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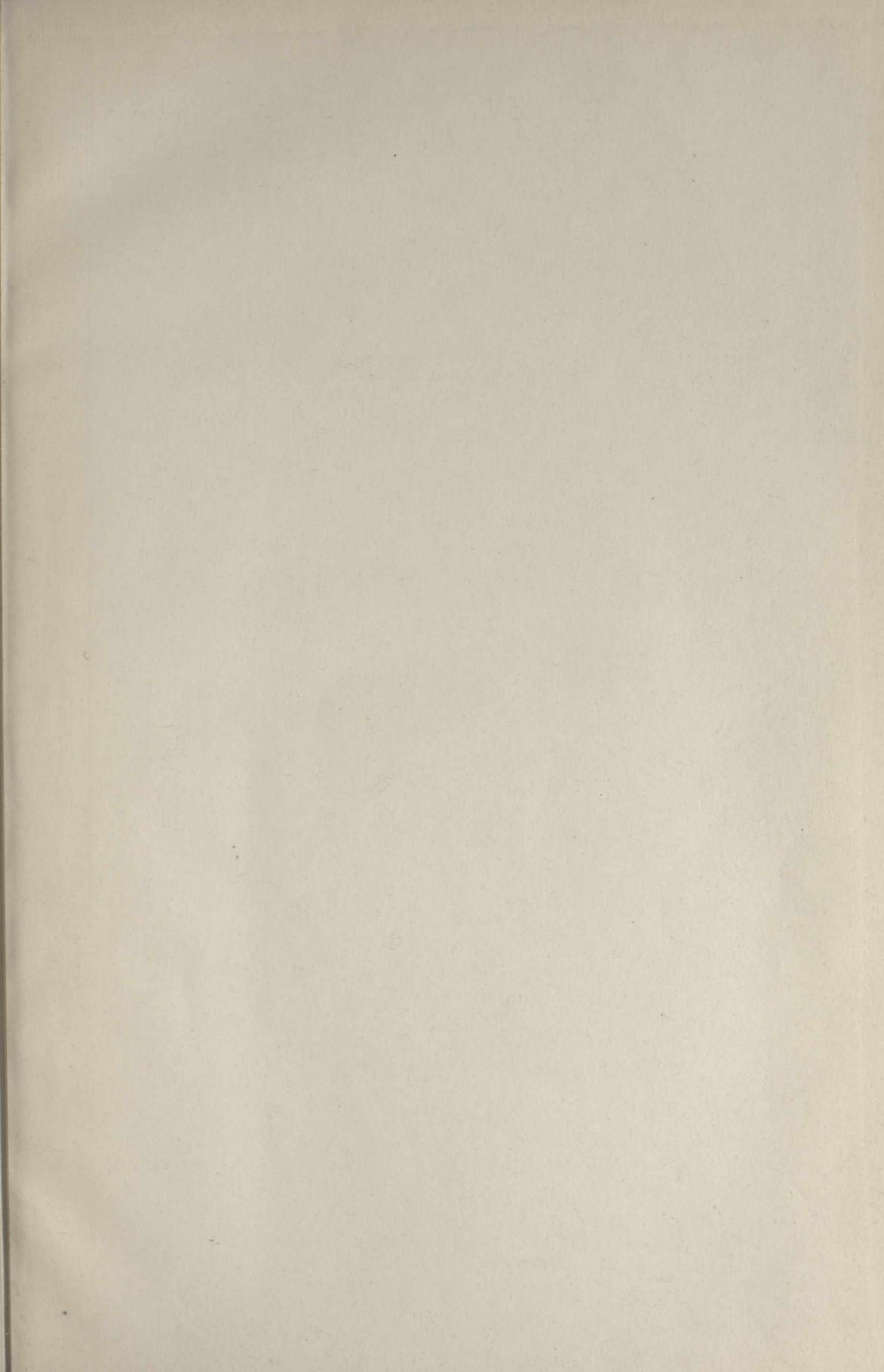
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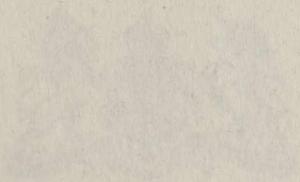
MEMORANDUM

1918

PUBLIC ACCOUNTS COMMITTEE

LYMBURNER LIMITED

REPORT



PRINTED BY THE GOVERNMENT PRINTER, OXFORD



# EVIDENCE

TAKEN BY THE

PUBLIC ACCOUNTS COMMITTEE

RESPECTING

## LYMBURNER, LIMITED

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No. 1—JANUARY 25 1911

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OTTAWA

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

1911



# MINUTES OF EVIDENCE

COMMITTEE ROOM No. 32.

HOUSE OF COMMONS.

WEDNESDAY, January 25th, 1911.

The Select Standing Committee on Public Accounts met at eleven o'clock, a.m., the Chairman, Mr. A. B. Warburton, presiding.

The Committee proceeded to the consideration of the following payments to Lymburner Limited, Montreal, in connection with the Marine and Fisheries Department: \$56.86, page O-56; \$89.25, page O-61; \$2,785.86, page O-96; \$284.85, page O-134, and in connection with Public Works Department, \$185, page V-37; \$336.29, page V-39; \$152.08, page V-113; and \$80.45, page V-115, Report of the Auditor General, 1909-10.

MR. L. M. LYMBURNER, called and examined.

*By Mr. Rhodes:*

Q. You reside in Montreal, Mr. Lymburner?—A. Yes.

Q. And you are the managing director of the Lymburner Limited?—A. Yes, I am.

Q. And president?—A. I am president of the company.

Q. And I think you gave evidence before this committee two years ago, or thereabouts, in connection with the purchase of some leather belting used in the old examining warehouse, Montreal?—A. Yes, I did.

Q. What is the business of Lymburner, Limited?—A. We are engineers, machinists, brass moulders and finishers and platers, and we used to be steel range and safe manufacturers, but we have gone out of that part of it now, we sold out that part of the business.

Q. What relation are you to Mr. H. M. Lymburner, the Superintendent of Buildings for the Public Works Department?—A. He is a brother of mine.

Q. Was he at one time associated with you in business?—A. Yes sir.

Q. Was he a shareholder in Lymburner, Limited?—A. Yes.

Q. Is he now?—A. Yes sir.

Q. How many shares did he hold?—A. Well, I could not say positively, but I think it is about \$5,000, fifty shares.

Q. What is the capital of your company?—A. \$75,000.

Q. I see the name of 'J. Rivet' as vice-president here, who is he?—A. Well, he is Mr. Rivet, that is all I can tell you.

Q. Is he any relation to you?—A. No sir.

Q. Is he any relation to the honourable member for Hochelaga?—No sir,—all I can tell you of him is that he learned his trade with us and he started business for himself, and we afterwards amalgamated his business, as it were, and he became a member of our company.

Q. Are you a relative of Mr. Rivet, the member for Hochelaga?—A. No.

Q. By marriage of otherwise?—A. No sir, not at all.

Q. Now in relation to articles supplied to the Montreal General Post Office in the item for \$336.29, take the first item upon the first account which appears here,

for two iron door sills, how would this be supplied? What I mean to say is, how would you come to perform that work, or to supply those door sills?—A. Well, as machinists.

Q. What I mean is would there be a requisition from the department for that work?—A. We got an order from the department, that is all I can tell you.

Q. But would that order be in writing?—A. In some cases it is, and in some cases it is not; generally the way we get these jobs is that it is a brake down or a repair job, something that has to be done right away, I suppose, we do not know.

Q. The order may be given in writing or it may be received by telephone. Well, in the case of an order coming by telephone who would telephone you in the ordinary course, who would be responsible for ordering this work on behalf of the government?—A. For this job here that you are talking about?

Q. Yes, this job here; would it be any one in Montreal in connection with the Public Works?—A. It might be Mr. Murphy, the engineer, or it might be H. N. Lymburner, my brother, or the order may come from the engineer at the examining warehouse,

Q. Who is the engineer at the examining warehouse?—A. That is Mr. Boyer.

Q. Well, now, I see in this account an item of 24½ hours machinist's time at 50 cents per hour; is 50 cents the regular charge?—A. 50 cents, that is what we charge everybody.

Q. I assume there could be no requisition for time, could there?—A. No, sir; they would simply send a requisition to go and repair the elevator. In this case it was after the new Montreal post office was connected with the old building we were called in to make the elevator go down one or two flats lower; I forget, I could not say exactly the number of flats, but we had to change the ropes of the elevator, the shipper and the counter weight, the elevator ropes and everything; and we got that order from Mr. Murphy.

Q. What check has the government upon the charge for so many hours' time? For instance, in this case of 24½ hours of machinist's time; they have not a man upon the job constantly watching to see the exact number of hours the machinists are working?—A. No, I do not think they have; if all our clients had to have people to watch our men it would cost them more than the job.

Q. They have to look over your accounts, and, after seeing the work performed, estimate whether the hours charged are proper?—A. Usually the engineer looks over the work, and he sees that our men are there and do their work. I do not know whether he is there all the time or not; I have never asked; I do not suppose that he is; in some cases he could not check it anyway, because part of the work is done in the shop.

Q. I was just coming to that. I see 3½ hours' charge for blacksmith's time in the item immediately following that to which we were referring, which he could not check. Now, in connection with this same account, I see three different items for rope, 'a new set of hoisting ropes, a new set of counterbalance weight ropes and a new set of skipper ropes, and making necessary alterations to hoist of Montreal post office freight elevator,' amounting to the sum, roughly speaking, of \$130.88. Would this be done upon requisition?—A. Well, we would get an order to repair the elevator, and we would, of course, supply the rope the same as we would for any other customer.

Q. There would be no individual requisition for these different items?—A. No.

Q. Do you recall, in connection with this item, a requisition directing you to go and effect certain repairs upon this elevator?—A. Yes; as far as I remember, it came from Ottawa through Mr. Murphy, the engineer; so far as I remember, it was referred to Ottawa by Mr. Murphy, the engineer, and he got a reply to have us do the work.

Q. How can you say that? You do not know that Mr. Murphy reported to Ottawa, do you?—A. I am not positive, but I think so.

Q. You think so, but you cannot say that. The point is what instruction did you receive, and how did you receive them, to perform this service?—A. We got instructions from Mr. Murphy.

Q. What I am trying to get at is, would those instructions be in writing or were they verbal?—A. Oh, verbally, I think; generally they were verbal, unless for special jobs, but I could not say; some of these instructions we get from Ottawa direct, but I could not say in regard to this special job how we got them.

Q. I see here also in connection with the same account an item for 169½ hours machinists' time at 50 cents, \$84.75, and also 12½ hours blacksmith's time at 60 cents, amounting to \$7.50; what you said with respect to the government being able to check the items for labour previously referred to would be true in respect to this item also?—A. It would be true in all this labour. We do work for the government the same as we do for our ordinary customers, and they are not going to send a man to our shop to see what we are putting on their work. It would not be practicable for anybody to do that.

Q. Now, this item to which we have just been referring contained the account dated 22nd December, 1909, 'Freight elevator, first floor in the Montreal Post Office'?—A. I do not know; there are so many.

Q. I just show you that this is the one to which I have just been referring. That total you will see three hundred and some odd dollars?—A. There are half a dozen different jobs in this.

Q. There are?—A. Yes, sir. There is one job, post office annex, one was made for the roof.

Q. Quite so, but the items to which I refer were contained altogether in this here?—A. That is another thing altogether. It has been added to.

Q. That is only an item for \$17.83, but I see for example the items to which I have been referring are in this \$223.13. That is for repairs for freight elevator?—A. Yes sir.

Q. Now, I see that earlier in that same month of December, on the 14th December, there is another account for repairs to the elevator in the Montreal post office. Has that reference to work performed on the same elevator, or are there different elevators?—A. There are several elevators there, but I think this has reference to the same elevator. This was a repair job. That was a break-down before they were ready to have this work performed. I may say I am positive of this. This was a break-down. You see the date of this invoice don't mean that the work was done on that date.

Q. Quite so, but it indicates that that work was done prior to this work to which I have referred in the first instance?—A. I believe it would be done before. In this particular case we altered the old elevator to make it run down lower and put new ropes in, and we did not have anything to do with the overhead machinery which might have broken the next day. That is another thing altogether.

Q. I think early in the year 1910, or very late in the year 1909, you performed some work for the government in the examining warehouse, Montreal, under a contract amounting to \$506. Your account is, 'For erecting shafting as per contract and specifications.' That is your letter, I think, sent by yourself, dated 24th February, 1910?—A. That is.

Q. How were tenders invited for that work?—A. Well, I see by that letter that that was addressed to the Superintendent of Buildings, Mr. H. N. Lyburner. I cannot tell you. I do not remember how they were invited.

Q. You have no recollection?—A. No.

Q. Whether it was by advertisement or otherwise?—A. I do not remember.

Q. Do you know how many tenderers there were?—A. No sir, that is not my business.

Q. Do you know that Miller Bros. & Thoms were tenderers?—A. No sir, before or after I do not know who tendered, or that anybody else tendered.

Q. Is your brother at present a director in this company?—A. Yes sir.

*By Mr. Meighen:*

Q. Your brother's duty as Director of Public Buildings would be to see what repairs are necessary to the buildings and the machinery they contained, and so on?—A. I believe there is an engineer. Of course he is responsible for it.

Q. He is the man responsible, and he would be the man to recommend to the government such alterations and repairs as would be necessary?—A. Yes sir, I believe so.

Q. When did he retire,—that is your brother H. N.,—from the firm of Lymburner, Limited?—A. He was appointed in November, 1909.

Q. In November, 1909. Do you know the date of his appointment?—A. I believe it was the 22nd November, I am not positive, but I believe that is it.

Q. Prior to that time what had been his interest in Lymburner, Limited?—A. Well, do you mean the stock he owned?

Q. Yes?—A. He owned at that time about \$14,000 or \$15,000 of stock, I believe.

Q. And his retirement consisted in his selling about \$8,000 worth?—A. Yes, I bought them from him.

Q. What was his official position before he was managing director of Lymburners?—A. Managing director, yes.

Q. And you were a director?—A. I was managing director too. We were all, there were five of us in that company, and we were all managing directors, I was president.

Q. You were all managing directors?—A. Yes, sir.

Q. Were you so by by-law of the company, or did you just work together unofficially?—A. We were all by by-law of the company.

Q. Have your by-laws been changed since your brother's appointment as superintendent of public buildings?—A. I believe they have—they have been.

Q. Have they been changed in any respect affecting his position in the company?—A. Yes.

Q. And what was the change?—A. Well, he is not a managing director now.

Q. He is only a director?—A. Yes.

Q. Are there any other directors who are not managing directors besides your brother?—A. No.

Q. What then would be the difference; how many directors are there anyway?—A. There are five.

Q. And of these four are managing directors and your brother is simply a director?—A. Yes.

Q. And prior to his appointment on the 22nd of November, 1909, as superintendent of public buildings he also was managing director?—A. He was managing director.

Q. Can you tell me any difference in his duties now from what they were before under these circumstances?—A. Well, certainly, as a managing director he had his part of the business to look after, and now he hasn't anything whatever to do with the business.

Q. You say that as a director of the company he has nothing to do with the business of the company?—A. Well, with the everyday management of the business; that is what I mean.

Q. He has the same responsibilities as any other director?—A. I do not see it in the same way as you.

Q. I beg pardon?—A. I do not see it in the same way as you do. The other directors are employees of the company, and each of them has his share of the business to look after, while he has nothing to do with it.

Q. That is to say, he does not have to give his time so fully to the business as the other directors?—A. No; and he is not paid by the company the same as the other directors; the other directors are employees of the company as managers.

Q. He is a director without salary. You wish to say that?—A. Yes, sir.

Q. Now, when did he cease to be a managing director—oh, yes, you say that on the 22nd of November, 1909, he was appointed superintendent of public buildings?—A. Yes.

Q. And shortly afterwards, I presume, he ceased to be a managing director, and became simply a director?—A. Yes.

Q. And at the present time he is the holder of some \$5,000 of stock?—A. Yes.

Q. Now, as superintendent of public buildings, it would be among his duties, would it not, to recommend the acceptance of tenders for work, and, as you say, he actually directed work to be done?—A. Yes.

Q. Now, I observe this document, it is written apparently on one of your letter-heads, is it not (document handed to witness)?—A. That is one of our letter-heads, yes.

Q. And your brother is there referred to as managing director of the company?—A. That is one of our old letter-heads that we were using up; we did not throw them away.

Q. It is likely that—what is the date of that?—A. January, 1910; that is on an old letter-head that we were using up, that is all.

Q. Frequently your brother would order work to be done by telephone; and in regard to that work done by day labour there was no check except simply the honesty of Lymburner, Limited?—A. Yes, and that is the way it is done with all our customers, with everybody. In most cases we are called upon to do the work, and the price is never asked for.

Q. It would also be his business to look after the procuring of tenders, I suppose, for work which he had undertaken to have done as superintendent of public buildings?—A. Yes.

Q. And in this case I notice there is another tender put in by Miller Brothers & Thoms. You might look over that document and see if that is not a tender (document handed to witness)?—A. Yes, sir.

Q. And what is the date of Miller Brothers & Thoms' tender?—A. February 16, 1910.

Q. And what is the amount that Miller Brothers & Thoms tendered at to do that work at the examining warehouse, Montreal?—A. Well, now, I cannot say; I do not know that this is for the same work that we tendered on, but this tender is for \$520. I do not know that it means the same thing as we tendered for.

Q. I will ask you to look into your tender and see if it is?—A. I cannot tell that from this.

Q. I will produce you sufficient data so that you can tell if you wish to?—A. All right.

Q. The blue prints and the specifications are there, Mr. Lymburner, and there is your tender and the tender of Miller Brothers & Thoms with the same blue prints and specification?—A. This had nothing to do with this case; this is a letter of the Department of Marine and Fisheries of the 25th.

Q. Well, read that letter which is right there?—A. The date of the letter I quoted from when you asked me if my brother was managing director was to the Department of Marine and Fisheries in January.

Q. I cannot see what the difference is?—A. I don't know what you want, that is all. If I knew what you wanted me to refer to—you might not think there is any difference.

Q. Your own tender is there, and the tender of Miller Bros. & Thoms is there, together with the blue prints and specifications on which both tenders were put in; now, tell me if it is for the same work?—A. I would like to have some time to look over these documents before I can give an answer, and it is going to take some time to enable me to do so.

Q. Very well, take your time.—A. You cannot go to work and give an answer to a question like that in a minute. I might have quoted for this work but I do not remember exactly the date; I am sure I am not the man even that gave this price to the government.

Q. You wrote that letter?—A. I wrote the letter according to the report of our practical superintendent at the time, he made out the tender.

Q. Your signature is to the tender?—A. Certainly, he gave me the details and I made it out at \$560.

Q. \$506.60, I think was the tender?—A. I thought I said \$560.—I see the tender here is \$506.60.

*By Mr. McKenzie:*

Q. Whose tender is that?—A. The Lymburner, Limited.

*By Mr. German:*

Q. And what is the other tender?—A. \$520.

*By Mr. Meighen:*

Q. Answer my question, is it for the same work?—A. I can't tell, according to both these letters it looks as if it was the same work.

Q. What is the date of the tender of Miller Bros. & Thoms?—A. February 16th.

Q. February 16th, 1910, and your tender is what date?—A. February 24th.

Q. And this was the work over which your brother, who is a director of the company, had charge, it is under his direction?—A. I think we got the order from Ottawa for that; it was referred to Ottawa, I know.

Q. It was work that was under his responsibility, do you admit that or do you not?—A. I do not know, you could find that out from him, I do not know anything about that.

Q. You observe that letter written on a day after you put in your tender to the Chief Architect at Ottawa, by whom is that signed? (document handed to witness).—A. That is signed by my brother.

Q. Does that not show it was under his responsibility?—A. Well, he had to look after it, but there was Mr. Murphy, and then there was somebody else here in Ottawa had more to say than he had.

Q. And your tender was accepted by the department, as you see, by the letter on the 1st of March, promptly after it was put in?—A. Yes sir, I see it was recommended by the Chief Architect and by the Deputy Minister to give us the work.

Q. Can you see anything on that file of correspondence relating to it showing that any date was fixed for sending tenders? I would like you to look through it and see if there is anything to show that any date was fixed at all. (File handed to witness.)—A. No, I do not see anything here, sir.

Q. There is nothing fixing the date?

*By Mr. German:*

Q. What was the answer to that last question, was any time fixed?—A. No sir.

*By Mr. Rhodes:*

Q. How many firms or corporations, to your knowledge, are there in Montreal in a similar business to yourself?—A. In exactly the same line of business?

Q. Not exactly the same line, but the firms capable of performing work such as was performed under this contract?—A. I suppose there are twenty.

Q. Give me a list of the names of as many as you can recollect.—A. Well, there is Miller Bros & Thoms, you have them there, there is the Caledonia Iron Works, there is the Royal Engineering Company, and Andrew Young—it is pretty hard to give names like that.

Q. That is enough, there are a number of others anyway.

*By Mr. Kyte:*

Q. Who is J. T. Murphy, who certifies some of these accounts?—A. The Chief Engineer of the department in Montreal.

Q. And who is J. M. Routhier, who also certifies?—A. I do not know that man at all.

Q. He certifie for the Chief Architect?—A. The Chief Architect is Mr. Ewart, he must be a clerk in Ottawa here, an employee of the Public Works.

Q. The prices you have charged in these accounts, are they the usual prices charged to any customer?—A. The same price as we charge to all other customers for the same class of work, and the same class of goods; the same prices were charged all other customers.

Witness discharged.

HENRY N. LYMBURNER, called, sworn and examined.

*By Mr. Rhodes:*

Q. You live in Montreal?—A. Yes, sir.

Q. You are a brother of the preceding witness?—A. Yes.

Q. What is your present position?—A. Superintendent of Dominion buildings at Montreal for the Public Works Department.

Q. When were you appointed?—A. November 22nd, 1909.

Q. November 22nd, 1909?—A. Yes.

Q. Prior to that time what was your business?—A. I was employed by Lymburner, Limited, as managing director. I worked in the office, and was generally taking in work over the counter, and so on.

Q. You are still a shareholder in that company?—A. Yes.

Q. How many shares do you hold?—A. Fifty.

Q. And are you still on the directorate?—A. I am one of the directors.

Q. Do you attend the meetings of the directors of the company?—A. Very seldom; when they must have me at certain meetings I go, but I am very seldom there.

Q. What salary do you get from the department?—A. \$1,350.

Q. Prior to your appointment as superintendent of buildings on the 22nd of November, 1909, you were managing director of the company, as you have already told us?—A. Yes.

Q. And you were active in the affairs of the company?—A. Yes.

Q. Here is a letter, dated 28th of October, on the letter-head of the Lymburner, Limited; who is it signed by (letter handed to witness)?—A. By myself, sir.

Q. And it is addressed to whom?—A. Mr. Doutre, in Ottawa.

Q. Who is he?—A. Purchasing agent in the Marine and Fisheries Department.

Q. And it has reference to—?—A. To a range which was sold for dredge 19.

Q. Sold by Lymburner, Limited?—A. By Lymburner, Limited—that is, this was a tender.

Q. This was a tender?—A. For a range and for other things, as shown there.

Q. To the government? Now, I see another letter from Lymburner, Limited, dated the 21st of October, 1909, on the letter paper of Lymburner, Limited, to whom is it addressed?—A. To Mr. Doutre, of the Marine Department, again.

Q. And signed by whom?—A. By myself.

Q. And what has it reference to?—A. It is about reflectors which we have made for the department.

Q. That is reflectors your company had made?—A. Yes, when I was with the company.

Q. Now, here is another letter addressed also to Mr. Doutre on the letter paper of Lymburner, Limited, dated November 11th, 1909; by whom is that signed?—A. That is signed by me, sir.

Q. What has that reference to?—A. That has reference to some delay about the execution of that contract; it was an explanation of that contract.

Q. Contract between whom?—A. The Marine and Fisheries Department and the company.

Q. Lymburner, Limited?—A. Yes.

Q. Looking at the date of that letter, how many days previous to your appointment as purchasing agent for the department in Montreal is that written?—A. Eleven days.

Mr. KYTE.—You said purchasing agent. He is not purchasing agent.

The WITNESS.—Superintendent of the Dominion buildings.

*By Mr. Rhodes:*

Q. I think you gave the number of days?—A. Eleven days. November 11th to the 22nd is eleven days.

Q. What are your duties as superintendent of Dominion buildings in Montreal?—A. Well, I have charge of the general maintenance of all the buildings and the management of the staff who are looking after those buildings, such as electricians, cleaners, elevator men, and so on.

Q. Now, Mr. Lymburner, I have here an account of Lymburner, Limited, bearing date 22nd December, 1909, showing charges made to the Public Works Department for work performed on the post office freight elevator, first floor. There is a certificate here which says, 'Materials delivered, work performed and prices fair and just,' signed 'H. N. Lymburner, Superintendent of Buildings.' Is that your signature?—A. Yes, sir.

Q. I see a signature, 'J. T. Murphy,' below yours; you have already stated he is—?—A. No; you did not ask me.

Q. What is his position?—A. Mr. J. T. Murphy is chief engineer. He has charge under me of all the mechanical parts of the business.

Q. He acts under your instructions?—A. Under my instructions, yes.

Q. Now, in this account I see an item, for example—'24½ hours machinists' time, at 50c., \$12.25.' What cheque have you upon the time charged as in this instance?—A. Well, Mr. Murphy is supposed to supervise whatever work is going on in the mechanical department. Whatever machinery we get repaired he is supposed to supervise and to see the work is being done. The hours are not checked hour by hour, but at the same time when he looks at the work that is going on he can check at the end what is about right. That is why I got him to sign the accounts. It is not necessary to get him, but I get him to check to make sure.

Q. On the following dates, 17th December 1909, there is an account, Mr. Lymburner, against the Public Works Department, for work performed on the Montreal post office, amounting to \$223.13. By whom is that signed?—A. By myself and Mr. Murphy.

Q. You signed as Superintendent of Buildings, of course?—A. Yes.

Q. Looking at the date of that account, Mr. Lymburner, how long was that after your appointment as Superintendent of Buildings?—A. Just about three weeks. I might add that in this special case Mr. Murphy supervised this right through because I was sent in to Toronto about the 10th of the month, if I remember well. I am not positive about the date, but it was a little before the middle of the month. I went down to Toronto for the department on special business, and Mr. Murphy supervised this work in my absence. That is again the reason why he signed it, to make sure it was right, and the account cannot be passed unless my signature was there.

Q. Had you any personal knowledge of this account at all?—A. Yes, I had a correspondence from the Post Office Department, asking for the work to be done.

Q. For example, I see an item in this account, 169½ hours machinists' time at 50 cents an hour, amounting to \$84.75; would you have any knowledge of that?—A. No, Mr. Murphy would be the man who checked that.

Q. Now, looking at that account, was that work performed by contract or by tender?—A. No sir.

Q. By day's labour, was it?—A. Yes.

Q. On whose instructions was that work performed?—A. It might be under Mr. Murphy's direction if it was ordered when I was gone, or it might be under my own.

Q. Well, look at that account carefully, and tell me if any portion of that account was for work performed while you were managing director of Lymburner, Limited, actively I mean, and before your appointment as Superintendent of Buildings?—A. No sir, there is none of that at all, because I remember very well when the thing came up. I think you will find the correspondence from Mr. Gaboury, the assistant postmaster, which is dated, I think, after the 1st December, because it came to me and not to my predecessor, referring to this and asking this to be done.

Q. Was there any correspondence with respect to this work prior to your appointment as Superintendent of Buildings?—A. I believe not. I do not remember the date of that correspondence, but I am sure there was one from Mr. Gaboury, asking that this be finished before Christmas, before the Christmas rush.

Q. Now, Mr. Lymburner, I have an account from Lymburner, Limited, against the Public Works Department for work performed in the Montreal post office and dated 14th January, 1910. Upon this account I see the following items: '3 steel squares, 1 stamp repaired, material, 3 hours machinists' time at 50c. per hour, \$1.50; 2½ hours' blacksmith's time at 60c. an hour, \$1.50.' By whom is that certified on behalf of the government?—A. By myself, sir.

Q. Mr. Murphy's signature seems to be absent there?—A. Yes.

Q. How would you know that that work had been performed and the materials supplied?—A. Most probably because I ordered them myself and they were delivered, and I was satisfied that they had been delivered. I would not certify the account otherwise.

Q. Could you have anything more than an estimate as to the fact that there was machinists' time and blacksmith's time?—A. I did not quite catch the question.

Q. I mean to say, you would not be on hand to see that that work was actually performed by the blacksmiths?—A. Yes sir. I know enough of the business to know it.

Q. You mean you have an approximate estimate based on your knowledge of the work?—A. Before or after, I do.

Q. I mean to say, your estimate is not based on having watched the men perform the work?—A. Oh no, I have no time to do that.

Q. Now, Mr. Lymburner, you heard your brother, Mr. L. M. Lymburner, testify with reference to the contract for an elevator which was repaired or altered in the examining warehouse, Montreal. You might examine these papers, please (file handed to witness)?—A. Do you want me to look through them, all of them?

Q. I want you to be familiar with them, yes; I want to ask some questions based on them after you have examined those papers, Mr. Lymburner. How were tenders called for this work, by advertisement?—A. No, sir; either by telephone or in writing. I think in this case in writing. All emergency work is done that way.

Q. You would call this emergency work, would you?—A. Yes. We had a new contract coming on with the Light, Heat and Power Company for electric power, and we wanted to get this electric power in there before this contract came in; I do not remember exactly the date the contract was beginning, but I think it was at the commencement of the Dominion government's fiscal year.

Q. What do you mean by 'emergency,' that it was in a hurry?—A. Yes, hurry work, that had to be done before a certain date, the same as in those cases you referred to a few minutes ago.

Q. And you had no time to call for tenders by public advertisement?—A. I do not know about that; I never handled that part of it.

Q. Could you not call for tenders for a job involving the sum of \$520 through the papers in Montreal and get your tenders in promptly?—A. I might have.

Q. I say, could you not have done so?—A. I do not know; I never did it, and I do not know whether it could be done, but I think so.

Q. Do you think you could get tenders in one week for a job of \$520?—A. I think so. I am never supposed to call for tenders in that way; whenever tenders are asked through the press in that way, they go through the Ottawa office. I do not know anything about it.

Q. You say this was a case of emergency work; in view of that statement, how do you account for the fact that there was a blue print prepared, which I produced here, showing details of work to be performed, also that there was a specification?—A. This had been going on on reports of mine and on reports of Mr. Charles Hunter, inspector of the department, asking that this change be made in order to effect a saving in the expense of running the building.

Q. How long had this thing been going on?—A. I cannot say exactly, but it can be found out.

Q. Where was this plan prepared?—A. Here in Ottawa.

Q. On your instructions?—A. No, I guess it had been prepared before I was appointed; this had been going on ever since the fire occurred in the examining warehouse.

Q. And when did the fire occur?—A. Well, if I remember, it was 1907.

Q. Do I understand you to say that the question of having these alterations effected was under consideration from the time of the fire down to March, 1910?—A. I cannot say positively that it has been, because I was not there all the time.

Q. Well, you can say this, that the change was in contemplation from the time of your appointment in 1909 down to 1910?—A. Yes, it was, or certainly from a short time afterwards.

Q. From a short time after your appointment down to March, 1910?—A. Yes, a matter of a few months.

Q. In view of that fact, do you still assert that these repairs were a matter of emergency?—A. I took them to be so and I still believe it, because I wanted to cut down the expenses just as soon as I came in.

Q. Couldn't you have called for tenders during that period?—A. I had lots of correspondence with Ottawa which I had to wait on; I had to wait for a reply; the matter was under consideration here. If I had the thing in my own hand, I could have done so, but that is not the case; I have to refer most of these important matters to Ottawa before I can get them done.

Q. Look at that letter, please (document handed to witness)?—A. Yes, sir.

Q. What does it say?—A. It is the Dodge Manufacturing Company—I remember well, I telephoned the manager, and he said, as in this letter, that he didn't want to handle it. I asked him for a tender.

Q. What is the date of the letter?—A. February 14th, 1910.

Q. To whom is it addressed?—A. To the Department of Public Works, Montreal.

Q. What has it reference to?—A. Reads: 'We return herewith blue prints—'; yes, they simply advise that they are unable to tender.

Q. Read it, please?—A. (Reads):

Department of Public Works,  
Montreal.

DEAR SIR:—

We are returning herewith your B. P. covering shafting, etc., for the Customs Houses; we are unable at the present time to tender.

Q. Has that reference to this blue print?—A. Yes, sir. I had received the answer by telephone before I got that letter.

Q. That was on the 14th of February, 1910?—A. Yes, sir.

Q. The tender from Lymburner, Limited, was on the 24th of February, 1910?—  
A. Yes, I think it was (examines document); yes.

Q. Bearing in mind these facts, also the fact, as it is, that the matter had been under consideration since your appointment on the 22nd November, 1909, do you still say that the performance of this work was a matter of such emergency that you could not advertise for tenders?—A. I did not say the matter had been under consideration since the 22nd November; I say it was some time afterwards; I cannot say the date; it might be a month afterwards.

Q. In view of the fact that it might be a month after the 22nd of November, that is the 22nd of December, do you still say this was a matter of emergency of such an extent that you could not have called for tenders by advertisement?—A. I do not see that I can answer exactly the question you are putting. I could have asked for tenders through the press but I did not take that into consideration at all because that is not my work.

Q. Let us not misunderstand each other. A short time ago I inquired why it was tenders had not been called for this work by advertisements in the press, and if I am not mistaken in answer to that question you stated that it was because it was a matter of emergency?—A. Yes, that is right.

Q. It was a question of a contract for electricity and it was urgent so that you simply telephoned for bids?—A. No, you are mistaken in that because I sent blue prints to everyone.

Q. To whom did you send them?—A. To the Dodge Manufacturing Company, to Miller Bros. & Thoms, and to Lymburner, Limited.

Q. Are those all the persons you sent blue prints to?—A. I am not positive, I might have sent one more but not more than that; I generally sent to three or four, accordance to the importance of the work.

Q. I think you heard the evidence of your brother?—A. Yes.

Q. He testified that there are twenty other companies in Montreal who could have performed this same work?—A. I do not believe him, I do not think there are that many.

Q. How many do you say there are?—A. Ten at the most.

Q. Why did you not apply then to all those people?—A. Because we only applied to three or four, I applied to those that I could, we do not usually apply to everybody in town for tenders. My instructions from the department are to ask for two or three tenders and that is one reason why I did not apply to ten.

Q. Have you those instructions in writing?—A. Well, they come from Ottawa. I put in an estimate for a certain amount of work and probably this will be authorized and the chief will tell me to ask for at least two or three tenders.

Q. For at least two or three?—A. Yes, and that means that two or three are enough, that is the number fixed, I am told to get two or three tenders.

Q. You are told by the chief, who do you mean?—A. The Chief Architect of our department.

Q. Have you a list of persons to whom only you apply for work of this kind?—  
A. No.

Q. So for as the department is concerned you are at liberty to ask tenders from anybody at all?—A. From anybody at all.

*By Mr. Meighen:*

Q. Does not the department furnish you with the names of firms on whom you are to call for tenders?—A. No.

*By Mr. Rhodes:*

Q. Now, Mr. Lymburner, was any date set within which the tenders were to be handed in?—A. I cannot positively say, I might have stated in my letter that I would like the tenders to be in on such a day, but I do not know, I am not positive.

Q. Here is a letter from whom (document handed to witness)?—A. This is from Miller Bros. & Thoms.

Q. And the date is?—A. 16th of February.

Q. 1910?—A. 1910.

Q. To whom is it addressed?—A. It is addressed to me.

Q. What has it reference to?—A. It is about this contract.

Q. It is a tender for this work in question?—A. A tender for this work in question.

Q. And in this tender Messrs. Miller Bros. & Thoms agree to perform this work for the sum of \$—A. \$520.

Q. Now what is this letter, from whom is it? (document handed to witness).—A. Lymburner, Limited.

Q. And what is the date?—A. February 24th.

Q. 1910?—A. 1910, and it is a tender for the same work.

Q. And what is the figure named?—A. \$506.60.

Q. In view of the fact that this was emergency work did you not hurry up the Lymburner, Limited, who had been asked to tender?—A. Yes.

Q. I notice the tender came in eight days after the tender of Miller Bros. & Thoms?—A. Yes, I might give a little explanation about that too. I was very anxious to get their tender in as I had only one and I could not give a contract on one tender, or send one tender to Ottawa, and as they were delaying by not sending in their tender I telephoned Richard, who was superintendent of the work, several times to meet Mr. Murphy and get full explanation of the work from him. Mr. Murphy was the man who supervised that work as well as the other. I remember well a couple of times at least hurrying them up to put in their tender as it was the last one for me to get and I was anxious to get it. When I did get it I sent it to Ottawa as I always do in cases of that importance.

Q. No date was mentioned as to when these tenders should come in?—A. I do not think it was, as I say I might have set a date in my letter, but I do not remember.

Q. Did you have any communication with your brother or with anybody else in connection with the company with reference to the tender of Miller Bros. & Thoms?—A. No sir.

Q. Have you an office in Montreal?—A. Yes sir.

Q. Where is it?—In the post office building.

Q. Does your brother L. M. Lymburner, visit you there?—A. Not very often, I do not think I have seen him there half a dozen times.

Q. He comes sometimes?—A. Sometimes, yes.

Q. And do other people in connection with Lymburner, Limited, come there?—A. Yes, quite often; when I telephone for work to be done, they come and get instructions.

Q. Do they come only when you telephone?—A. Well, they might; persons having connection with the company might have come on other occasions, but very seldom.

Q. As a matter of fact, when was this work performed?—A. This work? Early last year.

Q. The tender of Lymburner, Limited, was dated 24th of February, 1910; when was the work performed?—A. It must have been performed inside of five or six weeks afterwards.

Q. How long would it take, after the work had been started, to perform this work?—A. Well, the tenders called for the work to be executed inside of four weeks of the date of the contract, that is the date they received the order. I suppose it would take about that time to do it; it must have taken fully that time to perform the work. The elevators were not to be stopped, and some of the work had to be done after four o'clock in the afternoon.

Q. What is the difference in the price between the two tenders—the one of Miller Bros. & Thoms and the other of your own company?—A. \$13.40; about 2 per cent or  $2\frac{1}{2}$  per cent, that is all.

Q. Are you any relation to Mr. Rivet, the member for Hochelaga, by marriage or otherwise?—A. No, sir.

Q. Two years ago your brother gave evidence here, and other witnesses gave evidence with respect to the sale of some leather belting by Lymburner, Limited, to the government—

Mr. GERVAIS.—That has no reference to the item here to-day.

Mr. RHODES.—You had better wait and hear my question.

The CHAIRMAN.—I do not think we will go into that account.

Mr. RHODES.—I would like to submit the question.

The CHAIRMAN.—You can submit the question, but we won't go into the matter itself.

Mr. RHODES.—On that occasion I put this question to a witness: 'In other words, the government, by paying for this leather belting on the basis of a discount of 10 per cent, paid \$538.37 more than they would have paid if they had purchased it at jobbers' price?—A. Yes.' I wish to ask if he was managing director of Lymburner, Limited, at the time that this purchase was made, and if he knows anything—

The CHAIRMAN.—I think you have already got that evidence.

Mr. RHODES.—I have evidence that he was managing director prior to his appointment as superintendent of buildings. This was back two years ago, and I simply wish to ask if he was managing director.

Mr. GERVAIS.—You are dealing with a matter which has been closed. It was brought up by the House of Commons two years ago.

The CHAIRMAN.—My opinion is that you have got that evidence already.

*By Mr. Rhodes:*

Q. How long were you managing director prior to the 22nd November, 1909?—  
A. I was connected with the Company of Lymburner, Limited, since it was incorporated.

Q. How long ago was that?—A. I do not remember the date exactly.

Q. Would it be five years ago?—A. No, it would not be five.

Q. Four years ago?—A. Three years ago, I guess it would be, last December.

*By Mr. Crocket:*

Q. When that leather belting was bought?—A. I was employed by the company. I do not remember whether I was managing director.

The CHAIRMAN.—They were all managing directors of that business.

*By Mr. Meighen:*

Q. In this tender there is no acknowledgement of any receipt from you. Do you observe that?—A. I don't know.

Q. And would you not judge from that that your request to them to tender was simply by telephoning and sending the specification?—A. It might very well be that. I spoke over the telephone telling them.

Q. The tenders were sent to you?—A. Yes.

Q. And opened by you?—A. Yes, sir.

*By Mr. Kyte:*

Q. I suppose your former employment specially qualified you to discharge the duties of your present office?—A. What is that?

Q. Your former employment specially qualified you to perform the duties you now discharge?—A. Certainly.

Q. The work you have been concerned in largely had reference to machinery and elevators in the public buildings in Montreal?—A. In my present office?

Q. Yes?—A. I have the general care of all the buildings, any kind of repairs. I have some carpenters on the job, some electricians, cleaners, firemen, engineers.

Q. I suppose you supervise the work done by other contractors?—A. Yes.

Q. Besides Lymburners?—A. Yes sir, quite a few of them.

Q. In the matter of tenders or offers for such work as you have done to this building, would the offers from two, three or four firms ensure the lowest price for which the work would reasonably be done?—A. I believe so, sir. That is the reason why I did not ask for any more. I seldom ask for more than three or four. I do not want to bother the whole town.

*By Mr. Gervais:*

Q. How many years of experience in that business had you before you were appointed?—A. I have been employed for about twelve years prior.

Q. You had enough experience to find out what is the lowest price for any of those items which are under discussion now?—A. Yes.

Q. Without asking for tenders from anybody?—A. I could certainly make an estimate. I think I have made an estimate before.

Q. As a matter of fact, is it not true that you have simply acted in the post office as a checker for the Public Works Department, a timekeeper?—A. Well, no, there is quite a bit of management about which I do not require to refer to anybody.

Q. But you have to consult the Public Works Department?—A. On everything of importance I must consult with the department.

Q. Either by telephone or by letter with Mr. Ewart?—A. Yes, the Chief Architect.

Q. Are you ready to swear that in each case Lymburner Limited, did the work for the lowest price, which was obtainable in Montreal?—A. I am satisfied that they had, and whenever they have not I have returned their accounts to be altered.

Q. Lymburner, Limited, is a large concern, a good-sized concern?—A. Well, I do not know that I would call it a large concern.

Q. They take all the business in Montreal and outside of Montreal for large sums of money each year?—A. I do not know exactly what they are doing now. I could tell you what they were doing when I was there.

Q. Is it not a matter of fact that most of the works which you have to order to be done in the public buildings in Montreal are of an urgent nature?—A. Well, not all.

Q. Most of them?—A. In certain cases things can drag along at times.

Q. For how many hundred thousand dollars did you give orders?—A. This year?

Q. Last year, say?—A. I could not positively say. I have not made up my figures. I am waiting until the end of the fiscal year. It is my first year.

Q. Who is the largest shareholder in the Lymburner Company?—A. I think since I sold my brother a certain amount of my shares, that he became the largest shareholder since then.

Q. There is a Mr. Rivet?—A. He is a shareholder.

Q. Is he a good honest Conservative?—A. I have always known him to be. He might change his mind.

Q. And he is a relative of Mr. Girard?—A. Brother-in-law of Mr. Girard.

Q. Who is one of the directors of Le Devoir?—A. Well, that is a question I cannot answer because I do not know it. I believe he is interested in it, but I do not know whether he is a director or not.

Q. As a matter of fact Lymburner, Limited, is an old concern. It has had a general partnership for years?—A. It has changed form several times, but it has been in existence a long time.

Q. It was not a company organized to do some little work for the government?—A. I was brought up in the business.

Q. I think your father established the business?—A. He established the business long before I was in this world.

Q. And he established the office and the workshops, the location of which was changed several times?—A. It was carried on in St. Antoine Division for a time, and then he changed to St. Lawrence, and afterwards went down to the place where it is now.

Q. In the eastern ward?—A. In the eastern ward of the city of Montreal.

Q. Anyway, you swear this corporation was not established for the purpose of doing work for this government?—A. I positively swear it, because I was one of the original directors.

Q. And you also swear that all the prices charged to and paid by this government were the lowest possible charges under the circumstances?—A. Yes.

*By Mr. Crocket:*

Q. Even the price charged for the leather belting?—A. I do not know anything about the leather belting.

*By Mr. Meighen:*

Q. When was it you transferred that \$8,000 of stock to your brother?—A. About two months ago, it might be three months, when I had some transactions with him about other matters.

Witness discharged.

Mr. L. M. LYMBURNER recalled.

*By Mr. Kyte:*

Q. Was the business you have been doing for the government since the 22nd of November, 1909, been larger in volume than it was before that period?—A. No, sir; we can prove by our books that it has been a good deal less, but I do not mean to say that it because my brother has been appointed that it has been less.

Q. You say, as a matter of fact, that the business of your company with the government is less since 22nd of November, 1909?—A. It is less than what it was formerly.

*By Mr. Blain:*

Q. What are the prospects for the future?—A. When they have some work in our line we may get it; I do not know about that. There is one thing I may say, that this work we are doing for the government is done on the same basis as it would be done for any other customer and at the same prices as we are charging our other customers.

Witness discharged and inquiry closed.

Committee adjourned.













