge dans la matière.

Q. Comme question de fait, je crois qu'il y est allé deux ou trois fois, n'est-ce pas, pendant le cours des travaux?—R. Il doit y être allé trois ou quatre fois, peut-être quatre ou cinq fois; au meilleur de ma connaissance, je crois qu'il y est allé trois fois.

Q. Vous êtes-vous enquis dans le temps du capital et des ressources de la *Phoenix Bridge Company* avant d'entrer en affaires avec elle?—R. La compagnie Phœnix dans le temps d'après nos informations avait un capital de cent mille piastres; le crédit de la compagnie et le "backing" qu'elle avait, paraît-il, de la *Phoenix Iron Company* en faisait une compagnie très puissante dans la construction de ponts. Elle était très bien recommandée. Nous sommes allés à Philadelphie pour nous enquérir de sa situation financière, et les rapports qu'on nous a faits à propos de la *Phoenix Bridge Company* étaient très favorables.

Q. Mais en dehors de ce capital que vous venez d'indiquer, est-ce que la compagnie avait des ressources réalisables à votre connaissance, et quelles étaient-elles?—R. Lorsque nous avons transigé avec la *Phoenix Bridge Company*, nous avons pris son crédit tel qu'il était, avec de plus une garantie de cent mille piastres; nous avons en conséquence passé un contrat, étant persuadé que la compagnie remplirait ses obligations.

Q. Je constate qu'en effet la compagnie avait un crédit de cent mille piastres, mais ce montant ne vous a-t-il pas paru un peu minime en face des obligations que la compagnie assumait envers vous?—R. Il y en avait assez; le "drawback" était de dix pour cent; dans tous les cas le contrat parle par lui-même.

Q. Vous êtes-vous enquis dans le temps s'il n'était pas possible d'obtenir soit un crédit plus élevé, ou bien d'assurer les travaux dans la construction?—R. Eh bien,

APPENDIX No. 6

après avoir discuté cette question dans le temps, nous étions satisfaits qu'avec cette garantie et avec les recommandations que nous avons au sujet de la *Phœnix Bridge Company*, sur la manière qu'elle avait rempli ses contrats antérieurement, nous faisons de bons arrangements avec cette compagnie.

Q. N'auriez-vous pas pu prendre par exemple une garantie de la *Phœnix Iron Company*, qui semble avoir commandité cette compagnie-ci dans cette entreprise?—R. Nous avons obtenu à notre point de vue une garantie satisfaisante et suffisante pour l'exécution du contrat que nous faisons avec la *Phœnix Bridge Company*. Et de fait, la *Phœnix Bridge Company* a parfaitement rempli ses obligations pour les travaux tel que convenu avec la Compagnie du pont de Québec, jusqu'au moment de l'accident.

Q. Saviez-vous que la *Phœnix Iron Company* était la compagnie mère de la *Phœnix Bridge Company*?—R. Tout ce que l'on savait c'est que la *Phœnix Iron Company* aidait la *Phœnix Bridge Company*; je ne sais pas de quelle manière, mais soit en fournissant le fer ou autrement; dans tous les cas elle aidait la *Phœnix Bridge Company*.

Q. Avez-vous étudié dans le temps les relations existant entre les deux compagnies?—R. Non, monsieur; pas plus que les directeurs de la banque; dans le temps, ils nous ont dit qu'ils étaient satisfaits que nous eussions affaires avec la compagnie.

Q. Savez-vous quelque chose de la position financière de la *Phœnix Iron Company*?—R. Non, monsieur; je n'en connais rien.

Q. Vous ne connaissez ni son capital ni ses ressources?—R. Non, monsieur.

Q. Et la question de donner des garanties additionnelles à l'obligation de cent mille piastres n'a pas été discutée, je crois, par le bureau?—R. Nous avons alors discuté avec la compagnie Phœnix; j'ai essayé d'avoir autant que je pouvais avoir comme garanties. Lorsque nous avons discuté le contrat, d'après les informations que nous avons à ce moment, nous avons jugé à propos d'accepter ces garanties comme étant satisfaisantes; si nous avions pu avoir plus je crois que nous l'aurions pris, mais nous n'avons pas pu avoir plus.

Q. Quand l'arche de 1,800 pieds a été substituée à l'arche de 1,600 pieds, quelles démarches votre compagnie a-t-elle faites pour s'assurer de la valeur et de la sûreté de la substitution?—R. Notre ingénieur en chef, M. Cooper, comme je vous l'ai dit il y a un instant était considéré comme le meilleur ingénieur en matière de ponts, un homme qui faisait autorité, qui prétendait qu'un autre ne pouvait pas le critiquer, n'avait pas les connaissances nécessaires pour cela; alors, nous avons pris son rapport, c'est lui qui a fait les suggestions que nous avons acceptées.

Q. Vous n'avez pas cru nécessaire de faire vérifier la prudence de ce changement, de le faire contrôler?—R. Nous avons aussi l'opinion de M. Szlapka qui était ingénieur de la *Phœnix Bridge Company*, qui a désigné les plans; les ingénieurs s'accordaient alors à dire que le changement pouvait se faire.

Q. Eh bien, quels étaient vos renseignements sur monsieur Szlapka, est-ce un ingénieur de renom?—R. Aux Etats-Unis, d'après ce que j'ai entendu dire,—je le connais personnellement depuis plusieurs années,—c'était un homme éminent.

Q. Savez-vous où cet ingénieur a fait ses études et quelles constructions il a déjà faites?—R. Je sais qu'il était à l'emploi de la *Phœnix Bridge Company* depuis un nombre d'années; il est considéré comme un homme très capable dans la matière; maintenant, je ne l'ai pas suivi dans ses études, je ne sais pas où il étudié.

Q. Connaissez-vous des ponts qu'il ait bâtis lui-même, dont il ait fait le dessin?—R. La *Phœnix Bridge Company* pourrait donner de meilleurs renseignements que moi de ce côté parce que je ne l'ai pas suivi dans ses travaux.

Q. Vous ne l'avez pas suivi dans ses travaux?—R. Non, monsieur.

Q. Vous paraissez considérer que c'est lui qui a fait les plans du pont?—R. Oui, monsieur.

Q. C'est bien le cas?—R. Oui, monsieur; d'après mes informations; mais d'ailleurs, je ne crois pas qu'on nie cela non plus; le rapport de la Commission Royale doit donner tous ces détails-là.

Q. Quelle a été la soumission la plus basse pour la construction de ce pont; je vois que vous aviez plusieurs soumissions?—R. Voulez-vous parler de la sous-structure ou de la superstructure?

Q. Oui, monsieur; de la superstructure. Je vois que le dernier jour pour recevoir les soumissions était le 1er mars 1899 et qu'elles furent appelées au mois de septembre 1898?—R. Oui, monsieur.

Q. Quelle a été la plus basse soumission?—R. La question du prix dans le temps n'a pas été considérée, parce que nous ne savions pas quels plans pourraient être acceptés. Lorsque nous avons demandé des soumissions, nous avons demandé aux compagnies de fournir leurs plans; quant aux prix, il ne pouvait en être question avant de connaître quels plans seraient acceptés par la compagnie, si c'était un "cantilever" ou bien un pont suspendu; nous voulions savoir quel genre de plans serait acceptable.

Q. Combien avez-vous reçu de soumissions avec plans?—R. Je crois que nous en avons reçu quatre.

Q. Vous en avez reçu quatre?—R. Oui, monsieur; et d'après le rapport de monsieur Cooper la soumission de la *Phœnix Bridge Company* était la soumission la plus avantageuse.

Q. A ce moment-là est-ce qu'il s'agissait d'un prix fixe pour cette construction ou d'un prix à forfait?—R. Il n'était pas possible de donner une telle entreprise à forfait.

Q. Je trouve dans le rapport de la commission royale qu'il y avait une différence en faveur de la *Phœnix Bridge Company* dans sa soumission à ce moment-là de \$23,507, et c'était à forfait?—R. Oui, monsieur; mais vous ne pouviez pas avoir un contrat basé sur cette soumission; tels qu'étaient les plans, ayant été révisés par monsieur Cooper dans son rapport, les conditions changeaient alors.

Q. Mais monsieur Cooper vous a recommandé la soumission de la *Phœnix Bridge Company* comme étant la meilleure et la plus basse?—R. Oui, monsieur, je crois que oui.

Q. Elle était donc la plus basse à ce moment-là, il n'y a aucun doute de cela?—R. Il est possible, je ne me rappelle pas ces chiffres parce que c'est peu important.

Q. Avez-vous connaissance que subséquemment les travaux n'ont pas été entrepris à forfait mais ont été entrepris suivant le prix du fer?—R. Nous avons une cédule de prix de fixés tel que le contrat le mentionne.

Q. Vous savez que les prix de la *Key Stone Bridge Company* se trouvaient être plus bas que ceux de la *Phœnix Bridge Company*?—R. Je ne dis pas cela, je ne puis dire cela, parce que les prix de la Compagnie Key Stone pouvaient paraître plus bas, mais nous n'aurions pu construire sur son plan parce qu'il a été mis de côté; quand même les chiffres auraient été plus bas, ils n'auraient pas été acceptables par la compagnie.

Q. Dois-je comprendre qu'aux termes indiqués par cette compagnie, et suivant les conventions qui ont été arrêtées après l'achat de la soumission, vous maintenez que la *Phœnix Bridge* était le plus bas soumissionnaire?—R. Je considérerais que la *Phœnix Bridge Company* offrait plus d'avantages en tenant compte des circonstances. D'après le rapport de l'ingénieur, c'était la seule soumission acceptable.

Q. Mais vous admettez dans tous les cas que cette soumission ne faisait pas la base du contrat qui a été fait ensuite?—R. Il y a eu beaucoup de changements de faits par l'ingénieur dans les chiffres, qui ont changé la position.

Q. Un mot à présent sur les souscriptions au nouveau stock: vous vous rappelez que dans la convention que vous avez arrêtée avec le gouvernement dans le mois d'octobre mil neuf cent trois, la compagnie devait recueillir deux cent mille piastres de

APPENDIX No. 6

stock additionnel, lequel devait être versé comptant et employé jusqu'à concurrence de \$188,000 à éteindre l'escompte sur les anciennes débentures?—R. Oui, monsieur.

Q. Vous vous rappelez cela?—R. Oui, monsieur.

Q. Ces conditions ont-elles été remplies par votre compagnie?—R. Elles ont été remplies par la compagnie; c'est-à-dire que la compagnie a souscrit le stock de deux cent mille piastres et les \$188,000 n'ont pas d'abord été payées à l'acquis de l'escompte des débentures mais ils l'ont été plus tard.

Q. Mais enfin, quand vous avez certifié au gouvernement que ce stock était payé en plein, il y avait toujours en suspens le chèque de M. Davis pour \$94,000?—R. Le chèque n'était pas en suspens; nous avions le chèque en mains, lequel chèque pour nous valait absolument de l'argent. La seule raison qui nous a fait retenir ce chèque pendant un certain temps, c'est que nous ne voulions pas que le contracteur Davis eut le contrôle du stock de la compagnie; il avait été entendu dans le temps que lorsqu'il a souscrit pour cent dix-neuf mille et quelques cents piastres, nous aurions droit de prendre sur ce montant les souscriptions que les compagnies de chemin de fer avaient l'intention de prendre; et le fait le Grand-Tronc a pris quelque temps après vingt-cinq mille piastres sur les cent dix-neuf mille, laissant à M. Davis 949 parts de stock, formant un montant exact de \$94,900. Le Québec-Central devait prendre vingt-cinq mille piastres aussi; c'est la raison qui nous a fait attendre avant de mettre ce chèque à la banque. Dans le temps le Québec-Central n'avait pas d'autorisation de souscrire, sa charte ne le lui permettant pas, mais il a plus tard pris pour vingt-cinq mille piastres de stock de M. Sharples.

Q. Au lieu de le prendre de M. Davis?—R. Oui, monsieur. Quand cette question a été réglée nous n'avions plus d'intérêts à attendre et nous avons déposé le chèque à la banque.

Q. Le gouvernement fédéral avait-il connaissance de tous ces faits que vous venez de relater au comité?—R. Je ne sais pas ce que le gouvernement avait à faire avec cette question spéciale de stock, mais du moment que le stock a été souscrit nous l'avons déclaré au gouvernement; c'est tout ce qu'il avait besoin de savoir; et de fait ça l'avait été.

Q. Quand vous avez donné au gouvernement le certificat comportant que les deux cents mille piastres avaient été complètement payés, lui avez-vous fait savoir que vous aviez un chèque de \$94,900 de M. Davis non accepté, comme partie de son émission?—R. Ceci ne concernait pas le gouvernement; ses conditions étaient que nous souscrivions deux cent mille piastres; du moment que nous avions cela de payé, au point de vue de la compagnie, nous avions rempli les vues du gouvernement.

Q. Alors, si vous aviez eu tout le stock de deux cent mille piastres de souscrit de la même manière vous auriez considéré que...?—R. Du moment que j'aurais eu un chèque en mains que j'aurais pu déposer à la banque, qui aurait pu être payé, je considérais absolument que j'étais remboursé du montant du stock.

Q. Dites-vous que ce chèque a été vu depuis le jour de sa date jusqu'au jour que vous l'avez encaissé?—R. Si nous avions déposé le chèque je suis fermement convaincu que nous aurions été payés en le présentant.

Q. Pourquoi ne l'avez-vous pas déposé?—R. Pour la raison que je viens de donner, c'est que les compagnies de chemin de fer devaient prendre du stock de Davis; nous ne devions pas le déposer avant de savoir si les compagnies prendraient de ce stock ou non; si la compagnie du Québec-Central avait pris vingt-cinq mille piastres de stock, le chèque de M. Davis aurait été de vingt-cinq mille piastres de moins ensuite.

Q. Vous lui avez délivré un certificat disant qu'il était porteur des parts représentées par son stock?—R. Nous considérons avoir été payés; le fait d'avoir délivré un certificat indique que nous considérons avoir été payés. M. Davis devait à la compagnie soixante-cinq mille piastres, et nous avons détenu le certificat en garantie du montant qu'il devait à la compagnie.

Q. Si je me rappelle bien il est indiqué au talon que les parts sont mises en gage?—R. Nous avons notre certificat, nous n'avons pas délivré ce certificat.

Q. Il en a été émis un?—R. Oui, monsieur; mais nous l'avons gardé en notre possession pour garantir le montant qu'il nous devait.

Q. Alors, vous avez émis ce certificat constatant qu'il était porteur de ces parts-là et vous avez cependant gardé son chèque sans le présenter à la banque jusqu'en mil neuf cent sept?—R. Oui, monsieur; jusqu'à ce que le Québec-Central eut souscrit son montant.

Q. Dans votre opinion, ceci n'était pas affaire du gouvernement?—R. Non, monsieur; une pure question d'administration de la part de la compagnie; cela ne concernait que notre administration.

Q. Y avait-il des membres du gouvernement qui étaient au courant de cela?—R. Pas que je sache.

Q. Monsieur Fitzpatrick le savait-il?—R. Je ne sais pas.

Q. Le premier ministre le savait-il?—R. Je ne puis pas dire; dans tous les cas s'ils le savaient ils ne l'ont pas appris de moi, alors, je ne puis pas répondre pour d'autres.

Q. Vous savez que monsieur Davis n'a retiré ce chèque qu'après le règlement que vous avez fait de ces créances y compris les débetures émises en premier lieu par la compagnie?—R. Quelles débetures?

Q. Bien, ce n'est qu'après que vous eussiez racheté les premières débetures au pair s'élevant à \$472,000 que ce chèque s'est trouvé bon, c'est-à-dire que vous l'avez encaissé?—R. Cela a été fait après le paiement des débetures, cela a été fait par le gouvernement fédéral.

Q. Ces débetures ont été payées par le gouvernement fédéral?—R. Oui, monsieur; dans le montant fixé dans le statut, ça été payé à même les débetures.

Q. Quel est le montant du chèque qui a été émis pour le paiement de ces débetures; est-ce que ça été compris dans un montant plus...?—R. Dans un montant de huit cent quatre-vingt-dix-huit mille et quelques cents piastres.

Q. Est-ce que la compagnie a eu le contrôle de ce montant-là?—R. Non; ça été payé par le gouvernement à la Banque de Montréal, je crois.

Q. Sur des chèques?—R. Je l'ignore; c'est une affaire du département des Finances.

Q. C'est le gouvernement qui se charge du paiement de tous ces montants-là?—R. Le montant fixé dans le statut a été payé par le gouvernement.

Q. Quand la difficulté est survenue au sujet de l'emploi d'un expert, par monsieur Schreiber, pourquoi la Compagnie du Pont n'a-t-elle pas insisté pour que cet expert soit nommé et agisse pour que la compagnie bénéficie des conseils de cet expert sans avoir à payer le coût d'une expertise?—R. La Compagnie du Pont ne s'est jamais objecté à cela, au contraire, elle était en faveur de la suggestion du gouvernement. J'ai rencontré monsieur Cooper à New-York moi-même, à ce sujet; monsieur Cooper s'est complètement objecté à ce que monsieur Nichol lui fut adjoint dans la construction du pont; il a été même jusqu'à dire que si l'on insistait il résignerait sa position. Il est venu même à Ottawa rencontrer monsieur Schreiber pour discuter la question; le gouvernement avait à choisir entre la résignation de monsieur Cooper et la nomination de monsieur Nichol.

Q. Est-ce que monsieur Cooper ne savait pas que le gouvernement devait approuver tous les plans et spécifications?—R. Monsieur Cooper savait parfaitement cela, c'est pourquoi le gouvernement plus tard a été obligé de nommer monsieur Cooper comme son représentant.

Q. Mais entendons-nous: Monsieur Cooper savait parfaitement bien que le gouvernement s'était réservé le droit d'approuver les plans et spécifications?—R. Oui, monsieur; il devait le savoir.

Q. Pourquoi monsieur Cooper pouvait-il s'objecter à ce que le gouvernement emploie les personnes qu'il voulait employer afin de s'assurer de l'efficacité de ces plans?—R. Les raisons données par monsieur Cooper étaient celles-ci: Si le gouverne-

APPENDIX No. 6

ment comme un expert ou un ingénieur de ponts, cet homme prendra probablement sur lui de faire certaines choses ou de donner des instructions durant la construction qui pourront venir à l'encontre de ce que je puis faire moi-même; et comme la chose est une affaire considérable je veux qu'il n'y ait que moi-même qui puisse s'occuper du contrôle de toute la construction. Ses craintes étaient que cet homme put donner des instructions contraires aux siennes. M. Cooper avait jugé dans le temps que M. Hoare était tout ce qu'il fallait et qu'il ne prendrait pas sur lui, celui-là, de rien faire sans le consulter.

Q. Si l'expert que le gouvernement était décidé à employer avait trouvé des défauts dans les plans qui ont été la cause du désastre, ça aurait été une très bonne chose?—R. Voici ce qui aurait pu arriver: M. Cooper prétendait qu'il n'y avait pas d'homme qui pouvait passer après lui, et c'était passablement l'avis d'ingénieurs éminents dans ce temps-là, je crois; et d'un autre côté, si le gouvernement avait nommé M. Nichol, si M. Cooper avait résigné et que l'accident du 29 août fût arrivé pareillement, l'on aurait blâmé bien plus le gouvernement d'avoir mis M. Cooper de côté, lui qui était considéré comme la meilleure autorité, pour prendre M. Nichol qui n'en était pas une; la position aurait alors été pire.

Q. Ne savez-vous pas que le gouvernement ne pouvait pas passer sur ces plans sans consulter un expert?—R. Le fait est qu'il y avait un expert avec M. Cooper, qui était une autorité.

Q. Avez-vous répété tout cela à M. Cooper dans le temps, que c'était une chose qu'on ne pouvait pas refuser au gouvernement?—R. M. Cooper savait parfaitement cela, parce que nous avions discuté la question de choisir entre la résignation de M. Cooper et cette nomination; il n'y avait pas autre chose à faire.

Q. Eh bien, passons là-dessus et laissez-moi vous demander ceci: Le gouvernement lorsqu'il a cédé aux instances de M. Cooper, avait cependant dès cet ordre en conseil du 15 août mil neuf cent trois décrété que les plans, tous les plans, et toutes les modifications qu'il y aurait, devaient lui être soumis avant d'être adoptés. Voici ce que dit cet ordre en conseil: "... provided the efficiency of the structure be fully maintained up to that defined in the original specifications attached to the company's contract (Ex. 12), the new loadings proposed by the Quebec Bridge Company's consulting engineer be accepted, &c.; and that all plans be submitted to the chief engineer and until his approval has been given, not to be adopted for work. This order modified the order in Council of July 21, 1903." Depuis ce moment, c'est-à-dire depuis qu'on a abandonné l'idée de prendre les services d'un expert, de M. Nichol, est-ce que le gouvernement a passé sur tous les plans, spécifications et changements qui ont été faits par M. Cooper dans la construction du pont?—R. Le gouvernement après l'arrangement de mil neuf cent trois a approuvé les plans et spécifications et s'en rapportait entièrement à M. Cooper pour leur exécution.

Q. Sans examiner de nouveau les plans, n'est-ce pas?—R. Bien, je ne sais pas si M. Schreiber les a examinés plusieurs fois.

Q. Depuis mil neuf cent trois, est-ce que le département des Chemins de fer a eu à examiner aucuns plans?—R. Le département des Chemins de fer répondra à cette question; quant à moi, je n'ai pas suivi cela.

Q. Vous ne le savez pas?—R. Je ne puis pas savoir ce qui se passe dans le département des Chemins de fer.

Q. Comme président de la compagnie du pont, vous ne savez pas si depuis cet ordre en conseil du 15 août 1903 le gouvernement a eu à passer sur aucuns plans?—R. Après avoir accepté les plans et spécifications; quant aux plans de détails je crois qu'il s'en rapportait entièrement à M. Cooper.

Q. Un autre point: Depuis le désastre, avez-vous examiné vous et vos co-directeurs quelle est la situation financière de la compagnie du pont de Québec; quelle est-elle aujourd'hui?—R. Je crois que M. Bell vous a soumis l'autre jour des chiffres à ce sujet; nous devons à la banque de Montréal.

Q. Je ne crois pas que M. Bell ait fait d'examen depuis le désastre ?—R. C'est depuis le désastre.

Q. Vous-même pouvez-vous nous dire si la compagnie du pont de Québec est aujourd'hui capable de procéder aux réparations du pont ?—R. Sous les circonstances, tenant compte de l'accident qui est arrivé nous ne pourrions pas procéder à ces réparations, surtout avec la clause du statut de 1903 aux termes duquel le gouvernement doit reprendre le pont ; il est impossible de rien faire.

Q. Votre compagnie a-t-elle quelques ressources financières aujourd'hui ?—R. Non ; les ressources financières de la compagnie sont les montants qu'elle a mis dans la construction du pont.

Q. C'est tout ce qu'il y a en fait d'actif, n'est-ce pas ?—R. Nous avons les piliers et approches.

Q. Avez-vous eu des rapports de l'ingénieur en chef depuis le désastre ?—R. De M. Cooper ?

Q. Non, de M. Hoare ?—R. Un rapport spécial ?

Q. Oui ; avez-vous eu quelque rapport écrit de M. Hoare ?—R. Il a fait un rapport à la compagnie évaluant les dommages de l'accident à \$1,800,000 ; c'est à peu près tout ce que je peux me rappeler.

Q. Est-ce que pour un million huit cent mille piastres l'on peut réparer les dommages qui ont été faits là ?—R. Si nous évaluons les dommages à ce montant, je présume que oui, parce qu'il n'y a qu'une partie de l'ouvrage qui s'est écroulé, partie qui n'était pas encore terminée ; de sorte que la partie nord est intacte.

Q. Mais si le plan est défectueux, ne faudrait-il pas changer la partie nord ?—R. C'est une chose que les ingénieurs auront à décider ; ils auront à décider si la partie qui est actuellement manufacturée a être employée à la nouvelle construction.

Q. La compagnie du pont a-t-elle des dettes en dehors des débetures garanties, en dehors de ce qui a été mentionné comme étant dû à la banque de Montréal et en dehors de ce qui peut être dû au département des Douanes ?—R. La compagnie peut devoir quelque chose.

Q. Combien à peu près ?—R. Le montant ne peut pas être considérable ; nous avons une réclamation qui est pendante avec la *Quebec Improvement Company* pour droit de passage.

Q. Quel en est le montant ?—R. C'est pour trente-deux acres de terre que nous avons alors pris ; il y a eu des arbitres de nommés ; les arbitres ont accordé, je crois, un montant de \$26,000 ; notre arbitre était dissident ; il évaluait entre quatre ou cinq mille piastres, en autant que je puis me rappeler, un peu plus que quatre mille piastres. Nous sommes allés en Appel ; nous avons contesté l'arbitrage ; nous avons fait mettre de côté le jugement de la cour supérieure qui était contre nous par la cour d'Appel qui a renversé ce jugement, il y a eu appel au conseil privé qui a maintenu le jugement de la cour d'Appel. D'après ce que je comprends aujourd'hui, la *Quebec Improvement Company* accepterait en règlement de leur réclamation une somme de \$14,000.

Q. Qu'est-ce que c'est que ce *Quebec Improvement Company*, quels sont les intéressés dans cette compagnie ?—R. Je sais que le président est sir Alphonse Pelletier ; le gérant est un nommé Stuart, autant que je peux me rappeler.

Q. Connaissez-vous les directeurs ?—R. Je ne connais pas les directeurs ; on me dit qu'ils sont cinq ou six directeurs, parmi lesquels J. T. Ross, et je ne sais pas si M. le sénateur Belcourt n'en est pas un autre ; à vrai dire, je ne connais pas les directeurs.

Q. Parlons des dernières débetures émises ; toute l'émission a été faite, n'est-ce pas ?—R. Oui, monsieur ; \$6,678,200.

Q. Combien de cette émission se trouve avoir été consommée jusqu'ici dans la construction du pont ; est-ce qu'il reste encore quelque chose ?—R. Tout le montant

APPENDIX No. 6

est épuisé ; il a été transporté à la banque de Montréal pour avances faites ; comme la banque nous a avancé, je crois, 80 à 85 pour cent sur les débetures, il devrait rester encore de débetures, étant prises au pair par le gouvernement, un montant, je présume, de sept à huit cent mille piastres ; il y a encore un montant qui n'est pas dépensé.

A une heure, la séance est levée jusqu'à 3 hrs de l'après-midi.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

TUESDAY, June 23, 1908.

The committee resumed at 3.30 o'clock p.m., the chairman, Mr. A. K. Maclean, presiding.

Mr. HENRY HOLGATE called and sworn and examined.

By Mr. Monk :

Q. You were one of the members of the royal commission that investigated the disaster to the Quebec bridge, were you not?—A. Yes, sir.

Q. Did you act as chairman of that commission?—A. Yes, sir.

Q. And you reported, I believe, to the government in due course?—A. On 20th February.

The CHAIRMAN.—You might ask Mr. Holgate who he is ?

By Mr. Monk :

Q. You are an engineer, Mr. Holgate—A. Yes, I am an engineer with my headquarters in Montreal.

Q. Have you had much experience in the exercise of your profession?—A. Yes, all my life.

Q. Have you had occasion to study bridge building?—A. Yes.

Q. In the engineering profession is bridge construction considered a special branch of the science?—A. My answer to that is, the design and construction of bridges is a special branch of engineering science ; more particularly is this so when it relates to bridges of long spans and of great dimensions. The design and construction of great bridges is distinctly a specialty, and only such engineers as have had a life long training in this particular work can possibly qualify as competent to undertake to design such a structure as the Quebec bridge, involving as it does the application of the accumulated knowledge and experience in the art, which can only be attained by those who have given the best part of their lives to this class of work. The knowledge necessary must include the most complete mastery of the mathematical questions involved, an accurate knowledge of the metallurgy and manufacture of steel, the faculty of applying this knowledge, combined with the indefinable power to meet commercial conditions, and the whole must bear the impress of sound judgment. These qualities are, in my opinion, not combined in one man in such a degree as to meet the conditions that are imposed by the construction of the Quebec bridge, and to meet such conditions the responsibility must be on several well chosen men who shall act together.

Q. Starting from that, Mr. Holgate, are there many engineers in America who are specially versed in bridge building, possessing the qualifications you have just referred to?—A. There are not many engineers in America who are specially versed in bridge building on the scale of structures such as the Quebec bridge. This class

7-8 EDWARD VII., A. 1908

of work, however, is world-wide, and not confined to America, and there are engineers in other countries who are also well versed in the art. There is no doubt, however, in my mind that there are engineers who are eminently qualified to successfully carry out this work.

Q. Would you say there is a very large number?—A. No, there is no large number of such engineers.

Q. Is a bridge, such as the Quebec bridge, in course of construction susceptible of being insured against accident such as befell that structure?—A. Yes, and this answer is rendered all the more positive because of the failure of the Quebec bridge structure, the lessons learned from this failure are of infinite value to engineers.

The CHAIRMAN.—What was your question again?

Mr. MONK.—If a structure such as the Quebec bridge can be insured against accident?

The CHAIRMAN.—What do you mean, commercial insurance, a policy of insurance?

Mr. MONK.—I understand, Mr. Chairman, it is a policy in America where there is a great deal of bridge building to absolutely take out commercial insurance.

The CHAIRMAN.—I think Mr. Holgate understood the question in an entirely different way.

The WITNESS.—Entirely different.

By Mr. Monk :

Q. You mean to insure the construction?—A. By physical means.

Q. By physical means?—A. Yes, sir, not—

The CHAIRMAN.—He means the bridge can be built on that design.

By Mr. Monk :

Q. Is that what you mean?—A. Not on that design, I did not say so.

By Mr. Monk :

Q. Now, Mr. Holgate, is it possible, in the construction of such a bridge as the Quebec bridge, to ascertain beforehand—

The CHAIRMAN.—We had better finish this insurance point so as to make the record all right. Mr. Holgate answered yes to your question but meaning a different thing altogether. Perhaps you had better strike the question out altogether?

Mr. MONK.—I think the witness has explained it. He says he does not mean commercial insurance but proper means being taken, its feasible construction with a proper design. Is not that what you meant?

The WITNESS.—Yes.

By the Chairman :

Q. Is it possible to effect commercial insurance of a structure of that kind during construction, to your knowledge?—A. I should say it is not.

By Mr. Monk :

Q. Is it possible in the case of a structure like the Quebec bridge to ascertain before hand the cost of construction and—?—A. Yes. I beg your pardon, you were going to add something further?

Q. I wanted to add whether it would have been possible, by careful examination of the plans and specifications of that bridge, to ascertain the weaknesses and defects which ultimately caused the collapse?—A. If you would separate your question I could answer better.

Q. The first part of the question is if it is feasible to ascertain beforehand the cost of construction?—A. Yes, as to the superstructure, which is definite, but not so with the substructure, the building of which involves serious contingencies which can-

APPENDIX No. 6

not always be provided for or guarded against, and which arise in the course of construction and which can only be overcome by the resourcefulness of the engineers in command.

Q. Would it have been possible, upon a thorough examination of the plans and specifications of the Quebec bridge, to ascertain the weakness and defects which ultimately caused the collapse?—A. Yes, but it would have involved a systematic series of tests on compression members as well as on tension members, and this fact would have had to be realized by the engineers in charge of the work and they did not realize it. Had the plans of the bridge been made complete, before construction was begun, and the weight of the structure been definitely ascertained the serious error of assuming too little dead load would have been avoided. This course was not followed. In addition to this, however, the design of certain details was wrong, and this should have been tested by experiment to prove the assumptions of the designers, as was done by the commission in its inquiry, and which clearly showed such assumption to be wrong.

Q. Are these experiments to which you have just referred, Mr. Holgate, very difficult of execution or very costly?—A. They are both difficult and costly, and at that time were not considered by the engineers as necessary for the purpose of design.

Q. Who made the design of this bridge?—A. The Phoenix Bridge Company, in whose employ Mr. P. L. Szlapka holds the position of designing engineer and has for his chief assistant, Mr. Charles Scheidl; both of these gentlemen are designing engineers of great experience and have successfully designed many important structures.

Q. Do you know anything about the financial position or strength of the Phoenix Bridge Company? In your enquiries have you had occasion to ascertain that? Is it a very powerful company?—A. In appendix No. 4 of the report of the commission is set out the necessary information.

Q. Do you know, Mr. Holgate, from your examination of the whole affair how many tenders were made for the construction of the bridge and what these tenders were?—A. I will just refer to the report. On page 15 of the report is a statement of the tenders received for the work. On page 16 of the printed report are the figures showing the comparison between the tenders of the Phoenix Bridge Company and the Keystone Bridge Company for cantilever bridges, which latter figures were the same as those of the Dominion Bridge Company, the two companies, that is the Keystone and the Dominion Bridge Company, had for this part of the work entered into an agreement whereby a part of the work would be manufactured in Canada. The amounts of the other tenders were higher, and those for suspension designs were higher than for the cantilever designs. The secretary of the Quebec Bridge Company could not produce the other tenders, and stated that they had been returned to the parties tendering, so that the actual amounts of these tenders are not on record.

Q. I see on reference to page 16 of your report that as to the weight and prices of the steel per gross ton that the Phoenix Bridge Company's tender was \$103.94, and that the Keystone Bridge Company's tender was \$90 only. The Quebec Bridge Company having substituted a lump sum for the construction of the superstructure, a sum which was to be based upon the weight of the steel, it seems to me that the Keystone Bridge Company had the lowest tender. Am I right in making that supposition?—A. No, sir, not at that time, for the reason that whereas the price per ton of the Keystone Bridge Company for the steel work was less than that of the Phoenix Bridge Company per ton, the weight of the Keystone Company's bridge which was proposed to be built was 4,444 gross tons greater than the weight of the proposed Phoenix Company's bridge. So that the gross amount of the Keystone Company's tender was about \$23,000 odd in excess of the Phoenix Company's tender, and both these tenders were on the basis of a lump sum. Mr. Cooper's report, dated May 1, 1900, set out these facts perfectly clearly.

By Mr. Galliher:

Q. Would there not be, in addition to that, the extra duty that would have to be paid on the extra tonnage?—A. Exactly; in addition to that, of course that would make a further difference, whatever that duty was. I think it would amount to about —I think the figures are here—would amount to about \$97,768.

By Mr. Monk:

Q. Would the extra weight have been any detriment?—A. I think it is impossible to answer that question because—

The CHAIRMAN.—It depends upon the design, I suppose?—A. Because it is a question of design, and that question was settled at that time by Mr. Cooper from his examination of the design and his estimate of the weights.

By Mr. Monk:

Q. Do you know anything about the Keystone Bridge Company?—A. Oh yes.

Q. It is a good company?—A. That is the Carnegie Steel Company.

Q. You had not occasion to see their designs, had you?—A. The only design of theirs that I saw was simply an outline. I saw no detail plans of theirs.

Q. Had you occasion to investigate the financial condition of the Quebec Bridge Company during your labours? Do you know anything about the financial condition of that company?—A. The only knowledge of the financial situation of the Quebec Bridge Company which I had is set out in the commission's report, principally in the third and fifth appendices, the company's 1907 balance sheet (Exhibit 123) and the progress estimates (Exhibit 42) also covers certain of this information.

Q. Now, Mr. Holgate, if you wish to make sure that the designs, plans and specifications for such a gigantic structure as the Quebec bridge were of a nature to ensure a perfect and safe structure, what means would you adopt, supposing you were called upon to become responsible for such a structure of that magnitude, how would you make sure, as sure as one can be, that the designs, plans and specifications were of such a nature as to absolutely ensure the success of the undertaking, can you tell that to the committee?—A. I have given that matter a good deal of consideration, and my opinion is that owing to the gigantic proportions of a structure such as the Quebec bridge must be, and to its very great national importance, and also having regard to the methods followed in designing and carrying out the work on the fallen structure, it is obvious that the new work must be controlled by a more competent and conservative organization. In order to ensure good results, the work of designing and building the bridge should be entrusted to a committee or commission of three of the most eminent bridge engineers in the world, irrespective of nationality, and who should appoint a chief engineer. The engineers on the commission would have duties of active advisers and would be responsible for all results; the chief engineer would be their executive officer and responsible only to the commission. The chief engineer should have a competent staff, and he should prepare all designs subject to the direction and approval of the commission. Upon such designs and their specifications tenders may be obtained upon a unit price basis, the judgment of the commission being taken as to the acceptance of any tenders. The inspection of material, workmanship and of erection would rest with the chief engineer.

By Mr. Galliher:

Q. Are you answering his question or making a statement?—A. This is in answer to the question. It would appear as desirable that the commission if so appointed, should first look at the whole question of the bridge as *de novo*, and without reference as to what has been done in regard to general and detailed location of the bridge, in order to set at rest certain statements to the effect that errors of judgment have been made in these directions.

APPENDIX No. 6

By Mr. Galliher:

Q. Do I take your answer as applying to what you would recommend being done now if the bridge were being taken hold of in its present condition to build it, or are you speaking really from the beginning of construction irrespective of the fact that an accident had happened?—A. It will have to be considered in both ways, and the loss and the damage is so very great as to warrant at this stage considering the matter as a new subject.

Q. I understand that; part of your answer and the concluding sentence of it led me to ask my question. But I understood Mr. Monk's question a little differently, viz.: as relating more to what should or should not have been done in the first instance. Am I right in that, Mr. Monk?

Mr. MONK.—Yes, Mr. Galliher, I applied it generally as to what should have been done in the first instance as well as to what ought to be done now.

Mr. GALLIHER.—Yes, that is what I wanted to clearly understand.

Mr. MONK.—Laying down a general principle.

Mr. GALLIHER.—Of course, we are all wiser after the fact than before.

The WITNESS.—I was just going to say I think it would be almost impertinent for me to say that, and my remarks have a distinct reference to what may be done in the future.

Mr. GALLIHER.—I wanted that made clear. That is important, I should take it?

By Mr. Monk:

Q. Mr. Holgate, with the knowledge you have acquired of the whole matter of that bridge, your visit to the spot and the inquiry you have made, are you in a position to estimate approximately the cost of building that bridge as it stands now?—A. No, sir, I do not think that anyone can, at this stage, predict what the cost of reconstruction may be with any reasonable degree of accuracy. The data does not exist yet upon which any reasonable estimate can be formed.

Q. Did you refer in your report to the material that remains there? Is there anything of that which can be used, in your opinion? I do not know if you spoke of it in your report?—A. No, sir, we did not enter into that question. That particular question is treated by Mr. Schneider in his report.

Q. I suppose a great deal would depend, in reference to that question, as to what would be the design of the new bridge?—A. Entirely so. It will rest—it is a question of design entirely as to whether any of the substructure or superstructure can be utilized.

By the Chairman:

Q. None of the superstructure would be of any use, would it?—A. I cannot answer that question, because it is a question of design.

The CHAIRMAN.—I thought it was all twisted and in pieces and could not be utilized?

By Mr. Monk:

Q. I want to ask you, Mr. Holgate, if, as far as you know, we have in Canada bridge companies that would be in a position to undertake the construction of this bridge? I am not speaking of the design or plan now, but if we have companies that could do that work?—A. We have in Canada at least two companies who are to-day in a better position to undertake the construction of such a bridge than the Phoenix Bridge Company were when they were awarded the contract.

By the Chairman:

Q. They improved their plant to meet this particular work?—A. Yes, sir.

Q. Would it be easier for them to put themselves in that position than a Canadian concern?—A. No, I cannot see that there would be any difference between the two.

7-8 EDWARD VII., A. 1908

Q. I suppose once the design is settled, the construction of a bridge a mile long is not much different from the construction of one half a mile long?—A. Well, it all depends upon the magnitude of the members.

Q. Yes?—A. At the present time any Canadian bridge company would have great difficulties, it would be almost impossible for them to build some of the very large members that were in the Quebec bridge; in fact it taxed the Phœnix Bridge Company right to their limit to do that work, but they did it.

By Mr. Galliher:

Q. These designs were all prepared by the Phœnix Bridge Company?—A. I have answered everything in that connection in the report and I would like to avoid, if possible—

Q. Repetition?—A. Repetition, if possible.

Q. I only asked that as leading to another question. These plans were all submitted to Mr. Cooper, the consulting engineer?—A. That is all here (pointing to report). Yes, they were all submitted to Mr. Cooper.

Q. Mr. Cooper's reputation as an engineer, I presume, is beyond question?—A. Oh, yes.

The CHAIRMAN.—Mr. Holgate apparently does not wish to offer any opinion of his own other than is contained in the report, and I presume he wants to adhere to that.

The WITNESS.—The reason is this: anything outside of the matter treated of in the report that I can be of use in answering I would like to answer fully, but anything that is brought up in the report I consider is finished; I have nothing more to say about it.

The CHAIRMAN.—Of course, you can turn up the report and state what you did say there.

Mr. GALLIHER.—What I wanted to get at particularly is in connection with the care that has been exercised by the company in having proper plans made and having them properly supervised by a competent person.

The CHAIRMAN.—I suppose the witness will say you can find that in the report.

By Mr. Galliher:

Q. Is that all dealt with in your report?—A. Yes, sir, everything of that nature.

The CHAIRMAN.—If you will look up the report on your file, Mr. Galliher, you will see that the findings of the commission are all given *seriatim*. It will be perhaps worth your while looking it up.

Mr. CHISHOLM.—They are speaking from a knowledge of the situation subsequently. What Mr. Galliher wants is to find out if proper care was exercised in connection with the preparation of the plans.

The CHAIRMAN.—I think Mr. Galliher's question is a fair one.

Mr. GALLIHER.—I do not propose to go into the technical part of the matter.

The WITNESS.—I quite understand Mr. Galliher.

By the Chairman:

Q. You say in one of your findings, Mr. Holgate (reads):

'The professional record of Mr. Cooper was such that his selection for the authoritative position that he occupied was warranted and the complete confidence that was placed in his judgment by the officials of the Dominion Government, the Quebec Bridge & Railway Co., and the Phœnix Bridge Co. was deserved.'

Q. Do you personally adhere to that?—A. Yes, sir.

Q. Well, is it a fair inference to draw from that, that the government and the Quebec Bridge Company took such precautionary measures as any person or corporation would reasonably be expected to take at that time?—A. With regard to the engineers?

APPENDIX No. 6

Q. I mean in view of your statement here, of your finding respecting the record of Mr. Cooper, and your statement that the Dominion government and the Quebec Bridge Company were justified in placing in him the confidence that they did, is it a fair inference that the government and the Quebec Bridge Company took all such precautionary measures as might reasonably then have been expected of them?—A. I do not think you can interpret that as going quite so far. All that statement is good for is just what it says, and that is just where you fall into the difficulty of distinguishing between hindsight and foresight. I will not express an opinion upon that now. The statement that is given there must rule.

Q. If you eliminate your backsight and transplant yourself back to a month before the bridge fell. You had seen the plans, you knew who the builders were, you knew who the engineer was, and you knew of his reputation; might it not have been your opinion then that the bridge company and the government had taken all precautionary measures that human beings would likely be able to take?—A. Now, at the end of appendix 3 in the report it reads this way :

‘In so far as the integrity of the structure itself was concerned this,’ that is the confidence of the government, ‘was because of the presence of Mr. Cooper as the consulting engineer for the Quebec Bridge Company.’

They had confidence in him at the time.

By Mr. Gallihier :

Q. You did not reach the point, Mr. Holgate, and probably rightly, too, you did not wish to express an opinion on it, but you did not reach the point suggested by the chairman, namely, as an engineer yourself and having examined these plans and the structure itself and all that, speaking as if the matter was being originated for the first time, and that no accident had occurred, and that part of the bridge had been built, as an engineer do you think that all reasonable precautions were taken as the chairman has asked?—A. I think that an answer to a question like that at this stage would not be very valuable. But there is just this that I am thoroughly impressed with, that no individual at that time appreciated how big a piece of work the Quebec bridge was. There was a lack of appreciation on the part of everybody.

Q. Even the most eminent engineers in the world?—A. Even the most eminent engineer who was appointed, Mr. Cooper. I do not think I can go any further.

By the Chairman :

Q. There is no question as to his high standing in the profession?—A. Not the slightest.

Q. Was he regarded as the foremost in his profession?—A. I would not say he was regarded as the foremost, but one of the leading engineers in the world.

Q. He is a writer of text books, is he not, on bridge work?—A. Oh yes, he has issued books, text books.

Q. Were his text books used in the engineering course in the universities?—A. Not that I am aware of.

Q. I understand that his text book is used in Cornell?—A. It is not always in a man's favour that his text books are used—he was a wonderfully clever man.

Q. Except this only. That bridge engineering is a good deal like the practice of surgery, you only get knowledge from experience, and if a man can record his knowledge and experience it is some good to somebody else.—A. Oh yes, Mr. Cooper has been a sick man for some time, he is over 70 years of age now.

Q. What is the biggest bridge in Canada to-day and what is the most difficult of construction?—A. Oh, I do not know.

Q. Have you had any experience in bridge building yourself?—A. Yes.

Q. How many years' experience?—A. It has been interspersed all through my life.

Q. Was it a practical or theoretical experience?—A. Both.

By Mr. Gallihier:

Q. On what very large bridge has your experience been, Mr. Holgate?—A. Not very large bridges, I should say just ordinary bridges in railway work, up to perhaps 200 or 300 feet span. I think that is probably the largest span I have ever had any responsibility in connection with.

Q. Do you know the Blackwell's Island bridge?—A. Yes.

Q. Do you know, as a matter of fact, that tenders for that bridge were called for in the same way and on the same principle with regard to specifications and design as they were in this Quebec bridge?—A. No.

Q. You do not know that. Do you know anything about the Sydney, Cape Breton, proposed bridge?

The CHAIRMAN.—The Straits of Canso bridge, do you know anything with regard to that?

By Mr. Gallihier:

Q. I refer to the Sydney Harbour bridge, New South Wales, not Sydney, Cape Breton?—A. Do I know anything about it?

Q. About the plan or size?—A. Oh yes, generally speaking, yes. When you spoke of Blackwell's Island I did not quite understand your question. I did not have anything to do with the Blackwell's Island bridge.

Q. No, but I understand that in those two bridges I have just mentioned tenders were called for upon specifications and outlines similar to the Quebec bridge, in the same way, and I asked you if you knew that yourself?—A. In the same way, Quebec bridge and Blackwell's Island bridge?

Q. Yes?—A. Oh no, it was not at all the same. They had complete specifications for the Blackwell's Island bridge, and the bridge was designed in the City of New York Bridge Department.

By Mr. Monk:

Q. And built by the Pennsylvania Steel Company?—A. Yes.

By Mr. Gallihier:

Q. It does not matter who it was built by, what I am particularly concerned about was as to whether in calling for tenders for the construction of these bridges the same processes had been adopted with regard to plans and specifications that the Quebec Bridge Company adopted with regard to theirs?—A. No, the Quebec Bridge Company advertised for a lump sum price. There were no other tenders. The tenders for the Blackwell's Island bridge was on a rate per pound. So there was a difference there. And besides that, the information issued by the city of New York for those bids was what I would call complete information. Such information as has been issued for most large bridges.

Q. What I was getting at more particularly—you are not getting up to what I meant, but at least if I have understood my information aright—I may be wrong—you made the suggestion as to knowing all the conditions with regard to these bridges and that all the information, etc. was given with regard to these bridges you speak of. Now, was that done in full in all these cases, or were tenders called for in just the same way?—A. Oh, yes, the New York Bridge Commission is a standing body and they undertook the Blackwell's Island bridge. That is a department of the city of New York.

Q. Was that what you had in view when you spoke of the commission suggested?—A. Not exactly on the same organization but similar to that, you know.

Q. The commission in New York that you speak of takes the place, as I understand it, of the company that would be constructing the bridge?—A. No, sir. You see there is a lot of bridge work in New York and they handle all their bridges in this department.

APPENDIX No. 6

By Mr. Walsh:

Q. Are the members of this New York commission, bridge experts?—A. Oh, yes.

Q. They are all bridge experts?—A. Oh yes, and they make their own designs, and drawings and specifications. They are a very competent body.

By the Chairman:

Q. Let me have your opinion about this: from your knowledge of everything connected with the project and the Quebec Bridge Company, do you think that the project suffered by reason of a tendency on the part of the bridge company to retrench or to reduce the cost, or is it your opinion that they did everything that a good business organization would have done in that regard?—A. I have not anything to add to appendix No. 5, which treats on that subject particularly.

Q. What does that say? Can you give it to me in a few words?—A. No, sir, you would have to read the whole of it.

Q. Can you give me the sense of it?—A. Well it is all—I think it would be not quite fair to you to extract any part of it. The whole thing is the only—

Q. It is 'The effect of financial limitation upon the design of the bridge and a discussion of the evidence relating to this?'—A. I think that covers it.

By Mr. Monk:

Q. I find in appendix 18 of your report, at page 144 of the printed volume, a statement in regard to cantilever bridges from the Forth and other bridges down to the Quebec bridge from which it would appear that the Quebec bridge is the largest that has ever been built?—A. Oh yes, it is.

Q. The Blackwell's Island bridge has a span of 1,182 ft. and the Quebec bridge a span of 1,800 ft. The Forth bridge was only 1,710 ft.?—A. Quebec bridge was the—

Q. Are there any larger bridges than the Quebec bridge?—A. The Quebec bridge was the largest structure that has ever been attempted.

By Mr. Galliher:

Q. The Forth bridge had the largest span up to that time?—A. Yes, sir.

By the Chairman:

Q. This inquiry by the commission was really a post mortem, Mr. Holgate, was it not?—A. Oh yes.

Q. And it would be far easier for you to discover errors in design and mistakes in the management on the part of the Quebec Bridge Company after the fall of the structure than before, would it not?—A. Well, we had the effects, you see.

Q. It would be much like a surgeon, or a medical man, discovering the direct causes of death by a post mortem? It is just about the same is it not?—A. We reasoned from effects to cause.

By Mr. Galliher:

Q. In the other case you would have to assume that such might or might not be the case? That is before the effect?—A. Possibly, yes.

By Mr. Chisholm (Antigonish):

Q. It is very much easier to find the cause for effects than it is to anticipate results?—A. And then, of course, it has the other advantage that you are able to prove your causes, and we have taken care all through the report to make no assertion that we have not got proof of. Anything that is not proved in the report is stated in such a way that it would not be taken as an assertion without that qualification.

Q. Previous to the disaster, say a week previous, you could not anticipate that a certain thing was going to happen—this, that, or the other thing?—A. A week before the disaster?

7-8 EDWARD VII., A. 1908

Q. Yes, or say a month before the disaster?—A. Generally speaking, I would say no, taking the problem that you are speaking of.

By the Chairman:

Q. Are the principles of bridge building reduced to a science that is mathematically accurate or is there a large element of speculation?—A. That is all dealt with in the report.

By Mr. Chisholm (Antigonish):

Q. There is one statement that you made when you spoke of competent engineers and you added the qualification 'irrespective of nationality.' What did you mean when you referred to nationality?—A. Because this structure—

Q. I ask the question so as to put the matter right?—A. This structure is too big and too important to run any risks, and it should be considered from a business point and an engineering point first, so that you should not limit yourself to any country in the world to get your engineers from.

By the Chairman:

Q. It does not mean Quebec, of course?—A. We have only one nation in Canada.

Q. You want the widest area of selection possible?—A. Oh, yes, bring in a German, or an Englishman, or an Italian, or any other nationality.

By Mr. Chisholm (Antigonish):

Q. You said there are at least two companies in Canada to-day that are in a better position to undertake the construction of such a bridge than the Phœnix Bridge Company were when they were awarded the contract. Were these two companies in that better position at the time of the awarding of the contract?—A. No.

By the Chairman:

Q. Why is it so difficult to build that bridge? The designer of the bridge that fell assumed too much; he did not go back to correct his figures as to strength and load and all that sort of thing? You start out in building a bridge with certain assumption, don't you?—A. Yes.

Q. As to the structural strength of steel, its dead load and all that sort of thing, and you are supposed to reinforce that by experiments of some kind afterwards, are you not?—A. No.

Q. You know what the weakness in this bridge was, you know that to-day?—A. Yes.

Q. That is that the design was wrong, and I suppose there must be engineers who can make a correct design with the knowledge you have of this bridge?—A. With the knowledge we have now and what knowledge may be obtained in the next year through experiments I think we ought to be in a position—

Q. To design a safe bridge?—A. Economically.

Q. Well now, once you have the design absolutely correct, so far as the standards of your profession go, the construction of it ought not to be so difficult, ought it?—A. The most difficult piece of work of the kind, more difficult than anything that has ever yet been attempted by man.

Q. Would not the designing be more difficult than the construction, it is more important is it not?—A. Everything combines to make it the most difficult piece of work of the kind that has ever been attempted.

Q. How long was the Tay bridge that went down?—A. I do not know.

Q. Roughly speaking?—A. I do not know. I do not remember. It was not a structure like this at all.

Q. It was a suspension, was it?—A. No, it was a series of short spans.

Q. Is cantilever bridge the proper design of bridge for the Quebec bridge?—A. That is a question to be solved by men who are eminently experts. There is no

APPENDIX No. 6

man, even the highest expert who would dare to say 'yes' or 'no' to that question to-day.

Q. Is there a tendency on the part of American bridge builders to get the minimum of weight?—A. Well, I think I see what you mean; you mean the design.

Q. A bridge with sufficient strength and a minimum weight?—A. I think it is the aim of engineers irrespective of nationality.

By Mr. Monk :

Q. Do you know, Mr. Holgate, of an opinion given of the Quebec bridge by a French engineer by the name of Eiffel, you have heard of that?—A. No, sir, I cannot say that I have.

By Mr. Chisholm (Antigonish) :

Q. You made the remark just now that no man would say to-day whether the cantilever was the proper kind of bridge for there or not. Was it not generally supposed, previous to the time that this bridge was undertaken, that the cantilever bridge was the best design?—A. It was supposed to be feasible.

By the Chairman :

Q. In finding 'K' of your report you say :

'The failure on the part of the Quebec Bridge and Railway Company to appoint an experienced bridge engineer to the position of chief engineer was a mistake.'

Q. Do you make that finding chiefly from your hindsight?—A. We have found in the report from the evidence that that statement is warranted. No question. I am not going to remove my mind back ten years to say whether I would have done the same thing then or not. The scope of this inquiry is, as you have just called it, a post mortem and it is from the effect reasoned back to the cause, that that is one of the facts that we find.

By Mr. Chisholm (Antigonish) :

Q. You will understand that while the scope of the Royal Commission was post mortem, the scope of this inquiry is different?—A. I quite see that.

Q. It is to see whether reasonable precaution was taken, and while you are perfectly justified in taking the stand you take there, having relation to the Royal Commission's work, I do think it is hardly fair to this committee. What we want to get at is whether reasonable precautions were taken. You find that somebody lacked in knowledge, you find that from the information that you gathered after the disaster. Placing yourself, though, at a point anterior to the collapse of the bridge, would you say that the men in charge were not sufficiently competent?—A. If you will specify which men you mean.

Q. Well, take Mr. Hoare; if the bridge had not gone down, of course everybody would have been all right, but the bridge having gone down there is naturally a tendency to find fault with somebody. But looking at it from the fair standpoint would you say that anybody in the employ of the Quebec Bridge Company, appointed to a position which required technical skill, did not possess that technical skill?

Mr. MONK.—You are examining the witness upon something he did not consider. Mr. Holgate spoke of experience, I am not aware that in any part of his report he impugned the ability or the skill of anyone in charge on the work.

Mr. CHISHOLM (Antigonish).—Is it not reasonable under the circumstances—
The CHAIRMAN.—Say, subject to all human limitations.

By Mr. Chisholm (Antigonish) :

Q. Looking at it in that light, did the Quebec Bridge Company in your opinion exercise reasonable precaution?—A. I do not think they did.

Q. In what way?—A. They should have had a special bridge man there, the whole question—

7-8 EDWARD VII., A. 1908

Q. Was Mr. Cooper the man?—A. Mr. Cooper was never on the ground, poor Mr. Cooper could not get there, you know.

Q. He was the responsible man, wasn't he?—A. He was consulting engineer and actually acted as chief engineer.

Q. Did Mr. Hoare depend upon him?—A. Entirely.

Q. In that case I comprehend the meaning of your answer to be that under the circumstances there was nothing unreasonable in the position the Quebec Bridge Company took when they engaged Mr. Hoare?—A. I think the placing the responsibility on Mr. Hoare indicated that the Quebec Bridge Company did not appreciate what responsibility rested with the chief engineer. I think they did an injustice to themselves and also to Mr. Hoare.

Q. That is speaking from what transpired afterwards, but if the bridge had not collapsed at all, if it had gone on successfully?—A. The fact would have been the same.

By the Chairman:

Q. You find that this collapse was due to an error in design. What difference would it have made if the Quebec Bridge Company had 21 of the best bridge builders in the world there. With Mr. Cooper's design before them, approved, his approving of the specifications, he being the man in charge, and known to everybody in America as being at the head of his profession, what could the man on the spot do other than follow out the design?—A. It would make a very long story to tell, but a great deal depends on his judgment on the ground from day to day, and the communications he would have with the consulting engineer, the observations made, &c. I think the whole matter is fairly dealt with in Appendix 7, and anything I can say would not enlarge that.

By Mr. Chisholm (Antigonish):

Q. Mr. Birks was on the work, wasn't he?—A. Yes.

Q. Were there mechanical engineers there?—A. Mr. Birks was the Phoenix Bridge Company's representative engineer there.

Q. He went down there on the work?—A. Yes, and he had Mr. Yenser, the Phoenix Bridge Company's foreman, and he was in full charge.

Q. They had a number of engineers on the work?—A. They had Mr. Birks, he was the only engineer there.

Q. They would have mechanical men there?—A. Oh yes.

By the Chairman:

Q. If you had viewed that bridge yourself personally a month before the collapse could you have discovered the defects in the design?—A. I certainly could not.

Q. Mr. Szlapka is a good man?—A. Oh, yes.

Q. Is the Phoenix Bridge Company a good organization?—A. Very good.

Q. There is no better in the United States?—A. It is a very difficult matter to compare. I should say they are very good, very competent and very careful.

Q. They are good men?—A. Excellent, excellent people.

By Mr. Monk:

Q. Do you know how old Mr. Cooper is to-day?—A. I think he has just turned 71. I think he is in his 72nd year.

By the Chairman:

Q. I suppose your whole story is they undertook a work which the engineering profession was hardly able to cope with, or any one single man?—A. I think that is true. At any rate, no one engineer was able to cope with it, and that the bigness of the enterprise was not appreciated I also believe.

APPENDIX No. 6

Q. It was a laudable enterprise for a small company to undertake. I suppose you will admit that?—A. It was a national undertaking of great importance, certainly.

By Mr. Chisholm (Antigonish):

Q. You do not mean to convey the idea that it is not a feasible project?—A. Oh not at all. A bridge can be built there.

By Mr. Parent:

Q. A minute ago you gave your reason for reconstruction?—A. Yes.

Q. As to what should be done. This is your opinion as an engineer?—A. Yes.

Q. You do not pretend that somebody else may not entertain some other opinion?
A. I did not quite catch your question?

Q. You do not pretend that other engineers may not hold a different opinion from what you entertain?—A. I put this in as my own opinion. I have consulted nobody in giving this opinion.

Q. Have you yourself built any cantilever bridge?—A. No. It is not a question of cantilever bridges, it is a question of a large project involving tremendous figures and knowledge of engineering which is really in advance of the present time.

Q. You do not consider yourself an expert bridge engineer?—A. I do not.

By Mr. Monk:

Q. Will the piers that are there now serve in case of new construction?—A. That will all depend upon the nature of the design for the new bridge. It may be found better to abandon them entirely, and it may be found that they can be utilized. That is a question that will have to be left to the expert engineers who are appointed to consider the whole subject.

By Mr. Chisholm (Antigonish):

Q. You would not say that a mistake was made in location?—A. I think that question is not up just now.

Q. That is right?—A. I don't think anyone is prepared to discuss it at the present time anyway.

Witness discharged.

M. PARENT reprend son témoignage:

Par M. Monk:

Q. M. Parent, vous avez parlé en dernier lieu d'une somme de huit cent mille piastres, approximativement qui a été payée par le gouvernement par l'entremise de la banque de Montréal aussitôt après l'arrangement d'octobre 1903; ce montant-là pour être payé par le gouvernement a dû être autorisé par votre bureau de direction?—R. Parfaitement; cela faisait la base des statuts de 1903.

Q. C'est la compagnie du pont qui a autorisé ce paiement-là; il a été fait par l'entremise du gouvernement?—R. Il a été payé par le gouvernement à l'acquisition de la compagnie et à même les débentures autorisées par le gouvernement, garanties par le gouvernement.

Q. Pourquoi après cela les paiements ont-ils été faits par votre compagnie, et pourquoi ces premiers paiements ont-ils été faits par le gouvernement?—R. Parce que le gouvernement avait tous les comptes en main; les estimés des ingénieurs, le montant fixé par le statut... : au lieu de payer à la compagnie—ce qui aurait été la même chose—il a payé directement à la banque.

Q. Sont-ce ces sommes qui ont été auditées par M. Bell, l'auditeur du département des Chemins de fer?—R. M. Bell a audité tout compris depuis 1903.

Q. Avez-vous le détail de ces paiements ?—R. Non, monsieur ; je n'ai rien moi-même.

Q. Ils sont contenus dans l'audition de M. Bell ?—R. Je crois que oui.

Q. Avez-vous dit ce qui restait de réalisable dans les débetures aujourd'hui ?—R. Je crois qu'il doit rester aujourd'hui entre huit ou neuf cent mille piastres à la banque de Montréal, la banque étant payée.

Q. La compagnie du pont de Québec a-t-elle reçu des avances depuis le désastre ?—R. Du gouvernement ?

Q. A même les débetures ?—R. Oui, monsieur ; il y a eu un compte spécial pour les frais d'administration.

Q. A combien s'élève ce compte ?—R. C'est dans l'état qui vous a été fourni par M. Ross ou M. Bell ; c'est dans le compte qui a été produit déjà.

Q. C'est une somme considérable ; pouvez-vous dire en quoi elle se décompose pour les frais d'administration ?—R. Les frais d'administration consistent en bien peu de choses ; ce que M. Butler a approuvé jusqu'à ce moment pour le loyer ou les employés de la compagnie est payé ; maintenant, depuis un certain temps on a discontinué de payer le salaire du secrétaire et de l'ingénieur.

Q. Le paiement de ces salaires est-il suspendu ?—R. Il est déjà suspendu maintenant par le gouvernement, mais pas pour la compagnie ; le gouvernement ne paie pas.

Q. Avez-vous une entente avec les officiers de la compagnie, tels que le secrétaire-trésorier, l'ingénieur en chef par rapport aux salaires ?—R. D'après l'opinion de nos aviseurs leur temps finira au mois de septembre prochain ; nous ne pouvons pas les mettre à la porte avant que leur temps soit expiré.

Q. Alors, le salaire de ces trois employés court actuellement d'après l'opinion de vos aviseurs ?—R. Contre la compagnie, mais le gouvernement ne les paie pas.

Q. Mais c'est une dette de la compagnie, d'après vous ?—R. Oui, monsieur ; spécialement considérée comme telle.

Q. Est-ce qu'il y a des actions de prises contre la compagnie du pont de Québec, à l'occasion de ce désastre, des poursuites ?—R. Pas à ma connaissance, je n'ai pas vu de ces actions devant le bureau.

Q. La *Phoenix Bridge Company* a-t-elle été poursuivie à Québec ?—R. Oui, monsieur ; on me dit qu'elle est poursuivie.

Q. Par plusieurs des intéressés ?—R. Oui, monsieur ; par plusieurs des intéressés.

Q. Avez-vous eu occasion de vous assurer quel est le montant des poursuites ?—R. Non, monsieur ; je sais qu'il y a eu plusieurs actions de prises, d'après ce que m'a dit l'ingénieur, mais je n'en connais pas les montants ; d'ailleurs le montant n'indique pas toujours le valeur réelle d'une réclamation, parce qu'une action se prend quelque fois pour dix mille piastres quand ensuite elle se règle pour mille.

Q. Est-ce que les parents de toutes les victimes ont pris des actions ?—R. Je ne pense pas que tous en aient pris.

Q. Pouvez-vous dire à peu près la proportion ?—R. Je ne puis pas dire, parce que cela ne me concerne pas ; la *Phoenix Bridge Company* règlera ses affaires elle-même ; la compagnie du pont de Québec prétend ne pas être responsable des pertes de vies qui ont eu lieu là.

Q. Mais dans le cas d'un règlement avec le gouvernement, ne croyez-vous pas que ces matières doivent être prises en considération ?—R. Bien, la compagnie du pont de Québec n'étant pas responsable, le gouvernement n'a rien à faire avec elle.

Q. Avez-vous une opinion de vos aviseurs que la compagnie du pont de Québec n'est aucunement responsable du désastre vis-à-vis les victimes ?—R. Oui, monsieur.

Q. Vous avez cette opinion ?—R. Je crois que nous avons l'opinion donnée conjointement par l'honorable M. Casgrain, par M. Taschereau et par M. Edouard Dorion, avocats. La compagnie du pont de Québec n'est pas responsable des pertes de vies ou des dommages causés par les blessures ou autrement, ce ne sont pas les employés de

APPENDIX No. 6

la compagnie du pont de Québec, mais les employés de la *Phœnix Bridge Company*, et c'est cette dernière qui doit être tenue légalement responsable de cet accident, quoique, naturellement, la *Phœnix Bridge Company* prétend n'avoir aucun tort. Dans tous les cas l'opinion des aviseurs que nous avons consultés et que je viens de nommer est que la compagnie du pont n'est pas responsable de cet accident.

Q. En fait d'actif, la compagnie du pont de Québec a-t-elle directement ou indirectement aujourd'hui quelques propriétés immobilières, à part des approches du pont ?—R. A part des approches du pont, je n'en connais pas.

Q. Il n'y a pas d'option sur les terrains ?—Pas que je sache

Q. Mais vous le sauriez s'il y en avait, vous êtes le président ?—R. Bien, du moment que je n'en connais pas, il ne doit pas y en avoir ; tout ce qui s'est dit à propos d'options soit sur le parquet de la chambre ou ailleurs est complètement faux.

Q. Votre compagnie s'est-elle mise en communication avec le gouvernement après le désastre ; a-t-elle fourni au gouvernement des renseignements sur l'état des affaires de la compagnie ?—R. La compagnie a été demander au gouvernement de lui aider à payer les frais d'administration en attendant que la question se règle au point de vue du gouvernement, savoir s'il devait reprendre le pont ou non.

Q. Avez-vous soumis au gouvernement ou à quelqu'un de la part du gouvernement un état des affaires de la compagnie ?—R. L'auditeur du gouvernement, M. Bell, était envoyé chaque mois faire l'audition des livres ; il était absolument au fait des affaires de la compagnie ; M. Butler était obligé d'examiner les comptes pour les faire payer, le gouvernement ne pouvait pas être plus au fait qu'il l'était.

Q. La compagnie s'est-elle adressée au gouvernement au sujet de ce qu'elle avait à faire dans cette occurrence ?—R. Nous avons eu une entrevue avec le premier ministre et M. Fielding dans le temps, aussi, dans l'intérêt de la compagnie du pont pour demander de l'aide additionnel ; c'est là seule communication que nous avons eue avec le gouvernement.

Q. Est-ce qu'il y a de la correspondance à ce sujet ?—R. Non ; cela a été fait verbalement.

Q. Que demandiez-vous au gouvernement ; de l'aide ; à ce qu'il assume... ?—R. Nous voulions que le gouvernement avance les frais d'administration, jusqu'à ce qu'il décide de prendre le pont de la compagnie.

Q. Quelle est l'attitude de la compagnie du pont aujourd'hui ; la compagnie prétend-elle continuer ce travail-là elle-même ?—R. Non, monsieur ; d'ailleurs, lors de l'arrangement de 1903, par le fait que le gouvernement se donnait le droit de reprendre le pont en remboursant aux actionnaires leur stock plus dix pour cent, et cinq pour cent d'intérêt, cela nous mettait parfaitement hors de toute action possible.

Q. Faites-moi comprendre quelle est l'attitude de la compagnie aujourd'hui ; est-ce qu'elle demande au gouvernement de lui continuer son aide, ou demande-t-elle au gouvernement de reprendre, d'exercer son option ?—R. La compagnie aujourd'hui n'est pas en position de dicter au gouvernement ce qu'elle veut avoir ; je crois qu'elle a une idée bien définie, c'est que le gouvernement devra prendre le pont et en faire sa chose, lors même que la compagnie demanderait autre chose, mais la compagnie ne le demande pas.

Q. Vous rappelez-vous combien de contrats distincts vous avez faits avec la *Phœnix Bridge Company* ; toute la construction n'a pas été comprise dans le même contrat ?—R. Tous les contrats sont produits.

Q. De mémoire pouvez-vous dire combien vous avez fait de contrats ; cela a été divisé en trois, quatre ou cinq, je crois ?—R. Le contrat principal renferme à peu près tout ; je crois qu'il y a eu un petit contrat de passé pour les piliers d'ancrage, mais quant aux grosses entreprises il n'y a qu'un contrat. Tous les contrats ont été mis entre les mains des commissaires royaux ; ils sont produits ici.

Q. Je trouve un contrat du 12 avril 1900 avec la *Phœnix Bridge Company* pour approches et "spans", du 19 décembre 1900 et un troisième contrat du 19 janvier 1903,

7-8 EDWARD VII., A. 1908

avec la *Phoenix Bridge Company* quant au "span", à l'arche principal; est-ce qu'il y a eu d'autres contrats que ces trois-là ?—R. Non, monsieur ; pas que je sache.

Q. Quant à M. Davis, il se trouve, n'est-ce pas, avoir fait un profit de quarante pour cent sur les débetures ?—R. Peut-être à votre point de vue, mais pas au mien.

Q. Expliquez-moi donc votre point de vue ; est-ce qu'il n'a pas eu un profit de quarante pour cent sur les débetures ?—R. M. Davis comme entrepreneur du pont de Québec, devait être payé en argent ; nous lui avons payé quatre-vingt pour cent en argent ; nous lui avons payé vingt pour cent qui restait sur les débetures, les débetures intérimaires de 472,000 piastres ; pendant que les travaux se faisaient pour notre compte, lui payait des intérêts à la banque, tandis que pour nous les travaux marchaient sans payer d'intérêts ; les débetures ne portaient pas intérêt, excepté après la complétion des travaux à la fin de décembre 1902. Alors, M Davis n'a pas fait 40 pour cent ; il faut déduire l'intérêt qu'il a payé à la banque ; pendant ce temps-là nous devions ce montant-là que nous ne payions pas.

Q. Voulez-vous dire qu'il empruntait à la banque sur ses débetures ?—R. Certainement, à la banque qui lui fournissait les fonds ; naturellement, il était obligé de payer un intérêt sur l'argent avancé par la banque ; nous autres, nous ne payions rien.

Q. Enfin, cet intérêt sur une couple de cent mille piastres pour le temps que cela a couru, n'était pas considérable ; ce n'est pas une raison pour dire qu'il n'a pas fait quarante pour cent sur la valeur des débetures ?—R. Quand même cela aurait été trente mille piastres, ces trente mille piastres ôtées sur le montant ne donneraient pas quarante pour cent ; il faut tenir compte de la position de la compagnie ; ce qui peut paraître un avantage pour monsieur Davis, par l'arrangement de 1903 n'en est pas un ; si le gouvernement n'avait pas garanti les débetures, il avait pris un fort risque.

Q. Il avait pris un fort risque ?—R. Un fort risque à mon point de vue, en avançant de l'argent à une compagnie qui n'avait autre chose que des subsides obtenus du gouvernement.

Q. D'après votre calcul, donc les débetures ne valaient rien ?—R. Je ne suis pas prêt à dire que les débetures ne valaient rien, mais elles ne valaient certainement pas soixante cents dans la piastre pour une corporation commerciale ; nous ne pouvions pas placer cela à cinquante ou soixante pour cent dans le temps. Ce que nous devons considérer était le marché au point de vue de la compagnie ; dans ce temps-là, la main-d'œuvre était bon marché, les prix qui nous étaient soumis étaient raisonnables ; tout ce qu'on avait à faire c'était de courir la chance d'obtenir de bons résultats, c'est-à-dire qu'en 1903 les \$472,000 sur lesquels vous prétendez que l'on a obtenu une somme de 60 pour cent ne représentait réellement que le montant de l'ouvrage. Si au lieu de bâtir en 1900 nous avons bâti en 1903, ça aurait fait une différence et comme question de fait la compagnie du pont a bénéficié même des avantages du temps.

Q. Quand vous avez acquis la quasi certitude ou plutôt la certitude, puisque vous l'aviez, que le gouvernement allait payer les débetures au pair, n'était-ce pas de votre devoir comme hommes d'affaires de régler avec M. Davis ce que vous lui deviez, ce qui lui était dû réellement pour les travaux faits au lieu de lui fournir l'occasion de faire cette spéculation-là ?—R. Si nous avions eu l'argent à notre disposition pour faire ce que vous suggérez là, probablement que nous l'aurions fait, mais même en ne le faisant pas nous considérons encore faire un bon marché pour la compagnie.

Q. N'est-ce pas pour cette raison que le gouvernement a exigé de vous que cet escompte de 40 pour cent fût payé par d'autres que par lui avant de donner la garantie sur les débetures ?—R. Quand nous avons bâti ces piliers-là, et que nous nous trouvions à court d'argent, nous avons jugé à propos de faire une demande au gouvernement ; la question est venue sous la forme de garantie des débetures ; maintenant, je ne puis pas dire que c'est la raison pour laquelle le gouvernement a exigé

APPENDIX No. 6

le paiement des 200,000 piastres en stock ; ce n'est certainement pas une raison qui a été discutée avec moi ; mais il y avait ceci : le gouvernement voulait que la compagnie du pont souscrive un montant de 200,000 piastres afin d'intéresser davantage les gens de Québec qui voulaient entrer dans l'entreprise et surtout pour avoir l'appui des compagnies de chemins de fer qui désiraient aussi entrer dans cette affaire.

Q. Pourquoi le gouvernement exigeait-il que la somme de 200,000 piastres fut employée avant l'émission des bons à éteindre l'escompte, aux termes de l'arrangement?—R. Je crois que le gouvernement a jugé à propos de faire la chose mais il n'y a pas eu de raisons données dans le temps.

Q. En définitive la chose n'a pas été faite?—R. Elle a été faite plus tard.

Q. Ne croyez-vous pas qu'il eut été mieux puisque les débetures ne valaient rien au dire des directeurs de faire un compromis avec monsieur Davis et de lui dire : Les valeurs que vous avez ne valent rien, donnez-nous une option pour les racheter dans un certain délai?—R. Si vous lisez le contrat vous constaterez que nous avons droit de rembourser nos débetures, de faire un 'pool' pour ces mêmes débetures ; mais la chose n'a pas été faite.

Q. Monsieur Davis a toujours bien fait un profit de 180 et quelques milles piastres?—R. Si monsieur Davis avait fait un contrat à un prix plus bas que les ouvrages lui coûtaient alors, au lieu d'avoir un profit, il avait une perte.

Q. Quels sont les intérêts dont vous parlez?—R. Ce sont les intérêts pour l'argent qu'il avait obtenu pendant qu'il faisait l'ouvrage pour nous et que nous ne payions pas.

Q. Des escomptes à la banque?—R. Certainement ; la banque n'avancait pas d'argent à monsieur Davis sans intérêts.

Q. Comment savez-vous qu'il était obligé d'avoir recours à l'escompte?—R. Parce que j'ai vu le compte de banque dans le temps et c'était un fait notoire pour ceux qui étaient en relations avec monsieur McDougall.

Q. Savez-vous à combien se montent ces intérêts?—R. Ils doivent se monter entre vingt et trente mille piastres.

Q. Pour des avances d'argent?—R. L'intérêt sur des avances pour le pont de Québec.

Q. Pourquoi faisait-il cela, puisqu'il avait 96,000 piastres comme vous avez dit ce matin?—R. Je vous parle de 1902 ; le chèque est venu en 1904 ; c'est bien après cela, c'est après la souscription du nouveau stock ; ce n'est pas la même transaction.

Q. Expliquez-moi donc cette affaire des intérêts. Quand la compagnie du pont a-t-elle commencé à payer des intérêts sur ces débetures?—Quand monsieur Davis a fini les piliers, a fini la sous-structure du pont, vers le mois de décembre 1902, nous ne payions pas d'intérêts ; nous ne payions pas d'intérêts sur les débetures de monsieur Davis de 1900 à 1902.

Q. Avez-vous connaissance, monsieur Parent, que des plans ou des devis ont été soumis au gouvernement après 1903 pour approbation?—R. Après l'arrangement de 1903 il y a eu des plans qui ont été soumis au gouvernement pour approbation et qui ont été approuvés.

Q. Approuvés par le gouvernement?—R. Oui, monsieur ; pour se conformer aux statuts de 1903.

Q. Si je comprends bien le rapport de la Commission Royale, le gouvernement après 1903 n'a pas exercé la faculté d'approuver les plans qu'il possédait?—R. Bien, les plans de détails?

Q. Ont-ils été soumis au gouvernement?—R. Non, monsieur ; les plans de détails étaient soumis à l'ingénieur qui était monsieur Cooper, à New-York ; après que le gouvernement eût accepté monsieur Cooper comme ingénieur, monsieur Cooper avait le contrôle exclusif de l'entreprise au point de vue des plans, des plans de détails fournis au jour le jour ; et pour ceux qui ne connaissent pas les plans de la compagnie je dois dire que nous en avons à peu près suffisamment pour remplir cette salle.

Q. Je trouve d'après les documents que le gouvernement avait décidé de choisir un autre ingénieur?—R. Non, monsieur; il doit y avoir un ordre en conseil par lequel monsieur Cooper a été accepté par le gouvernement alors que monsieur Nichol a été mis de côté.

Q. Eh bien, l'ordre en conseil du 21 juillet 1903 autorise spécialement monsieur Schreiber à choisir un ingénieur spécialiste pour faire rapport sur les plans, et cet ordre-là a été rescindé le 15 d'août 1903 avec l'entente que la compagnie continuerait à avoir le contrôle sur les plans, mais je ne trouve nulle part que le gouvernement a choisi monsieur Cooper pour ingénieur?—R. Il a été choisi par le gouvernement pour ingénieur; je ne connais pas le rapport de la commission, mais comme question de fait il n'y a pas de doute que monsieur Cooper agissait pour la compagnie du pont de Québec dans le temps.

Q. Alors, monsieur Cooper était l'ingénieur de la compagnie *Phoenix*?—R. Non, monsieur; il était ingénieur de la compagnie du pont de Québec et l'ingénieur de la compagnie *Phoenix* était monsieur Szlapka.

Q. Qui vous a mis en rapport avec monsieur Cooper, n'est-ce pas la *Phoenix Bridge Company*?—R. Non, monsieur; nous avons à cette époque fait de la correspondance; nous nous sommes informés où était le meilleur ingénieur; il y a eu plusieurs noms de donnés et nous nous sommes arrêtés sur monsieur Cooper comme étant l'homme le plus compétent; il était le meilleur des trois qui nous avaient été suggérés.

Q. Alors, vos prétentions en résumé c'est que monsieur Cooper était en même temps ingénieur de la *Quebec Bridge Company* et ingénieur du gouvernement?—R. Ingénieur de la compagnie du pont, et ingénieur du gouvernement après que monsieur Nichol eut été éliminé pour monsieur Cooper qui résignait si monsieur Nichol était nommé; monsieur Cooper ne voulait pas qu'un ingénieur qu'il considérait inférieur à lui-même lui fut adjoint quand il encourrait lui-même les risques.

Q. Le bureau de direction n'a-t-il pas fait quelques estimés de ce qu'il faudrait pour finir le pont?—R. Bien, ces estimés sont à peu près les mêmes qu'auparavant.

Q. Pouvez-vous dire au comité ce qu'il y aura à faire pour compléter le pont, en faire un neuf, enfin faire le pont?—R. Nous ne pouvons pas dire cela aujourd'hui, avant qu'une commission d'ingénieurs décide ce qu'il y a à faire; si l'on peut employer les piliers actuels et une partie de l'acier manufacturé, l'entreprise coûtera bien meilleur marché qu'au cas où nous serions obligés d'avoir de nouveaux piliers et une superstructure nouvelle; il y a des ingénieurs qui pourront répondre à cela. Si vous preniez les piliers actuels et une partie du matériel, je crois encore que le pont pourrait se construire pour sept ou huit millions de piastres, y compris les approches; si vous ajoutez à cela les pertes,—la question sera décidée quant à la responsabilité,—je présume que cela peut aller entre neuf ou dix millions de piastres.

Q. Si le gouvernement s'empare de l'entreprise, d'après vous, d'après votre interprétation, est-ce qu'il devra rembourser le gouvernement de Québec et la ville de Québec de ce que ces deux parties ont contribué?—R. Je crois que le statut donne la faculté au gouvernement de les mettre dans la même position que le gouvernement fédéral lui-même, c'est-à-dire qu'ils se trouveront conjointement intéressés dans l'entreprise.

Q. Quel statut est-ce?—R. De 1903; je ne l'ai pas eu depuis ce temps-là; seulement le gouvernement devra rembourser la municipalité et la province de Québec des subsides qu'ils ont votés s'ils le désirent; je crois que la clause de statut les met sur le même pied, s'il y a des dividendes à retirer, quelque chose comme cela.

Q. Le salaire de M. Cooper court-il encore aujourd'hui?—R. Non, monsieur.

Q. Il avait droit à tant par année?—R. Oui, monsieur; quand il a travaillé pour nous; mais depuis que le pont s'est écoulé il n'a rien à faire.

Q. Etes-vous certain qu'il n'est pas retenu à trois mille piastres et quelque chose comme ingénieur-consultant?—R. Je ne crois pas que M. Cooper ait l'intention d'envoyer de réclamation comme ingénieur; il sera responsable comme contracteur des

APPENDIX No. 6

dommages encourus qui sont surtout arrivés par sa faute. Lorsque M. Cooper ne venait pas au pont de Québec il envoyait assez souvent son associé, M. Berger, pour le remplacer; ce dernier était aussi un ingénieur très capable.

Q. Je vois qu'il est question dans la clause 21 de la convention d'octobre 1903 du règlement des créances ou des contributions du gouvernement et de la ville de Québec?—R. Oui, monsieur.

Q. Est-ce que ceci a été accepté par le gouvernement et la ville de Québec; étiez-vous maire de la ville de Québec dans le temps?—R. C'est moi qui ai insisté pour avoir cette clause.

Q. La ville ainsi que le gouvernement de Québec sont liés suivant vous?—R. Oui, monsieur.

Q. Est-ce que la ville et le gouvernement de Québec ne pourront pas si le gouvernement fédéral s'emparait du pont réclamer le remboursement de leurs contributions?—R. Vous avez le statut devant vous, vous pouvez vous rendre compte de la portée de ces créances.

Q. Je vous demande si ce n'est pas là la véritable position aujourd'hui?—R. Tous les droits que le gouvernement et la ville de Québec pourront exercer, ils les exerceront; le statut parle par lui-même, vous pouvez l'interpréter comme vous voudrez.

Q. Alors, il n'y a rien que vous puissiez nous dire en dehors de la clause 21?—R. Non, monsieur; cela forme la base d'un contrat; elle vaut ce qu'elle vaut.

Q. Vous ne vous êtes jamais assuré quelles seraient les dispositions du gouvernement et de la ville de Québec si le gouvernement exerçait son pouvoir de prendre le pont?—R. Non, monsieur, c'est une obligation qu'on a imposée au gouvernement fédéral, ce sera à lui à y voir.

Q. Je vous demande en votre qualité de président de la compagnie du pont si vous pouvez dire ce qui arrivera; est-ce que la ville et le gouvernement de Québec réclameront?—R. Quand le gouvernement fédéral prendra l'entreprise, il verra ce qu'il pourra faire avec ces parties-là.

Q. La chose est indécise?—R. Je ne connais rien; je ne connais pas les intentions du gouvernement.

Q. Depuis le désastre, vous ne vous êtes pas informé?—R. Le gouvernement étant juge dans la matière, c'est à lui de décider ce qu'il fera.

Q. Si le gouvernement vous demandait ce qu'il va advenir de la somme de 550,000 piastres, contributions de la ville et du gouvernement de Québec?—R. Je dirais au gouvernement qu'il faut s'informer.

Q. Vous n'avez pas de doutes qu'on réclamera le remboursement, avec votre expérience?—R. C'est plus que je ne peux dire; c'est une entreprise nationale qui intéresse tout le monde; il est bien possible, vu l'accident, que ces corporations se désisteront volontairement; si j'étais premier ministre de la province de Québec, j'agisrais dans ce sens.

Q. Si le gouvernement fédéral entreprenait de finir les travaux?—R. Il faut bien remarquer que quand ces corporations ont souscrit à l'entreprise, elles l'ont fait sans espoir d'être remboursées.

Q. Croyez-vous que les actionnaires vu que c'est une entreprise nationale et patriotique renonceraient au remboursement de leurs parts?—R. Quant à moi personnellement, si c'était une question de vie ou de mort pour le pont, je suis prêt à déclarer que je ne retiendrais pas un sou de mon argent; je n'aurais pas d'hésitation en autant que je suis concerné à renoncer au montant de mes actions, parce que quand je suis entré dans l'entreprise, je ne l'ai pas fait dans un but de spéculation; je l'ai fait dans un but philanthropique, pour l'intérêt de la ville de Québec.

Q. Je trouve qu'il s'agirait pour désintéresser les actionnaires, conformément à la convention de 1903 de donner à peu près 387,500 piastres; il y a 250,000 piastres en chiffres ronds et un bonus de 10 pour 100 qui représenterait 25,000 piastres, soit \$387,500; c'est une somme considérable?—R. Bien, le capital-actions avec les 10 pour

7-8 EDWARD VII., A. 1908

100 est de \$291,500 que le gouvernement aurait à payer aux actionnaires à part de l'intérêt simple à ajouter; en retour de cela le gouvernement prend possession de tout ce qui appartient à la compagnie, c'est-à-dire de ce qui a été mis dans l'entreprise aujourd'hui, des \$263,000 de stock qui ont été dépensées dans l'entreprise; de plus le subside de la ville de Québec se monte à \$290,000 net, l'escompte enlevé sur les \$300,000, et les \$250,000 du gouvernement local en outre des \$374,000 que le gouvernement fédéral a fourni sur son million; le gouvernement se libérant par le fait de \$625,000, la balance de son million.

Q. Depuis 1903, il est exempté de payer la balance de son million?—R. Oui, monsieur, par les arrangements qu'il a faits. Je dois dire que si aujourd'hui les piliers et les ouvrages qui existent pouvaient être utilisés, si les piliers qui ont coûté un million et quart à la compagnie vous ne pourriez pas les construire pour deux millions de piastres, alors le gouvernement a un bénéfice.

Q. C'est une question de savoir si l'on se servira de ces ouvrages; vous avez entendu le témoignage de monsieur Holgate?—R. Quant à utiliser tous les ouvrages les ingénieurs décideront cela plus tard; mais assumant le cas que ces piles-là peuvent être utilisées vous avez une valeur d'au-delà de deux millions lorsqu'elles n'ont coûté qu'un million et quart.

Q. Si les choses se passent comme nous avons tout lieu de croire qu'elles se passeront, le gouvernement outre les six millions et quelques cents mille piastres qu'il a dépensées va être obligé de dépenser encore au moins autant avant que l'entreprise soit terminée. Ne croyez-vous pas qu'avec des précautions ordinaires, nous aurions pu avoir un pont bien meilleur marché qu'avec douze ou quinze millions?—R. Non, monsieur; lors même que vous bâtiriez le pont en neuf il ne peut pas être question de douze millions de piastres.

Q. Quand on a demandé de voter un subside d'un million on a dit que le pont coûterait quatre millions de dollars?—R. Je crois que d'après le *Hansard* l'opinion était d'avoir un pont pour chemin de fer; quand le gouvernement de Québec a voté son subside, il a fait une condition spéciale que ce devait être un pont pour voitures et pour piétons; alors, les plans ont été ensuite modifiés.

Q. Nous avons six millions de piastres qui sont disparus et s'il reste à peu près \$600,000 en chiffres ronds sur les débentures...?—R. Vous avez l'approche du pont qui a occasionné une dépense d'un million de piastres; vous avez les piliers et le métal d'ancrage qui sont là, qui ne sont pas disparus; vous avez là d'après ce que je peux voir au moins trois millions de piastres en actif qui n'est pas disparu.

Q. Croyez-vous qu'il est possible pour nous de terminer tout, de faire face à toutes les dépenses que cela va occasionner avec six millions de piastres nouveaux?—R. Je crois que ça coûterait beaucoup moins que six millions.

Q. Beaucoup moins?—R. Oui, monsieur.

Q. Eh bien, à peu près; cinq millions, pensez-vous?—R. Naturellement, je ne suis pas ingénieur, mais c'est ma conviction intime que vous pourriez reconstruire le pont de Québec, le pont proprement dit pour moins de cinq millions de piastres.

Q. Dans le temps de l'arrangement d'octobre 1903, vous prétendiez qu'avec les débentures du gouvernement vous pouviez finir le pont; vous avez dit cela dans vos communications avec le gouvernement; or, vous savez que même si le pont ne s'était pas effondré, nous ne le finissions pas avec six millions de piastres?—R. Le pont et les approches sont deux choses différentes; j'ai parlé des approches du pont, mais non du pont proprement dit.

Q. Mais dans la lettre qui nous a été lue au Parlement, vous disiez au premier ministre en 1903 qu'avec ce que donneraient les débentures garanties par le gouvernement, l'on finissait complètement le pont; et vous savez que l'on aurait pu le finir; même en excluant les accidents, il aurait fallu une couple de millions au moins de plus?—R. Je ne suis pas prêt à dire que c'est ce que la compagnie a dit exactement; je voudrais avoir devant moi ce qu'on a soumis; je ne sais pas qu'on a dit cela.

APPENDIX No. 6 8-7

Q. A la fin d'une lettre du mois de d'octobre 1903, qui est ici, vous dites que le coût estimatif de l'entreprise terminée est d'environ six millions neuf cent mille piastres?—R. Ça fait sept millions cela; ça ne fait pas loin de sept millions.

Q. Sur les contrats il reste beaucoup de dû encore, si ça été acheté d'une manière normale?—R. Pas beaucoup autre chose que la main-d'œuvre, parce que les estimés sont payés pour l'ouvrage fait à Phœnixville; du moment que l'ouvrage finissait à Phœnixville nous payions pour l'ouvrage; nous avions un homme sur les lieux; le gouvernement avait un homme là aussi. L'acier est presque tout prêt, et si nous pouvions utiliser les piliers et une partie de l'acier qui est manufacturé, nous pourrions construire à bien meilleur marché. Maintenant, l'ingénieur d'après les prix soumis pourra dire si cela peut se faire ou non; d'après mes informations, cela peut se faire. Le pont peut se construire en modifiant les plans, sur les piliers actuels; de sorte que ça ferait une économie considérable si la chose est possible.

Q. Quelles sont les dépenses mensuelles pour salaires et loyer actuellement, ce qu'on appelle dépenses courantes?—R. Une bagatelle, une douzaine de cents piastres par mois en chiffres ronds.

Q. Ça comprend le trésorier, le secrétaire et l'ingénieur?—R. Oui, monsieur; et un clavigraphé.

Q. Combien payez-vous par mois aux officiers?—R. Nous payons le secrétaire sur le pied de \$2,400 par année, ce qui fait deux cents piastres par mois; nous payons le trésorier cent piastres par mois; cela fait trois cents piastres par mois; l'ingénieur cinq cents piastres, ce qui fait huit cents piastres par mois; vous avez après cela cent piastres pour différentes dépenses par mois, cela fait neuf cents piastres; à part le loyer, c'est tout ce qu'il y a dans les dépenses de la compagnie.

Q. A combien se monte le loyer?—R. Le loyer coûte comme six ou sept cents piastres par année; je crois que nous ne payons pas cher pour ce loyer; nous avons loué assez bon marché du juge Bossé.

Q. Avez-vous des hommes employés à garder le pont, ou ce qui est resté du pont; est-ce qu'il n'y a pas de dépenses occasionnées par le désastre même?—R. Pas que je sache; nous n'avons pas d'hommes là.

Q. Vous n'avez pas d'affaires là?—R. Non, monsieur; parce que la *Phœnix Bridge* est responsable.

Q. Avez-vous eu quelques propositions de la compagnie *Phœnix Bridge Company* en rapport avec la reconstruction du pont? L'accident a eu lieu le 29 d'août?—R. Je ne sais pas si cela peut faire le sujet de l'enquête; ceci a rapport à des choses arrivées subséquemment à votre motion d'enquête. Je refuse de répondre à moins que le comité le désire.

Q. Le gouvernement est en possession de toutes ces négociations?—R. Oui, monsieur; nous les avons soumises au gouvernement; alors, si le gouvernement veut vous les donner, c'est son affaire.

Q. Du 27 au 29 août dans l'après-midi, date de l'accident, avez-vous eu vent de ce qui se passait au pont, des signes qu'il y avait d'un éroulement?—R. Non, monsieur.

Q. Vous n'avez rien su de cela du tout?—R. J'étais à Ottawa, dans ce temps-là; je crois qu'il y a bien peu de gens qui pouvaient prévoir que le pont s'éroulerait le 29 d'août.

Q. Savez-vous que pendant trois ou quatre jours, on a été en communication avec monsieur Cooper et la compagnie, au sujet de craquements, de choses insolites qui s'étaient manifestés?—R. M. McClure avait été envoyé à New-York consulter M. Cooper; dans ce temps-là je ne connaissais rien.

Q. Vous n'avez pas été informé de la chose?—R. Non, monsieur; la première nouvelle que nous avons eue ça été l'éroulement du pont. M. Robitaille a dit qu'il avait été informé que mon frère était inspecteur pour la compagnie du pont de Québec. Je dois déclarer ici que jamais aucun de mes frères n'a été directement ou indirectement concerné avec la compagnie du pont de Québec; il n'a jamais retiré

un seul centin ni directement ni indirectement de la compagnie du pont de Québec. Ceux qui ont dit cela ont dû être mal informés. Si on a dit cela pour le plaisir de faire des insinuations, j'aime à mettre ces gens-là en position de savoir que tout cela n'a jamais existé pour aucun de mes frères ; et quand M. Robitaille a dit cela, il a certainement dit une chose qui n'était pas vraie. M. Robitaille a parlé de transactions immobilières que j'avais faites ; c'est absolument faux ; et quand il a parlé d'options de la compagnie du pont avec la Quebec Terminal Co., encore absolument faux. Quand M. Robitaille a dit que j'étais intéressé dans la Quebec Terminal Co., c'était faux ; quand il a dit que j'étais premier ministre de la province de Québec quand cette dernière a voté un subside au pont de Québec, c'était encore faux. On se permet de dire n'importe quoi sur le parquet de la Chambre, pour calomnier, mais quand on est sous serment, on n'en dit pas autant. Je veux que le public sache ce que je dis actuellement. Quant aux accusations portées contre la compagnie du pont pendant ma présidence, qu'on vienne les répéter ici, devant ce comité, et je ne craindrai pas de rencontrer mes accusateurs.

By the Chairman :

Q. I notice it was not asked this morning : Mr. Robitaille, in a speech which was criticized this morning said that your brother, Mr. Parent, was interested in this bridge some way or another ?

Mr. MONK.—I think that was explained.

Mr. ROBITAILLE.—I explained that.

Mr. PARENT.—I say that if any one has any accusation against me or against the Quebec Bridge Company let them come now or at any time and proffer their accusation ; I am willing to meet them. There is no graft or anything whatever wrong with anything that this company has done, and I do not care who makes the statement to the contrary.

By Mr. Monk :

Q. That does not come within the scope of this reference. What we are called upon to find out is whether we have lost so much money, and if you can throw any light upon that we will be glad to hear you?—A. Incidental to that question it is sometimes asked where the money has gone to. The money has gone right into that work, every cent of it, and none of it has gone into any other place. We have nothing to hide and we have everything to gain by having it made clear.

By the Chairman :

Q. You showed me a report this morning ; do you want that put in?—A. I think it is just as well that it should be on the record. It is the first annual report of the directors of the Quebec Railway Bridge Company.

(Exhibit 45 filed.)

Mr. LORENZO ROBITAILLE, recalled.—I have the figures here now, Mr. Chairman, to prove the deficit of \$779,551, which are taken from the report of Mr. Collingwood Schreiber, Chief Engineer Railways and Canals, dated October 16, 1903, as printed in Sessional Paper No. 148, 1903. They are as follows:—

Value of work done, engineering, &c.	\$1,416,394
--	-------------

This amount works out in detail as :

Substructure.	\$1,217,359
Superstructure.	156,640
Clearing land.	195
Engineering and land damages.	42,200

That makes a total amount of \$1,416,394 as the value of the work done, engineering, &c.

APPENDIX No. 6

Then the payments are:

Cash	\$914,862
Then the proceeds of bonds	283,279

By Mr. Chisholm (Antigonish):

Q. Why should we add that to the \$501,000; does not that \$914,000 include it?—
 A. Yes, that is cash, and here is the bond value, which resulted, you will see by these figures, in making a total of the two of \$1,198,141.

Q. Of payments, that makes a balance due on the work of \$218,253?—A. And other indebtedness \$561,298.

Q Where do you get that?—A. Bonds, \$472,000.

Q. But isn't that included in \$283,279?—A. No, that is the proceeds of the bonds. Anyway, this is the way I make the figures up:

Total bonds	\$472,000—that is a liability.
Interest	34,298
Engineering	25,000
Superstructure due	30,000

That makes a total of \$561,298

Balance due on work \$218,253, and these items all added up make the indebtedness \$779,551, as shown here, which is marked as a floating debt, and which is shown also by the letter given by Mr. Parent, which appears in the Sessional Paper, where he makes a report to the government at that time as follows. Speaking of the construction of the bridge he says:

'This has entailed an expenditure of all the proceeds of the paid-up stock of the company as well as the portion of the subsidies received, and left the company indebted in the sum of about \$779,500.'

I just simply wanted to affirm that the statement I made in my speech was based on the report given by Mr. Schreiber.

Witness discharged.

Committee adjourned.

TRANSLATION OF MR. PARENT'S EVIDENCE.

HON. S. N. PARENT was called, sworn and examined.

By Mr. Monk :

Q. Did you really act as managing director of the Quebec Bridge Company while you were the president thereof?—A. I acted as president.

Q. Was there any manager?—A. No, sir.

Q. As a matter of fact, did you not perform the duties of one?—A. No, sir; I cannot say that.

Q. There are witnesses who have said that you had done nine-tenths of the work?—A. I may have worked a good deal without being manager.

Q. You did not have that title, but in reality you did nine-tenths of the administrative work?—A. I do not say that; I did considerable work, but cannot say that it was nine-tenths.

Q. Will you tell the committee what were the reasons you had for selecting Mr. Cooper as engineer?—A. Well, then, when we got tenders from the different companies, the first thing we had to do was to find a man competent to examine the plans.

Q. The different bridge companies?—A. The companies that had tendered. After taking information, Mr. Theodore Cooper, an engineer, of the city of New York, was recommended as the most capable man in regard to bridges, as an authority. That is what led us to select him; and we discovered that what had been told us about him was in accord with truth; he was an authority in that line.

Q. Did that gentleman visit several times, the site of the bridge?—A. He certainly went to visit it a few times.

Q. About how often had he been on the ground?—A. To my knowledge he was there when we were building the foundations (*La substructure*) when Mr. Davis was erecting the piers; he came a couple of times.

Q. I think I can say that he went there a couple of times, is that correct?—A. According to our arrangements Mr. Cooper was to go to the bridge about once a month, if he deemed it proper; he was to judge in that matter.

Q. As a matter of fact, I believe he went there two or three times, was it not during the carrying on of the works?—A. He must have gone there three or four times, perhaps four or five times to the best of my knowledge, I believe that he went there three times.

Q. Did he at that time inquire as to the capital and resources of the Phoenix Bridge Company before entering into business with it?—A. At that time, according to our information, the Phoenix Company's credit and the backing it had apparently from the Phoenix Iron Company, made it a very powerful company for bridge construction. It was very well recommended. We went to Philadelphia to inquire as to its financial condition, and the reports we got in regard to the Phoenix Bridge Company were very favourable.

Q. But, apart from this capital that you refer to, had the company to your knowledge any resources that could be realized upon, and what were they?—A. When we dealt with the Phoenix Bridge Company, we took its credit as it was, with an additional guarantee of one hundred thousand dollars; in consequence we made a contract, being convinced that the company would fulfil its obligations.

Q. I understand of course that the company had a credit of one hundred thousand dollars, but did not that seem to you very small compared to the obligations that the company assumed towards you?—A. There was sufficient in it; the drawback was ten per cent; in any case the contract speaks for itself.

Q. Did you not inquire at the time if it were not possible to obtain either a higher credit or else to have the work of construction guaranteed?—A. Well, after having discussed that question at the time we were satisfied that, with such guarantee and the recommendations that we received regarding the Phoenix Bridge Company, as to the manner in which it had carried out its former contracts, we were making good arrangements with the company.

Q. Could you not, for example, have taken a guarantee from the Phoenix Iron Company, which seems to have commended this company for the undertaking?—A. We obtained what, from our point of view, was a satisfactory and sufficient guarantee for the execution of the contract that we were making with the Phoenix Bridge Company. And, in fact, the Phoenix Bridge Company, to the time of the accident, had perfectly fulfilled its obligations in regard to the work, as agreed upon with the Quebec Bridge Company.

Q. Are you aware that the Phoenix Iron Company was the parent of the Phoenix Bridge Company?—A. All that we knew was that the Phoenix Iron Company helped the Phoenix Bridge Company; I do not know in what manner, but it was either in supplying the iron or otherwise; in any case it assisted the Phoenix Bridge Company.

Q. Did you at that time study the relations existing between the two companies?—A. No, sir; not any more than did the directors of the banks; at the time they told us that they were satisfied that we should deal with the company.

Q. Do you know anything of the financial standing of the Phoenix Iron Company?—A. No, sir; I know nothing about it.

APPENDIX No. 6

Q. You know neither its capital nor its resources?—A. No, sir.

Q. And I believe the question of giving additional guarantees beyond the hundred thousand dollars was not discussed by the board?—A. We had not discussed it with the Phoenix Company; I tried to get as many securities as I could. When we discussed the contract, according to the information we had at that moment, we deemed it proper to accept those guarantees as sufficient; if we could have had more, we would have accepted it, but we could not get any more.

Q. When the 1,800 foot arch was substituted for the 1,600 foot one, what steps did your company take to assure itself as to the value and safety of the substitution?—A. Our chief engineer, Mr. Cooper, as I told you a moment ago, was considered the best engineer for bridging, an authority, who claimed that none other could criticize him—not having a sufficient knowledge to do so; then we took his report, and it was he that made the suggestions that we accepted.

Q. You did not deem it necessary to have the prudence of that change verified to control it?—A. We also had the opinion of Mr. Szlapka, who was the engineer of the Phoenix Bridge Company, and who drew the plans; the engineer then agreed in saying that the change might be made.

Q. Well, then, what was your information regarding Mr. Szlapka, was he a well known engineer?—A. In the United States, according to what I could hear—I knew him, he was an eminent man.

Q. Do you know where that engineer studied, and what constructions he had already carried on?—A. I know that he has been for a number of years employed by the Phoenix Bridge Company; he is considered to be a very able man in such matters; no, I did not follow him through his course of studies, I did not know where he studied.

Q. Do you know any bridges that he built, himself, of which he had made the plans?—A. The Phoenix Bridge Company could give better information than I could in that matter, for I did not follow him in his works.

Q. You did not follow him in his works?—A. No, sir.

Q. You seem to consider that it was he who made the plans of the bridge?—A. Yes, sir.

Q. Is it really the case?—A. Yes, sir, according to my information; but moreover, I do not think that it is denied; the report of the Royal Commission must give all those details.

Q. What was the lowest tender for the building of the bridge; I see that you had several tenders?—A. Do you refer to the foundations (*sous-structure*) or to the superstructure?

Q. Yes, sir; the superstructure. I see that the last day to receive tenders was the 1st March, 1899, and that they were called for in the month of September, 1898?—A. Yes, sir.

Q. What was the lowest tender?—A. The question of cost had not then been considered, for we did not know what plans might be accepted. When we called for tenders we asked the companies to submit their plans; as to the cost, there could be no question until we knew which plans would be accepted by the company. If it would be a cantilever or a suspension bridge; we wanted to know what kind of plans would be accepted.

Q. How many tenders, with plans, did you receive?—A. I think that we received four.

Q. You received four?—A. Yes, sir; and according to Mr. Cooper's report the Phoenix Bridge Company's tender was the most advantageous.

Q. At that time was it a fixed price for the construction?—A. It was impossible to give out such an undertaking at a fixed price.

Q. I find in the report of the Royal Commission that there was a difference of \$23,507 at that moment in the tender, in favour of the Phoenix Bridge Company, and that it was fixed?—A. Yes, sir; but you could not have a contract based on that ten-

der; as the plans were, having been revised by Mr. Cooper in his report the conditions were then changed.

Q. But Mr. Cooper recommended you the Phoenix Bridge Company's tender as being the best and the lowest?—A. Yes, sir. I think so.

Q. It was then at that moment the lowest—there can be no doubt as to that?—A. Quite possible, I do not remember the figures, for it was of slight importance.

Q. Are you aware that subsequently the work was not undertaken at fixed price but was undertaken according to the cost of iron?—A. We had a schedule of prices fixed as mentioned in the contract.

Q. You know that the prices of the Keystone Bridge Company were lower than those of the Phoenix Bridge Company?—A. I do not say that, I cannot, because the prices of the Keystone Company might appear lower, but we would not build on its plan for it was put aside; even though the figures were lower they would not have been acceptable to the company.

Q. Am I to understand that, on the terms indicated by that company, and according to the agreements reached after the purchase of the tender, you maintain the Phoenix Bridge Company was the lowest tenderer?—A. I considered that the Phoenix Bridge Company, under the circumstances, offered more advantages. According to the engineer's report it was the only acceptable tender.

Q. But you admit, in any case, that that tender did not reform the basis of the contract afterwards made?—A. There were a good many changes made in the figures by the engineer, which changed the position.

Q. A word now about the subscriptions of new stock: you will recall that in the agreement that you made with the government in the month of October, one thousand nine hundred and three, the company was to have secured two hundred thousand dollars of additional stock, which was to be paid up in cash and to be used to the extent of \$188,000 to efface the interest on the old debentures?—A. Yes, sir.

Q. You remember that?—A. Yes, sir.

Q. Were these conditions fulfilled by your company; that is to say, the company subscribed the two hundred thousand dollars of stock and the \$188,000 were not at first paid to secure the interest on the debentures, but they were later on.

Q. But, in fine, when you had certified to the government that that stock was paid in full, Mr. Davis' cheque for \$94,000 was still in suspense?—A. The cheque was not in suspense; we had the cheque in hand, which cheque was absolutely equivalent to money for us. The sole reason why we kept back that cheque for a certain time, was that we did not wish Contractor Davis to control the stock of the company; it was understood at the time that when he subscribed for one hundred and nineteen thousand some hundred dollars, we would have the right to take from that amount the subscription that the railway companies intended to take; and, in fact, a short while after the Grand Trunk took twenty-five thousand dollars of the hundred and nineteen thousand, leaving to Mr. Davis 949 shares of stock, amounting to exactly \$94,900. The Quebec Central was also to take twenty-five thousand dollars; this is the reason why we waited before placing that cheque in the bank. At the time the Quebec Central had no authorization to subscribe, its charter did not permit it, but later on it took twenty-five thousand dollars of stock from Mr. Sharples.

Q. Instead of taking it from Mr. Davis?—A. Yes, sir. When that question was settled we had no further interest in waiting and we deposited the cheque in the bank.

Q. Was the Federal Government aware of all these facts that you have just related to the committee?—A. I do not know what the government had to do with that special matter of stock, but the moment the stock was subscribed we made it known to the government, that is all it required to know; and, in fact, so it was.

Q. When you gave the government the certificate to the effect that the two hundred thousand dollars had been completely paid, did you make it aware that you had an unaccepted cheque of Mr. Davis, for \$94,900, as forming part of the issue?—A. That did not concern the government; its conditions were that we should subscribe two

APPENDIX No. 6

hundred thousand dollars the moment we had paid up, from the company's standpoint, we had met the views of the government.

Q. Then, if you had the whole stock of two hundred thousand dollars subscribed in the same way you would have considered that—?—A. From the moment I had in hand a cheque that I could deposit in the bank, that could be cashed, I would consider absolutely that I was paid the amount of the stock.

Q. Do you say that that cheque had been seen from the day it was dated until the day you banked it?—A. If we had deposited the cheque I am firmly convinced that we would have been paid on presenting it.

Q. Why did you not deposit it?—A. For the reason that I have just given you, that is, because the railway companies were to take stock from Davis. We were not to deposit it before we knew whether or not the companies would take that stock; if the Quebec Central had taken twenty-five thousand dollars of stock, Mr. Davis' cheque would have then been for twenty-five thousand dollars less.

Q. You gave him a certificate stating that he was the bearer of the shares represented by his stock?—A. We considered it as having been paid. The fact of having delivered a certificate indicates that we considered (ourselves) as having been paid. Mr. Davis owed the company sixty-five thousand dollars, and, we had held back the certificates for the amount that he owed the company.

Q. If I remember rightly it is indicated on the stub that the shares are held as securities?—A. We had our certificate, we had not delivered that certificate.

Q. Was not one issued?—A. Yes, sir, but we kept it in our possession as guarantee of the amount that he owed us.

Q. Then, you issued that certificate to the effect that he was the holder of these shares and yet you kept his cheque, without presenting it at the bank, until one thousand nine hundred and seven?—A. Yes, sir; until the Quebec Central had subscribed its amount.

Q. In your opinion, this was none of the government's business?—A. No, sir, a pure question of administration on the part of the company; it only concerned our administration.

Q. Were any members of the government aware of this?—A. Not that I know.

Q. Did Mr. Fitzpatrick know of it?—A. I do not know.

Q. Did the prime minister know of it?—A. I cannot say; in any case if they knew it they did not learn it from me, and I cannot answer for others.

Q. You know that Mr. Davis only withdrew that cheque after the settlement you had made of those credits, comprising the debentures first issued by the company?—A. What debentures?

Q. Well, it was only after you had redeemed at par the first debentures to the amount of \$47,200 that this cheque was found good, that is to say that you deposited it in the bank?—A. That was done after the payment of the debentures, that was done by the Federal Government.

Q. Those debentures were paid by the Federal Government?—A. Yes, sir; in the amount fixed by statute, which was paid out of the debentures.

Q. What is the amount of the cheque that was drawn to pay those debentures? Was it included in a higher amount?—A. In an amount of eight hundred and ninety thousand and some dollars.

Q. Had the company control of that sum?—A. No; it was paid by the government to the Bank of Montreal, I think.

Q. By cheques?—A. I don't know; it was a matter belonging to the Finance Department.

Q. Is it the government that assumes payment of all these amounts?—A. The amount fixed in the statute had been paid by the government.

Q. When the difficulty arose about the employment of an expert, by Mr. Schreiber, why did not the bridge company insist that such expert be appointed and act so that the company might benefit by the advice of that expert, without having to pay the cost of an investigation?

Q. The bridge company never objected to that; on the contrary it was favourable to the government's suggestion. I met Mr. Cooper myself, in regard to that matter, in New York; Mr. Cooper objected entirely to Mr. Nichol being associated with him in the construction of the bridge; he even went so far as to say that if we insisted he would resign his position. He even came to Canada to meet Mr. Schreiber and discuss the question; the government had to choose between the resignation of Mr. Cooper and the appointment of Mr. Nichol.

Q. Was not Mr. Cooper aware that the government had to approve of all the plans and specifications?—A. Mr. Cooper knew that perfectly well, that is why the government, later on, had to appoint Mr. Cooper its representative.

Q. Let us understand each other; Mr. Cooper was perfectly aware that the government had reserved to itself the right to approve of the plans and specifications?—A. Yes, sir, he must have known it.

Q. Why could Mr. Cooper object to the government employing the person it desired to employ in order to assure itself of the efficacy of the plans?—A. The reasons given by Mr. Cooper were these: If the government appoints an expert or a bridge engineer, that man might probably take upon himself to do certain things or to give instructions during the building that might clash with that which I might myself do; and as the affair is a large one I do not wish that anyone but myself should interfere in the control of the entire construction. His fear was that such a man might give instructions contrary to his own. Mr. Cooper considered at the time that Mr. Hoare was all he needed and that the latter would not take upon himself to do anything without consulting him.

Q. If the expert the government had decided to employ had found out the defects in the plans that have caused the disaster, would it not have been a good thing?—A. Here is what might have happened: Mr. Cooper pretended that there was no man who could go over his work and I think that was pretty much the opinion of eminent engineers at that time; and on the other hand, if the government had appointed Mr. Nichol, if Mr. Cooper had resigned and that the accident of the 29th August had taken place all the same, the government would have been blamed far more for having set Mr. Cooper aside, he who was considered the best of authorities—to take Mr. Nichol, who was not such; the situation would then have been worse.

Q. Do you not know that the government could not have decided on those plans without consulting an expert?—A. The fact is that there was an expert with Mr. Cooper who was an authority.

Q. Did you repeat all this to Mr. Cooper at the time—that it was something that could not be refused to the government?—A. Mr. Cooper knew it perfectly well, because we had discussed the question of choosing between the resignation of Mr. Cooper and that appointment; there was nothing else to do.

Q. Well then, let us pass over that and let me ask you this: When the government gave way to Mr. Cooper's desires, it had, however, since the Order in Council of the 15th August, 1905 (1903), ordained that the plans, all the plans, and all the changes thereto, should be submitted to it before being adopted. Here is what the Order in Council says: . . . provided the efficiency of the structure be fully maintained up to that defined in the original specifications attached to the company's contract (Ex. 12), the new loadings proposed by the Quebec Bridge Company's consulting engineer be accepted, &c., and that all plans be submitted to the chief engineer, and until his approval has been given, not to be adopted for work. This order modified the Order in Council of July 21, 1903,—From that moment, that is from the adoption of the idea of taking the services of an expert, of Mr. Nichol, did the government examine all the plans, specifications and changes that had been made by Mr. Cooper in the construction of the bridge?—A. The government, after the arrangement of 1903, approved of the plans and specifications and depended entirely upon Mr. Cooper for their execution.

Q. Without having examined the plans again I suppose?—A. Well, I do not know whether or not Mr. Schreiber examined them several times.

APPENDIX No. 6

Q. Since 1903, did the Department of Railways have any plans to examine?—A. The Department of Railways will answer that question, for my part I did not follow that.

Q. You do not know?—A. I cannot know what takes place in the Department of Railways.

Q. As president of the bridge company did you not know that since the Order in Council of the 15th August, 1903, the government had to decide on any plans?—A. After having accepted the plans and specifications, as to the plans of details I think they entirely referred to Mr. Cooper.

Q. Another point; since the disaster, did you examine, you and your co-directors, what was the financial standing of the Quebec Bridge Company; What is it today?—A. I think that Mr. Bell submitted to you the other day figures in that connection; we owe the Bank of Montreal.

Q. I do not think that Mr. Bell made any examination since the disaster?—A. Since what disaster?

Q. Can you tell us, yourself, if the Quebec Bridge Company is to-day able to proceed with the repairs of the bridge?—A. Under the circumstances, considering the accident that took place, we could not go on with the repairing, above all with the clause of the statute of 1903, by terms of which the government is to take over the bridge; it is impossible to do anything.

Q. Has your company any financial resources to-day?—A. No, the financial resources of the company are the amount that it put into the construction of the bridge.

Q. That then is all the assets it has? Is that so?—A. We have the piers and approaches.

Q. Have you had reports from the chief engineer since the disaster?—A. From Mr. Cooper?

Q. No, from Mr. Hoare.—A. A special report?

Q. Yes, did you have any written report from Mr. Hoare?—A. He made a report to the company estimating the damages of the accident at \$1,800,000; that is about all I can recall.

Q. Could the damages done there be repaired for one million eight hundred thousand dollars?—A. If we estimate the damages at that sum I presume so, because only a part of the work has fallen, a part that was not entirely completed; so that the northern part is entirely intact.

Q. But if the plan is defective would not the northern part have to be altered?—A. That is something the engineers would have to decide; they would have to decide if the part of metal at present manufactured could be used in the new construction.

Q. Has the Bridge Company any debts outside the guaranteed debentures, outside what has been mentioned as being due the Bank of Montreal and outside of what may be due to the Department of Customs?—A. The company may owe something.

Q. About how much?—A. The amount cannot be great; we have a pending claim from the Quebec Improvement Company for right-of-way.

Q. What is the amount?—A. It is for thirty-two acres of land we had then taken; arbitrators were appointed; the arbitrators granted, I think, a sum of \$26,000, our arbitrator dissenting; he valued between four and five thousand dollars, as far as I can remember, a little more than four thousand dollars. We went to appeal, we contested the decision of the arbitrators; we had the judgment of the Superior Court, which was against us, set aside by the Court of Appeals, which reversed that judgment; there was an appeal to the Privy Council, which maintained the judgment of the Court of Appeals. According to what I understand to-day the Quebec Improvement Company would accept in settlement of their claim the sum of \$14,000.

Q. What is this Quebec Improvement Company? Who are the parties interested in it?—A. I know that the president is Sir Alphonse Pelletier; the manager is a Mr. Stuart, as far as I can remember.

Q. Do you know the directors?—A. I do not know the directors; I am told there are five or six directors, amongst whom is J. T. Ross, and I don't know if Hon. Senator Belcourt is not one; to say truly, I do not know the directors.

Q. Let us speak of the last debentures issued; was not all the issue made?—A. Yes, sir, \$6,678,200.

Q. How much of that issue has been, up to the present, used in the construction of the bridge; does anything of it remain?—A. All the amount is spent; it has been transferred to the Bank of Montreal for advances made; as the bank advanced us, I think, 80 to 85 per cent on the debentures, some debentures should remain, an amount, I presume, of seven to eight hundred thousand dollars, being taken at par by the government; which amount has not been spent.

At one o'clock, the committee took recess.

Mr. PARENT'S examination resumed.

By Mr. Monk:

Q. Mr. Parent, you last spoke of a sum of eight hundred thousand dollars, approximately, that had been paid by the government, through the Bank of Montreal, immediately after the arrangement of October, 1903; should not that amount, to be paid by the government, have been authorized by your board of directors?—A. Quite so; that was the basis of the statute of 1903.

Q. It was the bridge company that had authorized that payment? It was done through the intervention of the government?—A. It had been paid by the government with the consent of the company, and from the debentures authorized by the government, guaranteed by the government.

Q. Why were the payments made after that by your company, and why were those payments made by the government?—A. Because the government had all the accounts in hand; the estimates of the engineers, the amount fixed by the statute; instead of paying to the company, which would have been the same thing, it paid directly to the bank.

Q. Are those the same that were audited by Mr. Bell, the Department of Railways Auditor?—A. Mr. Bell had audited everything included from 1903.

Q. Have you the details of those payments?—A. No, sir; I have nothing myself.

Q. They are contained in Mr. Bell's audit?—A. I think so.

Q. Have you said what remained of realizable debentures to-day?—A. I think the bank being paid, there ought to remain to-day between eight hundred and nine hundred thousand dollars in the Bank of Montreal.

Q. Did the Quebec Bridge Company receive any advances since the disaster?—A. From the government?

Q. Out of the debentures?—A. Yes, sir; there was a special account for the cost of administration.

Q. How much was that account?—A. It is in the statement that was furnished you by Mr. Ross or Mr. Bell; it is the account already produced.

Q. It is a considerable sum; could you say into what it is divided for the costs of administration?—A. The costs of administration consist in very little; that which Mr. Butler has approved of so far for rent or the employees of the company is paid; now, for some time back they have discontinued paying the salary of the secretary and of the engineer.

Q. Is the payment of those salaries suspended?—A. It is already suspended by the government, but not by the company; the government does not pay.

Q. Have you any understanding with the officers of the company, such as the secretary-treasurer, or the chief engineer, regarding the salaries?—A. According to the opinion of our advisers their time ends in the month of September next; we cannot put them out before their time is up.

APPENDIX No. 6

Q. So that, according to the opinion of your advisers, the salaries of those three employees still goes on?—A. With the company, but the government does not pay them.

Q. But according to you, it is a debt of the company?—A. Yes sir; especially considered as such.

Q. Are there suits taken against the Quebec Bridge Company on account of this disaster, law suits?—A. Not to my knowledge; I did not see any of such cases before the Board.

Q. Was the Phoenix Bridge Company sued in Quebec?—A. Yes, sir, I am told it is sued.

Q. By several interested parties?—A. Yes, sir, by several of those interested.

Q. Have you had occasion to find out what was the amount of the suit?—A. No, sir; I know that several actions were taken out, according to what the engineer told me, but I do not know the amounts; moreover, the amount does not always indicate the value of a claim, for often an action is taken out for \$10,000 (ten thousand dollars) that is subsequently settled for one thousand.

Q. Did the relatives of all the victims take out actions?—A. I do not think that all took them.

Q. Can you tell about the proportion?—A. I cannot say, for that does not concern me; the Phoenix Bridge company will settle its own affairs; the Quebec Bridge Company does not pretend to be responsible for the losses of life that took place there.

Q. But, in the case of a settlement with the government, do you not think that these matters should be taken into consideration?—A. Well, the Quebec Bridge Company not being responsible the government has nothing to do with it.

Q. Have you an opinion from your advisers that the Quebec Bridge Company is in no way responsible for the disaster in regard to the victims?—A. Yes, sir.

Q. You have that opinion?—A. Yes, sir. I think we have the opinion given jointly by Hon. Mr. Casgrain, by Hon. Mr. Taschereau, and by Mr. Edward Dorion, lawyers. The Quebec Bridge Company is not responsible for the losses of life or the damages caused by the wounds or otherwise; it is not the employees of the Quebec Bridge Company, but the employees of the Phoenix, and it is the latter that should be held legally responsible for that accident, although naturally the Phoenix Bridge Company claims not to be in fault. In any case the opinion of the advisers whom we consulted, and whom I have just named, is that the Quebec Bridge Company is not responsible for the accident.

Q. As to assets, has the Quebec Bridge Company at present directly or indirectly, any immovable property, apart from the approaches to the bridge?—A. Apart from the approaches to the bridge I know of none.

Q. There are no options on the lands?—A. Not that I know of.

Q. But you would not know it if there were any, you are the president?—A. Well, since I do not know of any there should not be any; all that has been said about options, either on the floor of the House or elsewhere, is entirely false.

Q. Did your company place itself in communication with the disaster; did it furnish the government information as to the affairs of the company?—A. The company had asked the government to help it to pay the costs of administration while awaiting the settlement of the question regarding the government, that is to say whether it shall or not take over the bridge.

Q. Had you submitted to the government or to any one on the part of the government a statement of the company's affairs?—A. The government auditor, Mr. Bell, was sent each month to make an audit of the books; he was absolutely acquainted with the affairs of the company. Mr. Butler was obliged to examine the accounts to have them paid, the government could not have been better acquainted with them than it was.

Q. Did the company approach the government regarding what it had to do on that occasion?—A. At the time we had an interview with the prime minister and with

7-8 EDWARD VII., A. 1908

Mr. Fielding also, in the interests of the Bridge Company to ask for additional aid; that is the only communication we had with the government.

Q. Is there any correspondence on that subject?—A. No; that was done verbally.

Q. What did you ask from the government, assistance; that it should——?—A. We desired the government to advance the cost of administration until it would decide to take over the bridge from the company.

Q. What is the attitude of the Bridge Company to-day? Does the company propose to go on with that work itself?—A. No, sir; moreover, at the time of the arrangement of 1903, by the fact that the government gave itself the right to take over the bridge on condition of reimbursing the shareholders their stock plus ten per cent and five per cent interest, it placed us practically beyond any possible action.

Q. Make me understand what is the attitude of the company to-day; does it ask the government to continue to assist it, or does it ask the government to take over, to exercise its option?—A. The company is not to-day in a position to dictate to the government what it wants to have; I think it has a well defined idea that the government should take over the undertaking, even though the company were to ask something else, but the company does not ask it.

Q. Do you remember how many separate contracts you had with the Phoenix Bridge Company; all the construction was not comprised in the same contract?—A. All the contracts are produced.

Q. From memory could you say how many contracts you made? one was divided, I think into three, four or five?—A. The principal contract comprises nearly all; I think there was a small contract passed for the anchor piers, but as to the large undertakings there is only one contract. All the contracts were placed in the hands of the Royal Commissioners; they are produced here.

Q. I find a contract of the 12th April, 1900, with the Phoenix Bridge Company for the superstructure, a second contract with the Phoenix Bridge Company for approaches and spans, dated 19th December, 1900, and a third contract, of the 19th January, 1903, with the Phoenix Bridge Company as to the span of the principal arch; were there any other contracts apart from those three?—A. No, sir; not that I know of.

Q. As to Mr. Davis, does he not appear to have made a profit of forty per cent on the debentures?—A. Perhaps from your point of view, not from mine.

Q. Explain then your point of view; was there not a profit of forty per cent on the debentures?—A. Mr. Davis, as the contractor for the Quebec Bridge, was to be paid in cash; we paid him eighty per cent in cash; we paid him twenty per cent that remained of the debentures of 472,000 dollars; while the work was done on our account, he paid interest to the bank, while as to us the work went on without the payment of interest; the debentures did not bear interest, before the completion of the work at the end of December, 1902, so that Mr. Davis did not make forty per cent; you must deduct the interest that he paid the bank; during that while we owed that amount which we did not pay.

Q. Do you mean to say that he borrowed from the bank on his debentures?—A. Certainly from the bank which furnished him the funds; naturally he was obliged to pay interest on the money advanced by the bank; as to us, we paid nothing.

Q. Well, that interest on a couple of hundred thousand dollars for the time that this went on was not considerable; it is not reason for saying that he did not make forty per cent on the value of the debentures?—A. Even if it were thirty thousand dollars, those thirty thousand taken from the amount would not give forty per cent, we must consider the position of the company; that which may appear an advantage for Mr. Davis according to the arrangement of 1903 is not one; if the government had guaranteed the debentures, he would have taken a great risk.

Q. Did he take a risk?—A. A great risk, from my point of view, in advancing money to a company that had nothing else than the subsidies obtained from the government.

APPENDIX No. 6

Q. According to your calculations, then, the debentures were worth nothing?—A. I am not ready to say that the debentures were worth nothing, but they were certainly not worth sixty cents on the dollar; for a commercial corporation; we could not have sold them at the time, for sixty per cent, what we should consider is the market from the company's standpoint; at that time labor was cheap, the prices submitted to us were reasonable; all we had to do was to take the chances of obtaining good results; that is to say, in 1903 the \$472,000 on which you claim that sixty per cent was obtained really only represents the amount of the work, if instead of building in 1900 we had built in 1903, there would have been a difference, and as a matter of fact the Bridge Company benefited by the advantageous times.

Q. When you obtained the quasi certainty, or rather the certainty, since you had it, that the government would pay the debentures at par, was it not your duty as business men to settle with Mr. Davis as to what you owed him, what was really due him for the work done, instead of giving him an opportunity of making that speculation?—A. If we had had the money at our disposal to do what you suggest, probably we would have done it, but even in not doing so we considered we were making a good bargain for the company.

Q. Is that not the reason why the government exacted of you that the discount of forty per cent should be paid by others than by him before guaranteeing the debentures?—A. When we built those piers and when we found ourselves short of money, we deemed it proper to make a request to the government; the question came in the form of a guarantee of the debentures; now, I cannot say that such is the reason for which the government exacted the payment of \$200,000 in stock; it certainly was not a reason that had been discussed with me; but there was this: the government wanted that the Bridge Company should subscribe a sum of \$200,000, so as to interest to a greater degree the people of Quebec who desired to go into the undertaking and above all to have the support of the railway companies who also desired to enter into the affair.

Q. Why did the government exact that the sum of \$200,000 be employed before the issue of bonds, to extinguish the discount, according to the terms of the agreement?—A. I believe that the government thought well to do the thing but there were no reasons given at the time.

Q. Finally the thing was not done?—A. It was done later on.

Q. Don't you think it would have been better, since the debentures were worth nothing according to the directors, to have made a compromise with Mr. Davis and to have said to him: 'the securities that you have are worth nothing, give us an option to buy them back within a certain delay?'—A. If you read the contract you will see that we had a right to return our debentures to make a pool for those same debentures; but it was not done.

Q. Mr. Davis anyway made a profit of some one hundred and eighty odd thousand dollars?—A. If Mr. Davis had made a contract for a lower price than the work cost him, then, instead of making a profit, he would have had a loss.

Q. What are the interests of which you speak?—A. The interests for the money that he had obtained while he was doing the work for us and which we did not pay.

Q. Discounts in the bank?—A. Certainly; the bank did not advance money to Mr. Davis without interest.

Q. How do you know that he was obliged to have recourse to discounts?—A. Because I saw the bank account at the time and it was a well known fact to all who were dealing with Mr. McDougall.

Q. Do you know how much those interests amounted to?—A. They must have amounted to from twenty to thirty thousand dollars.

Q. For advances of money?—A. Interest for advance for the Quebec bridge.

Q. Why did he do that, since he had \$96,000, as you stated this morning?—A. I am speaking of 1902; the cheque came in 1904; it was after that, after the subscription of the new stock; it is not the same transaction.

Q. Explain to me, then, that affair of interests, when did the Bridge company commence to pay interest on the debentures?—A. When Mr. Davis had finished the piers, had finished the substructure of the bridge, about the month of December, 1902, we were not paying interest; we paid no interest on the debentures of Mr. Davis from 1900 to 1902.

Q. Are you aware, Mr. Parent, that, after 1903, plans and specifications had been submitted to the government for approval?—A. After the arrangement of 1903 there were plans that had been submitted to the government for approval and that had been approved.

Q. Approved by the government?—A. Yes, sir; to conform to the statute of 1903.

Q. If I rightly understand the report of the Royal Commission, the government after 1903 did not exercise its rights to approve the plans that it had possessed?—A. Well, the plans of details?

Q. Were they submitted to the government?—A. No, sir, the plans of details were submitted to the engineer who was Mr. Cooper, in New York; after the government had accepted Mr. Cooper as engineer, Mr. Cooper had the conclusive control of the undertaking as regards the plans, the plans of details furnished day by day; and for those who did not know the plans of the company I might say that we had about enough to nearly fill this room.

Q. I find by the documents that the government had decided to select another engineer?—A. No, sir; there must have been an order in council by which Mr. Cooper had been accepted by the government when Mr. Nichol had been set aside.

Q. Well, then, the order in council of the 21st July, 1903, specially authorizes Mr. Schreiber to select a special engineer to report upon the plans and that order was rescinded the 15th August, 1903, with the understanding that the company should continue to have control of the plans, but I find nowhere that the government had chosen Mr. Cooper to be the engineer?—A. He had been chosen as engineer by the government; I do not know the report of the commission but as a matter of fact there is no doubt that Mr. Cooper acted for the Quebec Bridge Company at that time.

Q. Then, Mr. Cooper was the Phoenix Company's engineer?—A. No, sir, he was the engineer of the Quebec Bridge Company, and the Phoenix Company's engineer was Mr. Zleska.

Q. Who put you in communication with Mr. Cooper; was it not the Phoenix Bridge Company?—A. No, sir; we had correspondence at that time; we got information as to where the best engineer was; several names were given, and we decided on Mr. Cooper as being the most competent man; he was the best of the three that had been suggested to us.

Q. Then your pretension in a word is that Mr. Cooper was at the same time engineer of the Quebec Bridge Company and engineer of the government?—A. Engineer of the Bridge Company and engineer of the government after Mr. Nichol had been set aside for Mr. Cooper who was to resign if Mr. Nichol was appointed; Mr. Cooper did not wish that an engineer whom he knew to be inferior to himself should be associated with him when he himself took the risks.

Q. Did not the Board of Directors make some estimate of what it would require to finish the bridge?—A. Well, those estimates were about the same as the former ones.

Q. Could you tell the committee what would have to be done to complete the bridge, to make a new one, in fine to make the bridge?—A. We cannot say that at present, before a commission of engineers decides what is to be done; if we can use the present piers and a part of the steel that is manufactured, the undertaking would cost much less than if we were obliged to have new piers and a new superstructure; there are engineers who could answer on this. If you take the present piers and a part of the material, I still think that the bridge can be built for seven or eight million dollars, including the approaches; if you add the losses to this—the question as

APPENDIX No. 6

to the responsibility will be decided—I presume that it might go to between nine and ten million dollars.

Q. If the government takes over the undertaking, according to you, according to your interpretation, should it reimburse the Quebec government and the City of Quebec what these two have contributed?—A. I think the statute gives the government the power to place them in the same position as the Federal government itself, that is to say that they would be jointly interested in the undertaking.

Q. What statute is that?—A. Of 1903; I have not seen it since that time; only the government should refund to the municipality and the Province of Quebec the subsidies that they voted, if they so desire; I think that the clause of the statute places them on the same footing, if there are dividends to be drawn, or something like that.

Q. Does Mr. Cooper's salary still go on?—A. No, sir.

Q. He had a right to so much per year?—A. Yes, sir; when he worked for us; but since the bridge fell down he has had nothing to do.

Q. Are you sure that he is not retained as consulting engineer at three thousand some odd dollars?—A. I do not think that Mr. Cooper intends to put in a claim as engineer; he will be answerable like the contractor for the damages incurred which were principally occasioned by his fault. When Mr. Cooper did not come to the Quebec Bridge he often sent his associate, Mr. Berger, to replace him; the latter was also a very able engineer.

Q. I see there is a question in clause 21 of the agreement of October, 1903, of the settlement of the claims or of the contributions of the government and of the City of Quebec?—A. Yes, sir.

Q. Was this accepted by the government and the City of Quebec, were you mayor of the City of Quebec at the time?—A. It was I who insisted on having that clause.

Q. According to you the city as well as the government of Quebec are bound?—A. Yes, sir.

Q. Could not the city and the government of Quebec, if the Federal Government were to take possession of the bridge, claim the refund of their contributions?—A. You have the statute before you, you can find out the worth of those claims.

Q. I am asking you if that is not the true situation to-day?—A. All the rights that the government and the City of Quebec can exercise they will exercise; the statute speaks for itself, you can interpret it as you please.

Q. Then there is nothing you can tell us beyond clause 21?—A. No, sir; that is the basis of a contract; it is worth whatever it is worth.

Q. You have never found out what would be the inclinations of the Government and of the City of Quebec if the Federal Government were to exercise its power to take over the bridge?—A. No, sir, it is an obligation that was imposed on the Federal Government, it would be for it to look to it.

Q. I ask you, in your capacity as president of the Bridge Company, if you can say what would occur; would the city and the government of Quebec lay claims?—A. When the Federal Government takes over the undertaking it will see what it can do with these parties.

Q. It is an undecided affair?—A. I know nothing about it; I do not know the government's intentions.

Q. You have not found out since the disaster?—A. The government being the judge in the matter, it is for it to decide what to do.

Q. If the government were to ask you what would become of the sum of \$550,000, the contributions of the city and government of Quebec?—A. I would tell the government that it would have to find out.

Q. With your experience you have no doubt that the refund would be claimed?—A. It is more than I can say; it is a national undertaking that interests everybody; it is quite possible, in view of the accident, that those corporations would voluntarily desist; if I were prime minister of the province of Quebec, I would act in that way.

Q. If the Federal Government undertook to finish the works?—A. It must be remembered that when those corporations subscribed to the undertaking they did so without any expectation of reimbursement.

Q. Do you think that the shareholders, seeing that it is a national and patriotic undertaking, would give the refund of their shares?—A. As to me, personally, if it were a question of life or death for the bridge, I am ready to say that I would not hold to a cent of my money; I would have no hesitation, as far as I am concerned, in renouncing my shares, for when I went into the undertaking I did not do so for any purpose of speculation; I did it in a philanthropic spirit, for the good of the city of Quebec.

Q. I find that to remove the shareholders according to the agreement of 1903, it would require the giving of nearly \$387,500, there are \$250,000 in round figures, a bonus of 10 per cent that represents \$25,000, that is to say, \$387,000; this is a considerable sum?—A. Well, the capital stock with the ten per cent is \$291,500, which the government would have to pay to the shareholders apart from the simple interest to be added; in return for that the government takes possession of all that belongs to the company, that is to say of what has been put into the undertaking to the present, \$263,000 of stock that had been spent on the undertaking; moreover the subsidy of the City of Quebec amounts to \$290,000 net, the discount taken from the \$300,000, and the \$250,000 of the local government besides the \$374,000 that the Federal Government gave on its million; the government by the fact, would free itself of the \$625,000, the balance of its million.

Q. Since 1903 it has been exempt from paying the balance of its million?—A. Yes, sir, by the arrangements that it had made. I should say that if to-day the piers and the existing work could be utilized, if the piers that cost a million and a quarter to the company you could not build for two millions, then the government would have a benefit.

Q. It is a question of whether or not the works could be used; you heard Mr. Holgate's evidence?—A. As to the using of all the works, the engineers will decide later on; but assuredly in the case that those piers can be utilized you have therein the value of two million dollars, when they only cost a million and a quarter.

Q. If things take place as we have reason to believe they will, the government, apart from six millions and some hundred thousand dollars that it has spent will be obliged to spend about as much more before the undertaking is completed. Do you think that with ordinary precautions we can have a bridge that will not cost much less than from twelve to fifteen millions?—A. No, sir; even though you were to build the bridge anew there cannot be any question of twelve million dollars.

Q. When we were asked to vote a million dollar subsidy it was said that the bridge would cost four million dollars?—A. I think that according to Hansard the idea was to have a railway bridge; when the Quebec government voted its subsidy it laid down as a special condition that it should be a bridge for carriages and foot passengers; then the plans were subsequently amended.

Q. We have six million of dollars that have vanished; and if there remain about \$600,000 in round figures on the debentures—?—A. You have the approach to the bridge that cost a million dollars; you have the piers and the anchorage metal that are there, that have not disappeared; you have there, from what I can see, at least three millions of dollars of assets that have not disappeared.

Q. Do you think it is possible for us to complete all, to meet all the expenses that it will demand with six millions of dollars more?—A. I think it would cost much less than six millions.

Q. Much less?—A. Yes, sir.

Q. Well, about how much; five millions do you think?—A. Naturally I am not an engineer, but it is my inmost conviction that you can rebuild the Quebec bridge, the bridge properly, speaking, for less than five million dollars.

APPENDIX No. 6

Q. At the time of the agreement of October, 1903, you claimed that with the government debentures you could build the bridge; you had said that in your communications with the government; now, you know, that even had that bridge not fallen we could not have completed it with six millions of dollars?—A. The bridge and the approaches are two different things, I spoke of the approaches to the bridge, but not of the bridge itself.

Q. But in the letter that was read to us in parliament, you said to the Prime Minister in 1903, that with what the debentures guaranteed by the government would give the bridge would be completely finished; and you know that it could not have been finished; even apart from the accidents, it would have required a couple million more?—A. I am not prepared to say that that is what the company exactly said; I would need to have before me what was submitted; I do not know that that was said.

Q. At the end of a letter of the month of October, 1903, which is here, you say that the estimated cost of the completed work is about six million nine hundred thousand dollars?—A. That makes seven millions; it is not far from seven millions.

Q. On the contracts a good deal remains yet due, if the purchases were done in a nominal way?—A. Not much more than the labour, for the estimates for the work done at Phenixville we paid for the work; we had a man on the ground; the government had also a man there. The steel is nearly all ready, and if we could utilize the piers and a part of the manufactured steel, we could build at a much lower cost. Now, the engineer according to the prices submitted, can tell me if that can be done or not; according to my information, it can be done. The bridge can be built, by changing the plane, on the present piers; so that it would be a considerable saving if the thing is possible.

Q. What are the monthly expenses for salaries and present rent, what is called current expenses?—A. A trifle, in round figures about twelve hundred dollars per month.

Q. Does that include the treasurer, the secretary, and the engineer?—A. Yes, sir, and a typewriter.

Q. How much do you pay a month to the officials?—A. We pay the secretary on the basis of \$2,400 a year, making \$200 per month; we pay the treasurer one hundred dollars per month; that makes three hundred dollars per month; the engineer five hundred dollars, making eight hundred dollars per month; you have after that one hundred dollars for different expenses per month; which makes nine hundred dollars; apart from the rent this is all the expenses of the company.

Q. How much is the rent?—A. The rent amounts to between six and seven hundred dollars per year; I think we do not pay dear rent; we leased at quite a low price from Judge Borse.

Q. Have you men hired to watch the bridge, or what remains of the bridge; are there no expenses caused by the disaster itself?—A. Not that I know of; we have no men there.

Q. You have no business there?—A. No sir; because the Phoenix Bridge Company is responsible.

Q. Did you have any proposals from the Phoenix Company in regard to the reconstruction of the bridge? The accident took place on the 29th, August?—A. I do not know if that belongs to the subject of this investigation; this relates to matters subsequent to your motion for an inquiry. I refuse to answer, unless the committee desires it.

Q. The government is in possession of all those negotiations?—A. Yes, sir; we submitted them to the government; so if the government wishes to give them to you, it is its business.

Q. From the 27th to the 29th August in the afternoon, on the day of the accident, did you get wind of what was taking place at the bridge—the signs of a falling?—A. No, sir.

7-8 EDWARD VII., A. 1908

Q. You knew nothing about that at all?—A. I was in Ottawa at that time; I think there are very few people who could have foreseen that the bridge would fall on the 29th August.

Q. Do you know that during three or four days there were communications with Mr. Cooper and with the company, regarding cracking and shakiness that were apparent?—A. Mr. McClure has been sent down to New York to consult with Mr. Cooper; at that time I knew nothing about it.

Q. You had not been informed of the thing?—A. No, sir; the first news that we received was the falling of the bridge. Mr. Robitaille had said that he was informed that my brother was inspector for the Quebec Bridge Company. I may here state that none of my brothers were ever directly or indirectly concerned with the Quebec Bridge Company; he never received a single cent, either directly or indirectly, from the Quebec Bridge Company. They who said that must have been wrongly informed. If it was said for the pleasure of making insinuations, I desire to place those people in a position to know that no such thing ever existed for any of my brothers; and when Mr. Robitaille said that he certainly said what was not true. Mr. Robitaille spoke of real estate transactions that I had carried on; it is absolutely false; and when he spoke of options of the Bridge Company with the Quebec Terminal Company, it was still absolutely false. When Mr. Robitaille said that I was interested in the Quebec Terminal Company, it was false; when he said that I was Prime Minister of the province when the latter voted a subsidy to the Quebec Bridge, it was still false. On the floor of the House anything is said to calumniate, but when on oath there is not so much said. I want the public to know what I now state. As to the accusations brought against the Bridge Company during my presidency let them be repeated before this committee, and I have no fear to meet my accusers.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 62,

TUESDAY, July 7, 1908.

The committee met at 11 o'clock, a.m., the chairman, Mr. A. K. Maclean, presiding.

Hon. W. S. FIELDING, Minister of Finance, called, and examined.

By Mr. Monk:

Q. I will just ask you at once the questions that I have taken note of. Can you give the committee, Mr. Fielding, any idea of the present financial resources of the Quebec Bridge Company?—A. I could not, Mr. Monk, without reference to papers. It is not a matter with which I have been very closely associated myself. I would have to refer to my officials for that information.

Q. But speaking in a general way, Mr. Fielding, have you come to some conclusion in regard to their power to pay their liabilities?—A. I have not heard any question raised as to their ability to pay the present liabilities, but, of course, with the condition of the bridge, requiring a large amount of new money, I do not imagine that the present arrangements are at all sufficient to cover what will be needed. But I have not had my attention drawn to any question as to their ability to pay their present indebtedness.

Q. Your attention has not been drawn to that?—A. I have not heard any complaint made on that score to my knowledge.

APPENDIX No. 6

Q. Have you any doubt that, as things are at present, taking the present situation as it is to-day, the government will have to pay the entire amount of the guaranteed bond issue?—A. Oh, I can't say that—we took the power, as you are probably aware, Mr. Monk, to loan the company the amount of money set forth in their bond issue and we have exercised that power to a certain extent. I have always assumed that we would have to exercise it. That means that we would lend to the Bridge Company the amount of the guaranteed bonds. Instead of their advancing it we decided that we would finance and loan them the money. That is the way the matter now stands.

Q. But supposing their liquidation took place to-day and that the government gave no further assistance but matters would have to follow the ordinary course, you do not doubt that the government would have to pay these guaranteed bonds?—A. Unquestionably.

Q. Or if anything has been advanced upon them?—A. The government must respond to the guarantee, but as to what the position of the company may be in the event of liquidation, that is rather a matter of opinion in which I would not presume to say anything.

Q. Do you know of any resources that the company have that would pay these advances made to them?—A. Nothing except their modest amount of stock which was subscribed and which I presume has gone, by this time, into the general work. I know of no other resources than the government guarantee. I have always assumed that in one form or another the government must take the responsibility of providing for the work.

Q. So that at the present moment the government would stand in this position: it would have to pay all that has been advanced upon the guaranteed bond issue and also stand to lose the amount it has paid on the subsidy of a million dollars that was partly paid? Is not that the position?—A. We never treated the subsidy as lost. We had paid over a portion of that subsidy and then, the other scheme of a guarantee being adopted, the Subsidy Act was cancelled. We never treated it quite as a loss; it was a contribution to a work of a national character. I have never heard the expression used before, that the government would have to lose the subsidy.

Q. I mean by that if we had to ascertain how much the bridge cost, say at the present moment, we would take first the amount advanced from the subsidy, being the first advance, I suppose?—A. Yes.

Q. And then what has been advanced on the guaranteed bonds?—A. Yes.

Q. Can you state in a general way, Mr. Fielding, how we stand as regards payments made on that bond issue? We have guaranteed all the bonds, I think?—A. Yes.

Q. I think that is the position and they have been placed in the hands of the Trust Company?—A. That is correct, sir.

Q. And upon these bonds, placed by the Trust Company, in the hands of the Bank of Montreal, advances have been made to an amount of over \$5,000,000, I think?—A. That is probably correct. I am not sure as to the amount but that is the method whereby the financing was done.

Q. It would be possible to get from your department the exact figures, I suppose?—A. Yes.

Q. Were you acting Minister of Railways, Mr. Fielding, when the subsidy contract was entered into?—A. I could not remember, Mr. Monk. I have been acting Minister of Railways from time to time, but I could not fix the particular dates. I would have to be assisted by a reference to the documents of the Railway Department to enable me to answer that question. If the subsidy contract bears my name that would be sufficient evidence of it, but I have no particular recollection of it at this time. You mean in the original subsidy?

Q. Yes?—A. As distinguished from the guarantee?

Q. Yes?—A. Yes. I do not recollect. It is possible, I would not say no to it; I would have to look the matter up, the papers speak for themselves.

Q. You remember that attached to that subsidy contract were the ordinary bridge specifications used by the Government in the case of the construction of subsidized bridges?—A. I have no recollection about it whatever, Mr. Monk. I should have to look through the departmental records for the evidence of that.

Q. Were you acting Minister of Railways, Mr. Fielding, when Mr. Schreiber, then Deputy Minister of Railways, asked authority from the government to secure expert opinion before the approval of the plans of the bridge?—A. I would not like to speak from recollection; I might have been. As I said before, I have been acting Minister of Railways on several occasions and was frequently brought into contact with Mr. Schreiber, but from my own recollection I would not be able to fix the dates.

Q. If the stenographer could give you a note of these matters, would it be too much trouble for you to refresh your memory?—A. I would have to go over to the Railway Department and select the information from the records, as I have no recollection of the matter. I should think the records themselves would tell you that. All I can do is to go and look it up. I have no memory in the matter at all.

Q. I think that you were from my perusal of the documents?—A. I would not say no, because I have acted in the Railway Department on a number of occasions, but I could not fix the dates.

The CHAIRMAN.—The documents would fix the dates.

Mr. MONK.—It is difficult to examine Mr. Fielding without—

Hon. Mr. FIELDING.—If you wish it I will come again for examination at any time.

By Mr. Monk:

Q. Do you recollect, Mr. Fielding, that Mr. Schreiber got authority from the Government to employ an expert in regard to the examination of the plans prepared for the bridge on the ground that he had not the necessary expert knowledge himself?—A. I have a general recollection that the whole matter, so far as the engineering is concerned, was left in Mr. Schreiber's hands. I think it is quite probable that what you describe occurred although my memory does not serve me. I think it is quite likely that it happened.

Q. It appears from the record that the Phoenix Bridge Company, through its consulting engineer, Mr. Cooper, and the Bridge Company itself, objected to the employment of an expert and it was subsequently abandoned. Can you give any reason why the government abandoned the idea of having a third party on its behalf look into those plans after it had given its approval?—A. No. My recollection is not very clear as to the details of the matter and I would, in all these things, have to look to the records to see what was done. Speaking generally, I recollect a conversation with Mr. Schreiber. I may, or may not, have been acting Minister of Railways at the time but I recollect discussing with Mr. Schreiber the question of the appointment of Mr. Theodore Cooper. I remember that Mr. Schreiber took the ground that Mr. Cooper being a man of very great eminence, there was no better man that could be obtained and that so long as they had the assurance of a man of his high standing and reputation, the government's interests were well protected. I think that is a general recollection of the conversation with Mr. Schreiber, but I do not know when, and under what circumstances, it took place. Any matter concerning the engineering of a bridge at any time when I was acting minister, I would leave entirely in the hands of Mr. Schreiber and under his advice.

Mr. GALLIHER.—That appears in the evidence that we have before us, Mr. Monk. Everything with reference to Mr. Cooper's attitude appears in the evidence which is before us.

Mr. MONK.—I was not trying to elicit the witness' opinion upon that point, but rather endeavouring to ascertain why the action was not insisted upon in spite of the representations made by Mr. Cooper.

Hon. Mr. FIELDING.—I would not be able to answer that, Mr. Monk. I was going to say, without a study of the papers, my recollection is that whatever was done in

APPENDIX No. 6

the matter of the engineering was done under the advice of Mr. Schreiber, in whom we had the utmost confidence.

Q. But you see it appears, Mr. Fielding, and I think you recollect that phase of the question, that Mr. Schreiber asked for the employment of an expert?—A. I do not recollect it, Mr. Monk, but yet it may have happened. This is a matter of years ago, and I have not studied the papers. I am speaking now from a general, and not from a clear, recollection of a thing that occurred years ago.

Q. Your answer, Mr. Fielding, that you were content to abide by the opinion of Mr. Schreiber upon a question of that importance seemed to be contradictory inasmuch as Mr. Schreiber had asked for the employment of an expert and subsequently it was decided not to employ one?—A. If that occurred when I was acting Minister of Railways I would have no hesitation in saying that I never acted against Mr. Schreiber's advice. Whatever steps were taken when I was acting minister must have been taken with Mr. Schreiber's advice and with his full concurrence.

Mr. GALLIHER.—Mr. Cooper refused to act if the government put another man on. That appears from his letter.

Mr. MONK.—Of course, he objected undoubtedly.

Hon. Mr. FIELDING.—What I inferred from your question was that it would seem that Mr. Schreiber had recommended that the government should do something and that they had decided to override his advice. Well, I have no recollection of anything of the kind occurring. If Mr. Schreiber advised a certain proceeding, and if at a later stage it was abandoned, I would say it must have been done with Mr. Schreiber's knowledge and consent. But, however, again I am speaking from recollection although I think the papers must surely show that. I am quite sure that I would not, as acting Minister of Railways, take the responsibility of overriding Mr. Schreiber's opinion in an engineering matter. I can answer that unhesitatingly.

Q. I am led to put these questions to you because of the following, which I find at page 20 of the Report of the Royal Commission on the collapse of the Quebec bridge (reads):

“On June 2, 1903, Mr. Cooper transmitted certain amendments to the specifications attached to the subsidy contract of November 12, 1900, and gave his reasons for the proposed changes; as under section 2 of this agreement, any amendments of plans and specifications had to be approved by the Governor General in Council, these amendments were submitted to Mr. Schreiber for examination. Mr. Schreiber, the chief engineer of the Department of Railways and Canals, examined the amended specifications, and communicated with the Minister of Railways and Canals on July 9, 1903. The minister reported to council on July 16, 1903, and on July 21 an order in council was passed, embodying Mr. Schreiber's recommendations (Ex. 17). In his report Mr. Schreiber refers to discussions between himself and Mr. Cooper, the consulting engineer of the Quebec Bridge Company, involving certain modifications of the specification attached to the subsidy contract; he expresses his high regard for Mr. Cooper's professional standing, that gentleman being a man of repute and reliability. He adds: “His modifications may, therefore, reasonably be considered to be in the best interests of the work.” Mr. Schreiber suggests that “the department be authorized to employ a competent bridge engineer to examine from time to time the detailed drawings of each part of the bridge as prepared, and to approve of or correct them as to him may seem necessary, submitting them for final acceptance to the chief engineer of the department of Railways and Canals.”

“When a copy of the above order in council reached Mr. Cooper, he strenuously objected to the appointment of an engineer as suggested by Mr. Schreiber, saying: “This puts me in the position of a subordinate, which I cannot accept.” Mr. Cooper, at the same time wrote to Mr. Schreiber: “I do not see how such an engineer could facilitate the progress of the work or allow me to take any responsible steps independently of his consent.” Mr. Cooper then went to Ottawa to see Mr. Schreiber, and discussed the situation with him. In consequence Mr. Schreiber made a further recom-

mendation, and an order in council was passed August 15, 1903 (Ex. 18) which directed that, provided the efficiency of the structure be fully maintained up to that defined in the original specifications attached to the company's contract (Ex. 12), the new loadings proposed by the Quebec Bridge Company's consulting engineer be accepted, &c.; and that all plans be submitted to the chief engineer, and until his approval has been given, not to be adopted for work. This order modified the order in council of July 21, 1903.'

What I wish to know from you, Mr. Fielding, is, what were the reasons which led you to depart from the original precaution you decided to take, or the government decided to take, to employ an expert engineer to look over the plans?—A. I would have to form my impression from what you have read. I would say it is quite evident from that, that Mr. Schreiber modified his own recommendation and advised the government accordingly, and that whatever was done at that later stage was done on the advice of Mr. Schreiber as being, under all circumstances, the best that could be done. But again I am speaking from what is suggested to me by what you have read because I cannot recall the distinct circumstances of the case, occurring as they did some years ago. May I ask you do the papers show on that particular date I was acting minister?

Q. Not these papers I have in hand?—A. I was acting minister for a period during that season, but whether I was at that particular date, I am not quite clear. However, that would make no difference because I have no doubt the government acted upon Mr. Schreiber's advice, and if I was acting minister then I was the instrument for carrying out Mr. Schreiber's views.

Q. Do you know, Mr. Fielding, if any effect was given to clause 12 in the last contract, that is the one of the 19th October, 1903, which provided for an approval of the plans before the guarantees were given. That is in accordance with clause 3 of the agreement which says that all plans and specifications are to be submitted to the government for approval?—A. My impression—

Q. That was in 1903 after all these events I have just referred to?—A. My impression is that the plans at that time had been approved and that any plans coming in after that would be mere details of the agreement. I think the plans had been approved before that.

Q. You cannot recollect anything especially?—A. Not anything. The work had made considerable progress at that stage and I think the plans must have been approved before that. That is a matter of opinion rather than of knowledge or fact. I think the plans must have been approved, to some extent certainly, before that contract of 1903 was entered into.

Q. As a matter of fact when were the plans finally approved by the government?—A. I could not answer, sir, without reference to the department's files. They will show that; I could not speak of it from memory.

Q. You see the way I view it, Mr. Fielding, is this: up to that date we had undertaken to give a subsidy which was only in part given, but by that agreement we entered into a guarantee arrangement and under clause 12 it was provided that there must be approval of the plans before the guarantee was given. That is what leads me to ask you if any general review of the plans was held after that agreement in order that the government should be perfectly satisfied these plans were safe ones?—A. I could not speak from memory. The records of the Railway Department would have to show that.

Q. Had you personally, Mr. Fielding, any knowledge that Mr. Douglas, the bridge expert of the Department of Railways, had condemned the unit stresses?—A. I think I hear it now for the first time, but it may possibly have occurred as between Mr. Douglas and Mr. Schreiber. I have no recollection of ever hearing it before. I should think the records of the department would show the facts in all these things.

Q. There is no doubt that Mr. Douglas made a report condemning the unit stresses. That is on file amongst the other documents produced?—A. It may have

APPENDIX No. 6

been called to my attention. On what date would it be? While I was acting Minister of Railways? I should think if it was done while I was acting minister I probably would have heard of it. If done at another time I might never have heard of it.

Q. On July 3, 1903, Mr. Douglas made his report in writing?—A. While I was acting minister—

Q. In which he found fault with the unit stresses?—A. I was acting Minister of Railways during the summer of 1903, but whether I was, on that date in July, I am not sure. My impression is that it would be a little later, because after the resignation of Mr. Blair in 1903, I took up the work temporarily as acting minister and the date of Mr. Blair's resignation, I presume, is a matter of record.

Q. There are so many facts that it is not surprising that one should not remember them all. This is what I find at page 41 of the Commission's report. Speaking of Mr. Douglas' report, which I have just referred to, they say (reads):

'In it he advised the adoption of many of Mr. Cooper's suggestions, but criticized the high unit stresses that were proposed, and the suggestion made in the memorandum as to using the bridge for heavier rolling loads than those specified in the amendments. He also advised that the Quebec Bridge Company be required to submit new specifications, and not merely amendments to the approved Hoare specifications.

'Mr. Douglas' opposition was evidently anticipated, as will be seen by the letter from Mr. Hoare quoted in the evidence. On receipt of the report of July 9, 1903, Mr. Schreiber had to decide whether he would depend upon Mr. Cooper or upon Mr. Douglas for technical advice, and evidently decided in favour of the former, for, as stated in the evidence, Mr. Douglas from that time had no authoritative connection with the undertaking.'

Would you say that you remember this?—A. No, I do not remember that incident at all—

Q. That particular report?—A. But if I was at that moment acting Minister of Railways I should think Mr. Schreiber would have brought it to my notice. My impression is at that moment I was not acting Minister of Railways, but the dates would have to speak for themselves. If Mr. Douglas made such a report to Mr. Schreiber and Mr. Schreiber brought it to me I would take the advice of Mr. Schreiber as the chief engineer; I would not presume to have an opinion of my own against him on an engineering question.

Q. Well irrespective of whether, at that time, you were acting Minister of Railways, Mr. Fielding, I wish to know from you if you remember that incident at all, because at the present moment it is a very important one? Mr. Douglas had condemned the stresses or made an unfavourable report?—A. I don't remember it at all.

Q. Now, sir, I would like to ask you what means were taken by the Department of Finance to ascertain that the financial undertakings entered into by the Bridge Company in its agreement of October, 1903, had been carried out? By that I mean its undertaking contained in one of the clauses to issue \$200,000 of stock which would have to be taken up in full and paid in cash and the proceeds employed in settling the discount on the original bonds of the Bridge Company before this guarantee was given? That was a condition that had been imposed by the government?—A. I remember that the conditions required that they should subscribe and pay up this stock. My recollection is that they furnished a certificate of the company, that that had been done and that we accepted it.

Q. You did not go beyond the certificate that had been furnished by the president and the secretary of the Bridge Company to the effect that that condition had been fulfilled?—A. I think not.

Q. Did you hear at any time of the incident which has come out in this inquiry of the sum of \$94,900 out of that \$200,000 of stock, which was represented by a cheque of Mr. Davis for that amount, which remained in the company's hands unexpended and uncashed until 1907?—A. I heard of that in 1907, not before.

Q. You heard of it in 1907?—A. Yes, I heard of it. I can fix the time. I think I heard of it soon after my return from Europe in the fall of last year.

Q. Did the department take any steps in consequence of that discovery at the time?—A. No. At the time I heard of it I understood that the cheque had been converted into cash and this removed any question there might have been at an earlier stage. The conditions of the Act in that respect had been complied with then whatever might be said as to the earlier proceedings.

Q. Had there been any inquiry by the government before the guaranteeing of the bonds, any special inquiry, as to whether that condition, stipulated for in the agreement of 1903, had been absolutely complied with?—A. Nothing but the demanding, the requiring of the certificate from the officers of the company that it had been done.

Q. Mr. Fielding, is the government responsible to the Bank of Montreal, or to anybody else, for any amount beyond the sums that are connected with the issuing of the guaranteed bonds? It has appeared that an advance has been made by the Bank of Montreal to the Bridge Company for a very considerable sum. That is what leads me to ask that question?—A. I think not although I do not know that I fully understand what you have in your mind, Mr. Monk.

Q. Well, apart from the amounts that have been advanced by the Bank of Montreal to the Bridge Company upon the bonds, there is an amount of one hundred and some thousand dollars which the Bridge Company owes the Bank of Montreal. Is the government in any way responsible for that?—A. I do not know the particular sum, or what formed the particular sum. I recollect an incident though that may have had some bearing on that. The Bank of Montreal would only advance to a certain margin on the bonds and it was intimated to me that the company were short of money. On my return from Europe last year—they needed money to pay ordinary every-day expenses—and I think I said to Mr. Clouston—I am not quite sure at the moment whether I wrote to him or spoke to him verbally—that, of course, the running expenses of the concern would have to be met and I hoped he would assist the company in whatever was necessary; but whatever was paid would have to come out of the guarantee; we had no authority whatever to incur any obligations beyond that. The effect of my request to Mr. Clouston was that the bank should not keep the company down to such a small margin, but that they should advance more liberally within the guarantee.

Q. What I would like to know is whether there is any responsibility on the part of the government to the bank for that advance?—A. If it is within the amount of the guarantee, I would say yes. If it is beyond the amount of the guarantee, I would say no. But I have always assumed that every dollar that anybody advanced under recent conditions for the Quebec bridge, if it goes into the enterprise, the government have got to see paid in one form or another.

Mr. MONK.—Probably as a matter of equity, but not as the exact amount for which we are liable.

The CHAIRMAN.—There is an exhibit filed by Mr. Ross that may help you, Mr. Monk. I think that is what you are getting at.

Hon. Mr. FIELDING.—I do not think we would have any legal liability for anything outside the amount of the bonds.

By Mr. Monk:

Q. Would the Bank of Montreal have advanced such a large amount if it were?—A. It is not in excess of the amount of the bonds.

Q. No, but it is outside of the bonds?—A. Well, the bank was advancing a certain percentage, 80 or 85, if I remember, and the consequence was the company were not able to get the full value of their bonds, and I said to Mr. Clouston, I hoped he would be a little more liberal and help them along. What I meant by that was that they should advance them more liberally and not be exact as to the percentage. I had no authority to incur any obligation outside of the bonds, and I certainly never intended to. I should say that any money that was advanced by the Bank of Montreal

APPENDIX No. 6

in good faith and went into the work of the bridge legitimately in one form or other—the government should see them paid.

By Mr. Barker :

Q. You did not intend that they should advance beyond par?—A. No.

Q. That is clear in your mind?—A. It was clear in my mind. Very little was said about the matter further than that this necessary expense to keep the company moving was to be met, and I hoped the bank would assist them.

Q. Within par?—A. I have never had any other intention than that it was to be within par.

Mr. PARENT.—They are still within par, too.

By Mr. Monk :

Q. Have you, Mr. Fielding, since the catastrophe, obtained any general statement of the affairs of the Quebec Bridge Company, carefully prepared and audited under the supervision of your department?—A. There has been considerable information furnished, chiefly, I think, by the Railway Department. The Auditor of the Railway Department has been in communication with my officials and we have a general knowledge of the affairs in that way. There has been no special audit of it in my department. The audit has been made by an officer of the Department of Railways.

Q. Have you not some statement that would show exactly how the Quebec Bridge Company is situated to-day?—A. I think probably there is such a statement amongst the papers, if not in my department in the Railways Department.

Q. If it is in your department would you have any objection to producing it?—A. If there are any documents in the Finance Department in relation to the matter, I shall be happy to bring them down.

Q. Has there been any general statement sent into your department by the Quebec Bridge Company since the catastrophe?—A. I should have difficulty in answering that. My officials could answer that better.

Q. If there is any such statement—?—A. I will give instructions to have it brought down. Will you note that, Mr. Ross?

Mr. ROSS.—There is none.

By Mr. Barker :

Q. The assistant accountant of the Railway Department has produced a statement of certain accounts between the Quebec Bridge Company and the Phœnix Bridge Company, and also between the Quebec Bridge Company and Mr. Davis but I think he only carried his inquiry back to a certain date. There are items in that statement of a confused nature, some erroneous charges which I understand were afterwards supposed to be corrected. Have you gone into those charges?—A. No.

Q. Well, in order to ascertain the precise position of the Quebec Bridge Company would it not, in your opinion, be necessary to have a complete statement of the accounts between the constructing company and the Quebec Company from the beginning?—A. I would hardly be able to answer that. That is a matter which would come under the Railway Department because it relates to the making up of the estimates and certificates which are engineering matters, the estimates being based upon certificates issued by the Railway Department, and if it be necessary, perhaps, for the Railway Department to look into. It would not be so necessary for the Finance Department because we take the certificates issued by the Railway Department and pay upon them.

Q. The government have ultimately to meet, perhaps, the liability of the construction company, the Phœnix Bridge Company. Is it not essential for this committee, as well as the government, to know the exact state of the account between the Phœnix Bridge Company and the Quebec Bridge Company from the beginning?—A. I think it is desirable.

Q. I ask that because I requested Mr. Bell to give me a complete statement and that gentleman said he had not gone far enough back in the accounts to furnish us with that sort of statement with regard to the substructure as well as the superstructure. I think we ought to have such a statement?—A. I do not see any objection to having it if anything has arisen during the course of the investigation to suggest that there is a need for further inquiry.

Mr. BARKER.—I am referring now, at the moment to some items which were charged in one account erroneously and there is no information showing how that error was corrected.

The CHAIRMAN.—What is that?

Mr. BARKER.—Take the Davis item of \$35,000 which was said to have been charged by Mr. Davis to the Quebec Bridge Company and it turned out afterwards the company had paid that money themselves. I would like to see all such transactions clearly set forth amongst the papers.

Hon. Mr. FIELDING.—I would almost think the officers of the Quebec Bridge Company would be able to give the committee that information.

Mr. BARKER.—Mr. Bell was sent to Quebec, as I understand, to look into these things and I would like to see a complete statement of the accounts between these two companies from the very beginning having regard to the fact that the country probably has to pay whether the money was owing between one or the other or whether it was owing simply by the Quebec Company.

The CHAIRMAN.—I think Mr. Bell explained that.

Mr. CHISHOLM (Antigonish).—I think Mr. Bell explained that he did not go back of the Act of 1903 because the Act settled the whole thing.

The CHAIRMAN.—Yes, it was a new transaction, I think.

Mr. CHISHOLM (Antigonish).—You did not think it was necessary to go back of that.

Mr. BARKER.—The question arises in this way: the country probably will have to pay whatever is due by the Quebec Bridge Company—that is possible, at all events, as sureties. Now, if that is so the Quebec Bridge Company will be entitled to go into the account from the beginning. There is no precluding, and there cannot be any precluding, that at all. I want to see the whole thing set out exactly on paper. I do not want merely a partial statement, I want to see it all set out on paper. I want the same information with regard to the substructure.

Hon. Mr. FIELDING.—I do not know how far that may be necessary. We certainly have no objection to a statement of whatever information is useful.

Mr. GALLIHER.—You want, Mr. Barker, the account made out in detail?

Mr. BARKER.—Yes. For instance, if I were a surety and called upon to pay any money I would ask for a statement between the Quebec company and the construction company from the beginning.

Mr. CHISHOLM (Antigonish).—You have it already in black and white.

Mr. BARKER.—One sees in the statement produced what are said to be results, but we know there were erroneous assertions made. For instance, there was the sum of \$250,000 said to have been put up by Quebec as a subsidy. That is not true.

Hon. Mr. FIELDING.—I understand that was not a proper description. They had agreed to pay \$250,000 in instalments and they had paid all the instalments that were due. It was hardly a correct description of the transaction although in a sense it was right.

The CHAIRMAN.—Are you not going beyond the inquiry? You are speaking of what the government may do.

Mr. BARKER.—I was asking the Minister of Finance whether it would not be necessary to go into this account from the beginning if the country is liable for payment?

Hon. Mr. FIELDING.—If anything has arisen in the investigation to show that the Bridge Company has obtained recognition of accounts which were not proper, that

APPENDIX No. 6

would be a desirable thing to investigate, but why could not the Quebec Bridge Company give that information? They have all the books and facts. I should think the company would be able to give evidence of that.

Mr. BARKER.—We have a right to ask anybody who knows the facts. I only suggest that an officer of the government who is here should lay a statement before the committee of the accounts from the beginning.

Hon. Mr. FIELDING.—Would not evidence from the bridge company be the best and most acceptable way of doing it?

Mr. BARKER.—I do not know that it would. There is another thing: I would not care to accept their statement, I would like to see our own side of the question.

Hon. Mr. FIELDING.—If we wanted a statement, would we not have to get it from the bridge company's officials?

Mr. BARKER.—The Quebec Bridge Company should have a statement from the beginning naturally. But we have a right to get it from another source if we can.

Hon. Mr. FIELDING.—I should judge that the bridge company should be asked to produce it, they are the most capable.

Mr. BARKER.—An officer of the government should look into the accounts and give us a statement from the beginning.

Hon. Mr. FIELDING.—If there was any reason to believe there was anything that occurred before the Act of 1903 which was not fair and straight and square, I do not mean to say that that should shut out inquiry; but unless there was anything to imply transactions of that sort I do not see the need of going back to the inception of the thing from the beginning.

Mr. BARKER.—Well, we have had placed before us a statement prepared by Mr. Bell containing certain data and in that statement there are certain items disclosed by his investigation. When we come to a certain item of \$35,000—I only take that as an instance—we are told that is an error. Now I do not see that we have got any accounts showing how that error was rectified although it is said to have been rectified.

Hon. Mr. FIELDING.—Has Mr. Bell not explained that?

Mr. BARKER.—He has said it was afterwards rectified but I want to see on paper how that was done. If this committee is expected to look into the actual situation we want a complete statement. We do not want, for example, any errors or supposed cases like the erroneous recital of facts in the statement referred to.

Hon. Mr. FIELDING.—Well, that is not a substantial error. It is an erroneous description, and should not have occurred.

Mr. BARKER.—There is in Mr. Davis' accounts a reference to an estimate, No. 13 I think it is, for superstructure. I have no doubt there is an explanation of it, but on the face of the accounts I do not see why Mr. Davis, who was building the substructure, should have anything to do with the superstructure, and yet it is there. I think these things ought to be so put that hereafter nobody will say, 'There are lots of things that these gentlemen did not look into.'

Hon. Mr. FIELDING.—I should think the officials of the bridge company could answer that in a moment.

Mr. BARKER.—I would rather have a gentleman like Mr. Bell, who is a competent man and has been doing the work from a certain date, to give us a statement from the very beginning.

The CHAIRMAN.—Well, Mr. Bell can do that for us.

Mr. BARKER.—I was going to suggest that he be directed to do that.

Mr. GALLIHER.—I do not think Mr. Barker wants Mr. Bell to go back to all the accounts, but to deal with a certain specific item.

Mr. BARKER.—No, I want him to go back to the accounts from the very beginning. We do not know where that may lead us as between ourselves and the bridge company.

The CHAIRMAN.—But Mr. Bell has already found in his report that the \$35,000 was merely a matter of accommodation between the Quebec Bridge Company and Mr. Davis.

7-8 EDWARD VII., A. 1908

Mr. BARKER.—We are entitled to have that set out on paper and see what the transaction was.

The CHAIRMAN.—We will get Mr. Bell and if he understands what you want he can prepare the desired statement.

By Mr. Monk:

Q. This amount, over and above and outside of the bonds, of some \$147,000, I think, which the Bank of Montreal advanced to the bridge company, was there any letter passed from you to the bank upon that question?—A. If there was any it is on the record. I am not quite sure but the whole file is down, and if there was any such letter—I think I did write something to Mr. Clouston on the subject, and if so it is on the file.

Q. Would you mind producing a copy of that letter?

Mr. ROSS.—Yes, it is here.

A. I think there is some letter on the subject. (After referring to file Exhibit No. 43) I have the explanation of that, Mr. Monk, now that I look at these letters. There was work done as to which the bank was making an advance, assuming that the certificates would be issued as usual. The matter was in that condition when the bridge fell and everything was stopped. We declined to go any further until we could see what was going to happen. Meantime the bank had advanced a very considerable sum of money, which, from the letter of Mr. Clouston I see here I judge to be \$155,000, which would have been covered by the engineers' certificates if the bridge had not fallen. It was the catastrophe of the falling of the bridge which stopped everything and left that amount uncovered. Any balance above that was the small expenses, the office expenses and so on, as to which I asked Mr. Clouston. I have to get my information from Mr. Ross, who reminds me that certificates were issued just at that time which would have more than covered this advance, but in consequence of the falling of the bridge all action was stopped.

By Mr. Barker:

Q. The advance was intercepted?—A. The work had been done and the certificates had been issued. If no accident had happened that advance of the Bank of Montreal would have been covered by engineers' certificates and would not have appeared as an advance on special account at all, but as part of the ordinary advance under the guarantee. It was the stoppage of everything after the falling of the bridge which left that account standing in that way. Then the company needed money for current expenses and I asked Mr. Clouston to try and help them along.

Q. I suppose the bank had anticipated the certificates?—A. The bank had anticipated these certificates as respects this \$155,000. They did not get the certificates and the bridge company wanted more money, and I requested Mr. Clouston to help them along just to keep the thing moving. That is the explanation of that apparently.

By Mr. Monk:

Q. Is the document to which you are referring already filed?—A. These are papers which are in the possession of the committee.

Q. The position to-day is this then, Mr. Fielding—A. May I read the following letter which Mr. Clouston wrote to me? (Reads):

BANK OF MONTREAL.

HEAD OFFICE,

MONTREAL, 11th October, 1907.

Hon. Mr. FIELDING,
Minister of Finance,
Ottawa, Ont.

DEAR SIR,—We are advised by our Quebec manager that there is due his branch by the Quebec Bridge and Railway Company, \$155,408.88, representing temporary

APPENDIX No. 6

advances against engineers' certificates, interest accrued, and overdraft. Please arrange for the usual authority for the amount of these advances; and our Quebec manager also asks that you will give authority to make advances of about \$1,500 per month, which our manager says will be required for office and sundry expenses, or furnish him with a monthly sum sufficient to cover such requirements.

Yours faithfully,

(Sgd.) E. S. CLOUSTON,
General Manager.

On the 21st October I wrote to Mr. Clouston as follows (reads):—

'DEAR MR. CLOUSTON,—Referring to your letter of the 11th instant in relation to the affairs of the Quebec Bridge Company, I understood from our conversation a short time ago that, pending the completion of arrangements for repaying to the bank the advances already made to the company, the bank would be willing to make such further advances as might be necessary to meet the company's urgent obligations and current expenses, upon your receiving from me an assurance that the bank would be protected by the government as respects such further advances.

I shall be glad if you will continue to advance to the Quebec Bridge Company such sums as may be necessary to meet its urgent obligations and current expenses, provided, of course, that such sums are certified by the chief engineer of the government railways as correct and proper.

We are making arrangements, under authority of the Act of last session, to make advances to the bridge company and to take over the bonds. The advances so made to the company will be applied to the repayment of the loan which you have made to the company on the credit of the bonds. Any further sums which you may advance under this letter will be included in such repayment.

Yours faithfully,

(Sgd.) W. S. FIELDING,
Minister of Finance.

E. S. CLOUSTON, Esq., General Manager,
Bank of Montreal, Montreal.'

Q. So as regards the bonds, Mr. Fielding, the position to-day is this: the government has guaranteed \$6,678,200 of bonds that are not marketed but are in the hands of the Trust Company under the agreement arrived at?—A. Part of them have been returned to the treasury as against advances which we have made. We have given the company \$2,000,000 and a proportionate amount of the bonds have come back to our hands.

Q. The \$2,000,000 has been paid to the Bank of Montreal?—A. Well, we pay it to the company through the Bank of Montreal. Our authority is to loan it to the company, but, of course, they owed it to the Bank of Montreal and by arrangement we pay it to the Bank of Montreal in discharge of obligations to that amount.

Q. Are you able to say from memory how much remains due at present?—A. No.

Q. On advances made by the bank?—A. No.

Q. Have the former bonds of the company, called the interim bonds, that were discounted, given at a discount in payment to Mr. Davis, all been returned to the government?—A. I do not think the government ever had them in any form as far as my memory goes. I do not recall the government having possessed them.

The CHAIRMAN.—They were cancelled.

Hon. Mr. FIELDING.—These were not guaranteed bonds.

By Mr. Monk:

Q. No, they were not guaranteed bonds, but there was a stipulation in the agreement of October, 1903 that the discount on these bonds was to be paid by a new subscription of stock?—A. Yes.

Q. That is why I ask you if you had ever made inquiry as to whether those bonds had really been redeemed?—A. I think we must have been satisfied that they were, but I cannot recall the method.

Q. Now, sir, as regards the situation which is created for us by the catastrophe, in regard to which we have to particularly inquire, has the government taken any steps towards finding out what our responsibilities are in regard to the bridge and what are the responsibilities of the Phoenix Bridge Company? Have the government made any inquiries as to the situation of the Phoenix Bridge Company, what its obligations are and what its financial strength is to fulfil those obligations?—A. There may have been some such inquiry on the part of the Department of Railways and Canals. I could not answer that, the whole matter has been dealt with by them.

Q. Then, the Finance Department has taken no steps?—A. No. The inquiry that has been made, the commission of inquiry into the cause of the disaster and everything of that sort, of course the committee is familiar with. That was the only inquiry made to my knowledge.

Q. Do you know to-day, Mr. Fielding, anything about the Phoenix Bridge Company and its financial strength?—A. No. I have heard passing gossip about it, but I have no knowledge.

Q. And the government is not in possession of any special report on the responsibilities of the parties concerned?—A. I could not answer that. The matter has not come under my personal knowledge.

Q. The reason, Mr. Fielding, I asked that question is, that it seems to me it is not now so much a matter under the control of the Department of Railways as under the Department of Finance. You do not take that view of it yourself?—A. Oh, I join responsibility with my brother ministers for everything. I do not draw any distinction in that way.

Q. But your department has not instituted any special inquiry?—A. As to the responsibility of the Quebec Company and the Phoenix Bridge Company?

Q. And the Phoenix Bridge Company?—A. No, it has not.

Q. Nor any special inquiry as to the state of affairs of the Quebec Bridge Company?—A. Whatever information we have on that subject has been brought before the committee.

Mr. CHISHOLM (Antigonish).—That must be determined by the courts. How can the Finance Department determine the liability?

Mr. MONK.—I thought the Finance Department, after the catastrophe, would have made inquiry as to the situation of affairs.

Hon. Mr. FIELDING.—Well, it does not make much difference as to the responsibility of ministers; we all have equal responsibilities. I would have thought it a matter belonging more to the Department of Railways than to the Department of Finance, but that makes no difference as to the measure of responsibility to the public.

The CHAIRMAN.—I think that goes a little beyond our inquiry anyway. If you open that question there will be no end to it.

Mr. MONK.—I do not think so. I think it comes directly under the reference.

Hon. Mr. FIELDING.—I do not think you need debate the matter; I cannot give you any information about it.

The CHAIRMAN.—(Reading from the order of reference) ‘and what measures were adopted by the government to ensure the preparation of suitable plans of construction and the proper execution of the same.’ Surely it does not come within that?

Mr. MONK.—No.

The CHAIRMAN.—(Reading) ‘and what security the government at present possesses for the sums already received by, and guarantee given to the company.’

APPENDIX No. 6

Mr. MONK.—That is the financial aspect.

The CHAIRMAN.—But still the financial aspect is limited as to the security received by the government for advances.

Mr. MONK.—Well, Mr. Chairman, I suppose I would have the right to ask any ordinary witness if he knew that the Phœnix Bridge Company was financially capable of standing this disaster, as to whether the bridge company had any assets.

The CHAIRMAN.—Except that I am suggesting you would be opening up a new subject which would be a very lengthy one.

Mr. MONK.—It is not a new subject.

The CHAIRMAN.—It would be an unsatisfactory way. No man here could give any evidence except by producing the Phœnix Bridge Company themselves.

Mr. BARKER.—The only point is whether the Finance Department has made inquiry?

Mr. MONK.—We have before us the witness who would be supposed to know most about this matter, and I was asking him as to whether he knew anything about the financial position of the Phœnix Bridge Company. Surely that comes under the last part of the order of reference, to find out what security we have for the advances already made. The bridge has fallen. Who is responsible for the accident? *Prima facie* it would be the Phœnix Bridge Company. It is very interesting for us to know if we have any security by which we can claim the execution of the obligation. The obligation apparently devolves upon the Phœnix Bridge Company of delivering to us a complete bridge.

Mr. GALLIHER.—We cannot determine that, nor can the Department of Finance.

Mr. MONK.—But asking the question is perfectly right.

Mr. BARKER.—It has been answered.

The CHAIRMAN.—I am only trying to see that we do not go too far.

By Mr. Barker :

Q. Our position is really that of sureties, and even to take the bridge over. Is not that the substance of the contract of 1903?—A. It is rather a legal question as to what our position is.

Q. A business question?—A. I would not call ourselves sureties, I would not say so. It might be applicable however.

Q. What should we call ourselves, guarantors?—A. I would call ourselves guarantors.

Q. That is another word for sureties, with an option, in certain events, to take over the property?—A. Yes.

Q. I presume the government regard that bridge as a necessity, as part of the great Transcontinental Railway?—A. I think even without the Transcontinental Railway the government and parliament had decided that a bridge there was necessary in the public interest.

Q. The bridge having gone, have you, or the government, considered the expediency of taking this work out of the hands of the Quebec Bridge Company?

By Mr. Galliher :

Q. I think now we can interpose an objection?—A. I have no objection to answering that question. The matter is under consideration at the present time.

By Mr. Monk :

Q. But you have come to no conclusion upon it?—A. Officially none. That is to say there has been no official action taken which determines it. We may have conclusions in our minds.

Q. When the guarantee was endorsed I suppose that was done in your department?—A. Yes.

Q. At that time you, I understand, were under the impression that the \$200,000 had been actually paid in?—A. Yes.

Q. Had you been aware that it had not been paid in would you have considered it improper to guarantee the bonds?—A. It is very difficult for a man to say what he would have done under a certain condition but speaking offhand I think I would not.

Q. You would not?—A. I would have required evidence that the cash had been paid.

Q. Would you have considered it, as a matter of business in your department, sufficient that a gentleman had put a cheque, unmarked by any bank, for a considerable sum like \$200,000, thrust into the hands of the bank, would you, as Finance Minister, have considered that a compliance with the statute?—A. My impression is I would not have thought it a compliance.

Q. I would have expected you to say that?—A. I certainly was not aware of it at the time.

By the Chairman :

Q. You were acting on Mr. Schreiber's certificate?—A. No, it was not Mr. Schreiber's certificate, it was a certificate given by the president and secretary of the company that this money had been actually subscribed and paid up. That was the certificate we accepted.

By Mr. Barker :

Q. When you entered into this agreement which recites that the provincial subsidy of \$250,000 had been paid, you did not know that, I presume, as a fact? You accepted that statement?—A. That was the recital in the Act of parliament?

Q. I am speaking of that?—A. Yes.

Q. It is recited in the agreement?—A. But it is also recited in the Act of parliament if I remember.

Q. No agreement is recited in the Act?—A. Yes, in that way.

Q. You accepted that statement?—A. I was under the impression that that correctly described the situation. I learned afterwards that the Quebec government had undertaken to supply that amount of money in instalments. They had supplied all they were called upon by their agreement, but the full amount had not been paid.

Q. At the time you accepted this statement as correct?—A. Yes. They came to us. In the general negotiations I cannot quite tell who was responsible. I cannot recall from whom I obtained the recital.

Q. You did not investigate the strict, literal accuracy of this statement?—A. I did not. I was aware the Quebec government had made a contract, but I did not turn to their Act to ascertain the precise form in which it was done.

Q. Did you ascertain that at that time the bridge company was entitled to receive a bonus or whether it had been transferred to anybody?—A. I do not remember any special inquiry about it.

Q. Did Mr. Cooper, as consulting engineer, act for the government directly?—A. I would think the records would have to show that; my impression is that Mr. Cooper was not first chosen by the government, but was accepted by them as the highest authority they could get.

Q. How do you mean? Accepted and approved of as the consulting engineer of the Quebec Bridge Company?—A. I would prefer that the records should show that, my memory of the matter is that the Quebec Bridge Company nominated Mr. Cooper and that Mr. Schreiber said there could be no better man than Mr. Cooper, and that as the interests of the Quebec Bridge Company and of the government were identical there was no good reason why we should not accept him.

APPENDIX No. 6

Q. So far as your knowledge goes was Mr. Cooper ever employed and paid for his services by the government?—A. I could not state who paid him, we were certainly aware he was being employed.

Q. So far as your knowledge goes was he ever employed by the government with any duty to the government exclusively, and did the government ever pay him for any services?—A. I would have to have the records to show that.

Q. I ask you, speaking as a matter of memory?—A. I could not speak from memory, the papers no doubt would show that. My recollection is that Mr. Cooper was nominated by the Quebec Bridge Company and that Mr. Schreiber advised us that the interests of the Quebec Bridge Company, and of the government, were identical, and that as Mr. Cooper was a man of the very highest reputation in his profession we would be quite safe in accepting his advice; that is my general recollection of it.

Q. You will not, I suppose press your memory so far as to say that was actually put in the words you have used?—A. I think it was in the general discussion between Mr. Schreiber and myself, but if the papers say otherwise the papers will give the correct story.

Q. I do not say the papers show otherwise, but you put it in short terms and it struck me that it was hardly likely to happen in exactly those terms?—A. That is exactly what did happen; Mr. Schreiber said that Mr. Cooper was a man of great eminence, and as the interests of the two concerns, the Quebec Bridge Company and the government, were identical and not adverse, therefore the nominee of the Quebec Bridge Company, if he were a man of sufficient eminence, could safely be accepted by us; that is my memory of it, but I do not say that I am absolutely correct.

Q. But you knew, as a fact, did you not, that he was employed as consulting engineer to the Quebec Bridge Company?—A. I think I did.

Q. And Mr. Schreiber approved of him in that capacity?—A. That is my recollection, but in a matter of engineering of that character I would not charge my memory with the details.

Q. Can you recall when Mr. Blair resigned as minister?—A. In the summer of 1903, I could not give the date, but it would be in July or August, I think.

Q. After he resigned, I take it that you acted as minister?—A. Either immediately or a very short time after, I took charge of the department.

Q. And who was appointed in the place of Mr. Blair?—A. Mr. Emmerson was appointed some months later.

Q. He was appointed some months later?—A. Yes.

Q. And up till the time Mr. Emmerson was appointed I presume you continued as acting minister?—A. Yes.

Q. After Mr. Emmerson came in did he take full charge of everything?—A. Oh, yes.

Q. I mean in connection with this matter?—A. In connection with all matters relating to his department, not this matter particularly.

Q. Did you have any conversation with him about it?—A. I have no special recollection, but I may have mentioned the matter to him.

Q. You took it up where you found it when Mr. Blair went out, and Mr. Emmerson took it up where he found it when he was appointed?—A. At all events I dropped it when Mr. Emmerson was appointed. How far he took it up—he will have to speak for himself.

By Mr. Galliher :

Q. You said in reply to a former question you did not care to say what you would do at a certain time and under certain conditions; I am afraid I will have to put a question directly along that line. It is in evidence here that although \$200,000 was certified to as being paid under the terms of the statute on account of the new stock,

there was in this a cheque for a considerable amount by Mr. M. P. Davis. It has been stated in evidence here that the money for that cheque was available from the moment that it was received; it has also been stated in evidence that the bridge company did not think it was to the best interests of the company that Mr. Davis, who was the contractor for the substructure, should have too large a holding of stock in the bridge company. It has also been stated in evidence that this cheque was being held and not converted into cash on the understanding that a portion of the shares that would go to Mr. Davis for this cheque in the ordinary way, would be taken up by others. Further, it was stated in evidence that afterwards certain shares were taken up by others and this cheque was then reduced to the amount of \$94,900, and that it was only some months after when the cheque was eventually converted into cash. Now, I am giving you that statement of fact concerning the matter because you have stated to Mr. Barker that you did not consider that as paid in cash. Had that point come up in the first instance when the cheque was put in and had that explanation of the company as regards the position of Mr. Davis been given—also the fact that at any moment the cheque could have been converted into cash—with that explanation before you, do you still say that the company had not substantially, if not technically, complied with the requirements of the Act?—A. That obliges me to say again that it is so hard for one to say what he would have done under certain conditions because he has to listen to all the reasonings that are given to him, and which urge him to adopt a certain course. But when I first learned that cheque had not at the time been converted into cash, in other words, that the \$200,000 was not actually paid in cash, I was surprised, that was what was contemplated; of course I had no explanation at the time. But later on reasons were given why the company took this course; under those circumstances I do not know what I might possibly have done. I still think where the statute required the payment of money in cash, although these reasonings under other circumstances might be quite proper, and while under those circumstances there may be reasons that show the good faith of the promoters, still where the statute requires absolute payment in cash I think I would have to hold that that cash would have to be in the treasury.

The CHAIRMAN.—I think this is quite clear that the statute requires payment in cash, but could you not say this is a substantial compliance with the requirements of the statute?—A. When I hear the explanation given by the company there is a great deal of force in it, and I am not saying that it was not a reasonable explanation, but I do not think it was that strict compliance with the statute which I was bound to consider.

Q. Had you been considering it as a business man, without the provisions of the statute, it might have been all right?—A. Yes.

By Mr. Galliher:

Q. Now with regard to a question by Mr. Monk respecting the appointment of another engineer, if the government had insisted upon going on and appointing another engineer, what would your position have been with regard to Mr. Cooper, and what would Mr. Cooper's action have been?—A. It would appear that we had to get the services of Mr. Cooper under those terms or not at all.

Q. So that had you insisted upon going on and appointing another engineer you would have lost the services of Mr. Cooper who had the highest reputation as a bridge engineer?—A. That is the impression I would draw from the passage quoted by Mr. Monk and from what little recollection I have of the facts.

Q. Now, just one more question. In reply to Mr. Monk in reference to some advances under the first subsidy and also under the new bonds, you say the liability of the government would be on the basis of the two sums, but the government would have as an asset against that, would they not? the substructure and the approaches?—A. Oh yes, so much of the work as is useful for the reconstruction is a substantial and valuable asset.

Witness retired.

APPENDIX No. 6

Mr. ROBERT C. DOUGLAS, called, sworn and examined.

By Mr. Monk:

Q. Mr. Douglas, I find on page 41 of the report of the Royal Commission to investigate the bridge disaster, the following (reads):—

‘Owing to the terms of the subsidy agreement of November 12, 1900 (Exhibit No. 12), it was necessary to have these amendments approved by the government, and they were accordingly transmitted to Mr. Schreiber by the Quebec Bridge Company. Mr. Schreiber handed the papers to Mr. Douglas for report shortly after they reached his office, and on July 9, 1903, Mr. Douglas made his report in writing (Exhibit 63). In it he advised the adoption of many of Mr. Cooper’s suggestions, but criticized the high unit stresses that were proposed, and the suggestion made in the memorandum as to using the bridge for heavier rolling loads than those specified in the amendments. He also advised that the Quebec Bridge Company be required to submit new specifications, and not merely amendments to the approved Hoare specifications.’

Will you please state in language as little technical as possible what was the nature of this condemnation, or part condemnation, which you made of the specifications?—A. Well the—

Q. What was it you found fault with?—A. It was the excessive unit stresses of the compression members and the general members of the structure. I cannot say what would be the nature of it except technically. I cannot say how it worked out. As I understand, the commission have reported that the Hoare specifications were a sort of copy of the Department of Railways and Canals general specifications of bridges of 1896, it was founded on the general specifications of 1896.

Q. Have you those ordinary specifications?—A. Yes. And since that time there was a specification written by myself in 1889. Then there is another specification in 1891; while my report of July 9, 1903, recommended the adoption of some of Mr. Cooper’s increases of stresses and loadings, but condemned the unit stresses of the general members of the structure. These general specifications of the Department of Railways and Canals were for bridges up to 500 feet span, and did not embrace bridges of excessive span, such as the Quebec bridge. Referring to my report, taking a typical compression member, there would be a stress of 14,100 lbs. on the square inch ordinary load and 18,150 extraordinary load. Mr. Cooper’s recommended stress was 21,000 ordinary and 24,000 extraordinary.

Q. These figures you have just given are in the ordinary specifications prepared by the department for bridges whose spans do not exceed 500 feet?—A. Yes. But you asked me what my recommendations amounted to?

Q. Yes.—A. Well, it means just as I have expressed it.

Q. You did not find that sufficient for a bridge of these dimensions?—A. No. I showed the difference between the stresses that I recommended and the stresses that Cooper recommended.

Q. I see?—A. It is in the report there. I advised the adoption of the 1891 specification; as we had a subsidized bridge. Of course I only looked at it as a subsidized bridge and I had nothing to do with it afterwards. I had nothing to do with the superstructure.

Q. Are you the engineer in charge of that branch of the department?—A. I am a hydraulic and bridge engineer; I do not claim to be a steel expert.

Q. And in that capacity you are employed by the department?—A. Yes, to supervise the foundations, the substructure as well as the superstructure.

Q. You reported, if I understand you properly—?—A. Upon the weaknesses of Mr. Cooper’s amendments.

Q. On the bearing powers of the bridge?—A. The ultimate conclusion would be the weaknesses, but the unit stresses are the most important thing in a bridge. The

7-8 EDWARD VII., A. 1908

first thing in a bridge is unit stresses, secondly the general design, and thirdly the detail. In designing a bridge you design on the unit stresses first, that is so many pounds to the square inch. That is matter where engineers differ.

Q. Have you expressed the difference between your own appreciation of what the unit stresses ought to have been and what you found in Mr. Cooper's amendments to the specifications?—A. Yes.

The CHAIRMAN.—It is already stated.

The WITNESS.—I have stated it in my report as well as I can explain it. That would be as clear as I could explain it.

By Mr. Monk:

Q. Was your report acted upon?—A. No, it was not acted upon. I suppose Mr. Schreiber consulted with Mr. Cooper and they decided not to accept my recommendations.

Q. From the time you handed in this report to Mr. Schreiber had you anything at all to do officially with the construction of the bridge?—A. No, I had nothing to do with the construction of the bridge. The plans would come under me for examination.

Q. The plans would come under you?—A. They did come under me for examination. I examined them to see that they were in accordance with Mr. Cooper's specifications that had been adopted.

Q. How is the government's approval of plans given, is it by the signature of the minister on the plans?—A. No, the approval is given by the signature of the chief engineer; he approves. In the case of subsidized bridges we don't require the details, the general design is sent into the department. I mean to say the Department of Railways and Canals do not come responsible for the details because they would have to have a large staff to examine plans and whoever became responsible for the details of all subsidized bridges. In the case of subsidized bridges there is a certain loading and a certain specification and the general design is sent in and approved, but the Department of Railways and Canals does not render itself liable for all details of a bridge.

Q. The unit stresses are considered?—A. The unit stresses, yes, and the general design.

Q. Do you remember the date of the approval of the plans by the government?—A. The approval was not by the government. The plans were not approved by the government but by Mr. Schreiber.

Q. Well, by Mr. Schreiber?—A. That is, I think, in the documents, I don't remember. They were approved at various times as they came in by Mr. Schreiber.

Q. The substructure was approved by Mr. Schreiber?—A. The substructure I am responsible for. I approved of the plans and examined the substructure and was there at repeated times during construction; but as to the superstructure of the collapsed bridge I was never on the work.

Q. Who modified the plan based on the main span of the superstructure?—A. The main span?

Q. Yes?—A. I do not know.

Q. Because the plan was altered you know?—A. I do not know. That ought to be in the evidence, I have no personal knowledge of it. I think approval was made on the 1,600 feet span and, of course, when it was altered to the 1,800 feet span Mr. Schreiber approved of it. I presume the government would endorse it in that way. I do not know whether there was an order in council sanctioning the increased span.

Q. Was the plan of that span ever officially approved?—A. The 1,800 feet span?

Q. Yes?—A. I presume so.

Q. And it was approved by whom?—A. It should have been approved by Mr. Schreiber.

Q. Did you make any special report of that 1,800 foot span?—A. No, except as to unit stresses.

APPENDIX No. 6

By the Chairman:

Q. What do you mean by 'unit stress'? Is that the individual piece or member?—A. No, a unit stress is the number of pounds per square inch it is considered judicious to stress the metal, for instance 10,000 pounds per square inch should be the unit stress in a member of a bridge in the opinion of an engineer, but another engineer may recommend 12,500—

Q. That is tension?—A. A tension or compression stress, whichever it may be, that it what is called unit stress.

By Mr. Monk:

Q. Are you in a position to state that this accident could have been avoided by the adoption of the unit stresses you recommend?—A. To answer that question is a very large statement, but I think—

The CHAIRMAN.—You should hardly put that question, I think, Mr. Monk.

By Mr. Monk:

Q. Would it have increased the strength of the bridge?—A. It would have increased the strength of the various members of the trusses, I can make this general statement that if these suggestions had been adopted it would have increased the weight of the bridge generally.

By Mr. Barker:

Q. Would that unit stress you recommend have any bearing on the bridge?—A. It would have increased the weight of the members 30 or 40 per cent, 35 per cent anyway, that is my opinion, considering the error in dead load weight disclosed by the Commission.

Q. But speaking generally it would?—A. Yes. I might say that the experiments that have been made as a result of the collapse of this bridge corroborate my recommendations.

Q. Experiments made since?—A. Yes, experiments made by the Phoenix Bridge Company.

By Mr. Galliher:

Q. That is since the collapse?—A. I say that the experiments made by the Quebec Bridge Commission at Phoenixville bear out the contention that my recommended unit stresses were not too low.

By the Chairman:

Q. Are there any other well known bridges built where the unit stresses are any greater than those of the Quebec Bridge that you know of?—A. The bridge—of course this is hearsay from the newspapers—the bridge at Blackwell's Island, New York, which is a large cantilever, is being built with an excessive unit stress.

Q. 'Excessive unit stress,' that means—?—A. Too much stress on the metal.

By Mr. Barker:

Q. 'Excess' means too much stress, not that it is too strong?—A. Yes, too much stress and by the newspapers I notice that since the collapse of the Quebec Bridge, there has been a commission of engineers inquiring into that matter and I understand they are now reinforcing some members of the Blackwell's Island bridge.

By Mr. Galliher:

Q. How long has that bridge been built?—A. It is being built now. The only other bridge that was before me at the time I made that report, the longest bridge in the world of the American type of cantilever was the Monongahela bridge and Mr. Cooper's stresses were much in excess of the stresses on that bridge.

By the Chairman:

Q. Mr. Cooper is a man eminent in his profession?—A. I presume so.

Q. Is it only presumption?—A. I do not know anything about it, I met him on the substructure.

Q. Is he not a man of very high standing in his profession?—A. Yes, he was.

Q. He was looked upon as the leader of his profession, was he not?—A. Not exactly, not among professional men; a good many others were considered better engineers.

Q. But on bridge building, though?—A. Yes, he had a reputation on bridge building; I have met him several times on the substructure; of course, I never go on reputations; I have seen too many of them. But he had a great reputation, there is no doubt about that.

By Mr. Monk:

Q. Mr. Douglas, in the position you occupy in the department, what course do you follow generally with regard to bridges that are subsidized? I mean by that, how do they first come under your observation?—A. Take the concrete example of the Quebec bridge. I was instructed by Mr. Schreiber and handed a subsidy agreement—

Q. I would like you to point out the course that is generally followed?—A. Well, this is the course generally followed: he instructed me to visit and give estimates on the cost of the Quebec bridge, handing me a subsidy agreement which said there should be \$1,000,000 paid as subsidy to the Quebec Bridge Company. I take that subsidy agreement and examine the plans, and recommend their approval by Mr. Schreiber; then I go down upon the work and examine it as it is constructed, and monthly I give estimates on a percentage of the subsidy according to the amount of work done that month by the Quebec Bridge Company. My final estimate is, I suppose, among the papers. In my final estimate there appears the actual cost of the substructure and the amount of subsidy paid on it.

Q. You have just referred to the Quebec bridge; did you pursue the usual course in regard to the superstructure?—A. No, I examined the plans of the superstructure, but I was not instructed to inspect it.

Q. You were not instructed to inspect it?—A. No.

Q. In the case of other bridges subsidized by the government is it you who generally have the task of preparing the progress estimates?—A. No, except in large subsidies, not with regard to the small subsidies, except in a case like the Quebec bridge. In the case of the smaller bridges the plans for the superstructure are forwarded, and I recommend the approval of the plan, the plans are approved and Mr. Johnston, I presume, inspects the bridge to see if it is constructed according to the approved plan; I do not go down; Mr. Johnston inspects the railway work and the bridges would be embraced in his work of examining the railway, he would examine the bridge to see that the bridge is completed and the subsidy would be paid on his estimate. It is only the important bridges that I have been instructed to inspect.

Q. In the case of important bridges, do you inspect them during their progress?—A. During progress and afterwards on completion. I mean, take the Quebec bridge, we could run test engines and train loads over it, as provided for in the specifications, before accepting it.

Q. Did you do that inspection from time to time on the Quebec bridge?—A. I inspected the substructure; I never saw the superstructure until it fell down; I was not instructed to inspect it.

Q. Who inspected the superstructure for the government?—A. Mr. Hoare and his assistants, I presume.

The CHAIRMAN.—I think there is no use wasting time on this evidence. This is already on record.

APPENDIX No. 6

By Mr. Barker:

Q. The question I submit is a plain one, 'Who did inspect it for the government?'
—A. I understand the evidence before the commission says that Mr. Johnston gave the estimates; I do not know whether it means he inspected the construction.

By Mr. Monk:

Q. It was Mr. Johnston who was specially named by the government to make the estimate?—A. Not by the government, it was Mr. Schreiber; the Quebec Bridge Company's work, I understand, starts at Quebec city and ends at the junction with the Intercolonial Railway; it all comes in together; Mr. Johnston was inspecting the construction of the roadbed of the Quebec Bridge Company, which includes the terminals, &c., and I understand he gave the certificates of the amount of metal that was used in the bridge and its cost.

Q. What is Mr. Johnston's ordinary position in the department?—A. He is the railway inspecting engineer.

By the Chairman:

Q. How long have you been in the Department of Railways?—A. Too long, 37 years, a long while.

Q. You went in as a young man?—A. At 25.

By Mr. Barker:

Q. Were you present at any of the discussions with Mr. Schreiber about these plans and specifications?—A. Mr. Cooper came to Ottawa to consult with Mr. Schreiber—

Q. Were you present at the consultation?—A. No, I was not present.

Q. Had you any discussion with anybody about these specifications, and if so, was any question, or was any weight given to the question of economy in construction, the saving of unnecessary expense?—A. No, there was no discussion in my presence in regard to economy.

Q. To economy of expenditure, I mean?—A. Yes, economy of expenditure.

Q. You did not hear anything about that?—A. No.

Q. I ask that because I see here at page 40 of the report of the Royal Commission that Mr. Cooper in a letter to Mr. Parent suggested that he be instructed, 'To make such modifications in the adopted competitive plan when adapted to the new lengths, as may tend to reduce the cost without reducing the carrying capacity or the stability of the structure,' did you hear any question of that kind discussed?—A. I have never heard that discussed, but my general information is that Mr. Cooper decreased the weight of metal in what is called the floor system, which recommendation I endorsed; he lessened the dead load.

Q. These were recommended by you?—A. Yes, he reduced the weight of the floor system in his amendments.

Q. I see here, on page 41 that he, that is Mr. Cooper, 'was throughout impressed with the necessity of making his changes without adding to the financial demand on the resources of the company'?—A. I do not know anything about that at all.

Q. You did not hear about that, that there was a discussion about keeping down the cost of the bridge?—A. No, sir, except that he was correct as far as the floor system was concerned, it lightened the dead load and the stresses as well.

Q. Your recommendations for altering the unit stresses would have added to the cost I presume?—A. Oh, certainly.

Q. Materially?—A. Yes, it would have added a great weight of metal.

Q. And, therefore, to the cost of the bridge?—A. To the cost of the bridge.

Q. When the change of span was made from 1,600 to 1,800 feet, I presume that change of 200 feet was a very important addition?—A. Yes.

Q. To the structure?—A. Yes.

7-8 EDWARD VII., A. 1908

Q. And required very serious consideration?—A. Very serious consideration.

Q. Especially with the knowledge that engineers have—?—A. Of bridges of that kind.

Q. Of the spans of such a bridge?—A. Yes, sir.

Q. Did you pass any judgment upon that at all?—A. No, I passed no judgment upon it.

Q. Would that have rendered more necessary than ever, your provision as to the stresses?—A. Certainly it increased the size of what have been proved the weaker members.

Q. Your recommendation as to allowing for stresses was as to the span of 1,600 feet?—A. No, the 1,800 feet span. It was afterwards, in July, 1903, after the adoption of the 1,800 feet span.

Q. Was any change made to your knowledge, with regard to the stresses, between the 1,600 feet and the 1,800 feet span?—A. I am talking generally. The 1,600 feet span, the contract was let by the Quebec Bridge Company under the specifications prepared by Mr. Hoare.

Q. That is the 1,600 feet?—A. The contract was let on the 1,600 feet span. Then it was extended, the same contract, to the 1,800 feet span as I understand.

Q. At Mr. Cooper's suggestion?—A. That was between the Quebec Bridge Company and Mr. Cooper. I have no personal knowledge.

Q. But it was after the extension to 1,800 feet that you made your suggestion?—A. That I made my official report? Yes, it was after the adoption of the 1,800 feet span. I presume it was due to the adoption of the 1,800 feet span that Mr. Cooper proposed his amendments.

Q. You said that the tests made afterwards had proved the accuracy of your statements?—A. No, I did not say that. I did not say it proved their accuracy. I say I made recommendations and subsequent tests corroborate my recommendations as to unit stresses.

Q. They corroborate them?—A. Well, that is a different expression.

Q. They showed the necessity for greater weight?—A. The experimental tests show that the unit stresses were excessive, and that there should have been greater weight of metal or area of cross-section in the various members of the bridge, especially the compressive members.

Q. That is what you mean by corroborating? I take that as confirming somewhat your opinion?—A. Somewhat.

By Mr. Gallihier:

Q. Is not the tendency of modern engineering to dispense with the heavier class of material, that is, an unnecessarily heavy class of material in bridges?—A. The tendency in modern bridge building in the United States is lessening the dead weight by adopting what is called high carbon steel or nickel steel.

Q. And that, as I say, does away with unnecessarily heavy structures?—A. Yes. If there is 40 or 50 per cent of nickel steel in a bridge that is 40 or 50 per cent stronger than the ordinary steel or steel of the quality in the Quebec bridge. It consequently lessens the dead weight.

Q. And lessens the dead weight?—A. Lessens the dead weight and is stronger.

By the Chairman:

Q. The dead weight is the weight of the bridge itself?—A. The weight of the steel or other materials entering into the construction of the superstructure of a bridge.

By Mr. Gallihier:

Q. The weight of the material?—A. The weight of the material. Nickel steel costs more.

APPENDIX No. 6

Q. And that is the general tendency of modern engineering?—A. That is the general tendency. In the Blackwell's bridge what are called the eye-bars, that is the tension members, are all nickel steel. In the Manhattan suspension bridge what is called the suspension truss is some 50 per cent nickel steel, and I presume that nickel or high carbon steel is what the Quebec bridge will be built of ultimately. A span of 1,800 feet may be considered excessive for ordinary structural steel

Witness discharged

Mr. MONK.—I understood that Mr. Ross, of the Finance Department, was to give us a statement as to how the account stands with the Bank of Montreal.

The CHAIRMAN.—He has done that.

Mr. MONK.—There was a statement given by Mr. Parent to the government showing the financial position of the company. Mr. Parent told us he has furnished one to the government.

Mr. ROSS.—Since the bridge collapsed?

Mr. PARENT.—I never said that. We came to the government with an application for assistance to meet our current expenditures. That is all I said.

Mr. MONK.—I remember, but I might be mistaken, that I asked you if you gave to the government in writing a statement of your affairs.

Mr. PARENT.—Oh, no, you won't find that in my evidence.

Mr. MONK.—We want that, of course, from the company. I thought it had been handed into the government.

Mr. PARENT.—Mr. Bell gave you the whole thing from the company's standpoint.

Mr. ROSS.—Let me read you what Mr. Parent said on the subject (reads):

'By Mr. Monk :

'Q. Can you by examination of the books tell us what the liabilities are, outside the liabilities to the Bank of Montreal and what the assets are?—A. There might be, for instance, you may have claims, there may be claims against them and you would have to take the legal form of publicly calling for all claims against the company in order to do that.

'Q. You might include only the claims that come in?—A. And the claims for damages, and the assets, they would not be in the books.

'The CHAIRMAN.—The secretary of the company should give that if any one does, Mr. Bell would not know that.

'Mr. PARENT.—They owe salaries for the last month.

The CHAIRMAN.—Is that all you owe.

'Mr. PARENT.—Yes.

Mr. MONK.—Is there no floating debt?

'Mr. PARENT.—No, and there never has been any floating.

'Mr. BARKER.—What about your liability to the Phœnix Bridge Company?'

Mr. BARKER.—Have we here a complete statement of the liabilities of the bridge company including what may possibly be owing by them to the Phœnix Bridge Company?

Mr. ROSS.—Well, I have just read Mr. Parent's view of the company's possible liabilities, including the liability to the Phœnix Company.

Mr. BARKER.—He says that is a possible loss?

Mr. ROSS.—That is a question of law, he says.

Mr. BARKER.—But still they must know what they would have to pay to the bridge company assuming that the bridge company was in no way in fault.

The CHAIRMAN.—That is in Mr. Parent's statement, is it not?

Mr. ROSS.—I do not know I am sure. I was going on to observe that that has no connection with the government's relation to the matter.

Mr. BARKER.—For instance, the government might not be obliged to pay all the guarantee. It depends upon how much the Quebec Company has to pay out.

Mr. ROSS.—I would assume that the government, even if there is a liability to the Phœnix Bridge Company—

Mr. PARENT.—The last estimate was not paid.

Mr. ROSS.—Supposing there was a liability there, is no obligation that I know of by which the government will have to pay that liability.

Mr. BARKER.—They would have to pay it to the Quebec Company who in turn would pay it to the Phœnix Bridge Company.

Mr. ROSS.—I do not know that they would have to pay it to the Quebec Bridge Company.

Mr. BARKER.—Up to the amount of their guarantee.

Mr. ROSS.—Oh, not necessarily. The Act of 1907 is an enabling Act under which the government can lend to the Bridge Company if they like.

Mr. BARKER.—Supposing the Bank of Montreal, for example, have made an advance, or is in any way liable to this Phœnix Bridge Company. They have got somebody who is responsible to them or they may have a mortgage or lien on the bridge?

Mr. ROSS.—If the Phœnix Company have a mortgage or lien it is subject to the bonds that the government or the Bank of Montreal hold. It is no concern of the government what the Phœnix Bridge Company may claim against the Bridge Company.

Mr. BARKER.—We want to show what the obligations of the Quebec Bridge Company are; we want to know how much they owe anybody and everybody including the Phœnix Bridge Company. It may turn out that the Phœnix Bridge Company will say they are not responsible and they may want every dollar paid to them that is due.

Mr. ROSS.—And on the other hand the Quebec Bridge Company may say just the reverse, that there is a large liability on the part of the Phœnix Bridge Company.

The CHAIRMAN.—A statement might be made of the amount due to the Phœnix Bridge Company at the time of the collapse of the bridge.

Mr. GALLIHER.—That is a matter with which we have nothing to do in this inquiry.

The CHAIRMAN.—I do not think it has anything to do with the inquiry.

Mr. MONK.—I want to ask Mr. Ross a question; I asked Mr. Fielding if his department had taken any steps to ascertain the financial situation of the Phœnix Bridge Company, and I would like to ask you, Mr. Ross, if your department has taken any steps in that direction?

Mr. ROSS.—I think the record shows that Mr. Fielding stated to this committee to-day that there have been no steps taken to ascertain the present financial situation of the Phœnix Bridge Company, since the collapse of the bridge.

Committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 62,

WEDNESDAY, July 8, 1903.

The committee met at 3 o'clock pm., the chairman, Mr. A. K. Maclean, presiding.

The CHAIRMAN.—With reference to certain questions which were asked of Hon. Mr. Fielding yesterday, I have received a letter from Mr. Ross, of the Finance Department, containing the following statement:—

‘I find on inquiry from the Department of Railways that Mr. Fielding was appointed acting Minister of Railways on the 21st of July, 1903, and continued acting minister of the department until the appointment of Mr. Emmerson on January 15, 1904.’

Mr. G. A. BELL, recalled and examined.

By the Chairman:

Q. There were certain matters referred to at the last sitting of the committee concerning which Mr. Barker desired some further explanation?—A. I think I can give the committee an explanation in connection with the item of \$65,000 which I think will satisfy them. I have already furnished an explanation in connection with this item, but I will repeat it if you so desire. The \$65,000 which is spoken of as being over-paid is made up of two amounts, an over-payment of \$30,000 and \$35,000. Now, the \$30,000 over-payment was in connection with the Quebec government subsidy. The Quebec government granted a subsidy in aid of the bridge of \$250,000, and that was to be paid in annual instalments of \$30,000. After that subsidy was granted the bridge company assigned to Mr. M. P. Davis, who was then the only contractor on the work, being the contractor for the substructure, all their subsidies, including this \$250,000, and it was treated as if Mr. Davis had received \$250,000 in cash. Now, when they made this settlement, which appears in the Act as \$250,000 cash paid up in full, because at that time, as far as they were concerned, it had been paid—

Q. Mr. Davis accepted it?—A. He accepted it and he knew he was only going to receive it in instalments. But when this legislation of 1903 came up it was decided to wipe this off and pay Mr. Davis the balance that was owing on the subsidy. He was to assign back the subsidy and the balance that was due was to be paid him. That was done. Now when the payment was made to Mr. Davis he should have immediately assigned the balance to the Bridge Company but there was some little delay and in the meantime the payment of \$30,000 became due and was paid to him. As a result he was overpaid \$30,000. The other amount of \$35,000 was on a note. There had been accommodation notes floating between Mr. Davis and the company and at the time the settlement was made of his account the Bridge Company had drawn on him for \$35,000 and he had accepted it and in his books they were debited with \$35,000. When he rendered his account it was taken out of his books. That was included in the settlement and he was paid \$35,000, but when the note came due the Bridge Company met the note themselves as they had always done. He would accept and note debit them in his books but they would not meet the note when it became due. That made \$65,000. Mr. Davis had a contract running on the approaches and as is always done, or usually done, progress estimates were given. As his progress estimates became due 10 per cent was retained as drawback. Now his drawback reached in August, 1906.—

7-8 EDWARD VII., A. 1908

that was the last estimate that was made out—\$73,000, or would have been \$73,000, but some time before that the company decided to make an advance to Mr. Davis on account of drawback of \$65,000. Instead of paying him the \$65,000 in cash a cross entry was made and the \$65,000 which he owed them was placed against it, therefore, bringing Mr. Davis' drawback down \$65,000. One offset the other. Instead of the Bridge Company owing a drawback of \$73,000 odd, they owed \$65,000 less than that and that settled it. It was just a cross-entry, not a cash transaction. If the \$65,000 had not been owing he would have received an advance of that amount in cash on account of drawback out of bond account.

By Mr. Monk :

Q. Was there a receipt given, is there a voucher for that?—A. Yes, by the engineers on the works, as is usually done. It is a common thing during the progress of a work for the engineer to report that the work has advanced to a certain stage and that a certain amount may be advanced on account of drawback. The directors in this case acted upon it and they made the cross-entry.

Q. Did you see any resolution of the Board of Directors of the Bridge Company?—A. Yes, I saw the entries in connection with it. I saw Mr. Hoare's certificate to the president and directors authorizing the payment of the \$65,000 of drawback.

By the Chairman :

Q. There was a statement filed by Mr. Ross the other day showing the amount due the bank of Montreal. There was a credit taken of \$2,000,000 in the amount. How was that worked out, why is it put in that shape?—A. As a credit?

Q. Yes, the statement says 'less \$2,000,000 repaid by the company under chapter 35 of the Act of 1907.' What does that mean?—A. To all intents and purposes this \$2,000,000 was paid to the Bank of Montreal but the transaction took place as between the Finance Department and the bridge company. That is the Finance Department turned over the \$2,000,000 to the Bridge Company. They paid off their debt, with it and received back a proportion of the guaranteed bonds which they handed over to the government as security for this loan of \$2,000,000. This they were authorized to do under the Act of last session. There was only a balance on the 30th April, 1908, of \$3,773,000. The debt of the Bridge Company to the Bank of Montreal was just reduced by that amount of \$2,000,000, leaving a balance of \$3,773,223 due. It is clearly set out in my report how the \$65,000 was dealt with. I thought Mr. Barker understood that.

By Mr. Monk :

Q. Was there a receipt given by Mr. Davis?—A. Yes.

Q. You saw that?—A. Yes, Mr. Davis acknowledged the receipt of the money.

The CHAIRMAN.—Is there anything else that you desire to bring forward, Mr. Monk, so that we can close up the evidence?

Mr. MONK.—I have no more witnesses that I would like to see summoned except one. Mr. Barker wanted to know the last amount claimed by the Phoenix Bridge Company. Mr. Bell could give that.

The WITNESS.—The last estimate returned on account of the Phoenix Bridge Company was estimate No. 36, to 31st July, 1907, \$3,376,450.09. Would you like the payments and balance?

Mr. MONK.—Yes.

The WITNESS.—The total payments to the 31st July, that is the total payments to date in fact, were \$3,061,372.81, leaving a balance of \$215,077.28. I see a note here 'No estimate has been returned for work done and material delivered during August.' You see the bridge fell about the end of August, although there was a great deal of material delivered and their estimate probably for that month would have been \$50,000 or \$60,000.

APPENDIX No. 6

Q. Can you tell us how much they would have been entitled to receive had they finished the work?—A. That is an engineering question.

The CHAIRMAN.—Mr. Parent can give you an idea better than anybody else. If the bridge had been completed, Mr. Parent, how much would have been payable.

Mr. MONK.—A million?

Mr. PARENT.—Oh no. It would have been half a million of dollars. The steel was paid for all the time.

Mr. MONK.—As it arrived?

Mr. PARENT.—As it arrived. In that estimate there we have got the steel manufactured at the Phoenix Bridge Company's shops.

The CHAIRMAN.—Now, Mr. Monk what is it you wish to say?

Mr. MONK.—There is one more witness I would like to examine and I would suggest that he be summoned for Monday. The testimony of that witness will be short and I think on Monday we can consider the report so as to be able to put it in on Tuesday.

The CHAIRMAN.—We cannot let it go until Monday otherwise the House will close before we get the printing done. We have not yet decided what exhibits will go in and there are a great number of them.

Mr. GALLIHER.—Who is your witness?

Mr. MONK.—A man named Béchard. He used to be book-keeper for the Quebec Bridge Company. He was employed by the company for a time and when the final settlement took place and the payment of \$800,000, I think, was made to the company or to Mr. Davis, he made all the entries. He was asked to fix up the books in such a way that these entries would go in properly. I would like to examine him.

Mr. PARENT.—The man you want is Narcisse Béchard, I know him, but he cannot give any information in reference to the matter, we could not get any information from him ourselves that we have not already got.

Mr. MONK.—I am informed that he can give us valuable information and I would like to have him summoned.

The CHAIRMAN.—Well, we will summon him by telegraph to appear to-morrow.

Mr. MONK.—I wish also to file for the information of the committee an appendix to the sessional papers of the session held in Quebec in 1896, Vol. 1, containing a very interesting report on the Quebec Bridge by C. E. Gauvin, and also a condensation of the report received from Sir Edward Sorrel, Mr. L. L. Light, Mr. E. A. Hoare, and the Eiffel Company.

Mr. PARENT.—That is about the location of the bridge, it does not refer to the question before the committee at all.

The CHAIRMAN.—There is no objection to Mr. Monk using these reports in the House without being put in as exhibits here; I do not think that they are pertinent to the matter before the committee, and therefore they should not be put upon the record.

Committee adjourned.

