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 Standing Committee on Public
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Report and minutes of
 evidence.

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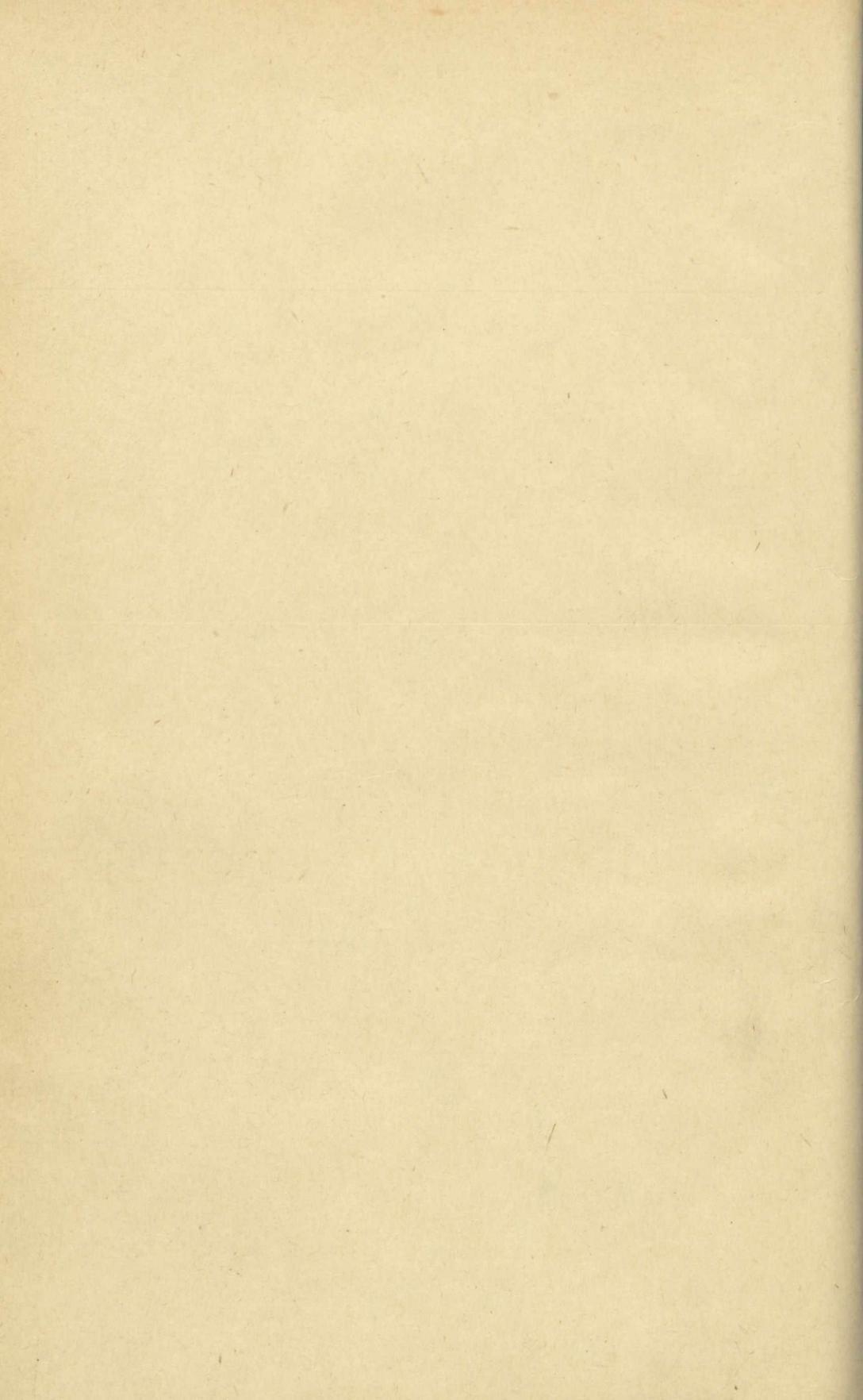
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SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

IN CONNECTION WITH THE ITEM

“GOVERNMENT IN KEEWATIN.”

1891.



OTTAWA:

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

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REPORT.

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

TWENTY-SIXTH REPORT :

Your Committee have had under consideration certain items set forth, under the heading "Government in K ewatin," on page C—236 of the Report of the Auditor General on Appropriation Accounts for the year ended 30th June, 1889-90 ; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted,

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
MONDAY, 14th September 1891

MINUTES OF EVIDENCE.

COMMITTEE ROOM,
FRIDAY, 4th September, 1891.

Committee met—Mr. WALLACE in the Chair.

MR. JAMES STEWART called, sworn and examined:—

By Mr. Skinner.

1. Where do you live?—In Winnipeg, sir.
2. What is your occupation?—Druggist.
3. You make some objection to an account here filed by Lieutenant Governor Schultz?—As it appears in the Auditor General's Report for 1890: "Expenses—wages of two men for two months, \$180."
4. This is the item you object to. I will read it: "Wages of crew, two men, two months, \$180?—Yes.
5. What is the objection that you make to that item?—Because I and my fellow seaman was only a month and a-half in the employ, and we were paid for a month and a-half.
6. What was the amount the two of you were paid?—\$67.50.
7. You were paid \$67.50 instead of \$180?—Well, that is each man, as I understand. I can hardly say what the other man had, but I understood he had the same as I.
8. You say, at all events, that under this item, where it is put down wages of two men for two months, that you were one of those men?—I was one of those men—I had charge of the boat.
9. What were your wages?—\$45 per month.
10. And you were employed a month and a-half?—A month and a-half.
11. And you were paid for that?—I was paid for that. I was paid for that, with the exception of \$10.
12. Why were you not paid the \$10?—Because in the spring I was living in the house belonging to His Honour the Lieutenant-Governor, and he employed me. He gave me \$10 to employ men to plough a piece of ground for him, which I got done for him, and he kept that out of my wages when I was paid.
13. Then this ploughing you did for him was on his own private property?—On his own private property, and for his personal use.
14. Then how much of this \$180 were you actually paid?—I was paid \$57.50.
15. What knowledge have you of the wages of the other man who was with you?—Nothing further than His Honour himself told me, and the man himself told me; he had the same wages as I had. I could not say what he was paid.
16. At that rate of wages for the time he worked. how much would it amount to?—\$67.50
17. The two of you would be twice \$67.50?—Yes.
18. And if he were paid as you suppose he was, he was paid \$67.50?—Yes.
19. But you only got, for which reasons you have objected, \$57.50?—Yes.
20. These are the objections you have to that item?—Yes.
21. What objections have you to any other items?—Read the next item.
22. The next item is: "Repairs to 'Keewatin,' \$68"?—I am not aware of any repairs made to that boat, because it was a new boat on her first trip.

23. Would you have the means of knowing whether there were repairs made to her?—I took her out safely and brought her home safely. I could not say whether there were any repairs made afterwards or not.

24. When was she built?—That same spring; she was finished in the month of June.

25. At what time did you start out on your voyage?—On the 15th June, I believe.

26. Immediately after the completion of the boat?—Yes, sir.

27. Then how long did your voyage last?—Well, we returned to Selkirk on the 11th or 12th of July. I think we arrived in the river on the 11th of July; we did not get to Selkirk that night.

28. What became of the boat, so far as your knowledge went?—She was brought up to Selkirk and left there.

29. Was she done for the season?—So far as I know, she did not make any further trips that season.

30. And you have no knowledge of any repairs being put upon her at all?—No, sir.

31. Do you know any reason why she should be repaired?—No, sir.

32. The next item is: "Provisions and cooking utensils." You left her?—Left her at Selkirk.

By Mr. Foster :

33. That was 11th July?—July 12th.

34. Did you see her again during that season?—No, sir.

35. Might not repairs have been made, during the remainder of that season, that you did not know of?—Oh, there might be.

36. You cannot swear there were not?—No; I cannot swear there were not.

37. After July there would be some three months of the season?—Yes.

By Mr. Lister :

38. I understood you to say she was not sailing anymore?—No.

By Mr. Foster :

39. Do you swear she did not sail after that?—No, sir; I cannot actually swear, but as far as my knowledge goes she never went out again.

By Mr. Skinner :

40. What kind of knowledge would you have?—At Selkirk, there I would certainly have heard it if she went out again.

By the Chairman :

41. Did you leave her at Selkirk or Winnipeg?—I left at Winnipeg. I really cannot swear, but I am perfectly certain in my own mind that she did not go out that fall.

By Mr. Foster :

42. You would not swear she did not go out?—I would not.

43. Or that repairs were not put on her?—No.

By Mr. Skinner :

44. Did you see her after the 12th July?—I never saw her afterwards.

45. And the reason why you say she was not out is, from your knowledge of the locality she could not have been out?—Oh, yes; I would have been told of it.

46. How far is from where you live in Winnipeg to Selkirk?—25 miles, I think.

47. The next item is: "Provisions and cooking utensils \$87"?—In that case there was no provisions charged to the Government at all, as far as the crew were concerned.

48. Did the crew have to board themselves?—Yes; we bought our own provisions. It cost \$16.50. and we paid it out of our own pockets.

49. Who was along with you?—Joseph Monkman.
 50. Who went on the steamer during the trip? Did the Lieutenant-Governor go himself?—We went out with a detachment of Mounted Police to the Grand Rapids at the north end of Lake Winnipeg.
 51. How many of them?—Four.
 52. Where did you take them to?—To the Grand Rapids.
 53. Were you the only two men in charge of the boat?—Yes.
 54. Sailing?—Yes.

By Mr. Lister :

55. An open boat, was she not?—Yes; a little boat, with the deck forward.

By Mr. Skinner :

56. What was the size of the boat?—33 feet keel.
 57. Was she propelled by sails or oars?—Sails.
 58. How long were the four men on board that you took out?—Eleven days.
 59. How were they boarding on board the boat?—As far as I can understand, their provisions are charged in the Mounted Police account.

By Mr. Lister :

60. What sort of provisions?—Canned stuff that they took along with them. They had their provisions out with them.

By Mr. Skinner :

61. As far as you know, they had their own provisions?—Yes.
 62. Are you aware of any provisions being supplied by the Government?—No, I am not aware of any.
 63. You two men had your own provisions?—Yes.
 64. And the provisions of the Mounted Police would have come from the Mounted Police supply?—Yes.
 65. I see there appears on C-214, page 214 of the Auditor General's Report a statement of provisions under the head of the Grand Rapids depot division?—Yes.
 66. Would this represent the provisions of these men?—I believe so.
 67. Read the statement?—

Apples, 48 $\frac{3}{4}$ lbs.; rice 24 $\frac{3}{4}$ lbs.....	\$ 6 09
Bacon, 400 lbs. at 11.....	44 00
Coffee, 12 $\frac{1}{8}$ lbs.; tea 12 $\frac{1}{8}$ lbs.....	7 59
Flour, 488 lbs. at 3 c.....	14 64
Potatoes, soap, pepper, salt	4 88
Sugar, 73 lbs. at 10 $\frac{1}{4}$ cts.....	7 48

68. You say that these amounts cover the board of these men on that boat?—I understand it to be so.
 69. Why do you say that these men's provisions are in that?—Because I understood by the Mounted Police themselves that they brought their provisions from the depot—from the Mounted Police depot.
 70. At Winnipeg?—I cannot say where.
 71. Where did you take the men from?—From Selkirk to Grand Rapids.
 72. What knowledge have you of the provisions they had on board?—Oh, I know they had a great deal of provisions on board. They had a large quantity of provisions.
 73. A great deal more than was necessary for the voyage?—Yes.
 74. It was part of those supplies that they subsisted on after the voyage?—Yes.
 75. They amount to \$84.68?—Yes.
 76. Now in eleven days there is a charge of \$87. How could they use \$87 worth in going out on an eleven day's trip?—Those are the figures so far as I can understand.

By Mr. Lister :

77. As I understand you, the supplies of the Mounted Police were their own, and are charged in the Auditor General's Report in another place?—Yes.

78. And they amount to how much?—\$84.

79. In the account that the Auditor General has rendered there is charged the supplies rendered to you for the boat "Keewatin," and what you say is, that you and your co-worker furnished your own supplies, and that the Mounted Police brought their supplies with them, which are entered in the Auditor General's Report in another place?—Yes.

By Mr. Foster :

80. Will you swear that this item of \$84.68, under Grand Rapids division of the Mounted Police—will you swear on your own knowledge, that that was charged for the subsistence of the four men on board the boat on the voyage to Grand Rapids?—No, I cannot swear that.

81. You leaped to that conclusion?—I believe that it was so.

82. You only think those were the provisions they used during the voyage?—Yes.

83. But you cannot swear that these were the provisions they used on the voyage from Selkirk to the Grand Rapids?—No.

By Mr. Lister :

84. They brought the provisions with them?—Yes.

85. A large quantity of them?—Yes.

86. And out of the provisions that they took with them, they subsisted during the voyage?—Yes.

87. There was no separate bill?—No.

88. Did they tell you where they got them?—No, sir.

89. They did not tell you where they got these provisions?—No.

90. But you say they brought them into the boat?—Yes.

91. Where were they taken from?—They were taken from some store or another. The men were at Selkirk before I got there.

92. And they were taken from the store to the deck of the boat?—Yes. They had provisions, ammunition and all their supplies.

By Mr. McGregor :

93. You have no means of knowing what Governor Schultz paid for these?—No.

By Mr. Skinner :

94. I understand from you that these men had their supplies from the Mounted Police supplies that they carried with them?—Yes.

95. And if you are mistaken in that, there would be nothing in your objection from that standpoint?—No.

96. The next item, Mr. Stewart, in this account, is, "Use of small boat for shallow water"?—We had no small boat, sir.

97. You had no small boat with you at all?—The Inspector of Police had a little skiff which he took out with him for shooting purposes. It was used two or three times in the 11 days.

98. You say you had no small boat with you?—No small boat belonging to the "Keewatin" or the Government. As I told you, the Inspector of Police brought a small skiff with him. We used it for landing two or three times during our outward voyage.

99. It was a boat owned by whom?—It was owned by Mr. Bégin, the Inspector of Mounted Police.

100. For his private use?—Yes. On the return voyage we had no small boat at all.

101. Had you no small boat with you that belonged to the Government?—No.

102. You say that the whole item is wrong?—So far as the small boat is concerned. We had no small boat at all.

By Mr. Lister :

103. How much would the small boat be worth?—\$15 or \$20.

104. And it is charged for \$102?—Yes.

By Mr. Foster :

105. Do you say that the \$102 is a charge for that skiff you had with you?—I inferred so.

106. You must not swear to inferences. Do you know it to be so?—There was no other trip made north by the "Keewatin."

107. Do you know that that charge of \$102 is for the small skiff which the inspector had along with him?—Oh, no. I do not say it is for that small skiff. All that I say is we had no small boat connected with the Keewatin.

By Mr. Skinner :

108. The next item is, "Wages of men with small boat, \$106." What do you say to that?—Having no small boat, we had no men to work a small boat. The only men were Mr. Monkman and myself.

By Mr. Lister :

109. And therefore, there being no small boat, you had no men to manage the boat?—No, sir. There was no man for a small boat.

110. Your statement is, so far as that voyage was concerned, nothing of this kind occurred at all; there was no small boat and no man to manage a small boat?—Yes, sir.

By Mr. Skinner :

111. The next item is, "Repairs to gaol at Norway House"?—I know nothing about that at all.

112. Have I gone over all the items, then, in this account, that you say are incorrect?—Yes.

113. These cover your charge?—Yes.

114. Do you make any other charges with reference to these matters in connection with these Public Accounts in any way?—No, sir.

115. That is the whole story?—That is the whole story.

By Mr. Lister :

116. What sort of a boat was this remarkable craft that you took the Mounted Police in?—She was a sort of schooner-rigged boat; two masts on her, 33 feet of keel.

By Mr. Mulock :

117. Where was that boat built?—Selkirk.

118. She was 33 feet keel?—Yes.

119. Do you know who directed the rigging of her?—As far as I am aware, it was the Governor himself who directed the rigging.

120. How were her topsails secured?—They were secured in a very unseaman-like manner. They were nailed to the mast.

121. How did you reef your topsails?—We could not reef them at all. We could not take them down.

122. You would have to take down the gaff, I suppose?—We took down the whole thing. We could take in three reefs in the sail, but further than that we had to take down the whole.

123. How was the jib set up?—On a plank erected in the bow of the boat.

124. Was the bowsprit a plank?—Yes.

125. And that is the way she was turned out of the builder's hands?—Yes.

126. What was the size of this plank?—It was four or five or six inches wide. I could not say exactly.

127. How did you get the jib in?—There was a hole through the end of the bowsprit, and the rope ran through it. In a heavy gale of wind it was somewhat inconvenient.

128. Where was the foremast stepped?—Thirty-five feet in length.

129. Could you strike the foremast?—We had no means of doing it.

130. Which was the highest, the foremast or the mainmast?—The foremast.

131. After you got safely back with your lives to Selkirk on this craft, did you report on her unseaworthiness, or otherwise, to the Governor?—I did. The boat herself, I could not find much fault with her.

132. The hull, you mean?—Yes, the hull. Of course, it was not up to my fancy as a boat, and I think I am pretty well acquainted with boats, having been brought up to them all my life; but as regards the rigging, I must say it was very unseamanlike.

133. And very unsafe, too?—Yes; very unsafe.

134. Did you report that to His Honour?—I reported that, before and after; before we went up and after I came back.

135. Do you know of her going out to sea after that?—Yes. She went out a year after with a party of police.

136. What time in the next year?—I do not know exactly what time.

137. On Lake Manitoba?—No; on Lake Winnipeg.

138. Did anything occur on that voyage?—Yes; she got upset and caused the loss of three lives.

139. Who were they?—One was one of the Mounted Police that went out with me the year before. I was very sorry about him; he was the only one who knew anything about the sailing of boats.

140. What was his name?—Mr. Morphy.

141. What was the name of the other who was drowned?—Rennie, I think. I do not know much about him,

142. And the third man?—That was Mr. Watts. He was the builder of the boat. When she capsized, he was taken off alive after he had been hanging on the boat over a week. He was conveyed to the hospital at Winnipeg and died there.

143. Did that finish her public services that year—the drowning of the three men?—No, sir. She was out this year again.

144. Where—Lake Winnipeg?—Yes; Lake Winnipeg.

145. How did she get on this time?—Upset again.

146. What happened this time?—Lost the supplies for the Mounted Police. As far as I heard, they lost everything. Happily there were no lives lost. One had to cling to the bottom of the boat for some time.

147. She did best when bottom up?—They had an ugly position.

By Mr. Lister :

148. Did you ship on this vessel for \$45 a month and grub yourself?—Yes.

149. I see here that the charges for supplies on that trip were: Apples, $48\frac{3}{4}$ pounds; rice, $83\frac{3}{4}$ pounds—and so on. The destination was Grand Rapids. Where did you take this stuff on?—At Selkirk. I took the passengers on at Selkirk and landed them at the Grand Rapids.

150. Did you leave them at Grand Rapids?—Yes.

151. The value of the stuff you took at the divisional depot at Selkirk seems to have been \$84.68?—Yes.

152. Then there are charges for provisions and for cooking utensils, \$87?—Yes.

153. That would be for provisions used by the crew on the trip up?—I do not know what that is for.

154. What cooking utensils had you?—None; that is for Mr. Monkman and I.

155. And the police?—They had their own.

156. They had their own provisions and you had yours?—Yes.

157. Were there any cooking utensils kept in the boat belonging to the boat?—No, sir; only what we took aboard. We each took our plate and knife and fork, and between Mr. Monkman and I we bought a little sheet iron stove, which was left in the boat. I never got anything for my share of that. I do not know what became of it.

158. Now, then, there is tarpaulin for the Keewatin?—She had a little duck tent that went over the boat.

159. What about the sails? Were they new or old?—New.

160. How many yards of duck would they contain?—I do not know.

161. Were they large?—Very large size.

162. What would they be worth?—I cannot form any estimation of that.

163. The wages of the crew are for two months. You and another man composed the crew?—Yes.

164. You were there a month and a-half instead of two months and a-half, and you were getting \$45 a month each?—Yes; the other man got the same as I did.

165. The Governor told you that, and the other man told you, too?—Yes.

166. He was there the same time as you were?—Yes.

By Mr. Foster :

167. Did he leave the vessel at the same time as you did?—Yes.

168. Did he go back?—Not to my knowledge.

169. Would you swear he did not?—No.

By Mr. Lister :

170. Were any repairs on the "Keewatin" done while you were there?—No.

171. "Use of small boat for shallow water." You say there was no small boat?—No.

172. "Wages of men with small boat, \$106." You say there was no small boat?—No.

173. When you got your pay for your wages did you give a receipt?—I do not remember exactly. I got some in cash and some by cheque.

174. Where were you paid?—In Winnipeg.

175. At Government House?—Yes; Government House.

176. You do not know whether you gave a receipt for the money or not?—I have no recollection.

177. Did you make out any account?—No, sir; I never made out any account.

178. Was the other man with you?—Not when I was paid. I may have made out a receipt; I do not recollect.

179. You made out no bill?—No.

180. Nor did your mate?—Not to my knowledge.

181. Was he present when you were paid?—No, sir.

182. Were you present when he was paid?—No.

183. So you do not know anything about that?—No, sir.

184. Do you know whether the Governor bought the provisions and cooking utensils he charges here?—No.

185. You swear positively there was no smaller boat for shallow water taken along with you?—I do, positively.

186. Do you know that the Governor has a small boat?—I do not; I never saw one.

187. The craft you sailed on was the smallest boat belonging to him?—Yes.

188. Do you know where these sails were bought and the tarpaulin?—They were furnished by Mr. Watts, the boat-builder.

By Mr. Barron :

189. What sort of a boat was this? Is she one of the Hudson Bay boats?—No, sir; she is built much like these Lake Michigan fishing boats.

190. Have you ever seen a Mackinaw boat?—Yes; it is something like that.

191. Had it two masts?—Yes.

192. A foremast and a mainmast?—Yes.
193. Which do you say was the highest?—The foremast was highest.
194. Had it a topsail to the mainmast?—Yes; two topsails.
195. Two topsails, a mainsail and a foresail?—Yes.
196. The foremast was right in the bow?—Yes.
197. Was the hull of the boat in good condition?—Yes; it was a fair boat.
198. What was the length between the uprights? Did the bow project up from the uprights? You know what I mean by the uprights?—Projected from the keel, you mean.
199. Yes.—Yes; a little; just turned up.
200. And the stern, too?—The stern, too.
201. Do you know what the uprights would be—the length between the uprights—that is straight up from the keel?—Yes.
202. Well, it was the same way straight up from the stern?—Yes.
203. What is the length between the uprights?—Straight, perpendicular, from each end of the keel it would be 33 feet.
204. Then you say the bowsprit was a plank?—Yes, sir; bending downwards.
205. You could not reach the topsails at all?—No, sir; could not take them down even.
206. How were the topsails fastened?—They were nailed to the yard. At least, the yard was split away, if I remember rightly, and the canvas was nailed in between it.
207. And you tell me the sail was nailed to the yard?—Yes, sir.
208. To get the topsail down you would have to take down the yard?—The whole of the concern—yes. On the top of the gaff top-sail was what you call a thimble, in seamen's phrase. The block was slung on to that, and we hoisted the whole sail by that.
209. Have you been sailing in those sort of boats for many years?—I was brought up on the Scottish coast for fifteen years, and from when I was eight years of age I was perfectly at home on the water.
210. Your opinion then, was, the boat was not seaworthy?—She was not seaworthy.
211. Did you advise Lieutenant Governor Schultz of that fact?—Well, I was told by His Honour to take her over from the boat-builder, and his strong advice to me, was to say good for the boat and give her a good character.
212. Who advised you to do that?—His Honour. We went out in the river and had a sail with her, after she was loaded up, and she sailed very well—did very well upon the river; but to save myself I reported to the Lieutenant Governor that she was very good so far as the hull was concerned. I made no mention of the sails, because I told him often before that the sails were not proper.
213. Then you took the Mounted Policemen from where to where?—From Selkirk to the Grand Rapids.
214. Did you leave them there?—Left them there, sir.
215. Who came back with you?—Mr. Monkman and myself, and there was a young man there who had been in the service of the fish company. Mr. Monkman was a man of over 80 years of age and not very smart.

By Mr. Mulock:

216. Not a very active man to go up the rigging and handle those topsails?—No, sir.

By Mr. Barron:

217. As I understand it, then, the two of you went around with the Mounted Police?—Yes, sir.

218. You left them there?—Yes, sir.

219. Going back there was just a young man with you?—Yes; I took him back to work his way back—he wished to work his way back to Selkirk.

220. Two of you went up and three of you came down?—Three came down.

221. Were there any extra provisions bought on account of the third man who came down with you?—No, sir; we had only the provisions we had bought ourselves.

222. So that the provisions you bought when you went up with two, answered for you and your companion and this young man, when you came back?—Yes, sir; the Mounted Policemen did not leave an ounce behind; in fact, we did not know anything about them.

By Mr. Taylor:

223. You reside at Winnipeg, do you?—Yes, sir.

224. How far is that from Selkirk?—About 25 miles.

225. You are the gentleman who made the following affidavit, I presume?—Yes, sir.

226. I will read it to you:—"I, James Stewart, of the City of Winnipeg, in the County of Selkirk, Province of Manitoba, druggist, do solemnly declare: 1. I am the James Stewart whose name is appended to the document hereto annexed, and marked with the letter 'A.' 2. All the statements made in the said document are true." You made that declaration?—That is right.

227. You went out with this boat in June?—In June, sir.

228. And you returned on the 11th of July?—Yes, sir.

229. You got into the mouth of the creek on the 11th and did not get up to the town?—Yes, sir.

230. Where did you leave the boat?—We got the boat along ten miles, I think, at Joseph Monkman's place, the man who was with me. We got her up that night we arrived at the river, and I went up—I did not stay there—I walked up to Selkirk and telegraphed to His Honour that I had arrived back, and on account of the adverse wind that evening we could not get her up. It was only next day I went down with the man with me to get her up to Selkirk, and during the time I went down by land Mr. Monkman got one of his sons and took her up to Selkirk, so when I got down to Mr. Monkman's I found my boat was at Selkirk.

231. But you remained with her no longer?—No, sir; I came back to Selkirk.

232. Did you lay the boat up for the season, and take off the sails from her?—Oh, no.

233. Then you left her there?—Left her there. I expected she was to make another trip.

234. Did she make another trip?—Not with me.

235. Did she with anybody?—That I have no knowledge of.

236. You said she could not have done so without your knowledge?—I did.

237. How did you know that?—I would have heard it.

238. Was it impossible for that boat to go out for two weeks more, without your knowledge, when you were 20 miles away?—If she went out on this Government employ.

239. Was it possible for her to go out?—She may have gone out.

240. You say she is a pretty good boat?—Fairly good.

241. A fairly good boat?—Yes.

By Mr. Lister:

242. That is the hull?—As far as the hull is concerned.

By Mr Taylor:

243. What part is bad?—Rigging is bad.

244. What do you say in your declaration here: "His ideas of ship building are somewhat hazy, at least the build and rig of this boat were of such a character, as to make her almost a trap for men's lives." Is that true?—As to the rigging of course.

245. Is that true?—It is true.

246. So far as the boat is concerned?—So far as the boat is concerned, the rigging is certainly bad.

247. What makes the boat a trap for men's lives if she is a good boat?—Well, the boat would do fairly well if it was not for the rigging over head.

248. You make the statement here that the boat altogether, is a trap for men's lives?—Certainly, as she stood there—the whole thing together.

249. You say she capsized this year?—Yes, sir.

250. You say the boat capsized this year?—So the report goes.

251. How do you know that?—I know it because it appear in the paper.

252. But you don't know that it so capsized?—I don't know except by report. It is a fact that she did capsized.

253. How do you know it is a fact?—Oh, it appeared in the papers.

254. You know it because it appeared in the papers?—Yes, and the report was never contradicted.

255. But how do you know it is a fact?—Everybody in Selkirk and Winnipeg knows that it is a fact.

256. But how do you know?—Oh, it was the general belief. The man was taken to the hospital when she was wrecked.

257. Do you know Matthew Watts?—Yes.

258. Where does he reside?—He resides in some graveyard just now.

259. Did you know him?—Yes.

260. Who was he?—He was the builder of the boat.

By Mr. Lister :

261. And he was drowned?—Yes.

By Mr. Taylor :

262. Here is a receipt dated 20th of August 1889 signed Matthew Watts. It says "received from Honourable John Schultz \$68.00 for hauling out and repairing boat Keewatin, mending sails, &c." Is that in these accounts, that you referred to, in the Auditor General's Report?—As far as I know the only sails she had were those she had when I was with her.

263. Is not this \$68.00 for hauling out and repairing the sails of the boat?—Yes.

264. Do you know anything about that?—That was not done when I was with her.

265. Who is John L. Watts?—I don't know the man at all.

266. Here is a receipt signed 6th of August, 1889. "Received from Lieutenant-Governor Schultz \$36.00 for cooking utensils, rope, towline, chains &c., for sailing boat 'Keewatin'?"—Yes.

267. Is this included in any portion of the expenses in this investigation?—Not so far as I know.

268. Were these things got for the boat?—Not while I was there.

269. But were they supplied for her?—Not that I know of.

270. But they might have been got, might they not, without your knowledge?—Yes, but not when I was with her.

271. Here is another one, dated Selkirk, June 1st, 1889. "Received from John Schultz \$28.00 for making tarpaulin over head tent for protection of crew cruising, size of sails, block and tackle." Signed Matthew Watts?—Yes.

272. Who is William Robinson?—He is a member of the firm Robinson & Company.

273. Here is a receipt from Mr. Robinson dated August, 1889. "Received from Lieutenant-Governor Schultz \$33.00 for provisions and other supplies put on board sailing boat 'Keewatin.'" Who got these supplies?—I cannot tell you that.

274. You don't know whether they went with the supplies that the police took on or not?—I don't know.

275. They might have done so?—They might.

276. These accounts I have read over to you. You know nothing about them at all?—I know, as far as the crew of the "Keewatin" was concerned, we had nothing to do with them at all.

277. You had nothing to do with them?—No.
278. You don't know the provisions Mr. Robinson's receipt refers to?—No.
279. You don't know whether they went on board with the passengers you took up?—No. What is the date of the receipt?
280. The receipt is dated August, 1889. You refused to go any further with the boat than Selkirk when you returned?—Yes.
281. You left her then?—Yes, I sent in my resignation.
282. You did not wait to see what the boat was to do for the remainder of the season?—No.
283. Was it necessary to have work done on her and to put her by carefully for the season?—I suppose so. When I came up to Winnipeg I was wanted to go to Berens' River.
284. And you refused to go?—Yes.
285. You don't know whether the boat went or not?—I never heard that she did.
286. How long would it take to go there?—It is about half way down the Lake.
287. How long would it take to go down to that place?—The whole trip down to Grand Rapids, would take about eleven days. This would be about half way down, it might take four or five or six days.
288. They might have hired a man in your place, after you left them, to make this or any other trip down to Berens' River?—They might but I never heard that they did.
289. How long would the voyage take?—They ought to have been down and back again in 15 days.
290. You don't know whether this account might not relate to the second trip or not?—No.
291. And you don't know whether the other man that was with you made a second trip or not?—No.
292. You don't know whether he put in two months or not?—No.
293. Still you make a declaration here that he was paid for a month and a half?—Yes.
294. You left the boat and you don't know whether she made a second trip for a week or ten days or a fortnight, but you made the statement that you were only paid for a month and a half?—Yes, I was only paid a month and a half.
295. According to your statement the boat had to make a trip down to Berens' River?—She did not go there.
296. Will you swear that she did not go there?—I won't swear, but I know that she did not go.
297. How can you say that she didn't go?—Well, I don't know that she went.
298. Were you in Selkirk within the next few weeks after you came back?—Yes.
299. And did you see the boat there?—No.
300. Did you go down to see if she was there?—No.

By Mr. McGregor :

301. Did you send anybody down?—No.
302. I want to know as a matter of fact whether the boat went down to Berens' River or not?—I cannot swear she didn't go to Berens' River, but I feel confident in my own mind that she didn't go.

By Mr. Taylor :

303. You said the Mounted Police officer had a small boat on that trip?—Yes, a little skiff.
304. Do you know whether Governor Schultz had a small boat that made another trip that season independent of this boat?—Only by hearsay.
305. Hearsay is not evidence. Do you know whether he had another small boat?—No, I do not.
306. He may have had another small boat and that boat make a trip without your knowledge?—Yes. He may have had a dozen boats.

307. You do not know anything about the provisions that the Mounted Police brought on board—whether they were furnished by Governor Schultz or not?—No, I do not.

308. A portion of those furnished by Robinson may have been a part of them?—They may have been.

309. So that your statement in your declaration, in reference to the provision is not correct?—So far as the crew was concerned it is.

310. Would it be necessary to have that boat hauled out on the shore, after her return, and laid up if the Governor wanted to take proper care of her for the winter?—She would have to be hauled out of the water before the ice would make.

311. It would be necessary to have that done?—Yes, sir.

312. You do not know whether it was done or not?—No, sir.

313. You did not see the boat again that season?—No.

314. Have you seen her since you left her?—No.

315. So that it would be necessary, from the time you left the boat, to put some other man to lay her up properly for the winter?—Oh, yes. She could be hauled up.

316. She could not be left there in the water if the Governor wanted to take proper care of her, as Government property?—No.

By Mr. Somerville :

317. Whom did this boat belong to?—So far as I know she belonged to His Honour the Governor.

318. Are you aware that the Governor took a sail on Lake Winnipeg himself in her?—I have heard that he went out about a couple of miles at the mouth of the river. A return steamer took them in tow back again. That is a rumour I heard.

319. The Governor never sailed with you?—No.

By Mr. Lister :

320. Watts was the builder of the boat?—Yes.

321. And he was drowned on her?—Yes. He died from exposure.

322. Oh yes, he perished from the effects of exposure?—Yes.

323. What were the names of others who were drowned?—There was sergeant Morphy, and a constable named Rennie.

324. Was Morphy a Mounted Policeman?—Yes; he went out with me the year before.

325. Both he and Rennie were Mounted Policemen?—Yes, I believe so.

326. They were drowned on the boat?—Yes.

327. And this man Watts died from exposure consequent upon the shipwreck?—That was the report.

328. You know he went to the hospital, I suppose?—Yes.

329. What year was it that that shipwreck took place?—In the year 1890.

330. In 1889 you went out to the Grand Rapids?—Yes.

331. In the fall of 1890 the boat was wrecked?—Yes.

332. Has she been capsized again this year?—Yes, as appears by the papers.

333. By the public press?—By the public press.

334. Was anybody drowned?—No, sir.

335. Nobody was drowned this year?—No, sir.

336. You say the Governor told you to say this was a pretty good boat?—Yes, that was his great anxiety both in my report in going up the lake and before I took her over from the carpenter—the boat builder, that I should say she was a pretty good boat.

337. Do you know what she cost?—I cannot tell exactly. I know I went several trips backwards and forwards between the boat builder and His Honour in regard to her construction. The Governor's first offer, I believe, was \$200, and then Mr. Watts rather demurred at that to furnish sails. The bargain was to furnish sails; everything in fitting her out except the anchor and chain. Watts objected to that. He came up and had some agreement with the Governor, and told me the

price of the boat afterwards. He told me what he was to receive, but I do not remember what it was; it was either \$230 or \$250.

338. That was to include sails, hull, and everything except —? Anchor and chain.

339. When was she built?—She was finished in June, 1889.

340. The boat was built in 1889?—Yes.

341. And you think \$230 or \$250 was the price?—Yes; so far as Mr. Watts said.

342. That would include the sails?—Yes.

343. It would include everything except the anchor and chains?—Yes.

344. You were telling us that the Governor wanted you to say she was a good boat?—Yes.

345. Tell us what he said about that?—He said I ought to give a pretty fair account of the boat. He would like to see the boat given a good name to, and so on. I thought when she was on the river—I was sailing her—that she was not a bad boat. I think so still.

346. The hull was not bad?—No.

347. But the rigging makes her dangerous?—The rigging makes her dangerous to go in.

By Mr. Mulock:

348. Did you say whether she was decked over or was she open?—She was decked about 5 or 6 feet over.

349. Any combing?—A combing of about four inches.

350. What was her depth of hold? What draft of water; what did she draw aft?—Something about 2½ feet.

351. And how much forward?—About 2 feet forward.

352. What was her beam?—About 9½ feet if I remember rightly.

353. And the height of the masts, from the topmast head?—The foremast was 35 feet and the main mast 33 feet.

354. What was the service she went out to the Grand Rapids upon?—The service she was designed for, as I understood, was a sort of cruising about to prevent the importation of liquor into the North-West.

355. And you had taken some officers with you as preventive officers?—Yes.

356. To prevent the taking of liquor into the North-West?—Yes.

357. And you of course had none on board?—I had none myself.

358. Had anyone else any on board?—During the voyage out I never saw any on board. I had a permit with me from His Honour. I had a pint of whiskey with me and I used to give Joe Monkman a little drop when we got dry. We had a pint between us. As far as the thing went, we really had no liquor at all. I saw none. When I came to the Grand Rapids I found about half a dozen Hudson Bay officers there—

Mr. FOSTER objected to the witness making any further statement on this point on the ground that it was not relevant to the inquiry.

359. You had a sergeant named Bégin?—Yes.

360. Did they have an orgie at Grand Rapids?—A what, sir?

By Mr. Lister:

361. Did they have a good time at Grand Rapids?—They had a good time.

The CHAIRMAN ruled that this was irrelevant.

362. Did it accomplish the object of this trip, of preventing the introduction of liquor into this district? These expenses are charges for sending this vessel there to prevent the introduction of liquor, and I understand you to say the police officers brought liquor there?

The CHAIRMAN—We are not trying the case of the Mounted Police.

363. Did the police officers or any of them get intoxicated there?—Some of them.

Mr. FOSTER objected.

364. This boat cost \$250?—Something about that.
 365. What was she built of? What kind of wood?—Pine, I think; but I am not an adept—pine boards. I could not swear to that, though.
 366. Had she a keel?—Yes.
 367. With a centre board?—Yes.
 368. A flat bottom?—No, she was not flat-bottomed.

By Mr. Moncrieff :

369. This affidavit that you have made here, who did you swear that before?—It was in Mr. Ewart's office.
 370. Is he a Magistrate?—He is a lawyer.
 371. Who drew it for you?—Mr. Ewart.
 372. Did you go to him and ask him to draw it?—No, sir.
 373. How did you come to get there?—I do not know how it came to get there.
 374. You know how you come to come to get there?—I do not know how he got it.
 375. You know how you came to go there. How did you come to go to Ewart's office?—He sent for me.
 376. Was this drawn up when you got there?—No, it was not drawn up.
 377. Was it drawn up in your presence?—Yes.
 378. And then you signed it?—Yes.
 379. Then it was attached to your letter in print and you swore to it?—Yes.
 380. You swore that everything in this letter was true?—(Reads affidavit)—Yes, as far as I believed at the time.
 381. I see here in reading over the items "The next item, \$68, is purely a fabrication."—What is that item?
 382. It is repairs?—As far as I know.
 383. "The next item is purely a fabrication, as the 'Keewatin' was a new boat on her first trip and needed no repairs." You undertook to say that was a pure fabrication?—As far as when I was with her.
 384. Did you take any trouble to find out whether these repairs were done? Every one knows what a pure fabrication is. Having seen this receipt: "Received from Hon. John Schultz for hauling out and repairing boat 'Keewatin,' mending sails &c. \$68." Are you prepared to say this is a pure fabrication in the face of that?—I cannot say whether it is or not. Matthew Watt is dead.
 385. You have made a solemn declaration that this item of \$68 is a pure fabrication. As an honest man you ought to take the first opportunity of taking it back on seeing that you are wrong. Now, on seeing that receipt do you swear this is a fabrication still?—I could not swear that this receipt is true.
 386. I have shown you this receipt for \$68, and having shown you that receipt are you still prepared to say that this matter is a pure fabrication?—I will not go that far. So far as I am concerned it was.
 387. So far as that trip was concerned there were no repairs?—That is what I meant when I wrote that.
 388. This is an account for the whole year. This is dated 20th August, 1889?—That is after I left her.
 389. That appeared in the Public Accounts. You did not take the trouble to ascertain anything about this \$68. You did not go to see the actual account?—I never heard of that boat going out that season again.
 390. But you knew she had to be hauled out?—Yes.
 391. And knowing she had to be hauled out, and seeing there was an account for repairs, you never took the trouble to see what the account was for?—It was there for repairs.
 392. Did you never take the trouble to investigate the Public Accounts and see what it was?—The hauling of the boat out of the river is not repairs.
 393. Did you ever take the trouble to investigate the Public Accounts to see what the items were for?—The Public Accounts show it.

394. Did you or did you not take the trouble to see the accounts themselves before making this statement?—All that I saw was in the Public Accounts.

395. You never saw it in any other place?—That was all.

396. There was nothing to show you that this \$68 was expended when you were there for six weeks?—She did not make another trip. That is headed: "Expenses of the trip north."

397. Never having seen this account of \$68 you still pretend to say that it is a fabrication?—(No answer.)

398. Answer the question, you want to deal with this Committee as an honest man?—I am dealing as honestly as I can.

399. You were under the impression that the \$68 that you were speaking of had reference to that trip?—The expenses of the trip as stated in the book.

400. Now having convinced yourself, and believing that when you made this affidavit it had reference to the repairs necessary for that trip, and you having been shewn a receipt for the very same \$68 afterwards, if you had to make that affidavit over again would you still swear this was a fabrication?—So far as it is there under the heading of the expenses of the trip north.

401. I understand that when you made this affidavit you were fully under the impression that this \$68 was attached to the six weeks' trip that you had?—Yes.

402. If it did belong to that, then you unconsciously made a mistake?—That is the whole of it.

403. And that is the fair and honest way to put it?—That is the way to put it.

404. The next item is \$102 for the small boat?—Yes.

405. When you looked at that item you were shocked, were you not?—Yes.

406. To think that such a payment was made for this little skiff? It did not strike you for a moment it might be connected with some other transaction altogether?—It is connected with the expenses of the trip north.

407. Did it strike you it might be some other transaction?—It did not.

408. If it was really another transaction at a different time, that you did not know of at that particular time, then you made a mistake, did you not; you unconsciously made a wrong charge against Mr. Schultz?—Certainly.

409. I find here in reading over the repairs that this charge of \$102 is: "Subsequent employment of boat of lighter draught for special service, etc., with rigging and fitting, \$102." That could not belong to this little trip of yours at all, could it?—(No answer).

410. Then I understand from you that the \$102, being for another transaction at another time altogether, if it does not refer to that little skiff, that you unconsciously have made a wrong charge against Mr. Schultz? Now, as to the provisions, I understand you to say you could not identify the account with the provisions that came on board?—No, sir.

411. In making up this statement of yours, you went on by saying—and it is a very strong inference indeed to make against a public man—that \$238 was all you wished to allow for the trip. This subtracted from \$641, as charged in the books, leaves a balance of \$403, almost two-thirds more than the actual expenditure?—That was that trip.

412. When you stated that, you thought it referred to this little trip on which you were engaged for six weeks?—Yes, sir.

413. So that if this \$641 was for expenses, not only for this trip but for other trips and other repairs, at a subsequent time, and for the use of a boat, you have unconsciously done an injustice to Mr. Schultz?—Unconsciously, if there was another trip made north.

414. If these are outside charges; if these are just as you have explained it to me in reference to the item of \$68 for repairs; if you did not include that in making all this deduction and taking out this \$102, and if the \$102 were paid, unconsciously you did Mr. Schultz an injustice?—(No answer).

415. Is that a fact?—If there was another trip made north.

416. If those expenses were paid otherwise, then you have unconsciously done him an injustice. Will you now explain to this Committee, how it was you so rashly, as I look at it, without having investigated the accounts, came to go into print?—The expenses of the trip north—that is how I came to my conclusion, and I still hold to it.

417. What induced you to put this in print as quickly as you did?—This is headed “Expenses of the trip north.” That is why I understood it.

418. You have been misled by the heading, then?—Yes.

419. You thought it was to include nothing else but the expenses of this six weeks’ trip of yours?—I thought that it was.

420. What induced you to put this into the newspapers?—Why, to let the public know.

421. You did it as a matter of justice to the public?—Certainly.

422. In the interest of the public?—Certainly.

423. Did you go to Mr. Schultz and tell him you had found these mistakes in these accounts?—No.

424. Would that not have been a fair thing for you to have done, and to say those were exorbitant charges?—Yes; if he had done the fair thing by me.

425. I thought there was something coming. If he had done the fair thing by you, you would have done the fair thing by him?—Yes.

426. He had not done the fair thing with you?—No.

427. You thought you would stab him in the back?—No; not at all.

428. You swear if he had done the fair thing you would have gone to him like a man?—It is very seldom one does that when they make charges in the Public Accounts.

429. You swore a moment ago that you would have done that?—I would not have done so.

430. You did not think he had treated you well?—I say he did not do the fair thing with me.

431. If he had done the fair thing with you, you would not have taken the course you did?—I don’t know.

432. If he had done the fair thing with you, you would have gone out again with the boat?—I would not have done so under any circumstances.

433. He acted very shabbily, did he not?—I should say that he did.

434. He sacked you at the end of six weeks and got another man in your place?—No; he did not.

435. Do you say that he did not sack you?—I resigned.

436. But you had a little trouble before you resigned, had you not?—Yes. I got a good deal of abuse from him.

437. And you felt hard against him ever since?—No; I don’t know that I did.

438. What day did you resign on?—On the 15th of July.

439. And on what day did you get the abuse from him?—About a week before.

440. Now, did you write this letter before you resigned or after you resigned?—Not until I got Public Accounts.

441. Did you write this letter before you resigned or after you resigned?—Which letter?

442. This letter which you published in the newspapers. Did you write it before or after you resigned?—I think afterwards.

443. Did you write it yourself?—Yes.

444. Why did you write it?—I don’t know.

445. It was done in spite, was it not?—No.

446. You say that you had ill-feeling against him?—I had no ill-feeling against him.

447. Didn’t you swear to me a moment ago that you had?—No. But I thought he dealt very shabbily with me.

448. Didn’t you say you had ill-feeling against him?—I hadn’t any more ill-feeling against him than anybody else.

449. You have ill-feeling still against him?—No; I have no ill-feeling against him, but I was badly treated by him.

450. And you took the very first opportunity that you could find to revenge yourself upon him?—No.

451. And there was nothing you could do except to bring this charge of spending public money?—(No answer.)

By the Chairman :

452. Did you write that newspaper letter yourself?—Yes.

By Mr. Skinner :

453. These items, concerning which you complain, you took as expenses in connection with the trip that you made?—Yes, sir.

454. And, so far as you are concerned, you say that the expenses of which you complain were not incurred in connection with that trip?—No; that is what I have stated.

By Mr. Barron :

455. How long were you in the employ of Mr. Schultz?—This last time, do you mean?

456. How long were you in his employ altogether?—I was first in his employ in the years of the Rebellion, 1868 and 1869.

457. How long were you then in his employ?—Two and a-half years.

458. In what capacity were you then in his employ?—I was a clerk for him.

459. For two and a-half years?—Yes; for two and a-half or three years.

460. Then how long were you again in his employ before you took charge of the boat?—I was never in his employ after that.

461. Never after that?—Not permanently.

462. But you did jobs for him now and then, did you not?—Yes.

463. You were always very intimate with him, were you not?—Yes.

464. That was the last time you had any business transaction with him at all?—Yes; the last time was in the "Keewatin."

465. Has he ever given you a certificate of character?—Yes.

466. In writing?—Yes, sir.

467. Let me see it, please?—Here it is.

EXHIBIT No. 1.

"MANITOBA AND KEEWATIN.

"GOVERNMENT HOUSE,

"WINNIPEG, 30th March, 1889.

"DEAR MR. STEWART,—As I am leaving in a few days for Harrison Lake, I will not be here at the time when you expect Mrs. Stewart. Case to be further examined into, but as I have known you for the past quarter of a century, and had you many years in my employ, I am pleased to be able to say that you discharge your duties in different positions of trust in which I placed you with entire satisfaction to myself, and were I here when the case referred to comes up, I would cheerfully bear oral testimony, as I do now in this way, to your entire probity in all business matters, and truthfulness and honourable dealings in all other ways with your fellow men. I may say, too, that your course during the unhappy occurrences of 1869-70 was characterized by loyalty to your Queen, and great suffering through long imprisonment for attempting to maintain law and order in the land. For Mrs. Stewart I have the highest respect, and I do not believe that either of you would wrong another of sixpence nor bear the slightest suspicion of false witness against a neighbour.

"I am, dear Sir,

"Very faithfully yours,

(Signed) "JOHN SCHULTZ.

"JAMES STEWART, Esq.,

("Late of Selkirk,)

"879, Main Street, Winnipeg."

By Mr. Gordon :

468. You were in charge of that boat on the trip you mention.—Yes.

469. In what capacity—as sailor, captain, or what?—Well, I don't know. Something of that kind, I suppose.

470. You are a qualified seaman?—Yes.

471. And a qualified captain.—Yes, sir. I fulfilled all the requirements of the Board of Trade as regards navigation. My papers were left with the Hudson's Bay Company when I entered their service, and I have never seen them since.

472. The reason I am making the enquiry is, knowing that the vessel was improperly rigged, it seems to me that a competent seaman would refuse to go to sea in such a boat.—I will tell you what induced me to go: it was poverty. Governor Schultz induced me to come from Selkirk to take this boat. When he was getting his position as Governor, and wanted everybody to say a good word for him, he was anxious to get a good word from me. I was then editor of the *Selkirk Record*, and being an old acquaintance he asked me to put in a few good words, and in return he said I would be looked after, and well provided for if he got the position. He said I would get a pretty good situation under him. On the strength of that I spoke in his favour in the paper.

By Mr. Barron :

473. That was in the paper?—When he was appointed he advised me to come up from Selkirk and live in one of his houses. I came up and lived there, and somehow or other I found he took a turn against me. That winter I would have starved unless I got employment in a printing office.

By Mr. Gordon :

474. Was this, in your opinion, an unseaworthy vessel?—I am coming to that. When the time came round and the boat was built he said he had planned this to give me a situation. He asked me to give the boat a good name, and I thought I would give her a trial, having nothing else to do.

475. Was the other man a competent seaman?—No, sir.

476. And you would risk that man's life in going to sea in a boat that was unseaworthy?—Of course, we risked both our lives.

By Mr. Somerville :

477. When you were editor of that paper, did you write many articles as to who should be Lieutenant Governor of Manitoba?—I wrote one or two, I think.

478. You wrote one or two articles?—Yes.

479. What did you say in those articles—that he was a proper man to appoint Lieutenant Governor?—Yes.

By Mr. McMullen :

480. You did that at his request?—Oh, yes; it was hinted to me by His Honour.

By Mr. Somerville :

481. You wrote him up for the position?—Yes.

482. With the expectation that you would get a reward?—Yes.

By Mr. Barron :

483. You went to Winnipeg expecting to get a position from him?—Yes; that is the reason I left Selkirk.

484. And you did not get the position you expected to get?—No sir.

485. And that is the reason you went into the printing office?—Yes.

486. Because you were in great distress?—Yes. I could get nothing else to do.

487. All this time his honor was promising you a situation?—Yes.

488. It was after that you went to Selkirk again to go on this voyage?—During the time I was working, they were planning to get the boat built?

488a. The boat was not built at that time?—Yes.

489. It was winter that they were planning?—Yes.

490. And all this time you were in actual distress?—Yes.

491. You were in want?—Yes.

492. And you went on that boat which was unseaworthy as far as the rigging was concerned?—Yes. I thought with my own little skill I could manage fairly well.

493. You were so much in want that you went on her?—Yes.

494. You told his honor about the unseaworthiness of the boat?—I called his attention several times to the bad rigging.

By Mr. Gordon :

495. Do I understand you to say that your papers were left with the Hudson Bay Company; your papers obtained in England?—Yes, they were left with the Hudson Bay Company.

496. Did you ever apply them to have them duplicated?—In 1850 when I entered the Hudson Bay Company's service they required my papers. There was my Master's certificate and the clergyman's paper obtained in my native village of Stromness in Scotland. The papers were left with the Hudson Bay Company. I made application for them when I was over in 1881, but the old agent was dead and I could not get them. My ticket was there. We used to call it a ticket in those days.

497. Was there no other employment in Manitoba in 1889, except to take one of your fellowmen on board of an unseaworthy vessel and risk his life on the lake?—I have stated my reason for going.

498. He was likely to go with you, knowing you were a qualified seaman?—I told the Governor I wanted a qualified man with me, but he insisted upon Monkman going with me. He was as much to blame as I.

By Mr. Somerville :

499. Did you say this man Monkman was a very old man?—Yes, sir.

500. How old was he?—He is over eighty.

By Lieutenant Governor Schultz :

501. You have stated that you have received payment for your services \$67.50, less \$10, kept back from you, partly in money and partly by cheque?—The money I received, yes, sir.

502-3. Will you give me the amount paid to you in money, and the amount paid to you by cheque?—I have told the committee already I have forgotten the moneys that I got of each kind. I have really forgotten it.

504. You got some of each?—I got some of each.

505. Did you get \$20, at one time?—I could not say, sir. I could not swear to any amount.

506. Did you get \$15?—I might have; I could not say.

507. You think you might have got \$15?—I might have; I do not know. I know I was paid at that rate.

508. You think this \$15 was in money and not by cheque?—I believe by cheque or money.

509. Take care what you are about, I have your cheque here. Was that \$15, in money or in cheque?—I do not remember having received \$15, by itself. Part was in cheque and part was in money.

510. You deny you got \$15?—I do not deny it and I do not say it was the case. I may have got it.

511. Tell us any amount you received at any time on account of your services? I could not tell you.

512. Do you mean to say you do not recollect?—I do not recollect. I know it was paid one way or another. I got my wages.

513. How is it you remember you got \$57.50?—I recollect very well that I was paid up with the exception of \$10, you kept from me.

514. Did you get \$57.50?—Yes; I say that much.

515. How much of that was by cheque and how much by money?—I could not tell you that.

516. Will you give me one amount you got by cheque or money?—I could not tell you.

517. And yet you recollect you received \$57.50? Did you get it all in one sum?—No, sir. If I got it in one sum, I would remember it.

518. Did you authorize your wife to get any of this money on your account when you were away?—No, sir.

519. Had she any right to receive any money on your account while you were away?—No, sir.

520. Did she receive any?—No, sir.

521. You swear to that?—Yes.

522. Did you receive any?—From you?

523. Yes; by cheque or cash?—Yes.

524. How is it you recollect the one and not the other?—I do not recollect the amount received because it was paid on several occasions.

525. On what different occasions was any paid to you?—Some was paid when I went to Selkirk to see about getting the boat ready.

526. How much was received then?—I could not tell you.

527. Was it \$20?—I do not recollect.

528. Was it \$15?—I could not say.

529. Was it \$10?—I could not say. I won't swear to what I do not recollect.

530. You do not recollect anything about it, as to how much money you got?—I know I was paid up at that rate.

531. Do you know you got any money at all?—Yes, I do. I know I got my wages.

532. Give me any one amount you received?—I cannot tell you that, because it was paid on so many occasions.

533. How many occasions?—I cannot tell you that, because going up and down to Selkirk and seeing about getting the boat ready I got a little money from you.

534. How much did you get at any one time?—I cannot really tell. Perhaps sometimes \$2 and sometimes \$5.

535. Did you get \$5 at any one time?—Yes, I think it was about that. I could not swear to that. I think perhaps I did.

536. Do you think you may have got \$25 any one time?—I cannot tell you.

537. Do you deny it?—No; I do not deny it.

538. Did you get \$40 at any one time?—Not that I know of.

539. Did your wife get any for you?—Not for me.

540. Did she get any money while you were away?—She got money for hard service while she was at Government House.

541. Was she at Government House while you were away?—She was worn out by the hard work she did at Government House while I was away.

542. Then she did not get pay for services rendered at Government House while you were away?—Not on my account.

543. Did she get any money?—I do not know anything about it.

544. You cannot recollect anything you got?—No, I do not know of any particular sum.

545. Do you swear positively you did not get \$100?—I swear that positively.

546. Do you positively swear you did not get \$15 from Hon. Dr. Bown in cash in my presence?—For what?

547. I am asking you, not you me. Answer my question.—Not as my wages.

548. Did you get it for any purpose?—I do not think so. I do not remember it.

549. Do you think you may have done so?—I cannot remember Dr. Bown giving me \$15.

550. You swear positively you did not get \$15 in my presence from Hon. Dr. Bown at Government House?—Was Dr. Bown paying any part of my wages?

551. I am asking you the question.—If it was outside of wages, you have nothing to do with transactions between me and Bown.

552. Answer my question.—No, sir, I will not; because I think you have no business to ask what passed between me and Bown.

By the Chairman :

553. Dr. Bown is the Governor's Private Secretary. Did Dr. Bown pay you any money in his presence?—He never paid me a cent in his presence.

By Lieut. Gov. Schultz :

554. Did he pay you \$15 for anything?—I do not recollect getting \$15 from Dr. Bown.

555. Would you swear positively you did not get it?—I would not swear it. I cannot see what I got it from him for.

By the Chairman :

556. You have no recollection of getting any money from him?—I had no money transactions with Bown at all.

By Lieut. Gov. Schultz :

557. Is that your signature?—Yes, that is my signature (referring to cheque exhibited.) It looks like it.

558. Is it, or is it not your signature, as it involves a question of money?—I would not swear it is my signature.

559. Can you tell your own signature?—It is very like my signature.

560. What moneys did you receive from me in 1888?—I received no money from you in 1888. You generally gave me perhaps a dollar. In 1888—that was to go on the trip up the Lake.

561. You received no money in 1888?—Yes, I did.

562. How much did you receive?—I do not remember.

563. Was it \$50?—I cannot tell.

564. Was it \$20?—I cannot tell. I was employed by you to go out on a trip with the steamboat.

565. Did you get any money at all for it?—Yes, I got some money.

566. Did you give a receipt for it?—I do not remember whether I did or not. If I did, I suppose you have it.

567. As to this trip, did you make any report when you came back?—Yes.

568. Would you know your own report?—Yes.

569. Would you know your own signature?—Yes.

570. Why didn't you know it on your cheque?—If you show me what is in the cheque, of course I could. I do not dispute, that it is my signature.

571. Now you made a report when you came back. What is in that report?—There was various things in it.

572. Do you recollect anything at all that was in it?—I think there was something in it about fisheries.

573. Anything else?—Something about liquor in the North West.

573½. What else?—That is all I can think about. I think there was something about sowing wild rice among the Indians.

574. What did you say about liquor in the North West?—I did not say anything about liquor in the North West. I said there was a sort of jamboree in Manitoba.

575. "Just arrived back". Is that the way you commenced your report?—Yes.

576. Is this your report?—That is my report.

577. Your signature is attached to that report?—Yes, it is my report.

EXHIBIT No. 2.

(Copy.)

JAMES STEWART'S REPORT.

"Hon. Dr. JOHN SCHULTZ,
"Lieutenant-Governor of Keewatin,

"SIR,—In accordance with your instructions that I should proceed to Lake Winnipeg and visit its further end, keeping to the east shore, and report to you upon liquor, fish and generally as regards the country adjacent to the lake, I proceeded down the lake, the passage proving to be a very stormy one. A series of storms with snow and sleet considerably delayed us, but on the whole I found it better for my purpose, as I had more time to gather the information I wanted. I visited various points on the lake, hereinafter referred to, and have just arrived back.

"In the following report I will first speak of fish, the principal varieties being whitefish, sturgeon, lake trout, perch, pike, pickerel, gold eyes, two or three species of suckers, tullabee and a few other kinds of less value. The most valuable of these is the whitefish, which has been the principal food of the Indians who live around the shores of the lake. The spawning season generally begins about the middle of October and ends about the middle of November. During this season they frequent the shallow water around Bull Head, Dog Head, Elk Island, Rabbit Point, Swampy Island, and the mouths of the Little Saskatchewan River, Grand Rapids, Blood River, Beaver River, Leaf River, Poplar River, &c. After spawning the fish seek for deep water, and are generally to be found all over the lake. With regard to the question as whether the supply of these fish is diminishing I may say that it is the universal opinion of all I have conversed with that they are diminishing to an alarming extent, especially at the south part of the lake. The fishing grounds around Bull Head, Dog Head, Elk Island, Swampy Island and Berens' River are almost depleted owing to the wholesale slaughter that has been carried on there during the past few years. The people I have spoken with, who live around the lake, inform me that unless this wholesale exportation of whitefish to the United States is stopped that in a couple or three years Lake Winnipeg will be completely denuded of fish. Even at the present time, I understand, that the Indians in these vicinities find it a hard matter to get enough to supply their wants. I will take, for instance, the mouth of the Little Saskatchewan River, I remember that about thirty years ago, that at that place in the fall of the year the Indians were used to stand on the shore, with a scoop net, and take out two and three whitefish at a time, whereas in the present day there is hardly any to be got there at all. It is the general opinion of all who are conversant with the matter, that unless some means are taken to stop this wholesale slaughter of fish now carried on, the Government will have to feed all the Indians and half-breeds around the shores of Lake Winnipeg, apart from the Icelanders who have settled there, as they are beginning to find it a difficult matter to catch enough to supply them with food. Again, the people of Manitoba can hardly get any for their own use. I am told that to-day fresh whitefish are dearer in the market of the City of Winnipeg than they are in Chicago or Buffalo.

"In my opinion the same law that prevents the exportation of game, should be applied to the traffic in whitefish, otherwise it will be a serious matter for the Indian and half-breed population and all who depend upon fish for food.

I notice also that there is a great waste of fish at the fishing stations, of such fish as perch, tullabee, and suckers. A great many of these are caught by the fishermen in the white-fish nets and are thrown away with the offal of the white-fish. I observed at fishing stations a pit dug in the ground, where all the refuse of fish is thrown, and I there saw a considerable number of good perch and suckers thrown away there to rot.

On the whole if our Indians are to be kept on their Reserves around Lake Winnipeg, something will certainly have to be done to preserve the fish supply. Most of the Reserve consists of rock and marsh, altogether unfit for agricultural purposes, except it may be that a few potatoes can be raised in some places. Therefore, if the

supply of fish becomes exhausted, as it certainly will do if the present wholesale slaughter continues, there is then no alternative for the Indians but to roam over a rugged country in search of deer and moose, which will, at best, prove but a precarious means of subsistence, while at the same time this roving mode of life would place them beyond the means of civilization. So far as I have conversed with these Indians on my route, they all seem to look forward with dismay to the approaching ruin of their principal food supply.

I would strongly recommend the Dominion Government to stop the exportation of fish to the United States, and means used to preserve the fish from being wantonly destroyed as seems to be the case at present.

Wild rice is found in many places around Lake Winnipeg, especially around Fort Alexander and Berens River. It is a very hardy plant and will grow in places where there is shallow and still water. I have known several instances of its being sown and always found it to grow in any place adapted for the purpose. There are a considerable number of small rivers and small lakes on the east side of Lake Winnipeg where it could be sown with advantage, and which in a few years would supply the natives with a very good article of food. The average depth of water required for its growth is from three to four feet and the best time to sow it is in the fall season. The first season after being sown, it generally comes up very thin and spare, but in the course of two or three years it comes up abundantly and yields a good crop. I think that an effort should be made to sow this excellent food bearing plant in every place suitable for the purpose, and there are very many such places in the vicinity of Lake Winnipeg, the east side especially. This region on the East side of the Lake is generally rocky and marshy, with innumerable small rivers and small lakes. There is very little of it adapted for agriculture, but the wild rice could be raised almost anywhere throughout this part of the country. By an abundance of this article of food, together with a proper protection of our fish, the Indians would be able to support themselves in comfort, and save the Government a considerable amount which they would otherwise have to expend in feeding them.

From all I can learn I think there must be a considerable amount of intoxicating liquor carried around the shores of Lake Winnipeg. I noticed that at every point we called there was some, more or less, to be had if wanted. Whether there is any supplied to the Indians I am unable to say from personal observations, although I am led to believe that unprincipled persons very often supply the natives with it. I was informed by one of the officers of the steamboat that during the past summer there were complete and general drinking bouts among the Indians at the Little Saskatchewan River. The liquor was brought out there by a man whose name I could not learn, as it appeared he was hiding in the woods on the opposite side of the river, where the Indians were observed to cross and bring over bottle after bottle of the stuff. The consequence was that a complete scene of confusion and noise took place, and the river side was converted into a pandemonium. A considerable quantity of vile stuff is traded among the Indians under the name of "essence," either essence of peppermint, ginger or lemon. These so called essences are put up in small bottles and sold freely among the Indians, and it is no uncommon thing for an Indian to get drunk on a bottle of essence of ginger. This stuff is generally supplied by petty traders in the summer time, who go out in small boats around the various points in the lake where the Indians frequent, and trade off their vile stuff for either furs or dressed moose and deer skins. I do not think that any great quantity is carried out on the steamboats of the North-West Navigation Company, as I think it would be prohibited by them if known. But it is carried out by the small traders who take it out in small boats, and take it into every bay and river where Indians can be found. A little may be taken out in the winter time by sleighs, but the summer time is the principal season that this illicit traffic is carried on.

In my opinion, in order to put a stop to this demoralizing traffic, it would be for the Government to hire or purchase a good fast sailing boat, capable of being worked by two men, one of them at least a good sailor and thoroughly acquainted with Lake Winnipeg, to watch these small craft which swarm around the lake, having power

to examine all merchandise taken out for trading purposes, and seizing all liquor carried, without a permit from the proper authorities. At the same time these boatmen could do good service by sowing wild rice in any suitable place found along the lake, or in the small lakes not far distant in the interior. The cost of such an outfit would be a mere bagatelle, compared with the advantage which might be gained by increasing the food production of that part of the country, and thus materially adding to the wants of the Indian population which would necessarily lessen the cost of feeding them. It would also be the means of effectually putting a stop to the liquor traffic in every shape. The chief place that the liquor or so-called essences are supplied from is West Selkirk, and no doubt some from Winnipeg, but it all must pass mostly from the Red River into the lake. No restrictions could be placed on the traffic at Selkirk, as it could easily be carried out of that place and embarked at any point along the river. The most effectual method would be as I have suggested, to have a boat to watch along the mouth of the Red River and Gimli and other points.

I have taken particular care, both by personal observation and by well authenticated information, to look for a region suitable for an Indian Reserve, and from my own knowledge of the country and from what has been told me by Officers of the Hudson Bay Company, who are well acquainted with the country around Lake Winnipeg, I would recommend the East side of the Lake, from Mossy Point near Berens River, Northward to Montreal Point, adjoining Play Green Lake. This district has a coast line of about one hundred or one hundred and twenty miles. There are numerous small rivers along this part, the principal ones being Leaf River flowing from Leaf Lake, a small sheet of water about forty miles inland; Pelican River flowing from Pelican Lake, about thirty miles inland, Poplar River, a good sized stream, where there is a Hudson Bay post. This river flows from two lakes, the first about fifty miles, and the second about seventy miles inland. They are respectively named Thunder Lake and Windy Lake, Black River flowing from Black Lake, about sixty miles inland, and Little Black River flowing from the same source. There are numerous other small streams, which are all more or less stocked with fish. This country is but little adapted for agricultural purposes, being composed principally of rock and marsh, interspersed with innumerable small lakes and rivers. Of course certain spots may be found where a few potatoes, barley or garden vegetables might be raised, but not very extensively. The country however is well adapted for abode of our Indians, being well supplied with all things necessary for their mode of living. The country is covered with timber, chiefly red pine, white spruce, tamarac and poplar. Berries in the proper season are abundant: namely, black and red currants, strawberries, gooseberries, pemmican berries, cranberries and huckleberries. Wherever wild rice is found there are always great numbers of wild ducks, as these birds feed on the rice. The country is also abounds with deer and moose, as some black and brown bears. Of the fish, I have already spoken. So far there have been no fishing stations established in this part of the lake, for the purpose of exportation. Taking all these things together, I do not think that a better place could be selected for an Indian Reserve than this place I have reference to. Were the cultivation of wild rice carefully attended to, in the above mentioned district, I have no doubt but that the number of wild geese would be materially increased, as these birds flock to the places where this plant grows, to feed thereon.

"I consider that this place should be selected for an Indian Reserve, that some measures should be taken to preserve the whitefish in that vicinity. For this purpose, I think that no company or persons who fish for exportation, should be allowed to fish in these waters within six miles from the shore. This would keep the feeding grounds of these fish intact. These Fish Companies, when stormy weather occurs, are sometimes not able to go to their nets for two or three days. In such cases, when the nets are lifted they are full of dead fish, such as perch, suckers and tullabees. These are often thrown overboard, which naturally sink on these feeding grounds. The whitefish being a very sensitive fish, with regard to cleanliness, soon desert the place and seek other quarters and new grounds. The wholesale slaughter

of fish must and will in a very few years, have the effect of depleting the lake of whitefish, and thus necessitating some other means to be adopted in providing food for our Indian population.

"My trip through Lake Winnipeg necessarily curtailed the range of my observations. But having many years ago been a resident at Norway House and Berens' River and the mouth of the Little Saskatchewan, I was in a better position to know the nature of the country surrounding the above named lake than persons who only have business on the lake itself.

"A proper survey of Lake Winnipeg is much wanted. Very few maps of that sheet of water are to be had, and even these which have been made are inaccurate and unsuitable. In some maps I have seen, islands are set down where none exist, and those islands that are set down are out of place. The same may be said of the headlands, bays and rivers around the coast. All are so distorted that they are no guides at all to any person sailing through the waters.

"I am sorry that my present report is so narrow and limited, but as I have already mentioned the short time that I had at my disposal necessarily accounts for its brevity.

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

(Sgd.) "JAMES STEWART."

By Lieut. Governor Schultz :

578. Are you well acquainted with Lake Winnipeg?—I am fairly well acquainted with it.
579. Have you ever lived on it?—Yes, sir. I have lived on it.
580. Where have you lived?—At Berens River.
581. Have you lived at Norway House?—Yes, but that's not Lake Winnipeg.
582. You know the lake well, do you?—Fairly well.
583. Are you a master mariner?—Yes, sir.
584. Did you ever get a certificate as a master mariner?—Yes.
585. From whom?—The British Board of Trade.
586. Where is that certificate?—It is in the possession of the Hudson's Bay Company.
587. Can you take observations?—Yes, sir.
588. Are you familiar with the compass?—Yes, sir.
589. Is there any variation of the compass in Lake Winnipeg?—Are you examining me in navigation?
590. Answer that question, sir. Is there any variation of the compass in Lake Winnipeg?—There is.
591. How much?—I cannot tell you now.
592. Is it East or West?—It is East, I think.
593. But you don't know, sir?—I cannot tell you now.
594. And yet you know Lake Winnipeg all the way to Grand Rapids?—Yes.
595. You don't know whether it is East or West?—No answer.
596. Supposing it to be East or West how many degrees variation would there be?—It varies yearly a little. There is no constant number.
- Mr. Skinner objected. Objection overruled.
597. How many lighthouses are there in Lake Winnipeg?—Well; there is not enough. There is one at Swampy Island, I know.
598. Will you swear that that lighthouse is on Swampy Island?—I cannot; because I never saw that lighthouse. It was not on our route.
599. Do you know an island called Channel Island?—Yes.
600. Do you know an island called Reindeer Island?—Yes.
601. Is there a lighthouse on that Island?—Not to my knowledge.
602. Is there a lighthouse on Channel Island?—Not to my knowledge.

603. Have you consulted the Public Accounts with reference to Lake Winnipeg?—I have seen the Public Accounts.

604. Do you mean to tell me that you have not seen in the Public Accounts a payment to the keeper of the Channel Island lighthouse upon Lake Winnipeg?—No; I have never seen that.

605. You say then that there is no lighthouse there?—No; I don't say that. I don't know it. I was acquainted with the keeper of the other.

606. You don't know the lighthouses on Lake Winnipeg?—No.

607. And yet you are competent to navigate that lake?—Yes.

608. How near can you approach with safety with a centre board boat 6 feet beam on the north side of Channel Island?—Not very close I should think.

609. How close?—I cannot say just now at the present moment.

610. What depth of water is there?—I cannot say just now.

611. If you were approaching there at night what would you have to do?—I cannot tell.

612. You don't know?—No.

613. Do you know how near you can approach on the east?—No.

614. Do you know on the south?—No.

615. Do you know on the west?—No.

616. You don't know anything about it?—I know that there are shallows all around the island.

617. Do you know that nearly every steamer that passes through Lake Winnipeg passes near by it?—No.

618. How is it that you don't know it?—I don't know.

619. You don't know the Channel Island lighthouse—you don't know whether there is one or not?—No.

620. And yet you are a master mariner, a sailing master competent to work a boat, and you admit that you have been paid \$67.50, and you don't know where Channel Island lighthouse is?—No; I don't know, because all the time I was on Lake Winnipeg there was no Channel Island lighthouse.

621. Will you swear positively that there was no lighthouse in 1889?—I did not see any lighthouse there.

622. There has been one there for the last five years. What is the compass course from Long Point to Spider Island Harbour. Never mind the variations out with it?—It would nearly lie north by west, it would be close on north-west, I should think.

623. What is the compass course from Long Point to Montreal Point?—Nearly east. In sailing this country we have to go near the coast.

624. You cannot always go near the coast. As a master mariner you don't know the course?—You are always in sight of the coast.

625. Are you certain you are always in sight of the coast?—Yes; you are always in sight of it.

626. What is the compass course from the Channel Island Light to Jack Head?—I told you I do not know where the Channel Island Light is.

627. What is the compass course from the north end of Reindeer Island to Montreal Point? Out with it now?—It would lie north-east I should think.

628. What is the compass course from the south end of Grassy Narrows to Elk Island?—That would be about south, south-east, I should think.

629. What is the compass course from Elk Island to the foot of Black Island?—Close on north; due north.

630. On what compass course would you with five feet draft strike the outer entrance of Berens' river?—The outer entrance is crooked.

631. On what compass course would you strike the entrance to Berens' river?—You would north east and then turn again and go about south west, I think. I would like to make a remark here. It is impossible to tell right off-hand the compass course of anything without having a chart with you. You cannot keep all these in your head all the time.

632. How many half points are there to a compass? Out with it now, quick?—Just wait a little.

633. Well, a master mariner should know that?—There are 32 points; 64 half-points.

634. You are quite sure there are not 34 points to a compass? Will you swear there are not 34 points to a compass?—It depends on what you call a point.

635. Will you swear there are not 34 points to a compass?—What is a point?

636. Will you swear positively there are not 34 points to a compass. Take care; you are on your oath?—There are 32 full points to a compass.

637. You have insinuated in your letter that the boat known as the patrol boat Keewatin is an unsafe boat?—Yes, sir.

638. Did you ever state to anyone that she was perfectly safe?—I did to you; at your request.

639. At what time?—Before I sailed in her, and when I came back.

640. Verbally or in writing?—In writing.

641. You stated it in writing that she was a safe boat when you believed she was not?—The boat was all right enough; it is the rigging I say is bad.

642. Did you state that at the time?—No, I did not.

643. Did you say that the boat was safe?—Yes, I did; but you must remember that you requested me to say so.

644. Did you state that she was a safe boat, in writing, or in words?—In writing.

645. Where was it written from?—I think it was in my report to you.

646. What time did you make your report to me?—After I came back.

647. What time did you come back?—I came back on the 11th of July. I think I came up to your place on the 11th or 12th.

By Mr. Barron :

648. What year was that?—1889.

By the Lieut. Governor :

649. Will you look at that and say if that is your signature?—That is my signature.

650. You are positive about that?—Yes.

651. I will read it:

EXHIBIT No. 3 :

“ WEST SELKIRK, 15th June, 1889.

“ This is to say that I have this day received from Mr. Matthew Watts, boat builder, the sailing yacht ‘Keewatin,’ in excellent working order and after due trial found her to work very satisfactorily in sailing quantities and seems to be well suited for the purpose for which she is intended.”

(Sgd.)

“ JAMES STEWART.”

Q. Did you write that?—That is right enough.

661. Where did you write that from?—From Selkirk.

662. Was I with you at the time?—No, sir.

663. Did anyone compel you to write that letter?—You did. You said you would not take over the boat until that letter was written. That was the time you asked me to give a good name to the boat.

664. Were you aware that the whole of the payment for the building of that boat had not been paid to Matthew Watts until you made that inspection?—No; I was not aware of it.

665. You were not told that by me?—No, sir.

666. You did not know that this report determined whether he was to receive the rest of his pay or not?—I did not.

667. Did you ever hear that from me?—I never heard that from you.

668. Why did you give the report?—I was told by you to take over the boat from him. That is the reason it was written.

669. Was that in the report?—No. I did not say that in the report. It is merely taking over the boat from Watts? Watts had the certificate in another shape and I shaped it in that way.

670. Watt drafted this?—Watts drafted one certificate, but it was considerably different from that.

671. This is yours?—Yes.

672. Every word of it?—Every word of it.

673. You stand to it to-day?—As far as the boat herself is concerned, I do stand to it to-day.

674. Do you stand to it now?—As far as the boat herself is concerned, I do.

675. Is that statement true or false?—It was true enough, so far as I saw her on the river at that time.

676. It was utterly true and yet utterly false at the time you wrote it?—I thought she was a good boat then. I still think she was all right enough, as far as the boat was concerned; but, as I have told you several times, the rigging is bad.

By Mr. Somerville :

677. You had only tried it on the river then?—Yes.

By Lieutenant Governor Schultz :

678. You say that Matthew Watts made out a report which you requested him to alter?—Yes.

679. What was the nature of his report?—I forget now.

680. In any case, this is your report, and what you have written in here is true?—It is true as far as the hull of the boat is concerned.

681. Is it true or false?—It is false as regards the rigging.

682. Did you write that statement knowing it to be a falsehood?—It is true as regards the boat.

683. Did you write that statement knowing it to be a falsehood?—I did not. It is true as regards the boat.

By Mr. Taylor :

684. Was the boat equipped and ready for use when you wrote that statement?—Yes.

685. Then, does that apply to the boat as she was that day?—Yes; on a trial on the river. Certainly, that day I had confidence in the boat. I believed what I had written that day.

By Mr. Moncrieff :

686. Did you notice the defect in the rigging at that time?—Yes; I told His Honour about that before.

687. Did His Honour tell you to report that the rigging was right, although it was wrong?—He wished the thing to be reported good.

688. Did he wish you to report a falsehood?—No, no.

689. Why do you wish to lead us to that inference?—He wished me to report favourably.

690. He wished you to report on the vessel?—Yes.

691. And you told him that she was not rigged properly?—Yes.

692. And then did he tell you to report that she was all right?—I said nothing about the rigging. She worked very well that day on the river.

693. Did you leave it out purposely?—No; I did not.

By Lieutenant Governor Schultz :

694. Did you make any other statement about this boat?—I think there is something said about it in this report.

695. Did you make any report when you came back?—Yes.

696. Would you know it if you saw it?—That report you showed me just now, that is it.

697. Did you report the incidents of the trip that you made out?—Fairly well.
698. When did you reach Long Point?—I can tell that by my journal.
699. Where is your journal?—Here. It was on a Sunday; I know that.
700. Find out anything you say about the "Keewatin" in that journal?—We had to run against a fearful gale that day. She stood it very well. I see that it was on the 23rd of June.
701. What did you say about the boat then? Did you keep that journal for your own information? Is it true?—Yes.
702. Was that journal written under compulsion or at my request?—No.
703. Read out of it what you say about the "Keewatin"?—I do not think I have anything about the "Keewatin."
704. Turn up Sunday, the 23rd?—Yes; that is what I have here.
705. What do you say?—"Left the island at 6 a. m. with a strong east wind, which increased in violence as the day wore on. We scudded before it with close-reefed sail and soon lost sight of land. The sea became rough and violent, and we soon lost sight of land. I shaped my course by the compass for Long Point. At 2 p. m. land was discovered ahead, which I knew to be Long Point. I instantly altered my course to clear the north end, which we rounded at 4 p. m., and it was with no small satisfaction that we got around into smooth water and in a cove we landed for the night."
706. The 23rd of what month?—June.
707. That is all there is there?—That is all that I have got there.
708. Did you ever give me a copy of that journal?—I think so.
709. Is this your handwriting?—Yes, sir.
710. The whole of it?—Yes; this is my handwriting, I believe.
711. Is that a copy of your journal (handing it to witness)?—Yes.
712. What do you say about Sunday, 23rd?—I have just read it.
713. You have nothing else?—No.
714. Then I will read to you from your own handwriting: "On Sunday 23rd, left the Island at 5 a. m., and with a strong wind from the south-east made for Long Point. We were soon out of sight of land, when the wind increased in violence. The sea became very rough, much heavier than I had ever seen on Lake Winnipeg. The "Keewatin," however, behaved nobly, and passed through the seething water without shipping a drop"?—That is all right.
715. You are a truthful man?—Yes.
716. How is it you have not got that in your journal? You did not read it out of the journal?—It is not here.
717. Then the journal does not contain everything that is here?—Yes; I remember writing that now.
718. You remember writing what I have just read?—Yes, sir.
719. And that is true?—It is true.
720. Did you write that under compulsion?—No; not under compulsion.
721. You stated here it was the most stormy sea you ever had on Lake Winnipeg?—Yes, sir.
722. You passed through those seething waters without shipping a drop?—Yes, sir.
723. How does that agree with the "Keewatin" being an unsafe boat? You don't know?—I do know.
724. You are a good sailing master?—Yes; and I can tell you I was the only one who brought her safe back here. I was at the helm that day, that is how it is.

By Mr. Barron :

725. You were pretty badly scared, though?—I was not much scared; sailors should never be afraid.

By Lieutenant Governor Schultz :

726. We will go back to the question of accounts. You have stated in your evidence that your furnished your own provisions on the trip in 1889 on board the "Keewatin"?—Yes, sir.

727. What provisions did you take with you?—We bought pork. Mr. Monkman and I bought it together.

728. How much did you pay?—I paid for the outfit.

729. How much was it?—\$16.50.

730. What did it consist of?—Of tea, sugar, biscuit, and some bacon.

731. Who did you buy it from?—Mr. Galloway.

732. Have you got Galloway's receipt?—I have not.

733. Why have you not got it?—I don't know what became of it.

By Mr. Foster :

734. Do I understand that \$16.50 was your share, or was it for your's and Monkman's?—No, Sir ; it was for both of us.

By Lieutenant Governor Schultz :

735. Then you swear positively you paid one half of those provisions?—Yes, I do.

736. You paid one half and Monkman the other half?—Yes.

737. You swear that positively?—I do.

738. Is Joseph Monkman a truthful man?—Yes, sir.

By Mr. Barron :

739. You believe him to be?—I believe him to be.

By Lieutenant Governor Schultz :

740. Is the Mayor of Winnipeg a truthful man?—Mr. Pearson? Yes. I never heard anything to the contrary.

741. Is Mr. Whitla a truthful man?—I believe so.

742. Is E. L. Barber a truthful man?—I think so.

743. Is Mr. W. G. Fonseca a truthful man?—Yes.

744. Is Frank I. Clark, barrister, a truthful man?—I don't know.

745. Have you any reason to believe he is not truthful?—I don't know anything about it at all, sir.

746. Is Joseph Monkman a truthful man?—Yes, sir.

Mr. SCHULTZ—I now produce a document signed by Monkman to be placed on file.

Mr. BARRON—You cannot put it on file before you call Monkman.

By Lieutenant Governor Schultz :

747. You did not get these provisions?—We got them ourselves. There was none of them charged to the Government.

748. The Lieutenant Governor charged the Government—is not that what you say?—We bought them ourselves, out of our own pockets.

749. You and Monkman?—Yes, sir.

750. Which one of you selected them?—Monkman.

751. Did he select, tea, sugar and bacon and biscuits to the value of \$18.50?—I have said it was \$16.50. It may have been \$18 but I don't think it was. I think it was \$16.50.

752. If Monkman were to say you paid nothing, would you believe him?—No, I would not?

753. Yet you believe he is truthful?—Yes, he is truthful.

754. If you saw a sworn statement, would you believe it?—I would.

755. His sworn statement is that you never paid a cent of it?—That I never paid a cent of it.

756. You paid nothing?—I certainly paid my share of it.

757. You would not believe his statement then?—Not in that way, certainly not.

758. Well, that is what he states.

MR. BARRON.—You have no right to say it. You have no right to say there is a sworn statement against a witness, unless you brought the man here and allowed us to put him under cross-examination.

MR. SCHULTZ.—I understand Mr. Chairman, I am not to place this statement before the committee. I call your attention to the fact that the whole of this investigation has arisen from a sworn statement by Mr. James Stewart.

MR. SKINNER.—I do not think a sworn statement is evidence unless the person making it is here to be cross examined.

By Lieut.-Gov. Schultz :

759. If Mr. Joseph Monkman says he was employed in 1889 by the Lieutenant Governor, through his secretary, to act as guide and assistant on the first trip of the patrol boat "Keewatin" would that statement be correct?—Yes.

760. If he said: "I was informed that James Stewart was to be sailing master, and that both of us were to be under the command of Captain Begin of the North West Mounted Police, and to carry out such directions as he gave us. My wages were to be \$40 per month if I boarded myself, and \$30 if supplied with food. After the completion of my term of service I received in all, for this service, the sum of \$80 for which I gave a receipt to His Honour the Lieut. Governor. My connection with the patrol boat ceased after the two months service for which I was paid, as I did not feel safe with a man like Stewart. I remained at my home till I was asked, later on, to accompany Mr. John Cornish in a light draught boat, which had been purchased, from which service I returned, being paid for the last named service \$28 in cash. I was unwilling to go out with Stewart again because I did not feel safe with him. The light draught boat drew six inches of water and the patrol boat "Keewatin" from 18 inches to 2 feet. I took with me upon the trip in the patrol boat "Keewatin" the following provisions which I purchased from Mr. Thomas Galloway, merchant of Selkirk—tea, sugar, bacon and biscuits, to the value of \$18.50 for which I paid him, and for which I have since received as much provisions from Lieut. Governor Schultz. Of this amount James Stewart paid nothing, but he shared in the provision. James Stewart did not furnish any of the provisions used during the whole trip of the patrol boat "Keewatin"?

By Mr. Barron :

761. If this man has said what has just been read to you, is it true?—No; it is not true. Monkman has misunderstood the facts. He went up and bought provisions and paid for them. He told me that he had \$5 from Doctor Bown, and he wished me to take that \$5 to Doctor Bown, and the balance I paid to him.

By Mr. Moncrieff :

762. Then it is all correct but that?—In the general way.

By Lieut.-Gov. Schultz :

763. If he says he was paid \$80 for his services with the "Keewatin," would you believe him?—I don't know.

764. Do you think he might have received that?—I don't know.

765. Would you believe if he told you, he had received \$80?—Yes; if he said so.

766. If Captain Begin were to make a statement like this, would you believe it: "A few days afterwards we arrived at Grand Rapids. I had thus found that Stewart was unfit to take the boat back to Selkirk, and finding a strong man there wishing to go I sent him with the boat. My own experience of the boat on that trip was that she was well built, well rigged and in due proportion. Everything was new and good. The canvas was new and the sails; both had three reefs and were strong and good. The boat I believe to have been one of the best ever put on Lake Winnipeg." Now, do you agree with Captain Begin?—I don't agree with him.

767. And if he described further in his report the incidents of the voyage and stated that you were so frightened that he had to let you lie down on the bottom of

the boat, and that you lay there while he took her into the harbour, would that be correct?—No, sir; it is not true.

768. I want to ask you a few questions more, the first relates to your storm seamanship. Did you go up to Captain Begin in the storm and tell him you did not know what to do, and did not your conduct nearly occasion the loss of the boat and the lives of those on board?—No.

769. Is it not a fact, sir, that "When the stormy winds did blow, the captain would be found below?"—No.

770. Are you brought here as a marine curiosity or a patent prevaricator?

THE CHAIRMAN—That was not a proper question.

771. Do you swear positively that the "Kewatin" was a 35-foot keel?—I never measured her keel, but that is what they told me was the size of her.

772. Why did you swear to it then?—The fact that she was a 35 feet keel was given me by the carpenter.

By Mr. Barron :

773. When you gave a certificate on the 15th June, 1889, that she was seaworthy, where did you try her?—On the river.

774. You did not go down the lake at all?—No.

775. It was after this that you went on the voyage?—Yes; after that.

776. You gave that certificate on the 15th June; where were you on Sunday, 23rd June?—We were sailing below Reindeer Island, and we were in a storm.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 10th September, 1891.

Committee met—Mr. WALLACE in the chair.

J. L. McDougall, called, sworn and examined:—

By Mr. Taylor :

777. I would like to ask if the amounts appearing in the Auditor-General's Report under the heading "Expenses of trip North," are expenses connected with that trip?—I was instructed to ascertain that, but I did not, of course, make out the accounts. It is well understood that I do not make out all the parts of the report. My instructions are, to the persons who do that, to make it as clear, and as intelligent, and as correct as can be done. I am not prepared to say that in that report there may not be some inaccuracies. I don't believe there are any, but, the Committee will recognize, it is a work working a good deal of labor.

778. There is a requisition, with the Governor's Warrant, for the payment of these items, and can you explain why that heading is there "Expenses of trip North"?—I spoke to the person who made out this portion, and he said that was the conclusion he arrived at from these vouchers. That they were all connected with the same trip, and of course repairs.

779. Have you examined the account since I spoke to you?—I have not. But I sent the young man who made those items out to examine them.

780. Here is a requisition for the payment of those accounts. Is there anything to indicate whether it is in connection with the trip North?—I saw some correspondence. I came to the conclusion that there was but one trip in connection with these accounts.

JAMES STEWART re-called and further examined :—

By Lieutenant Governor Schultz :

781. Dr. Bown states in a declaration—I simply read it for the purpose of asking you if it is true :—“ That James Stewart, formerly sailing master of the patrol boat ‘ Keewatin ’ was paid \$100 in 1889 for an allowance of two months time waiting for and on board of the said patrol boat, in the following sums :—Household cheques \$10 to James Stewart and \$10 to Mrs. Stewart on account of her husband’s engagement. Ordinary cheques to Mrs. Stewart \$25 and \$40 ; and \$15 in cash ” making \$100 in all. Is that correct?—It is not correct.

782. Then what amounts did you receive ?—Well, I could not say, because I got it in driblets, and I took no account of it.

783. Can you give me any one amount you received ?—I received one and a half month’s pay—that is what I received.

784. Give me any one amount that you received at any one time ?—Oh, I could not say any one amount. I think I got \$10 at one time.

785. What other amounts ?—I could not say.

786. You cannot recollect any amount but that ?—No, I did not set them down.

787. Did you come down with Mr. John Cornish from Winnipeg ?—Yes, I did.

788. Did Mr. John Cornish tell you that after you returned in the “ Keewatin ”—at least ten days afterwards—he went out with a different boat on the lake on special service ?—Yes, within the Province of Manitoba.

789. Did he tell you that he came back on the 6th of August ?—He came back sometime in August, I don’t recollect the date exactly.

790. Do you know that Lieutenant Governor Schultz took the “ Keewatin,” after she was repaired on the 23rd August, and made a trip down the lake ?—I have no knowledge of that further than hearsay. I heard she went on the lake a little way.

791. You heard I went out on the lake ?—I heard it reported you did.

792. You remember that on Friday you said the “ Keewatin ” made only one trip ?—One trip north, that is what I said, one trip outside of Manitoba.

793. Is this document in your handwriting ?—Yes.

794. I will read it :

EXHIBIT No. 4.

“ SELKIRK, 14th June, 1880.

“ HONOURABLE SIR,—On my arrival here on Wednesday 1st. I found the yacht ‘ Keewatin ’ still incomplete, and I have been hurrying up Mr. Watt ever since. We got the sails bent to-day, and took in a part of the cargo, enough to ballast her, and took a sail about two miles down the river. I find that she works admirably, and I think will prove a fast sailer. She is very quick in the stays, even under the foresail alone. We had a pretty smart breeze, but a little irregular in force. So far as I have seen she pleases me very much. The chains and blocks came down all right, and I managed to borrow an anchor, which is rather too small, but I will try and make it do for this trip. Should Your Honour order one for next trip, you can say that one of about 75 lbs. will do.

“ Her spread of canvas fits beautifully. The sheet of the jib stands rather high, otherwise everything is all right and in good working order.

“ On our trial trip I borrowed a British flag, which we put up on the main mast, while I put the “ Keewatin ” pennant on the foremast.

“ There are some little fixings to be done on the boat, which will be done on our return. We have got her loaded up this evening after supper, and will have everything on board, so as to make an early start to-morrow morning.

“ I find Mr. Begin a very nice gentleman, and I think that we will have a very pleasant time together. He has three men with him, two of whom are from Toronto, and are excellent boatmen, so that we will have a good crew on the outward passage at any rate.

"I have given Mr. Watts a receipt for the boat, showing her to be in good condition and excellent working order, so far as completed. Of course I have given him to understand that he must finish any little addition which may be required.

"Your obedient servant,

"JAMES STEWART."

"Honourable J. C. SCHULTZ,

"Lieutenant Governor, Manitoba.

795. That is your writing?—Yes, sir.

796. You stated in evidence the other night, and some mariners from the Don River laughed at the idea, that this boat had her foremast right in the bow and that the foremast was the larger mast of the two and had the larger sail. They laughed when you said that; but from the Geological Survey official pictures I ask you to look at that boat and say which is the largest mast there?—The largest mast is the foremast.

797. Is it in the bow or not?—It is in the bow.

798. Is that what it pretends to be, a fishing boat on Lake Winnipeg?—I do not know what it pretends to be

799. Look at it; what does it read?—It reads "Fishing boat on the Saskatchewan." The mast was too long and was too heavy in the bow.

800. Here are the pictures of a dozen boats. Are these masts in the bow and are they the largest or not?—With such a boat it depends on the wind.

801. Answer my question?—I have seen hundreds with masts in the bow, but there is such a thing as overdoing such a thing.

By Mr. Lister :

802. Does that picture represent the size of the "Keewatin"?—Is it anything more than a fishing boat?—It is something the same build as a fishing boat, but the mast is out of proportion with the boat.

803. None of these pictures represent the "Keewatin"?—No.

804. Are the boats the same size as the "Keewatin"?—I do not know.

By Lieut.-Governor Schultz :

805. Are the ordinary fishing boats on Lake Winnipeg the same size as the "Keewatin"?—Yes.

806. Did Matthew Watts build her the size of a fishing boat?—Yes.

807. Is this what I read correct or not:

EXHIBIT No. 5.

"MANITOBA :
"COUNTY OF LISGAR :
"To Wit :

*In the matter of a light draught boat, formerly used
as a fishing boat at Grand Marais.*

"I, John Cornish, of the City of Winnipeg, in the County of Selkirk, Gentleman, do solemnly declare:—that I am the John Cornish who was employed by Lieutenant Governor Schultz in 1889 on a special mission, a report of which I afterwards furnished. Lieutenant Governor Schultz sent for me and asked me whether I knew the smaller harbours of the east and west coasts of Lake Winnipeg well, stating that he wished to send some one out who was familiar with the shallower waters of the lake. He asked me whether I knew of a light draught boat which could be got cheaply, stating that the "Keewatin" had exceeded her contract draught and that he did not wish to incur on account of the Government too much expense in the purchase of another boat. I told him of a boat drawing six inches of water of the following dimensions:—length over all, 29 feet 3 inches; beam, 10 feet 3 inches; rigged with two sails and a centre-board. I told him, however, that the boat had not been used lately, owing to the fishing out of the head of Lake Winnipeg, and that the boat, if bought, would need caulking, a new floor, and some other appliances. I made a

bargain with Mr. David McGregor, the owner of the boat, for fifty dollars, which amount was paid Mr. McGregor by cheque. I then undertook to put the boat temporarily in repair for the price of twenty-five dollars, and to paint her, put in strips and put in new flooring for the sum of twenty-five dollars; I afterwards agreed to take charge of a special service on which I afterwards reported, being accompanied by Joseph Monkman, an old, experienced and very good man, knowing the shores of the lake well. He was paid by Lieutenant Governor Schultz for the service twenty-eight dollars, and I received for my services the sum of fifty-two dollars. I have to-day seen the boat in question, hauled up on the bank at Monkman's. She has been caulked, painted and repaired, and with a new suit of sails and rigging, which she needs, she is good for any lake service for five years yet; and is a boat which must have cost when first built about three hundred dollars.

"And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Act respecting Extra-Judicial Oaths.

"Declared before me at the Town of }
Selkirk, in the County of Lisgar, }
this thirty-first day of July 1891. }

JOHN CORNISH.

"L. S. VAUGHAN,

"A Commissioner in B. R. &c.

Have you any reason to believe that Mr. Cornish declared falsely when he made that declaration?—I have no knowledge of that whatever.

808. There is one other statement which I wish to put in:

EXHIBIT No. 6.

"MANITOBA: }
"COUNTY OF LISGAR: } *In the matter of the services of Joseph Monkman on Light*
"To Wit; } *Draught Boat.*

"I, Joseph Monkman, of the Parish of Saint Peter's, in the County of Lisgar, Ferryman, do solemnly declare that I am the Joseph Monkman who accompanied Mr. John Cornish in 1889 on a Light Draught Boat, with centre-board and two sails, of the following dimensions:—length over all, 29 feet 3 inches; beam, 10 feet 3 inches: the boat had been used as a fish boat at Grand Marais, and being of much lighter draught than the Patrol Boat Keewatin was sent out on this service on account of the lake being about five feet lower than usual; this boat which proved a good one in all except her sails, answered very well, it being possible with her to go in very shallow water and to land on the beach almost anywhere. This boat was hauled out of the water by me last fall, has been repaired and painted; and her hull is now quite as good as when she was bought, but the sails are now quite useless. I received as payment of my services when on board of her twenty-eight dollars from Lieutenant Governor Schultz.

"And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Act respecting Extra-Judicial Oaths.

"Declared before me at the Parish of Saint }
Peter's in the County of Lisgar this }
thirty-first day of July, 1891, having }
first been read over and explained. }

"JOSEPH MONKMAN."

"L. S. VAUGHAN,

"A Commissioner in B. R. &c.

809. Have you any reason to believe that Joseph Monckman declared falsely when he declared that?—I know nothing about it.

810. There is one other matter I must also ask you about :

EXHIBIT No. 7.

“ 566 MAIN STREET,

“ WINNIPEG, August 6th, 1889.

“ LIEUT-GOVERNOR SCHULTZ, IN ACCOUNT WITH J. L. WELLS,

Dealer in Hardware, Stoves and Tinware, Heating Apparatus and Galvanized Iron Work, Plumbing and Steam Fitting in all its branches.

June 12, to 100 feet chain for boat.....	\$6 25
“ 12, to paid express on same to Selkirk.....	1 00
“ 12, to one pump for boat.....	3 00
“ 12, to rope for boat.....	1 27
“ 19, to 1 hand axe, 1.00. 1 fry-pan, 50.....	1 50
“ 19, to 1 gal. iron pail.....	50
“ 19, to 1 covd. pail 30 cts., 1 do. 25 cts.....	55
“ 19, to ½ doz. cups.....	40
“ 19, to 6 tin tea spoons.....	15
“ 19, to 6 tin table spoons.....	20
“ 19, to 4 forks, 15 cts., flesh-forks 40 cts.....	55
“ 19, to 1 granite pot.....	1 10
“ 19, to 1 lid 10 cts., ½ doz. knives and forks 60 cts.....	70
Aug. 5, to 1 anchor to order.....	8 50
“ 5, to 10 per cent. com.....	85
	<hr/>
	\$26 52
“ 21, to 1 tow line 60½ feet, at 17 cts.....	10 28
	<hr/>
	\$36 80

“ Paid August 22nd, 1889.

“ J. L. WELLS.

Mr. LISTER objected to these declarations being filed.

811. I have read these declarations, the declarations of Cornish, Monkman and Bown, are they true or not true?—I say that Dr. Bown's is not true. I never received that amount of money.

812. What about the declarations of Cornish and Monkman?—I know nothing about them.

813. There is one item of which you have seen the receipt—the item of \$36.80. You have led the Committee to believe that that \$36.80 was for cooking utensils supplied to you on board the “Keewatin”?—That is my impression. That was charged for on the trip north.

814. Here is the account from J. L. Wells, a man whose receipt you find attached to the papers before this Committee. (filed as Exhibit No. 7.) You say that none of the articles for this \$36.80 went on board the “Keewatin”?—I say no cooking utensils.

815. Your own letter shows you got the chain. You are pinned to that?—Yes.

816. Did you not pick that chain?—Yes.

817. Was it not sent by you to Selkirk?—Yes.

818. Did you not get a pump?—No.

819. Did the pump arrive there after you left; it is charged here on the same day?—We generally bailed.

820. The next item is an axe \$1; did you get that?—No.

By Mr. Montague:

821. Did you have that pump at all?—No.

By Lieutenant Governor Schultz :

822. Did you feel safe in going out without that pump?—We bailed her out. She made very little water.

823. On the 19th June you were on Lake Winnipeg during this storm. There is a charge for an axe, a frying pan, a galvanized iron pail, a common pail, a half dozen tin cups, six table spoons, four forks and a granite pot amounting to \$6.35. I suppose that was for this expedition of the Lieutenant Governor—some articles of luxury for the trip which he took. These were probably supplied to the Lieutenant Governor on his trip out on the 23rd August?—Very likely.

By Mr. Denison :

824. Did you have an axe?—We had an axe, but I think it belonged to Joseph Monkman.

825. Do you know who it belonged to, of your own knowledge? Was it a new axe?—No; it was not a new axe.

By Lieutenant Governor Schultz :

826. On 5th August the anchor was bought that you recommended and charged \$8.50, with 10 per cent off, and on the 21st August, two days before I went out, there is a tow line, sixty pounds in weight, charged at \$10.28.

Mr. SKINNER objected to the witness being asked these questions.

827. Who gave you the money to come down here?

Mr. McMULLEN—That is not a proper question; that is a matter personal to himself.

828. About the last question I wish to ask you is this: You saw in the Auditor General's Report this account, and you believed it to be for the trip north in the "Keewatin." Did you study the Auditor General's Report for the year before that?—That is 1888?

829. 1888-89, expenses. No; I never saw that.

830. When you were looking for a scandal in regard to the "Keewatin," how is it you did not look at the year before that, because there is money spent there too?—I have no knowledge of any moneys being spent there.

831. You will find in the book that \$740 were spent, and if you had access to my correspondence in the Department you would—

Mr. McMULLEN—Is this in order?

The CHAIRMAN—He is in the middle of a question. Proceed, Lieutenant Governor Schultz.

832. This amount is incorrectly stated in that book to be for the travelling of the Lieutenant Governor, whereas the larger portion was for the building of the patrol boat "Keewatin" and lighter draught boats for river and for ferrying purposes, and the payment of two men. I have a copy of your receipt here, sir?—That is in 1888 that I went out in the steamer "Princess."

Mr. SKINNER—I object to going into a matter that is not before this Committee.

By Lieutenant Governor Schultz :

833. There is only one other question I wish to ask you. As I understand, you have practically broken down—at least, you have admitted that you have been misled by this matter, and with the exception of your own wages, that you still stand by, you have relinquished the other portions of your statement?—My statements as to the trip north in the "Keewatin," that is outside the Province of Manitoba, those were what I went by and I still hold to it.

834. You made a statement in your last evidence that very materially affects a very worthy officer, Captain Bégin. You have stated he was drunk at Grand Rapids. I suppose there will be no objection to my reading his statement in the form of a question to you?

Mr. FOSTER—Captain Bégin is here, and I propose to have him called.

The WITNESS—I don't think I said in my evidence Mr. Bégin was drunk. I said they had a spree that night, and that evidently he was in his cups, but I did not say that Captain Bégin was drunk.

By Mr. Somerville :

835. Where did they get the liquor?—I was informed Bégin brought it there himself.

836. On the boat?—On the boat.

837. And he was going up to stop this traffic, was he?—That was the idea.

838. And he carried liquor up with him so as to help him to do it?—I know I was told by the Hudson Bay Company's officers that they found there was no liquor at the place, and they were asking for it.

By Mr. Macdonald (Winnipeg) :

839. The amount you actually received for wages was paid by Dr. Bown?—Oh, no.

840. By whom were you paid?—The Lieutenant Governor himself.

841. By the Lieutenant Governor personally?—Yes.

842. You received nothing from Dr. Bown?—Nothing from Dr. Bown.

843. What were your wages to be?—\$45 per month.

844. How much do you acknowledge you received?—I received for a month and a-half, less \$10.

845. How much is that altogether?—\$57.50.

846. How was that paid?—I think there was one cheque and the rest was paid in amounts of \$2 and \$3, and perhaps \$5 and \$10. I think I received \$10 once.

847. What was the amount of the one cheque?—I could not tell you, because I took no notice.

848. How much was paid in cash?—If I knew how much the cheque was, I could tell you how much I was paid in cash.

849. If you don't remember how much you were paid in cash and by cheque, how in the world do you know how much you received altogether?—I know I was paid for one month and a-half.

850. You say that you got this money at different times? By what system of arithmetic do you arrive at the conclusion that you received wages for a month and a-half?—I kept it in my mind.

851. If you kept it in your mind I want to know what it is?—I really don't remember the sums, that is all I can say.

852. And you mean to say you remember you got a definite amount only two years ago, and you cannot tell how that was made up?—No.

853. You cannot tell how you arrived at that?—No.

854. Well, then, you are not certain as to the amount?—I am certain as to the amount, less \$10.

855. How are you certain? How do you arrive at it?—Because I would have remembered if he had kept anything off my wages—I would have remembered that.

856. You remember that he paid you for a month and a-half?—For a month and a-half.

857. Less \$10?—Yes.

858. You got one cheque?—I got one cheque; I could not tell the amount of it.

859. And you cannot tell the amount you received in cash?—No; as I said before, if I knew the amount of the cheque I could tell the amount of cash.

860. The fact is, you do not remember anything about the payments?—No; I don't remember when, or how much I got at a time.

861. Or where or in what shape?—No. I know I was paid by a cheque and sometimes in money.

862. Will you swear you did not receive \$15 in cash?—No; I will not, because I forget the amount.

863. You may have received \$15 in cash?—I may have received it.

864. From Dr. Bown?—No; not from Dr. Bown.
 865. From the Lieutenant Governor?—Yes.
 866. You may have received it?—I might have.
 867. You won't deny it?—I won't deny receiving the amount that I did for a month and a-half.
 868. And the rest was paid by cheque?—Yes.
 869. One cheque or more?—Only one, I think. I am not perfectly sure of that, but I think only one.
 870. Was that cheque given to you?—To me.
 871. Payable to your order?—I think so.
 872. Were any cheques given to Mrs. Stewart?—Not on my account.
 873. You swear that positively?—I am quite positive of that.
 874. You gave no directions to that effect?—No; none whatever.
 875. You never authorized any payments to Mrs. Stewart for you?—No, sir.
 876. That is all you remember about it?—That is all I know about this thing. If I knew the amount of the cheque, I could tell you exactly what it was.
 877. I am not impugning your veracity at all. The only thing I think is, it is a little extraordinary you cannot tell what you received?—It is, I suppose. I got a month and a-half's wages.
 878. You won't say you did not get \$15 in cash altogether?—I won't say. I might have got it and I might not; I don't remember.

By Mr. Lister :

879. All the money that was due to you was for a month and a half's wages?—A month and a-half's wages.
 880. At \$45 a month?—That is it.
 881. That is all Dr. Schultz paid you?—Yes.
 882. And you got your pay?—I got paid.
 883. It was paid in small amounts at different times, but amounted to one month and a half at \$45?—Less \$10.
 884. With the exception of \$10 he kept from you for something else?—Yes.

By Mr. Somerville :

885. If Dr. Bown paid any money to Mrs. Stewart it was on account of work done by Mrs. Stewart herself, was it not?—Mrs. Stewart worked a long time at Government House.
 886. It was for her own work?—Yes.
 887. The Governor still owes Mrs. Stewart?—He owes her quite a sum yet.

By Mr. Lister :

888. As a matter of fact, your wife was working for Dr. Schultz?—There is no doubt about that.
 889. And whatever money she received was for money owed her?—Most certainly.

By Mr. Taylor :

890. Are you acquainted with William Forsyth McCreary, a lawyer in Winnipeg?—Yes.
 891. Are you acquainted with John Robinson, of Winnipeg?—That is at Selkirk?
 892. No; John Robinson, of Winnipeg?—No; I cannot say. What is he employed at?
 893. You do not know him?—No.
 894. But there is a person by the name of John Robinson who came to Mr. McCreary and said that you authorized him to say that if he could settle this matter with Governor Schultz for \$200 you would never come to Ottawa and make these charges? Is this statement true?—

EXHIBIT No. 8.

PROVINCE OF MANITOBA, }
To wit : }

In the matter of certain investigations now going on at Ottawa relative to certain irregularities alleged to have been committed by the Honourable John Schultz, Lieutenant-Governor of Manitoba.

I, William Forsythe McCreary, of the City of Winnipeg, in the Province of Manitoba, Attorney-at-Law, do solemnly declare and say:—

"1. I am now, and have been for upwards of one year, an attorney in actual practice in the Province of Manitoba.

"2. For nearly nine years prior to my commencing to study law in Manitoba I was employed as book-keeper and manager of the estate of the Honourable John Schultz, and since I left his permanent employ I still look after some of his business transactions and have close acquaintance with him.

"3. A short time previous to quitting the permanent employ of the said John Schultz, I sold certain property on Main Street, north of the Canadian Pacific Railway track, to one John Robinson, who is still the owner of the said property and resides in the building on same along with one James Stewart, a druggist, who, as I am informed and believe, was instrumental in making some of the charges to be enquired into in this investigation.

"4. From conversations held with the said Robinson at various times, I learned that he had largely assisted said Stewart in starting and carrying on said business, and that he, Stewart, was considerably in arrears for rent and money supplied, and that their business relations were very close.

"5. Sometime about a month ago, or a little over that time, the said John Robinson called me up by telephone and said he wished to make an engagement with me on a matter of importance, and upon my going to meet the said John Robinson, he told me that he supposed I had heard that James Stewart was going to make certain charges at Ottawa against the Honourable Lieutenant-Governor Schultz, to which I replied that I had seen the fact mentioned in the paper, and after some further conversation Robinson made a proposition to me, as I understood acting for and with the consent of Stewart, that if I could get Stewart a sum of money, say \$100, and another \$100 for Mrs. Stewart, then that Stewart would withdraw any charges he had made, as he, Stewart, knew that there was little or nothing in them, but that Schultz had used him badly and he wanted to have revenge.

"6. Subsequent to the first interview with Robinson he came several times to me and stated that they were anxious to get the matter fixed and urged me to try and get the money from Schultz as Stewart did not want to have to go to Ottawa, but that he thought he should get \$200.00—as above proposed.

"7. Since the conversations above referred to, I have had no communications or interviews upon the subject with the Honourable John Schultz or with any body acting in his behalf.

"And I make this declaration conscientiously believing the same to be true, and by virtue of the act respecting Extra Judicial Oaths.

"Made and declared at Winnipeg, }
 this seventh day of September, }
 A. D. 1891. Before me, }

W. P. McCREARY.

"GEO. A. ELLIOTT,

"A Notary Public in and for the Province of Manitoba."

Is that true or not?—As far as I know about the thing, this is the first I have ever heard of it.

895. I ask you, did you authorize Mr. John Robinson to go to Mr. McCreary and effect a settlement through him with Dr. Schultz?—I did not.

896. Or anybody else?—Or anybody else.

897. The question was asked where you got the money to come down here. Did Mr. Robinson furnish the money?—No. I did not receive it from John Robinson.
 898. You say you did not try to effect a settlement before coming?—No.
 899. Then were you paid money before coming here?
 Mr. Somerville objected.

By Mr. Lister :

900. Do you know Dr. Bown?—I do.
 901. He has lived with Dr. Schultz for about twenty years?—Yes; over twenty years.
 902. Lives in his house?—Yes.
 903. Sleeps in the garret?—Yes, as far as I am aware.
 904. He is an invalid?—Yes, as far as I know of.
 905. And is drawing \$600 from the Manitoba Government?—Yes.
 906. You see he is drawing \$600, from the Dominion as Private Secretary to Lieutenant Governor Schultz?—Yes.
 907. Do you know if he is doing any work for his money?—I do not know.

By Lieutenant Governor Schultz :

908. Do you say that Dr. Bown sleeps in the garret?—His room is in the highest part of the house.
 909. Do you say that Dr. Bown is unfit to be Secretary for the District of Keewatin?—I do not say that, but I say he is very much of an invalid.
 910. Do you know that Dr. Bown was a member of the first Executive Council?—Yes.
 911. And has been in the country for twenty-eight years?—Yes.
 912. Do you know that he is a man of large private means?—If so, I do not know what has become of his means.
 913. Do you know that he knows that country better than almost any man in it?—He knows the country fairly well, but I do not see what that has to do with the question.
 914. Are you prepared to say to Dr. Bown himself, who, you say, is an invalid, sleeps in the garret and is unfit to be Secretary?—I do not say it is a garret, but it is a very lofty room.
 915. Invalid as he is with the rheumatic gout, are you prepared to say that to his face?—It is a good job that it is not insanity.
 916. You are insulting an absent man, and it is characteristic of the evidence you have been giving here?—I am not insulting him at all.

Captain JOSEPH VICTOR BÉGIN called, sworn and examined :—

By Mr. Foster :

917. Was this affidavit made put by you?—Yes, sir.
 918. And sworn to by you on the 9th day of September, 1891?—Yes, sir.

EXHIBIT No. 9.

“Dominion of Canada, }
 Province of Ontario, } In the matter of the Patrol boat “Keewatin” and the
 County of Carleton, } Public Accounts Committee of the Parliament of Canada.
 To wit :

“I, Joseph Victor Bégin, Inspector in the North West Mounted Police, do solemnly declare that

“1. That during the summer of 1889, I was stationed as the police officer at Grand Rapids, in the North West Territories.

"I arrived at Selkirk from Grand Rapids on 23rd August, 1889. I there met His Honour Lieutenant Governor Schultz going to Captain Robinson's store to purchase provisions for his trips in the patrol boat Keewatin. He asked my advice as to some of his provisions and he asked me to be good enough to come on board and help him with an Iclander to pull the boat down to the lower landing to take on the provisions, which thereupon I did, the boat being at the time in front of Matthew Watts' working shop. The provisions were there taken on board and I went down the river with him in the boat two or three miles to where he camped that night, I returning on foot to Selkirk. On leaving, His Honour requested me to report at Government House, Winnipeg, where I would receive directions from his Secretary as to my future movements, I being subject to his orders. I reported there next evening and his Secretary gave me a telegram from His Honour to the Secretary directing me to await his the Governor's return and I did so.

"And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Act respecting extra judicial oaths.

"J. V. BÉGIN,

"Inspector, N. W. M. P.

"Declared before me at the City of Ottawa, in the County of Carleton, this 9th day of September, in the year of our Lord, 1891.

"J. A. GEMMILL,

"Commissioner, etc."

"CANADA. }
"To Wit: }

"In the matter of the Patrol boat Keewatin and the Public Accounts Committee of the Parliament of Canada.

"I Joseph Victor Begin Inspector in the North West Mounted Police, do solemnly declare that I have read the newspaper reports of the evidence given before the Public Accounts Committee of the House of Commons by James Stewart of Winnipeg, in which he made a false statement, which I desire to correct. In June 1889 in consequence of a joint request from the Lieutenant Governor of the North West Territories and the Governor of Keewatin—Grand Rapids being on the Western side of the border between the two territories—I was sent by the Commissioner of the North West Mounted Police to Winnipeg to make arrangements with the Lieutenant Governor of the District of Kewaytin regarding the establishment of a detachment of police at Grand Rapids. I therefore reported at Government House Winnipeg and received instructions to proceed to Grand Rapids by the first steamer from Selkirk. Disappointed on getting out on the steamer I requested the use of the boat Keewatin which His Honour the Lieutenant Governor granted, and he placed the boat and crew under my command. A few days after the boat was ready I was informed by His Honour Lieut Governor Schultz that James Stewart was engaged as Sailing Master and Joseph Monkman as guide. Their instructions were to take me with my men and baggage and provisions to Grand Rapids and to return to Selkirk. The day previous to our departure His Honour requested me and Stewart to have a trial of the boat, after which Stewart was to give a certificate and I was to give my opinion, so that he could pay the builder Matthew Watts. I ordered some of the provisions and the stores of the detachment to be put on board as ballast. We had a sail in the river, there was a nice breeze at the time. While cruising a little in the river, I took Stewart ashore with me to have a look at the boat when she was sailing for the purpose of judging the rigging, Stewart and I came to the conclusion that her rigging and sails were good and she tacked well with the foresail only. I approved of the boat, an approval fully concurred in by Stewart. And I then reported in writing to His Honour that the boat was fit for the duties intended. I left Selkirk on the 15th of June. After two or three days sailing I found that the sailing master James Stewart knew nothing about the Lake and but little navigation. Joseph Monkman was a competent guide on the shore line—or

old route of the Hudson's Bay boats. I lost confidence entirely in Stewart, and did not depend much on him. I relied more on my own policemen and myself. I having had an experience of seven years in navigation, four years of which time I was captain of a steamer on the St. Lawrence plying between Father Point and Montreal. We followed the west shore as far as Cats Head—there being a wide traverse here I asked a sailing master if he knew the steambot course, he said he had a steambot course given him at Selkirk. I told him then it would better to go straight from island to island as I was more afraid of the rock near shore than of the open sea. I had confidence in the boat, but was unacquainted with the lake, when we came to the last island he did not know its name. I looked at the maps and found it was Reindeer Island. He agreed with me it must be Reindeer. Seeing the open sea ahead, and calculating the distance, I asked the sailing master if he knew the course to strike Long Point. He said he had been told the course was north west. We agreed to take that course and left with fair wind. At about 8 o'clock in the morning the wind freshened and we lost sight of land. As Monkman thought we were going too far north we steered more westerly and we struck a little west of the point. The course given him at Selkirk was right. The wind had increased and the sea was very heavy. I never saw since on the lake a heavier sea. Seeing that Stewart could not steer it properly in a heavy sea, I told him he was unfit to steer a boat and I put Corporal Morphy to steer under my direction. Stewart, although not liking my decision, seemed relieved that Morphy was placed at the helm. We reached the Point at 2 p.m. We stayed there in the sea all afternoon. Although myself and men were only passengers, we were left on the boat and virtually managed her while Stewart and Monkman, who were supposed to have charge, slept on shore. That night before going to sleep I gave the order that as we were in a bad place, if the wind shifted, that every man should sleep aboard that night. I heard one of my men ask Stewart if all hands were to sleep on board that night and Stewart replied "that is the order." 10 and 11 o'clock, I think, the wind changing, coming from the north, woke me up, I called everybody, Stewart being fast asleep, and asked him what was to be done. I saw he was so nervous and excited he did not appear to be able to do anything. He replied he did not know. I said, "What are you going to do we cannot stay here." He did not answer. I said, "I see you do not know what to do, I will take command of the boat and I will be responsible for her." I gave orders to take up the anchor and make sail and told the men we must go around the point and again get in the sea, and as these were doubtless far out from shore I was afraid to keep close and said we must keep well out to keep free of them. As it was very dark I directed Corporal Morphy to go to the bow with a field glass and keep watch for boulders. I directed Stewart to steer as I told him, I was in the centre to be able to hear both of them. As the wind was blowing heavily, about two hours were consumed in rounding the point and getting into safety. We staid over the next day. On the second day, I think, the wind looked like changing again. I ordered a watch to be kept that night, detailing the sailing master to make the first watch up to midnight with Monkman, then to wake up Corporal Morphy who would, with the other men, keep the succeeding watches. I was awakened by the wind half an hour after midnight, looking at the time and found it was half an hour after Corporal Morphy should have been on watch. I called him and asked him for an explanation why he was not on watch? He answered: "I was not called." I asked him: "Did not the sailing master wake you up?" he said: "No Sir." I then called Stewart, who was fast asleep, and asked him why he did not awake Corporal Morphy at midnight, he said "He did not think it was necessary as at that time it was fine." I then censured him and told him to feel the wind and in such a bad place, he was very nervous and excited. I told him again he was incapable and I would take the boat into a safe place. Corporal Morphy and myself took the boat clear of the rocks and then sailed into a deep bay where we found a small harbour. After the wind abated we sailed with good breeze to Grand Rapids where, not thinking Stewart able to take the boat back to Selkirk, I told the sailing master to look for a man, and he found one willing to go and I had

him go. On my arrival at Grand Rapids I found several Hudson's Bay officers with their families and servants waiting for the steamer. I had a permit given to me by the Lieutenant Governor of the North-West Territories for two gallons of spirits. But I did not have that amount with me. I gave a little to my friends of the Hudson's Bay Company, but not enough to intoxicate them, being saving of it for cold weather and sickness. I saw no one drunk or even slightly under the influence of liquor. There was no liquor there as the Hudson's Bay parties were coming from the interior. I never knew Stewart had a permit to have any or had liquor on board. I herewith append a list showing the permits granted and in force at that time for the district of Kewatin. The next day or the day after, the patrol boat "Keewatin" left for Selkirk with the extra men on board and my connection with Stewart ceased. No information was given to me of any intoxication at Grand Rapids at the time or since, nor have I heard he reported it to the Lieutenant Governor on his return to Winnipeg. There was no intoxication and no "orgie."

"And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Act respecting extra judicial oaths.

"J. V. BÉGIN,
"Inspector, N. W. M. P.

"Declared before me at the city of Ottawa, in the County of Carleton, this 9th day of September, A. D. 1891.

"J. A. GEMMILL,
"A Commissioner, &c.

No.	Name.	Purposes.	Quantity.	Date.
1	John Sinclair.....	Sacramental.....	½ gal. wine.....	July 25, 1888
2	G. D. McVicar.....	Medicinal.....	2 galls. rye whiskey.....	Aug. 13, 1888
3	Rev. J. Lofthouse.....	Sacramental and medicinal	1 case brandy, 2 cases wine and 1 case beer.....	Mar. 4, 1889
4	E. McDonald.....	Medicinal.....	2 galls. wine and 2 galls. whiskey..	May 17, 1889
5	Alex. Stout.....	do.....	2 galls. spirituous liquors.....	do 14, 1889
6	Wm. Flett.....	do.....	2 do.....	do 17, 1889
7	Henry McLeod.....	do.....	2 do.....	do 17, 1889
8	A. A. McDonald.....	do.....	2 galls. whiskey.....	do 17, 1889
9	D. McRae.....	do.....	2 do.....	do 17, 1889
10	Jas. Robertson.....	do.....	2 do.....	do 17, 1889
11	John Robertson.....	do.....	2 do.....	do 17, 1889
12	Wm. Aitkin.....	do.....	2 galls. spirituous liquors.....	do 17, 1889
13	Hector Morrison.....	do.....	2 galls. spirits.....	do 17, 1889
14	James Garson.....	do.....	2 galls. whiskey.....	do 17, 1889
15	Chief Factor McDonald..	do.....	2 do and 2 galls wine....	
16	John R. Spencer.....	do.....	2 do 2 galls. port wine and 1 case Bass ale.....	do 19, 1889
17	Geo. Garrioch.....	do.....	1½ gall. rum.....	June 6, 1889
18	John Daniel.....	do.....	2 galls. whiskey.....	do 6, 1889
19	Ven. Arch. Winter.....	do.....	3 galls. port wine.....	do 6, 1889

By Mr. Lister :

919. What position do you occupy in the Mounted Police?—Inspector.

920. And you were one of the gentlemen who went on the celebrated yacht "Keewatin"—Yes, sir.

921. On that trip Mr. Stewart was Captain of the vessel?—Well, he was not Captain.

922. Well, sailing master?—That is a difference.

923. Were you in charge of the Mounted Policemen?—Yes, I was.

924. How many of you were there altogether?—I had three men with me.

925. There would be four belonging to the Mounted Police, including yourself?—Yes.

926. Will you tell us, whether on that trip you supplied your own provisions?
—I supplied my own provisions.

927. You bought them as Captain of the force, I suppose?—Yes, I bought them. I had a requisition in the usual way.

928. You had a requisition to get them in the usual way?—Yes, I bought them.

929. In other words Lieutenant-Governor Schultz had nothing to do with the purchase of them?—Not for those provisions.

930. How much were those provisions?—I don't remember the amount at all.

931. According to the Public Accounts, page C 240, the amount was \$84.60. There were provisions for four men for four months, I believe?—Yes; that is about the amount of the rations I think.

LIEUTENANT-GOVERNOR SCHULTZ.—This is a good deal out of order. It has nothing to do with the accounts for the District of Keewatin and is quite improper.

THE CHAIRMAN.—I think that Mr. Lister wants to show that the account previously spoken of and this account for provisions and cooking utensils are the same.

By Mr. Lister :

932. I believe the men belonging to the boat, including Stewart, had their own provisions?—Yes, I think so.

933. And took a little of yours on the way?—Yes, they had a little provision.

934. You had arranged with Dr. Schultz to take passage on this boat. How did you come to go by the "Keewatin"?—That is stated in my affidavit, I explained everything.

935. Just tell us shortly?—I would like to read it.

936. I would rather you would not read it. I just want to see how good your memory is. How is it, you came to go by the "Keewatin"?—My memory is bright and good for that trip.

937. I want to try it?—Well, I was sent by the Commissioner of North-West Mounted Police to Winnipeg to make arrangements with His Honour the Lieutenant-Governor of the District of Keewatin, for the establishment of a detachment of North-West Mounted Police at Grand Rapids. It was a joint consent with Lieutenant Governor Royal, and as Grand Rapids is in the North-West Territories; it was jointly requested by Lieutenant Governor Royal, and Lieutenant-Governor Schultz that a detachment should be sent there. On my arrival at Government House, Winnipeg—

938. Excuse me one moment. Perhaps we could get on quicker if you would just answer my question? Did you intend going by some other boat?—Yes, I was to go by the steam-boat.

939. You met Dr. Schultz, Lieutenant-Governor?—I reported at Government-House.

940. And he told you he was going to send the "Keewatin" up there and asked you to go by the "Keewatin"?—No.

941. How is it you went by the "Keewatin"?—Oh, well, that is because the steamer was not starting for eight or ten days. I missed the first boat.

942. So the arrangement was made when you got to Winnipeg that you should go by the "Keewatin"?—After I explained to His Honour that the boat would not start for eight or ten days, something like that, he offered me his boat. I knew he had a boat, and I was very pleased to take it.

943. Had you a small boat of your own?—Yes.

944. What was it?—A nice little skiff.

945. Was it a canoe?—No a skiff, one of those fancy skiffs.

By the Chairman :

946. Did you take it with you?—I took it with me.

By Mr. Lister :

947. Do you know anything about the "Keewatin" going to sea again that season?—After that?

948. Yes?—Yes, I know something about it.

949. How long after?—On the 23rd August. On my arrival from Grand Rapids I met His Honour Lieutenant-Governor Schultz going to Captain Robinson's store. He asked me to go with him, he was going to purchase some provisions. I went with him there. We spoke about the voyage and he asked me different things. He asked my advice on some of the provisions.

950. He asked your advice about some of the provisions?—About some of their provisions—the good provisions to be bought for the trip, for camping—and he bought the provisions.

951. How much did they amount to?—I don't know anything about it.

952. Did you go out with him?—After that the boat was lying in front of Matthew Watts' the builder,—in front of his shop,—and His Honour asked me, as he had only one man to help him, to help him to take the boat to the landing, for the purpose of taking the provisions. I helped him there, and from there I went down with him about 23 miles on board the boat and came back to Selkirk.

953. What account have you attached to your affidavit?—Those are the lists of the permits that the Lieutenant Governor gives to a person who has got liquor.

954. Were those permits given to you?—Given to me by His Honour before my departure to Grand Rapids.

955. Did you have any lists on board?—They were as instructions. I would know by those lists everybody in the district who was allowed to have liquor.

956. You went up for the purpose of suppressing the liquor traffic?—Certainly.

957. Did Lieutenant Governor Royal give you those?—Those lists were given by the Lieutenant Governor of Keewatin District, not Lieutenant Governor Royal.

958. Lieutenant Governor Schultz gave you those lists?—Yes.

959. And they were for the purpose of informing you as to what parties were entitled to have liquor in their possession?—Yes.

960. You had none with you on the boat?—I had a permit from His Honour the Lieutenant Governor of the North-West for two gallons. I had not quite two gallons on board.

961. I suppose you got the two gallons in the first place?—I don't think so.

962. They cheated you?—No; but I had an eye on all these things. I had not the two gallons.

By Mr. Somerville:

963. What kind of liquor was it?—I had a permit for liquor.

964. What kind did you have on the boat?—That means spirits?

965. What kind?—A little of all kinds.

966. What was it?

Mr. FOSTER objected.

967. I want to know what kind of liquor you had on this boat?

Mr. FOSTER—I think this affair regards more the North-West Territories.

968. What kind of liquor had you?—I do not remember. I know I had some curaçoa. I had some other things, but I remember that.

969. A previous witness swore when you reached Grand Rapids, where you had been sent to put down the illicit traffic in liquor, that you got on a spree. Did you?—No; certainly not. Neither I nor any people there.

970. You did not drink any of the liquor?—I drank some. I had the right to do it. I have told you what I have done.

971. You did drink some of it?—Yes.

972. Did you and your men get on a spree?—My men did not touch that much (snapping his fingers).

973. How much of these two gallons was left next morning?

The CHAIRMAN ruled the question out of order.

974. How long did the two gallons last?

The CHAIRMAN ruled the question out of order.

By Lieutenant Governor Schultz :

975. You found me on the 23rd August purchasing provisions at Captain Robinson's store for that trip of mine on the "Keewatin"?—Yes.

976. That is so?—Yes.

977. Did you see these provisions come on board in several boxes and other lots?—Yes.

978. Did you go down with me on that boat for two or three miles, provisions and all?—Yes.

979. You are quite sure that I did start from Selkirk on the 23rd, and I took these provisions, for which there is a receipt attached to the papers before this Committee, on this boat?—I say that.

By Mr. McMullen :

980. Do you know that he went to Keewatin?—Yes; because I went with him in the boat.

981. The whole of the road?—No; two or three miles.

982. Did he go to Grand Rapids?—This was on my return from Grand Rapids.

By Lieutenant Governor Schultz :

983. This is the receipt. Is that Captain Robinson's handwriting?—Yes.

984. He says "Received from Lieutenant Governor Schultz \$33 for provisions and other supplies put on the sailing boat 'Keewatin.' Is that Captain Robinson's receipt?—This certainty is his handwriting.

985. I desire to put in this declaration:

(Copy.)

EXHIBIT No. 10.

DOMINION OF CANADA, }
 PROVINCE OF ONTARIO, }
 County of Carleton, }
To Wit : }

"In the matter of the investigation before the Honourable the Committee on Public Accounts into certain charges made by James Stewart in connection with expenditures made for the District of Keewatin:—

"I, Joseph Victor Bégin, an Inspector of the North-West Mounted Police, of the North-West Territories, do solemnly declare that in the year 1889 I arrived at Selkirk from the Grand Rapids by steamer on the 23rd day of August, and that I learned that Lieutenant Governor Schultz was just starting out on the patrol boat 'Keewatin' to Lake Winnipeg, and I found him purchasing provisions at the store of Captain Robinson. He took my advice as to the proper selection of them, and asked me to be good enough to assist him from where the boat was lying in front of Matthew Watts' workshop, she having been under repairs there, down to the lower landing, where the provisions were to be taken on board. I did this, and at the lower landing the provisions in several boxes were put on board. Finding the Governor anxious to proceed, and as he was assisting in pulling the boat himself, I volunteered to assist him, and did assist him to his first camping place, a couple of miles below, returning on foot to Selkirk, he having ordered me to report to his Secretary at Government House, Winnipeg. I reached Winnipeg on the following morning and reported to his Secretary as ordered. The Secretary showed me a telegram from His Honour the Lieutenant Governor directing me to remain in Winnipeg till his return from Lake Winnipeg. This I did.

"And I make this solemn declaration, conscientiously believing the same to be true and by virtue of the "Act respecting Extra-Judicial Oaths."

"Declared before me at the City of }
 Ottawa, in the County of Carleton, }
 this ninth day of September, in }
 the year of our Lord 1891. }

"J. V. BÉGIN.

"J. A. GEMMILL,
 "A Commissioner, etc." }

986. Is that your signature?—Yes.
 987. And that is your statement?—Yes.
 988. Is that a correct statement?—Yes.

By Mr. McMullen :

989. Will you swear that the Lieutenant Governor went to Grand Rapids on that occasion?—No; certainly not.
 990. He may have been on a pleasure tour for all you know?—I do not know what the purpose was.

By Mr. Foster :

991. You went on the trip north to Grand Rapids?—Yes.
 992. With Mr. Stewart as sailing master?—Yes.
 993. You know the conduct of the vessel, and how she behaved, and how she was managed?—Yes.
 994. What is your opinion of the seamanlike qualities of Mr. Stewart as sailing master of that boat?—That he did not know anything about Lake Winnipeg.
 995. In your affidavit have you made that statement?—Yes; I put it in my affidavit. As a sailing master he may have known something in his young days, but he was a very poor sailing master there. He was so nervous and excited in his temperament that—
 996. Did you state that to Mr. Stewart?—Yes.
 997. Did you inform any other person of that?—Yes; certainly—
 998. Whom?—I reported to Lieutenant Governor Schultz on my arrival from the lake.

By Mr. Somerville :

999. Had you navigated Lake Winnipeg previous to this trip?—No.
 1000. What did you know about this lake?—I did not say that I knew the lake.
 1001. How, then, can you state on your oath that this man did not know anything about navigation?—I know something of navigation. I have been captain of steamers from Father Point.
 1002. Will you swear you never navigated the lake before?—No; not that lake. I was depending entirely upon the sailing master. I was a passenger on board, but after that I was very sorry I ever put my foot on board the boat with a man like James Stewart as sailing master.
 1003. You admit you never navigated the lake, and yet you condemn the doings of another man?—It is very easy to know if a man does his duty or not without being a sailor.
 1004. You have been accustomed to navigate the prairie, I believe?—That is another thing.
 1005. Instead of the lakes?—I am in the North-West Mounted Police.
 1006. Did you ever lose yourself on the prairie within a few miles of the station? Question objected to.

By Mr. McGregor :

1007. Monkman, who was with you, was a good sailor?—He was a good guide—he was engaged as guide.
 1008. He was a good hand on the boat, was he not?—He was a good hand, but he was a little old.

By Mr. Somerville :

1009. This boat was brought safely to Selkirk, was it not, by Mr. Stewart?—Yes; he did.
 1010. Was the boat ever known to be brought back safely from any trip in any body's else's hands than Mr. Stewart's?—He made only one trip. He went to Grand

Rapids, stayed there two or three days, and went back. If you refer to the accident last summer, the boat crossed the lake perhaps ten or fifteen times.

1011. I want you to answer this question. Captain Stewart was the only man who brought that boat safely back to Selkirk, to your knowledge? You are aware that Captain Stewart did bring the boat back?—Yes.

1012. Are you aware that this boat never was brought back safely in anybody else's hands than Mr. Stewart's?—I just brought the boat back on the last of this month to Selkirk.

1013. Is it not a fact that lives were lost the next year, after Captain Stewart brought it back, and is it not a fact that the boat was upset the next year again?—That was the boat that was upset last year.

1014. Then Captain Stewart must have been a good navigator, if he could sail a boat like that and bring her back safely?—I wish you had been there yourself on board the boat that trip.

By Lieutenant Governor Schultz :

1015. Was the Keewatin wrecked in a storm, or did she strike an unknown shoal, and in consequence of that the men lost their lives?—They tried in the evening before the dark to reach the harbour, and they could not go into the harbour because it was getting too dark, and they then struck a shoal.

By Mr. Lister :

1016. Were you there?—No.

By Mr. Bergeron :

1017. How many times did this occur?—I don't know. I was in her often and I never upset. It is three years now that I have been in this command in the District of Keewatin, on Lake Winnipeg, and I have been on board every year and never had the least little accident.

By Mr. Taylor :

1018. Did you consider her a good, safe sailing boat?—I considered that trip I made to Grand Rapids, the sea was so heavy I never saw it more heavy on Lake Winnipeg since, and I considered her a good boat; she behaved splendidly.

By the Chairman :

1019. What experience had you in navigation previous to going up to the North-West?—I went from Quebec and I used to be navigating there, from Father Point to Montreal, and I was four years captain on board a steamer.

The Committee then proceeded to other business.

COMMITTEE ROOM,

FRIDAY, 11th September, 1891.

Committee met—Mr. WALLACE in the Chair.

JOHN CORNISH called, sworn and examined :—

By Mr. Skinner :

1020. Where do you reside?—In Winnipeg.

1021. What is your business?—I am a bailiff.

1022. Do you know Lieutenant Governor Schultz?—I do, sir.

1023. Will you look at these items here under the heading "Government Keewatin" more especially under those of heading "expenses of trip to the north"?—I do not know anything about them.

1024. Have you any knowledge at all concerning any of these items under that heading?—I do not think I know anything except as regard one. The use of smaller boat for shallow water.

1025. What knowledge have you of that item?—I sold the Governor the boat and sailed upon the trip.

1026. At what date did you make the sale of the smaller boat for shallow water?—I think it would be along about the 16th or 17th of July.

1027. What year?—1889.

1028. What was the bargain?—\$50 for the boat and \$25 for extra work done.

1029. You sold the boat for \$50 and then did the work on her for \$25, making the entire thing \$75?—Yes.

1030. What was your connection with the boat for shallow water?—I then made an engagement to make a trip on her.

1031. From where to where?—From Selkirk round to Bullshead and back. I wanted to go to the Saskatchewan river, but we did not get there.

1032. Where did you take it from?—Lake Winnipeg.

1033. How much pay were you to have for doing this?—I was to have \$2.50 from the day I left to the day I returned, and made my report to the Governor.

1034. What did your bill come to for your wages?—I think if my memory serves me right it was \$52.50.

1035. That ended your connection with the matter, did it?—That ended my connection.

1036. You sold the boat with repairs for \$75 and then you did services for \$52?—Yes.

1037. That was your entire connection with her?—Yes.

1038. Was this the same boat that \$152 is charged for the use of?—I cannot tell.

1039. Do you know whether it is the same boat that you sold to the Governor?—The boat for shallow water is the boat I sold to the Government.

1040. So far as you know this boat for shallow water is the same boat that you sold to the Governor?—Yes.

1041. This item "use of smaller boat for shallow water" refers to the boat you sold?—As far as I know it was the same boat that I went on this voyage in.

1042. It was the shallow water boat that you made the voyage on?—Yes.

1043. Did you know of any other voyage being made on this boat for shallow water except this one?—No.

1044. The Keewatin made a trip earlier in the season?—Yes.

1045. The trip in the boat for shallow water was made later?—Yes. I can tell you the date that we left and the date that we returned. It was Thursday the 25th July that we left Selkirk, and I returned and reported to the Governor on Tuesday the 6th August. I think I called on him on the 5th and he was busy and told me to call again, so I called again on the 6th.

1046. That was the 6th of August?—Yes. My instructions were to report as soon as I returned.

1047. Who accompanied you on this trip?—Joseph Monkman.

1048. Do you know what Monkman's wages were?—I think Monkman told me they were \$28.

1049. What other expenses were incurred by you?—There were the provisions.

1050. Who found the provisions?—The Lieutenant-Governor.

1051. I suppose they were put on the boat and you did not have anything to do with them?—Yes, I did.

1052. With the purchasing of them, you did not pay for them?—I paid for them in the first place.

1053. And were repaid again?—Yes.

1054. How much is that pay about?—\$6 or \$8.

1055. Were these all the expenses of the trip, that is your wages, Monkman's wages and the \$6 or \$8 for provisions?—Yes, except that there was a loss of canvas and we lost a rudder and we had to pay for replacing those.

1056. How much did you give for them?—\$6 more.

1057. Does this cover the whole expenses of the trip?—Yes.

1058. Is this included in the \$52 that have been already referred to?—Yes.

1059. Now, let us recapitulate so that we may have a clear understanding on the matter. You say that your bill was \$50, and Monkman's bill was \$28?—I had nothing to do with that.

1060. I know that, but I am speaking of the whole of the trip. Then there was a bill of \$6 or \$8 for provisions? Was that included in the \$52?—Yes. That was included in the \$52. The whole of the items I have enumerated I have included in that.

1061. So that your whole bill for \$52, covered the provisions, the wages, towing and repairs. In fact everything with the exception of Monkman's wages?—Yes.

1062. And your bill was for \$52.50 and Monkman's \$28, and this covered the whole of the expenses?—Yes, if I am right.

1063. Did you go, during that trip, out beyond the confines of Manitoba?—No.

1064. This trip was all in Manitoba?—Yes.

1065. Here is a bill produced by Lieutenant-Governor Schultz, does that bear your signature?—Yes.

Exhibit No. 11.

"The Hon. JOHN SCHULTZ

"To JOHN CORNISH, DR.

"To painting and repairing boat as per agreement.	\$25 00	
"To paid for oil and lead.....	1 25	
" supplies per bill.....	8 50	
" repairing rudder irons.....	1 20	
" towing from Big Island.....	5 00	
"To 14 days at 2.50.....	35 00	
"To paid fare from Selkirk.....	1 05	\$77 00
"By check in Selkirk.....		25 00
		<u>\$52 00</u>

"Received payment by cheque,

"JOHN CORNISH.

"WINNIPEG, MAN., 6th August 1889."

1066. Is this bill initialled and dated August 6th, 1889?—Yes.

1067. And the duplicate is of the same date?—Yes.

Exhibit No. 12.

"RECEIVED from Honourable John Schultz, Lieutenant-Governor of Keewatin, seventy-seven dollars, payment in full for expenses to and from in charge of the "Grand Marais" light draught lake fishing boat.

"JOHN CORNISH.

"WINNIPEG, 6th August, 1889."

1068. Here are two cheques produced, dated 25th July and 6th August?—Yes.

Exhibit No. 13.

"WINNIPEG, MAN., 25th July, 1889.

"THE MERCHANTS BANK OF CANADA.

"Pay John Cornish, Esq., order or bearer on account of services, twenty-five dollars.

"JOHN SCHULTZ."

Exhibit No. 14.

"WINNIPEG, MAN., 6th August, 1889.

"THE MERCHANTS BANK OF CANADA.

"Pay John Cornish, Esq., order or bearer in full of services, work on boat expenditure for commission towing, &c., fifty-two dollars to this date.

"JOHN SCHULTZ."

Mr. MULOCK asked that Lieutenant-Governor Schultz be called.

His Honour at first objected on the ground that the Committee had decided that he should not be called until the charge had been made out, but afterwards waived his objection and was sworn.

By Mr. Mulock :

1069. When did you enter upon your duty as Lieutenant-Governor of Manitoba and Keewatin?—First of July, 1888.

1070. And you built for the Dominion Government the sailing vessel "Keewatin"?—I did not.

1071. Well, who built her?—Matthew Watts.

1072. I did not suppose you thought I would put you down as the builder of the boat. You got Matthew Watts to build her, did you?—I made a contract with Matthew Watts to build her.

1073. And how much did you pay Matthew Watts?—\$300.

1074. What did that \$300 include?—It included a boat such as the ordinary fishing boats on Lake Winnipeg.

1075. Did it include the rigging and sails?—It included the ordinary fishing boats on Lake Winnipeg.

1076. I am not aware what the ordinary fishing boats on Lake Winnipeg include; therefore, I wish to know whether the contract of \$300 entitled the Government to the whole of a boat with the rigging and sails or what?—To two masts and two sails.

1077. A foresail and mainsail, I suppose—Yes.

1078. Anything more besides the hull?—The hull and the two sails.

1079. And a jib as well?—No.

1080. Topsails?—What do you mean by topsails?

1081. Those sails that you nailed to the gaff?—The yard, you said the other day.

1082. Well the yard, have it as you wish?—There were no sails nailed to the yard.

1083. There were topsails above the mainsails, were there not?—There were no topsails.

1084. Was there any sail above the yard?—There were no yards to the boat.

1085. How was the mainsail hoisted and held in position?—By the halyards, and held in position by the sheet.

1086. No sheet would hold them in position. There must be something to hold the peak out?—I understand you to ask, was the sail hoisted, and how it was held in position. My answer to that is, it was hoisted by the halyards and held in position by the sheet.

1087. That would not hold the peak out. We generally have a gaff for a vessel of that size?—I have nothing to do with your opinion, sir.

1088. Well, were there topsails or not?—There were no topsails.

1089. There were no topsails included in the original contract nor subsequently purchased?—Yes.

1090. The "Keewatin" made a trip to Grand Rapids?—Yes.

1091. Who were on board of that vessel in the pay of the Government?—James Stewart, sailing master, and Joseph Monkman.

1092. When did James Stewart's wages begin?—James Stewart's wages began two months before 15th July, 1889.

1093. What day did his pay begin?—15th May, 1889.

1094. What day did the vessel sail?—The vessel sailed several weeks later.

1095. Do you know the date of her sailing?—I could tell you if it was important.

1096. And you say his engagement began on the 15th of May?—Yes.

1097. You speak from recollection, do you?—He was paid for two-months, I was informed by my secretary.

1098. You know on what day the vessel sailed?—I believe she sailed nearly a month after his engagement.

1099. Mr. Stewart tells me that she sailed on the 15th of June?—That seems to be corroborative.

1100. You don't question the accuracy of that date?—I do not remember. I was not there when she sailed, but I infer that from Stewart's certificate, put in here, as to the character of the boat.

1101. What were the men doing for a month before sailing?—Waiting for the completion of the boat.

1102. And you hired them a month before it was necessary for them to sail?—That is a question?

1103. You can consider that a question?—The answer to that is yes, because under the contract the boat was to be completed on the 10th day of May, and I wished her to go out at once.

1104. And she did not leave until the 15th of June?—Yes.

1105. Did you go to see how near she was to completion before you engaged the men?—I did not.

1106. Was Mr. Stewart, during that time, engaged in any work for you?—He has stated in his own evidence that he went down several times to see about the building of the boat.

1107. I am speaking about you personally. During that period that he was engaged, he has sworn he did some gardening for you, ploughing and preparing ground for potatoes, and planting potatoes, is that true or not?—Mr. Stewart never ploughed any ground for me, he never planted any potatoes for me, he never did any other services for me, from the 15th May to 15th June, excepting in connection with this boat.

1108. Did he at any time that spring, plant any potatoes for you or do any personal service for you?—Mr. Stewart, to my knowledge never planted a potatoe for me in my life.

1109. Was Mr. Stewart in your employment at all except for the Government of Canada?—At what time?

1110. In 1889?—He was not.

1111. During 1889, did he render any service for you personally?—I do not think he did.

1112. Mr. Stewart has sworn that his engagement for the "Keewatin" began the 1st of June, 1889, and terminated on the 15th day of July thereafter. Is that correct?—I swear positively that his engagement began on the 15th day of May, because I expected the boat to be completed then.

1113. Have you got the receipt for the wages paid to him?—No. I have not.

1114. How much did you pay him?—I paid him \$85 by cheques, and my secretary paid him \$15 in cash.

1115. What was the rate per month?—\$50 per month, Stewart to board himself.

1116. Then you would owe him \$100 for wages?—Yes.

1117. What wages did Monkman receive?—\$40 a month, he to board himself.

1118. That is the way you make up the \$180?—Yes.

1119. So that you would have to pay Mr. Stewart \$100 for the time you said he was engaged?—Yes.

1120. What receipts have you to show you paid him that \$100?—I have Mr. Stewart's cheques to persons he authorized to receive that \$85, and the sworn statement of my secretary, Mr. Bown, that he paid him \$15 in cash.

1121. I am asking you for the receipt signed by Stewart?—I appeal to this committee to say whether I have not answered every question as put by one gentleman to another.

1122. Answer the question please? You are the witness now. I wish you to produce any documents or vouchers you have of Stewart's showing that you have paid him the \$100?—When Mr. Stewart was giving evidence before this Committee I had the cheques for \$85.

1123. Are they here?—I will answer your question. I have been a member of this Committee for 13 years before this. I know exactly what a witness should do, and knowing it I will reply to your questions in my own way.

1124. I ask you have you got any receipts or vouchers signed by Stewart for this \$100?—I have not finished yet. I had these cheques before this Committee. I showed them to Mr. Stewart and asked him to acknowledge his signature on the back of the first of those cheques. He would not acknowledge his signature, and I then sent the cheques up to Winnipeg to obtain testimony that the signatures were his; that they were paid by the bank, and to the person whose name was on the face of them.

1125. What I am asking you now is; have you got any vouchers in your possession signed by Mr. Stewart for this \$100? If so, will you please produce them before this Committee?—I have not got them, they are now in Winnipeg.

By the Chairman :

1126. When did you send them there?—I sent them the day Mr. Stewart refused to acknowledge his signature.

By Mr. Skinner :

1127. You should have had counsel on that matter. It was an absurd thing to send them away without first obtaining advice on the point?—Well, then, I ask that the banker in the bank, on which the cheques were drawn, be summoned here.

By the Chairman :

1128. These cheques are coming back, I understand?—Yes, sir.

By Mr. Mulock :

1129. How long was Mr. Monkman employed?—Two months.

1130. In the same time that Mr. Stewart was employed?—Yes.

1131. His engagement began and ended at the same time, did it?—Yes.

1132. Were there any other persons engaged under pay on that trip either going or returning?—No.

1133. You are quite sure about that. As far as I know. Captain Begin finding Stewart unfit to bring the boat back from Selkirk to Grand Rapids employed a man there to assist in bringing her back to Selkirk.

1134. Who was that man?—His name was McLellan, I think.

1135. McLellan was employed on the boat to come back in her from Grand Rapids to Selkirk?—Because Mr. Stewart was unable, in the opinion of Captain Begin, to bring her back.

1136. That is Captain Begin's explanation?—Yes.

1137. How much did you pay McLellan?—I paid him nothing. I never saw him afterwards.

1138. No charge was made for his services.—There was no charge for his services.

1139. You do not claim that any money was paid for this man?—No.

1140. You do not include his wages in any of your accounts?—No.

1141. In your accounts here there is an item, "Tarpaulins, sails, &c., \$98." Will you explain that item please?—That account is explained by this receipt

attached to the papers now before this Committee. You have the original here. It reads, "received from Hon. John Schultz \$98 for making tarpaulins, over head tent for protection of crew, increasing size of sails, blocks and tackle," it is signed by Matthew Watts.

1142. What were the sails included in that account?—One jib.

1143. What sails?—That is all.

1144. Only one jib; is that the only sail?—Yes.

1145. Mr. Watts is dead, I believe?—Yes.

1146. He died from having been wrecked on this boat?—He died from exposure.

1147. The result of a wreck?—Yes. I wish to add to that answer that he was not dead when he signed that receipt.

1148. You depend upon the receipt of \$68 for the repairs to the "Keewatin"?—That is explained by this receipt, dated 20th August, 1889: "Received from Hon. John Schultz \$68 for hauling out and repairing boat 'Keewatin,' mending sails, &c.—Matthew Watts."

1149. These were for repairs to the "Keewatin"?—Yes.

1150. When were these services rendered?—Towards the latter part of August.

1151. I see in the account here an item "Use of smaller boat for shallow water, \$102." Would you explain that item, please? Where was that smaller boat used?—I have a right to answer your first question.

1152. I am sorry I checked you then. Answer the question?—That is explained by a receipt for \$102: "Received from Hon. John Schultz \$102 for caulking, towing to Selkirk, painting and strengthening light draught boat 'Grand Marais.'—Matthew Watts."

1153. What boat was that?—It was the light draft boat mentioned in the account.

1154. Where did it come from?—I bought it.

1155. Where from?—From Mr. David McGregor.

1156. What was that boat known as?—As the "Grand Marais."

1156½. For whom was it purchased; for you personally or the Government?—It was purchased for use on that trip.

1157. Was it purchased for you personally or the Government?—It was purchased for use on that trip.

1158. Who owned the boat after the purchase?—The Dominion Government; after the repairs were put on her.

1159. Was it purchased by you for the Government or for yourself personally?—It was purchased for the service of that trip.

1160. When you purchased it; did it from the moment you purchased it, become your property or the Government's?—I purchased it in a hurry to send the men off.

1161. Did it become your property or the Government's?—It became the property of the Government after the repairs were put on it.

1162. I am speaking of the purchase?—That is your answer.

1163. I want to know whether, when you purchased that boat it became yours or the Government's?—When the boat was purchased it was placed at the disposal of the Government.

1164. When the boat was purchased, whose property did it become—yours personally or the Government's?—It was purchased by me for the service of that trip.

1165. I would like an answer?—I respectfully submit that the answers have been a great deal more intelligible than the questions.

1166. I want to know whether it was purchased for the Government or yourself?—The boat was purchased for the purpose I have mentioned.

1167. I am not asking about the purchase, but who became the owner?—I signed the cheque to David McGregor.

1168. Was it yours personally or the Government's?—It did not become the property of the Government until the repairs were put upon it.

1169. It was yours at the time you purchased it?—Yes.

1170. How long did it continue to be yours?—Until it was sent out on this expedition and the repairs were put on her.

1171. What date was that?—Give me Mr. Cornish's evidence?
1172. Will you take his date?—Yes.
1173. It became the property of the Government when it sailed under Mr. Cornish on this expedition?—Yes.
1174. Until that time it was yours?—Yes.
1175. Personally?—I purchased it, and paid for it. I did not charge the Government for the purchase money.
1176. You make no charge to the Government for the purchase money?—No.
1177. Have you any claim against the Government for the purchase money?—I have not.
1178. So it is the Government's now?—Yes.
1179. So it continued the Government's from the 17th July, 1889, until the present time?—If that is the date.
1180. That is the date Mr. Cornish gives as the date of sailing?—I think Mr. Cornish's evidence is wrong. It was about that time.
1181. At all events, it was from that date until she sailed on the trip to Bull's Head in July—on the trip that Mr. Cornish has referred to—she was the property of yourself, and then she became and ever since has continued to be the property of the Dominion Government?—You are putting my statement incorrectly.
1182. Then correct me?—I have stated that it was my property until the first expenditure by the Government of \$25 was put upon her, and then she was the property of the Government.
1183. We will accept the correction. She continued your property from the day you purchased her until the first expenditure of \$25 upon her?—Yes.
1184. Then she became the property of the Government?—Yes.
1185. When was that expenditure of \$25 put upon her?—That expenditure of \$25 was on the 23rd July when the cheque was given. The services for that cheque were a few days before that.
1186. Will you let me see those vouchers—is this the cheque you refer to?—Yes.
1187. You now produce a cheque for \$25 bearing date 23rd July, 1889, drawn and signed by John Schultz. That is your name, your signature, I believe. It is payable to the order of John Cornish and endorsed by John Cornish?—Yes.
1188. Now what was this \$25 for?—Painting and repairing the boat as per agreement.
1189. That is for painting and repairing the "Grand Marais"?—Yes.
1190. And the cheque that you now produce is the correct amount for what you paid for, the painting and repair of the boat?—Yes.
1191. Then you assume it to be given on the 23rd July and it is for the \$25?—Yes.
1192. How else do you make up the \$102? Is the \$25 part of the \$102, or is it part of anything that appears in the Auditor General's Report?—Yes. It is part of the items, wages of two men in the smaller boat.
1193. I ask you if that \$25 is part of any of the items in the Auditor General's Report?—It is part of the item of \$106, wages of two men in the smaller boat.
1194. Who were the two men in the smaller boat?—Joseph Monkman and John Cornish.
1195. Is this the same cheque you handed in before?—Yes.
1196. A moment ago you handed me this cheque, and said it was paid to John Cornish for repairs on the boat? Is that correct?—Yes.
1197. Then you called, wages of the two men, while they were on land preparing the boat?—Yes, Mr. Cornish charged for repairing the boat.
1198. This then was not for services for navigating the boat, but for doing the work on the boat?—Yes.
1199. You say that the two men on the "Grand Marais" were Monkman and Cornish?—Yes.

1200. When did their period of service begin?—Mr. Cornish has correctly stated it.

1201. Were there any other men on the boat besides these two?—No.

1202. Where did they take the "Grand Marais" on this trip?—They started from Saskatchewan River, but they only succeeded in getting as far as Bull's Head, where they lost their sails and had to come back.

1203. They went out to inspect the fisheries, did they not?—Not altogether.

1204. Do you know which Saskatchewan River they started for?—They started for the Saskatchewan River.

1205. But which of them?—They were to reach the larger Saskatchewan, if they could.

1206. That is in Keewatin?—Yes.

1207. There was nothing about the smaller river?—There was nothing about the smaller.

1208. How much were you to pay these men for their services during the time they were engaged?—\$2.50 a day to Cornish. I forget what Monkman was to receive, but I think he received \$28.

1209. That is all you paid him?—Yes.

1210. And he was with you two months?—You seem to be somewhat confused with these payments to Monkman. Monkman's connection with the "Keewatin" ended with the 15th of July, and then the other trip was undertaken. You will not trap me into confusing these two things.

1211. I have no desire to trap you into anything. Then the \$25 is for repairs to the boat?—It is for painting and repairing the boat.

1212. When was this done?—Part of them were done after they were started, and part of them before they were started.

1213. Did you hear Mr. Cornish's statement as to the amount of the money you paid him?—Yes.

1214. What do you say to that?—It agrees with this exactly.

1215. How do you make it out?—\$77 to Cornish altogether, \$28 to Monkman, and \$1 in a railway account.

1216. You say you used this boat, I understand, for your own private purposes?—I was never out with the boat in my life.

1217. I am told that you had it for going out shooting?—Whoever told you that, told you what is not true.

1218. Did you report to the Government that you had bought the boat and had had the repairs done in their name?—I reported to the Government that I found it necessary to get a small boat.

1219. Did you make known to the Government that you had purchased the boat in their name and that you were expending public money on it?—I do not report these details to the Government.

1220. You are above reporting these details to the Government?—I do not say that. What I say is, that I do not report these petty details in general.

1221. You do not report when you buy a boat?—I would inform the Government in my usual reports that I had employed a boat for a certain purpose, and that the necessity for this boat had created an expense of \$102.

1222. Do you know of Dr. Bown ever having gone out shooting in this boat?—No; Dr. Bown never went out shooting in the boat.

1223. Did you ever tell Mr. Cornish that Dr. Bown had gone out shooting in this boat?—I never did.

1224. Did you ever say that he went out for the purpose of shooting; perhaps you may take shelter under the shooting. He may not have shot anything?—I take no shelter whatever and no inferences.

1225. Did you ever tell Cornish that Dr. Bown had ever gone out in the boat?—Not in connection with the shooting, but I told him that he had gone out in the boat.

1226. Where is that boat now?—The boat lies at Pegwith's.

1227. Engaged in any service there?—She is waiting to be employed, if necessary.

1228. Here is a receipt dated August, 1889, for \$102, signed Matthew Watts, for painting and other expenses incurred in connection with the boat "Grand Marais." Is that correct?—That was the \$102 expended on the "Grand Marais."

1229. The next item, \$106, was expended, most of it in repairs and in fitting out the boat?—No; that is not true.

1230. How much was paid for services and how much for repairs?—There is \$28 for Monkman. What is the amount?

1231. The \$106, and whatever was paid to Cornish as well, and repairs, these were public moneys expended on this boat?—Well, \$106, and \$102, yes.

1232. The \$106 was expended on a boat belonging to the Dominion Government, and which you bought without the knowledge of the Government?—Yes.

1233. Therefore without their authority?—Yes.

1234. And the purchase of which you have never reported to the Government?—Yes, I have.

1235. And the boat is now lying on the bank of the river?—The Red River, at Pegwith's.

1236. Will you give me the dates, please, of the item: "Provisions and cooking utensils, \$87"?—I wish to add something to the last question. I do it for the better information of the Committee. I am afraid that nearly all the members of the Committee have been confused by the attempt made to fasten this expenditure for a boat and skiff on Captain Begin's skiff, costing \$10 or \$15, and capable of holding three men. I state here now, that this boat is a boat capable of carrying four tons, and instead of carrying only four men, will carry half the members of this Committee.

1237. The "Grand Marais"?—Yes.

1238. What is her draught of water?—Six inches.

1239. A flat-bottomed boat, what is her draught aft?—Do you want an answer to that question?

1240. Mr. McGregor tells me she does not draw anything aft. Is the total draught six inches when she is equipped, and when a crew are on board?—If you will give me the avoirdupois of the Committee I will tell you.

1241. She is a vessel recognized as having a certain draught. What is her draught?—Six inches, and she has two sails and two masts.

1242. I was asking you to explain the item \$87 for provisions and utensils?—I am surprised you should leave such an interesting subject so quickly.

1243. I am glad it affords you so much amusement, Governor. It will be a pleasing episode in connection with your trip here. What boat were those provisions and cooking utensils for?—For the "Keewatin."

1244. That \$87 was for the "Keewatin"?—Yes.

1245. On what trip?—On her second trip to Lake Winnipeg in 1889.

1246. At what period?—On the 23rd August.

1247. Was any part of this for the first trip?—No.

1248. Neither the provisions or the cooking utensils?—No.

1249. The whole of that \$87 was for the second trip?—Except a chain and pump.

1250. What does that amount to?—Wells' invoice is on file here—put in as evidence here yesterday.

1251. Explain the item \$87?—The charge of \$68 is explained by two receipts.

1252. Was it \$67 or \$87? It is \$87, I think; I am speaking of the item for provisions and cooking utensils?—That is \$87. It is explained by two original receipts here: one from John L. Wells, \$36.80, and one from William Robinson, \$33.42.

1253. The account dated August 6th, 1887, from J. L. Wells for \$36.80, you swear is part of the item of \$87 in the Auditor General's Report?—Yes.

1254. And the items mentioned in this account you say were for use on board the "Keewatin"?—Yes.

1255. On a subsequent trip?—No.

1256. On her second trip?—No.

1257. You said on her second trip?—No, I did not. I said the two first items were on the first trip—the chain and the pump.

1258. You say all of this account except the chain and the pump, went on the second trip?—Yes.

1259. What is the charge on the chain and pump?—\$6.25 for the chain, \$1.00 for express, pump \$3.00, rope, etc., \$1.27; total \$11.52. The chain reached the boat in time for the first trip and went out on her. The pump, Mr. Stewart says in his evidence, did not reach in time. That may be the case. It was sent from Winnipeg.

1260. How do you make up the balance of the \$87?—(Witness produces receipt.)

1261. You point me to a receipt from William Robinson, dated August, 1889, as follows:—“Received from Hon. John Schultz, \$33.42, for provisions and other supplies put on board the sailing boat “Keewatin”—Those are the provisions that Capt. Begin saw me purchasing; that he saw me put on board.

1262. You swear that you purchased those provisions yourself from William Robinson?—Yes.

1263. In August, 1889?—Yes.

1264. For the second trip on the “Keewatin”?—Yes.

1265. And they were so applied?—They were so applied.

1266. What is the balance of the account?—\$16.75. There is a difference of 2 cents in the balance. I cannot prove that.

1267. What trip did the boat make on this occasion?—She started with me.

1268. Who was on board?—I was on board; Matthew Watts was on board; an Icelander was on board; my wife was on board, and a young lady friend.

1269. How long were you out?—We must have been out, I think, about 10 days. I cannot give you the date.

1270. Where did you go?—I started to get as far down Lake Winnipeg as I could. I reached Lake Winnipeg and the sea was very rough. My wife became sea-sick and we went on shore and camped. The weather continued rough and I practically only went a few miles down Lake Winnipeg on that trip.

1271. What do you call a few miles; five or ten?—I call 5 or 6 a few miles.

1272. You went down Lake Winnipeg 5 or 6 miles and came back, and this \$87 was for provisions required for that trip?—It was not for provisions.

1273. Well, less the pump and chain?—I want you to state it as it is.

1274. \$11.52, I think, was the amount you gave me as paid for the chain and the pump, including express charges, so that it makes about \$75 and something?—Yes, it was an expensive trip. For instance, there was a galvanized pail costing 50 cents, which was bought and paid for by the Government. Then there was one covered pail, 30 cents; a wooden pail, 25 cents; half a dozen tin cups at 8 cents apiece, 40 cents; six tin tea-spoons, 15 cents; six tin table spoons, 20 cents; four iron forks, 15 cents. There was also a pot fork, whatever that was, for 40 cents; one granite pot, \$1.10, a lid for it, 10 cents; half a dozen knives and forks, 70 cents; one anchor, \$8.50. The anchor, Mr. Stewart in his report stated to be necessary. It was paid for and taken on board. It is not amongst the provisions.

1275. This account is not for provisions?—No.

1276. The Robinson account was for provisions, I believe?—Yes.

1277. What became of those chattels?—Which do you want—the tin spoons?

1278. These articles you have mentioned, are they on the “Keewatin” or the “Grand Marais”?—There are a number of items there.

1279. Have they been continued as going with the “Grand Marais” or mixed up with the equipment of the “Keewatin”?—The tin spoons, I think, I put in my safe on my return.

1280. What became of this Government property?—They were put on board the boat “Keewatin.”

1281. Did they go to the bottom when the boat capsized?—The chain broke.

1282. The result of that trip was that you went 6 miles up Lake Winnipeg with your wife and family?—My answer to that is, that I started out with the intention of going as far as I could.

G. E. FULTHORP called sworn, and examined:—

By Mr. Mulock:

1283. What is your business?—An accountant.

1284. Where do you reside?—At Selkirk.

1285. Did you ever reside at Winnipeg?—I did.

1286. When?—For the last fifteen years.

1287. Where were you during the year 1889?—I was in Winnipeg.

1288. Were you in the employ of Lieut.-Gov. Schultz?—Yes.

1289. In the year 1889 in whose employment were you?—In the employment of Lieut.-Gov. Schultz—in the latter part of the year.

1290. What did you do for Lieut.-Gov. Schultz; what service did you render?—I was his accountant and agent for his lands.

1291. Where was your office?—On Main Street.

1292. In the City of Winnipeg?—Yes.

1293. Was that Lieut.-Gov. Schultz' office?—That was my office.

1294. Your own private office?—It was the office I used.

1295. I mean were you the tenant or the owner of the office?—The Lieutenant-Governor was the owner of the office.

1296. Did he personally own the building?—Yes.

1297. What service did you render? You say you were accountant, and looked after his lands?—Yes, and taxes.

1298. I am speaking from the 1st November, 1889, to the 30th June, 1890?—Yes.

1299. During that period you were in the service of Lieutenant-Governor Schultz. Your office was in his building, his own personal private property in the city of Winnipeg, and your duties were to look after his land and taxes?—Yes.

1300. Anything else?—I looked after his general business.

1301. Do you mean as Lieutenant-Governor, or in his private capacity?—In his private capacity, and sometimes I attended to his official business. I had a desk at Government House.

1302. Were you often there?—Yes.

1303. Are you a stenographer?—No.

1304. Nor a typewriter?—No.

1305. You signed a receipt of which I read a copy: "200—Winnipeg, 9th June, 1890. Received from His Honour Lieutenant-Governor Schultz, \$200 for my services, for the District of Keewatin, as writer and for stenographer and typewriting, from 1st November, 1889 to 30th June, 1890. Signed in duplicate—G. E. Fulthorp."

Lieutenant-Governor SCHULTZ,—I submit that the receipt is not read correctly. It should be for "Stenographing and typewriting." You are trying to make out that this man is a stenographer, which he is not.

1306. The original reads:

"WINNIPEG, 9th June, 1890.

"Received from His Honour Lieutenant-Governor Schultz two hundred dollars for my services, for the District of Keewatin, as writer, and for stenographing and typewriting, from 1st November, 1889, to 30th June, 1890."

"G. E. FULTHORP."

That is your receipt, I believe. That is for writer, and stenographing and typewriting. Are you a stenographer or a typewriter?—No.

1307. Why did you receive money for services as writer for stenography and typewriting from the Dominion Government?—A portion of that money was for my own services, and a portion was for typewriters and stenographers who had been there and worked there from time to time. I did not receive all that money myself personally, but a portion of it I did.

1308. How much of it personally did you receive?—I do not remember. About \$60 or \$70.

1309. For yourself?—Yes.

1310. For what service?—For extra work done in connection with the Governor's official position as Governor of Keewatin.

1311. What were those duties?—Copying reports and making out papers in connection with the Governor's duties.

1312. Was there any bargain that you were to be paid for this work?—Yes, that was the understanding.

1313. You signed a receipt for \$200, only \$60 of which you received. Is that correct?—No.

1314. What did you say?—I say about \$60 or \$70.

1315. You only received some \$60 or \$70 out of the \$200?—Yes.

1316. The other was for services rendered by other people?—Yes, it was paid out.

1317. Did you pay it out?—It was paid out with my knowledge.

1318. Did you pay it out?—I did not.

1319. Did you make any memorandum on signing this receipt?—Yes, I think I did.

1320. Will you produce it?—I haven't got it.

1321. Why did you not produce it?—I did not see any object in doing so.

By Mr. Bowell :

1322. Were you summoned to produce papers?—No.

By Mr. Mulock :

1323. You were told to produce papers?—No.

1324. Were you not asked to produce papers here?—No.

1325. You made a memorandum about signing this receipt and do not produce the memorandum?—I did not bring it along.

1326. You knew what you were summoned about?—I knew it was in connection with this. Mr. Chairman, I desire to call your attention and to ask the protection of this Committee. I was insulted yesterday by someone in connection with this Committee who seems to constitute himself a sort of Pontius Pilate here. He had no right to call me the name he did and I resent it.

1327. What name was it he called you?—It is in the paper.

1328. What name did he call you?—I never saw the man in my life and I object to it.

1329. What name did he call you?—He was a man by the name of Lister.

1330. What did he call you?—A stool pigeon.

1331. Do you think that is the same as being called Pontius Pilate?—I was undeserving of that title. He had no right to give me such a name, and I call the attention of the Chairman to it.

Mr. MULOCK.—It is for the Committee to decide whether you were a stool pigeon or not.

By Mr. Barwick :

1332. You are a writer, and you were paid for writing for the Governor?—Yes.

1333. For Lieutenant Governor Schultz?—Yes.

1334. And the payment for your services is part of the \$200?—Yes, sir.

1335. Then there were other people employed by the Governor for stenographing?—Yes, there was.

1336. Who were they?—There was Mr. Gregory for one. He was a young man up there in Winnipeg, a Canadian, I do not know where he came from.

1337. Did you get him for the Governor?—No, he was there.

1338. Who did not get him?—No.

1339. Who else did you employ?—There was a Mr. Hawkins.

1340. Who got him?—I presume he was there.
1341. Was he living in your house?—Yes, he was living in my house.
1342. Was he a typewriter or a stenographer?—Both.
1343. Who else had you besides Gregory and Hawkins?—There was a young fellow named Grey, from the office of a firm of merchants.
1344. Was he a typewriter?—Yes.
1345. And a stenographer?—I am not sure whether he was a stenographer or not. He was employed here for typewriting; a young fellow about 20.
1346. Who else?—Two or three others whose names I do not remember.
1347. You got these men just as you could in the evening to assist in the work?—Yes.
1348. To assist in the work that you could not do yourself because you were not a typewriter?—Yes.
1349. For how long a time, how many weeks were these men employed?—I could not state particularly.
1350. Several months?—Well, it extended over a period of 6 or 7 months from the time I went there until the following summer.
1351. It was about the 1st of November that you went there?—Yes.
1352. And you remained until the 1st of next July?—Yes.
1353. So that during that time you had 6 or 7 typewriters employed in the evenings from time to time as you required them, and about \$130 of this money went to them?—Yes.
1354. Did these men earn this money?—They certainly did. I think it was a very moderate payment.
1355. What was the rate at which you paid them?—\$25 a month.
1356. How many hours a day did they work?—I could not tell you that, it would be impossible.
1357. You employed them by the hour, did you?—No, not by the hour. An estimate was made of the work and they were paid by the month.
1358. You estimated that their work was worth \$25 a month and you paid them that amount?—Yes.
1359. And these payments made up \$130?—Yes.
1360. That is the money paid from you to them?—The cheques were made out generally to the young men themselves. I think these cheques would be in existence to-day and could be produced as vouchers, if I recollect right.
1361. You took the cheques to these young men for their \$130 and signed the receipt for \$200?—Yes.
1362. The whole of it had gone through your hands?—Yes, the whole of it.
1363. The whole of it had been paid by June, 1890?—Yes. It was for services up to the end of June.
1364. And at that time you made out the receipt?—Yes.
1365. The whole of the \$200 had been paid?—Yes.
1366. You had seen it all paid out?—Yes.
1367. And that amount went in payment of the services of these young men?—Yes.
1368. So that you had seen the money going out—seen it actually going into their hands, and then you signed their receipt?—Yes.
1369. Do you think that, in what you stated in your evidence to Mr. Mulock, there was anything improper?—No.
- Mr. MULOCK objected.
1370. Do you want to make any explanation of that receipt? You had seen the money actually going into their hands?—Yes. I have no explanation beyond the fact that I knew that the money had been all paid and I did not see any harm in signing the receipt for more than had actually been paid to myself.
1371. The whole of the \$200 you had actually seen go to these men apart from the amount you were entitled to yourself?—Yes.

By Mr. Mulock :

1372. How much did you pay Gregory?—I could not say.

1373. How much did you pay Hawkins? By the way, did you keep any memorandum of the services?—No.

1374. Then how much did Hawkins get out of the \$200?—I cannot say.

1375. How much did Mr. Grey get?—Very small amount, I think \$20 or \$30.

1376. Did you keep any account of his services?—No, I did not.

1377. You spoke of two or three others, how much did they get?—I cannot tell you now.

1378. Did you keep an account of their services?—No, I did not.

1379. Then from whom did you learn of their services to His Honour?—I was there, present, myself and knew that they were engaged at the time.

1380. Did you say that the cheques in all cases were handed to them?—I said that in some cases they were handed to them, and in some cases they went direct to the parties themselves.

1381. They went directly to the parties themselves and did not pass through your hands?—They did not pass through my hands. But the cheques eventually all passed through my hands after they had gone through the bank.

1382. That was in your private capacity as accountant?—Yes.

1383. Will you tell me who certified this account at the bottom?—Dr. Bown.

1384. You know Dr. Bown?—Yes.

1385. He is private secretary to His Honour, is he?—Yes.

1386. I am told that he is practically incapacitated for work?—He is sick, but he is round at his work in the day time.

1387. Is that his handwriting or is it a stamp imitation of his handwriting?—I would not swear to that, but I think it is his signature.

1388. I am told that he is incapable of signing?—He is not.

1389. At all events you recognize this as his handwriting?—I do.

1390. Is this a correct statement?—It is.

1391. It is a requisition from Robert Bown, private secretary to His Honour, requesting as follows:—“Requisition for payment for stenograph writer and type-writer for the District of Keewatin, Governor’s House, Winnipeg, 9th June.” Then payment to Mr. George E. Fulthorp, of Winnipeg, for the following services, namely, from the 1st November, 1889, to the 30th June, 1890, 8 months at \$25 per month—\$200, *vide* duplicate receipts attached.—Yes.

1392. Was there any engagement between you and His Honour that you were to be paid \$25 a month by His Honour?—There was a specific engagement between the Governor and myself, that I was to be paid for extra work—that is for work that was done in connection with Keewatin.

1393. Was there any engagement that you were to be paid the sum of \$25 per month for eight months from 1st November, 1889, to 30th June, 1890?—I was to be paid at the rate of \$35 per month for extra work I did.

1394. And how many extra months did you work for the Government of Canada under the direction of His Honour, at the rate of \$35 per month?—To the best of my recollection, about two and a-half months.

1395. And since then have you been paid at the rate of \$25 a month?—I have not, because he has had regular employees in that capacity.

1396. Did you receive anything beyond what is mentioned in this receipt?—No.

1397. You never received anything more than that?—No, I have not received anything more than that.

1398. From the Dominion Government?—Not that I recollect of.

By Mr. Barwick :

1399. This \$25 not only covers what you got, but it covers what the other people got as well?—It did.

1400. So whatever work was done, whether by you or the shorthand writer or

typewriters, the whole work cost \$25 a month?—Yes.

1401. You did not get \$25 a month, but it was what the other people got paid besides?—I got what was coming to me.

1402. You got your share of the \$25?—Yes.

1403. And the other people mentioned, they got their share of the \$25?—Yes.

1404. So that you divided up the \$25 a month for the six or eight months you were employed?—At that rate I don't know how many months it was; it was from the beginning of November, eight months.

1405. Mr. Bown is the private secretary?—He is.

1406. Has he an office at Government House?—He has.

1407. And was he the man who kept track of the work done by those other men?—Yes.

1408. Did Mr. Bown keep track of all the work these men did?

Mr. MULOCK—Mr. Bown alone can tell that, I object to any hearsay evidence.

By Mr. Barwick :

1409. Do you know of your own knowledge that Mr. Bown kept track of the work?—I know he knew of it. He is there every day in association about the house.

1410. Did Mr. Bown keep an account of the work done by the various men?—I think he did.

1411. Do you know whether he did or not? If you know he did, say so?—I don't know.

By Mr. Bowell :

1412. It has been stated that Mr. Bown is an invalid; I believe that is correct, is it not?—Yes.

1413. Has he ever been incapacitated from doing ordinary work in the office, or signing his name, as indicated by Mr. Mulock?—Never.

By Mr. Taylor :

1414. Does he live up in the garret in the Government House?—No, he does not.

By Mr. McMullen :

1415. Does he sleep there?—Dr. Bown has elegant quarters in the Governor's house—I have been there myself.

By Mr. Barwick :

1416. Did you see Dr. Bown constantly?—I saw him constantly, every day that I went to Governor Schultz's house.

1417. You saw him since he signed the requisition, I suppose?—I did not see him since I left Governor Schultz's employ, last May or June.

1418. Of this year?—Of this year.

1419. Was he then attending to his duties?—He was.

1420. What were the duties he was actually attending to then?—I cannot specify, but they were the duties appertaining to the private secretary—all the official business connected with the office of Lieutenant-Governor.

1421. Was he sitting in his office?—He was sitting in his office writing reports. I could not begin to specify them, because it never came my way to do much reports.

1422. But when you saw him last he was sitting in his office—he was attending to the ordinary duties of secretary?—He was, yes.

By Mr. Taylor :

1423. If Mr. Stewart swore that Dr. Bown lived up in the garret, in Government House, would that statement be true or false?—He did not mean that, he meant to qualify that. He knows the place well enough.

1424. Is that statement true or false?—It was just a misnomer. He knows well enough it is not the garret. It is the highest rooms in the Government House, but Government House is large, and the Doctor has elegant quarters there. I know that of my own knowledge.

Mr. BARWICK—I do not intend to call Lieut.-Governor Schultz as a witness, but he is here ready to answer any further question. Although the other side desire to call no further witnesses he does not desire to take any advantage of that; he is ready to give any further evidence upon it that he can. It seems to him he has fully explained the items, but if any further explanation is desired of him he will cheerfully give it.

Lieut.-Governor Schultz—May I ask before any action is taken upon it—Mr. Mulock has certainly acted in a very gentlemanly manner this morning—May I ask Mr. Mulock, since he finds that the statements made to him of what Mr. Stewart would say on evidence have practically failed, and as what Mr. Fulthorp, it has been stated to him, would say on his evidence has also failed, may I ask him, as one gentleman to another, simply to say that he was misled unconsciously in this matter, and to allow this question to drop.

Mr. MULOCK—I have no objection to expressing my opinion on the matter. When His Honour came down here on Friday evening although I much regretted it, I was obliged to go away owing to sickness in my family. I was anxious His Honour should have the first opportunity of making an explanation, and for that reason as well as for the fair conduct of examination, I proposed to this Committee he should, as the first witness, first make his explanation. Had he been the first witness, I do not know how far the enquiry would have gone. I have not heard Mr. Stewart's evidence; I do not know what Mr. Stewart swore to after I left on Friday evening. When I left he was in the middle of his examination by Mr. Moneriff and therefore I cannot say what he swore to. I have not seen the minutes of evidence, nor have I seen anything but a brief reference to it in the press. I dare say that a good deal of the confusion and misunderstanding has arisen from a lax state of keeping the accounts. I think His Honour must admit, every person who is in charge of public money must admit, that the last transaction we have investigated to-day was not regular. It is not, in my opinion, a regular way to discharge public business, for one man to sign receipts for money not paid to him. Of the others, however, explanations may be offered, and I prefer to accept the explanation of irregularity rather than one of a more serious character. It must be borne in mind, however, that on one item there is a direct conflict of testimony. Mr. Stewart has sworn that his services began on the 1st June and lasted until the 15th July, a period of one month and a half, and that for that period he only received at the rate of a month and a half's pay. Then there is a direct conflict between himself and His Honour. I have no reason to think Mr. Stewart untruthful, and I am willing to put it down as one of those misunderstandings between parties over accounts, growing out of an irregular system—an irregular way of transacting business. I prefer to accept that explanation rather than to say either of these gentlemen has stated what is untrue. The amount is too trivial to warrant one in really coming to the conclusion that a person in the high position of His Honour would do what, on the surface of it, might be supposed to have occurred. But if no misunderstanding has taken place, we must attribute it to an irregular system of keeping accounts. I must say I was impressed with the truthfulness of Mr. Stewart's statements, and I am at a loss to understand how, on that item, there should be any dispute. Mr. Stewart says his wages began on the 1st June, and His Honour says they began on the 15th of May. Who is likely to be in error? The workingman whose time is his whole capital is more likely to be accurate as to when his wages began than a person having, like His Honour, a multiplicity of duties. I think His Honour, if it came down to a question of probability, is mistaken. On that item I would acquit His Honour of doing intentional wrong, and willingly do so. I must say, however, I was impressed with the earnestness and truthfulness of everything that fell from Mr. Stewart.

LIEUT. GOV. SCHULTZ re-called and further examined :—

By Mr. Barwick :

1425. You have heard the remarks of Mr. Mulock with regard to these services possibly not having been rendered for which the receipt for \$200 was given?—Yes.

1426. Will you be kind enough to say whether these services were rendered or not? Make any explanation you please?—The services were rendered at the rate of \$25 a month. I informed the Government it would be necessary for me to have them done, and they made no objection to it. They were performed by James Dryden. He was consumptive and had to go south. I then told Mr. Fulthorp that on condition of his doing the extra work he could have the extra pay of \$25 a month, as he was a particularly good writer, but I told him that for such portions as needed the employment of a stenographer and type-writer such services would have to be paid for out of that \$25 a month. He did the work, and the cheques for the pay of those who were employed in this way passed through his hands. He has stated that distinctly.

By Mr. Mulock :

1427. All of them?—The services were rendered and the money was paid.

By Mr. Foster :

1428. How much had you been paying Dryden?—\$25 a month. The person who succeeded Mr. Fulthorp was getting \$25 a month, and my present man is being paid at the same rate. I wish to say this distinctly, that I am responsible alone for any inaccuracies in these accounts. The Government gave me no directions in regard to them. I am responsible for the purchase of these boats, and there is no degree of blame attached to the Government one way or another. I alone am responsible for it. The total expenditure in 1889 was \$741. The total expenditure in the year before was about the same amount. Whether I have done well or ill must be judged by the results. I have reduced the appropriation for the District of Keewatin from about \$5,000 down to what you voted the other night—an amount of \$2,000. That is practically what the Government of Keewatin is costing to-day, and it is utterly impossible for a Minister to dictate to me the means I should take to govern that country. The moment the power is taken away from me, to do as I choose in these small matters, that moment I want to be relieved of the position of Governor of that country.

By Mr. Barwick :

1429. What was the work that these shorthand writers did?—They took my statements, correspondence and reports.

1430. Reports to the Minister of the Interior?—Yes.

1431. This is entirely connected with the District of Keewatin?

Mr. MULOCK—Under what Department is the district?

Mr. FOSTER—The Department of the Interior.

The Committee then adjourned.

SELECT STANDING COMMITTEE
ON
PUBLIC ACCOUNTS.
—
REPORT
AND
MINUTES OF EVIDENCE
RESPECTING CERTAIN PAYMENTS MADE BY THE
DEPARTMENT OF THE INTERIOR
FOR
EXTRA SERVICES.

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1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
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1891.

REPORT.

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

TWENTY-SEVENTH REPORT:

Your Committee have had under consideration certain accounts of the Department of the Interior, showing the amounts paid for salaries and for extra work performed from the 1st July, 1884, to the 1st July, 1891, and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
MONDAY, 21st September, 1891.

17 APR 1951

REPORT

Summary of the work done during the period from 1 July 1950 to 31 March 1951. The work was carried out in the Department of Physics, University of Cambridge, and was supported by the Office of Naval Research, Washington, D.C. The work was carried out by the author and was published in the Journal of the Royal Society, London, in 1951.

MINUTES OF EVIDENCE

TAKEN BEFORE THE SELECT STANDING COMMITTEE ON PUBLIC
ACCOUNTS, RESPECTING THE PAYMENTS MADE BY
THE DEPARTMENT OF THE INTERIOR FOR
EXTRA SERVICES.

COMMITTEE ROOM, WEDNESDAY, 8th July, 1891.

Committee met, Mr. WALLACE in the Chair.

Mr. J. LORN McDUGALL, Auditor General, called and examined:—

By Mr. Somerville :

1. Do you know a person by the name of Low in the Department of the Interior?—I know one person by that name.

2. A. P. Low?—Yes.

3. Was he promoted recently?—He was appointed recently to the permanent staff.

4. Was there not some trouble about his appointment?—Well, yes; there was some delay about it.

5. What caused the delay?—He had been paid out of the outside vote—the vote to which those cheques are charged for which you asked—and my view of the law was, at the time, that the clause in the Civil Service Act under which an extra clerk could be appointed to the permanent staff at his average salary for the last two years did not apply to persons employed as Mr. Low was, and I objected to his being placed on the permanent staff. I may say this, that there was an appeal from my decision to the Treasury Board, as in all such cases, and I was overruled. I may say also that my opinion, after thinking over the matter, is that the view I first took is wrong. My view at first was that the only persons entitled to the privilege of being appointed to the permanent staff were the extra clerks paid out of the Civil Service contingencies.

By Mr. Foster :

6. As being in the service before 1882?—Yes; this matter is perhaps a little complicated to people giving it attention for the first time. The Civil Service Act says that any person who is in the service before July, 1882, would be exempt from examination, and could be appointed at the average salary for the last two years, that is, appointed to a permanent position—I took it that this clause did not apply to persons not paid out of Civil Government Contingencies. The Treasury Board overruled my view, and in that I believe now the Treasury Board were right. Under the view that I took at first those persons who are employed and paid out of this vote were not subject to any of the restrictions of the Civil Service Act—that is to say, they could be paid any salary the Government choose to pay, provided there was the appropriation. You are aware that the persons paid out of Civil Government Contingencies cannot be paid, except for special service, more than \$400 a year, but I think that Parliament, in making a special vote to pay for extra clerks outside gave to the Government the

right to pay to such persons any remuneration that the Government pleased, and to keep them as long as they desired. It was in that way that I objected to Mr. Low being made a permanent clerk, as I did not think the clause in the Civil Service Act applied to such cases as his.

By Mr. Somerville :

7. Mr. Low occupies the position to which he was appointed?—He does now.

By Mr. Bowell :

8. You state, Mr. McDougall, that the Treasury Board's action was based on the opinion of the Minister of Justice?—That is always so; that is part of the law. The Minister of Justice always gives an opinion before the Treasury Board can overrule the decision of the Auditor.

9. The Civil Service Act also provides, does it not, that a person continuously in the employ of the Government since 1882 can be placed on the permanent list under that decision at the salary he was receiving at the time?—Yes; his average salary for the last two years.

10. And not the minimum salary, \$400?—No; of course, under that decision of the Treasury Board every extra clerk, as long as he is paid as an extra clerk, must be paid equal to \$400, unless he came in before 1882.

Mr. J. A. PINARD called and examined :

By Mr. Somerville :

11. What position do you occupy in the Department of the Interior?—Accountant.

12. You have the attendance books in connection with your Department, have you not?—Yes, sir.

13. This is it, is it not? (Identifying book.)—This is the one in connection with my branch—the Accountant's staff.

14. Are those all the employés you have under you whose names appear here?—Yes; all that were on the pay-list; those who are receiving monthly salaries.

15. And the outside vote?—Yes, sir; they are included—the extra clerks as well as the permanent officers.

16. And they all sign this book?—Certainly—that is, the clerks, any of those you have in this list. Some get monthly salaries and others get pay for work which is done outside.

17. Those that get pay for work done outside are not in your charge?—They do not sign the books.

18. Do they sign any books?—I am not aware that they sign any books.

19. Who keeps account of their work?—That is done in other offices of the Department; not in my office.

20. Do you know in what office the account is kept?—The accounts, as far as the moneys which are paid out, are kept with me.

21. No; I mean the work?—It depends on the nature of the work that is done.

22. Copying work?—Most of the copying is done under Mrs. Lee.

23. It is sometimes done by the hour?—That is extra work. Extra work is given to officers who are paid monthly; of course, where extra work is mentioned the names should appear in some of the books as extra work. It is given to officers who are working under salary; but there is also extra work, such as copying, given to people entirely outside of the staff.

24. Then the man who does extra work ought to have his name in some of the attendance books?—I should think so. Extra work is given, in addition to the ordinary salary received, for work performed after hours.

25. Do you know a man in the Department named Joseph Wright?—I do not know Joseph Wright.

26. Do you see his name here? "Extra work, 475 hours, at 50 cents." That is at page 34-B of the Auditor General's Report. Do you not know Joseph Wright?—No; I do not know Joseph Wright.

27. You ought to know who are in the employ of the Department in that branch?—I must say that some of them I have never spoken to. I have seen the name on the list, but I do not know all the officers. I know my own staff, of course. That is a case out of the regular routine.

28. It is extra work, is it not?—That is true.

29. You do not know this man at all, Mr. Pinard?—No, sir.

30. Have you never heard of him?—Certainly I have heard of him this way, the accounts come through my office.

31. Who certifies to the work that he does, or his attendance in the Department, extra work, at so much per hour?—The accounts would come to me in the usual way. After I receive the account a cheque is issued from my office after the account is approved.

32. It is difficult for me to know how these things are done, and I am somewhat in the dark. I must depend on you to enlighten me?—I will explain to you how the accounts are paid, and then you can deduce from that, so as to arrive at a conclusion. That account will be paid through the Accountant's office, as all the accounts are paid. The account is filed in the Department, certified and approved. That is the rule for all accounts. They are certified outside of my office entirely.

33. Certified by whom?—All accounts that are paid are supposed to be certified by the party who knows the work to have been done; they are then approved by the Deputy.

34. Who signs the cheque then?—I sign the cheque after the account comes to me. You will find all the cheques there have been signed by me, unless some of them have been signed in my absence by the Assistant Accountant.

35. Here is a cheque made to the order of Joseph Wright?—That is signed by me and Mr. Hall. I would presume that in that special case the account has been approved by Mr. Hall, as he signed the cheque. It may have been approved by Mr. Burgess. There is a standing rule in my office; of course there may be exceptions, and there were some years ago; but within the last year or so all the accounts that have been paid have been certified and approved. I do not go any further than that in paying accounts.

36. It is not your business to examine the account?—Not at all. The moment I get an account certified and approved it is my duty to issue the cheque.

37. Of course you could not identify this as Joseph Wright's signature, because you do not know the man?—Not at all.

38. Do you know a Miss Nellie Myers in the Department?—I know there is a young lady of that name.

39. She is credited with having worked 240 days at \$1.50 a day, and received \$363. Do you know her?—Miss Nellie Myers, as far as my memory tells me—in the statement I made a few minutes ago—this name brings a matter up in connection with it. There may be some accounts, and I think this is one of them, where clerical work is done by persons who do not sign the book, but who render their monthly accounts.

40. Who do not sign the attendance book?—Yes; and who render monthly accounts. In that case the account would come in in the same way as the others, certified and approved.

41. Would that work be done in the offices of the Department?—I could not say that.

42. Where would Miss Nellie Myers be working during that time? Would she not be required to be in the office?—That I do not know; I never saw her.

43. Do you know a Miss Jane Hay?—No; I do not.

44. Do you know a Miss A. Duhamel?—No; I do not. I may have seen Miss Duhamel; I think I did see her in the Department.

By Mr. Bowell :

45. Do I understand you to say that the parties that are on the regular staff sign the book if they do extra work at night?—I did not mean that; I did not intend that my expression should give you that understanding. There were a few cases like that of Miss Myers', who did not sign the attendance book.

46. I am not speaking of that point at all. You stated that there were parties on the permanent staff who did extra work by the hour, and their names should be in the book?—We have two classes of employés, the permanent officials, who are paid out of Civil Government, and those who are paid out of Dominion Lands Income. These are the extra clerks.

47. What I want the Committee to understand is this: is it necessary in the case of a permanent clerk doing extra work after hours, and who is paid extra for it that he should sign the attendance book at any other time than in the morning when he comes?—All that I know is that all the clerks sign the attendance book.

48. But if a man ends his employment of the regular day's work at 4 o'clock, and after dinner, say, he is engaged for three hours, does he sign the book in the evening?—He only signs the attendance book in the morning.

By Sir Richard Cartwright :

49. What hours do they sign the attendance book?—Generally half-past nine. That is the hour it should be signed.

50. How long does it remain open for signature?—Until ten o'clock.

51. At ten o'clock what do you do with it?—The book is put away.

By Mr. Somerville :

52. They are all apparently very regular in their attendance.—The book speaks for itself. I am as careful as possible in seeing the attendance is kept up.

53. You do not know Mr. Wright?—No.

Mr. A. M. BURGESS called and examined:—

By Mr. Somerville :

54. Do you know why Mr. Wright is not here, Mr. Burgess?—Yes; I can tell you. I am glad to have the opportunity to tell the Committee just exactly what there is in this Wright matter, because I can clearly see for one thing that Mr. Pinard did not quite understand some of the questions put to him. He was asked, for instance, whether all these people signed the attendance book, and he replied that they did. I ought to state to the Committee that for a number of years past a large number of people have been working for the Department, particularly in 1885, 1886 and 1887, for whom I could not find any accommodation in the Government building. As it stands at present, one-half of the staff is at present located over the Bank of Ottawa—the technical branch—and nearly all the extra work done in the Department has been done outside. It has been taken by people to their own homes, and the work counted by Mrs. Lee or the officer under whose superintendence it is performed, and certified to by the officers who examine it. It is paid for sometimes at so much per hour, sometimes per folio, dependant on the nature of the work to be done. If it was copying at so much per folio; the person who gave it out would see that the work was properly done and certify to it; if at so much per hour, the chief clerk or other responsible officer under whom the work was done would also certify the account after which I would approve, as the Accountant has explained. It is then sent to the Accountant who would draw the cheque, which would be signed by himself and by me, or in my absence by the Acting Deputy.

By Mr. Foster :

55. When you pay at so much per hour how do you count the hour?—That must be done under supervision in a private room. The history of the Joseph Wright

case in this: In 1883, when I became Deputy Minister of the Interior, I found that no account had been kept of the scrip, military bounty and mounted police warrants issued from time to time, nor had any account been kept of these warrants and scrip which had been paid into the Department in payment for land. I called the attention of the Accountant, Mr. Pinard, who received his appointment at the same time as myself, to this state of matters, and said to him I thought that we should open a book of accounts in regard to scrip and warrants, exactly the same as if they were cash. He concurred in this view, and immediately opened such a book, or rather, set of books. I told him at the same time that I thought the whole of the work of the past in regard to this particular matter should be examined and the accounts brought up to date. Several years elapsed when Mr. Pinard reported to me that he had not sufficient staff to overtake this work, which was naturally very onerous, from the beginning up to the 1st of July, 1883. The Honourable Thomas White was then Minister of Interior. I discussed the subject with him, and suggested that one of two things should be done: either that an expert accountant should be employed from outside to go into the work from the beginning, or that some one in the employ of the Department, competent to do the work, should be given it as a special job. He asked which I thought would be the most satisfactory, and at the same time the most economical, mode of doing the work; to which I replied that in my opinion some clerk in the Accountant's office, or in the office of the Chief Clerk of Patents where the information was to be found, should be appointed to do the work as either of them would know the routine of the Department better than an outsider. He asked me whom I thought would be the best person to employ, and told me to look and see and select the man whom in my judgment was best fitted for the work. After a time we decided that H. H. Turner, a third-class clerk in the Accountant's office, and a man getting a small salary, would be the best man for the work. I told Mr. White that I thought it would take some years to do this work, and meantime it was necessary to arrive at some understanding as to how the man should be paid. Fifty cents an hour was what was allowed for extra work, and Mr. White and myself agreed that Turner could not in any case earn more than the maximum salary of the class to which he belonged. The question arose as to how he was to be paid, and I mentioned that in the Post Office Department and the Finance Department at the end of the year certain permanent clerks are allowed the opportunity to earn something extra by making computations and other work necessary to the speedy closing of the accounts, and I said I would find out how these were paid. I do not remember whether I did or not, but the conclusion we arrived at was, that in reference to this work, especially that which he could do at his own house, Turner would need assistance. The idea was that he would take his facts and figures out of the books in rough form, and then get them out at his own house. His wife was a clever woman; she had been a school teacher in Ontario. I do not know whether the suggestion came from Mr. White or not, but for a number of years it was going on with the consent of Mr. White, or the chief clerk of the Department, that this money was to be for Mr. Turner's benefit, because he was the one who did the work. Turner had the misfortune to lose his wife, and then the account was put in the name of a friend. I did not know of that change for a considerable time after it took place, but I did know in course of time that it was done.

By Mr. Foster :

56. It was in the name of his wife while she lived?—Yes.

By Mr. Somerville :

57. What was her name?—I do not know.

58. How long is it since she died?—I do not know really what was the wife's name. She had a sister here; it may have been in her's.

59. How long is it since his wife died?—Four or five years. It must be subsequent to 1884 since this commenced.

60. How did you come to adopt the name of Joseph Wright?—I did not adopt it; he adopted it himself, I understand.

61. Who is Joseph Wright?—I understand he is a friend of Mr. Turner's. I may say to the Committee that it is only within the last few days that my attention was called to this. All I know is, that the work was done and the Auditor was furnished with the results of this man's labour.

62. How could the work be given out to a man who apparently had no existence?—Of course the man has existence.

By Mr. Sproule :

63. Might it not have been given to Turner, who employed Wright?—I suppose it was. I spoke to Turner about it yesterday and I asked him about it. I can only say that I was anxious about the work. I know from time to time that it was going on as I could see the results of it.

By Mr. Somerville :

64. That system of doing business might lead to a great deal of trouble?—I quite agree with you. There is no doubt about it that the regular mode would have been to come down to Parliament and ask Parliament to vote this additional remuneration.

65. Why was that not done?—For the simple reason that a portion of the work had to be done with assistance.

66. What salary did Turner get?—I think \$600 at that time.

67. I see that last year he got \$862.50?—Probably he would be only getting \$500 at that time.

By Mr. Sproule :

68. He would be getting steady increases since?—Yes.

By Mr. Somerville :

69. As far as you know, there is no Mr. Joseph Wright?—As far as I know, except for Turner's putting the account in his name; that is all I know.

70. You know it would be contrary to the Civil Service Act to allow Turner to draw this money?—I do not think it occurred to me before that this was the case.

71. You know no permanent clerk is allowed to draw anything beyond his salary, except on Order in Council or through the Supplementary Estimates?—That is quite true.

Mr. BOWELL—Not even by Order in Council.

By Mr. Foster :

72. Are you satisfied that the extra work was done?—I know it was.

73. How do you know?—I could show you from the records of the Department. Anyone can understand it when he comes to know what work this man was doing. He had to enter up all the scrip that had been issued and all the warrants, and it was a very laborious task, as millions of dollars had been paid in in this way.

74. Since when?—From the beginning. I suppose the first scrip was issued in 1883.

By Mr. Somerville :

75. I cannot understand why, when a man was giving good service for the work he was performing that any back-door method of payment should have to be adopted?—I frankly state that I do not think it is a very defensible thing myself. I say to the Committee that I took full responsibility; but there is no secret about it—everybody in the Department knew it was being done and who was doing it.

76. And all this time H. H. Turner was pocketing this money?—I cannot say he was pocketing it; he really earned it.

By Mr. Denison :

77. Could he only have done this work after hours?—He could only do it after hours, because the books in the possession of the Department were in use during the day. If an expert accountant had been brought in he could only have worked after hours, because the books were in constant use during the day.

By Sir Richard Cartwright :

78. This money credited to Joseph Wright was paid to H. H. Turner?—I so understood.

By Mr. Foster :

79. For working after hours?—Yes; and for assistance.

By Mr. Somerville :

80. Are you aware whether he got assistance or not?—I certainly understood that he did. Of course, I did not go to his house to see.

81. But you did not know whether his wife did any?—Truly, truly; but I knew the work was done.

By Mr. Corby :

82. And it cost you less than if you had employed an expert?—It did not cost us one-half what it would have cost the other way.

By Mr. Somerville :

83. Why did you not have the work done according to the requirements of the Civil Service Act, and save this enquiry? There must have been some reason for it?—No reason in the world, except my anxiety to get the work done. It was in the middle of the season, and I could not have got a cent for it until the meeting of Parliament.

84. Could not the Minister have employed another man?—He could have employed an outsider, but as Turner was able to do the work better than any other outsider I preferred he should get it. I have no hesitation in saying that if I had to begin again this would not be done.

By Sir Richard Cartwright :

85. The law had been deliberately violated and with the consent of his chief?—Certainly I never paid a cent without the concurrence of the Department.

By Mr. Bowell :

86. What I understand the position to be is this: During the life of Mrs. Turner the account was paid to her. After her death the work was continued to be done at Mr. Turner's house?—Partly at the house and partly at the office, just as before.

87. And after his wife's death Mr. Turner put in the accounts in the name of Mr. Wright? Did you know whether Mr. Turner, in order to evade the provisions of the Civil Service Act substituted another name for the work done by himself, and then took the money?—I must say I never asked him that.

88. Or whether Mr. Wright really did the work under the superintendence of Mr. Turner and then Mr. Turner put in the account in the name of Mr. Wright, or whether did he do it to evade the law?—I did not think of it.

By Mr. Somerville :

89. If Mr. Turner did the work himself, the theory Mr. Bowell sets up may be accepted somewhat; but if Turner gave the work to this man Joseph Wright, then it

was not because Mr. Turner was eminently fitted to do the work that it was given to him?—It was because he was fitted for the work that it was given to him. First of all, the facts and figures had to be extracted from the books, which only an officer of the Department or an expert accountant could have done. Turner is a good accountant; his wife, I understand, was to do the tabulation, which was to be written out at his own house.

90. Sir Richard Cartwright stated that this had been done with the consent and approbation of the chief of the Department?—Yes; when it was in Turner's wife's name.

By Mr. Paterson (Brant):

91. Who certified to Joseph Wright's account?—I think the chief clerk of the Patent Branch.

By Mr. Somerville:

92. Here are Mr. Turner's cheques (producing cheques). Do you know his handwriting?—I do.

93. Is that anything like it (handing cheque to witness)?—That is not like it.

94. Because this man Joseph Wright has no existence; some one has written his name on the cheque?—All that I can say is, that after I issued the cheque I had no more responsibility.

By Mr. Paterson (Brant):

95. Whom were Joseph Wright's cheques given to?—They were given to Turner. I do not want the Committee to be under any misapprehension; I knew perfectly that Turner was getting paid for this work. I do not say that I knew of this at the time Wright's name was first used that Joseph Wright represented this particular work, but it was to pay for the work.

96. Did you know that Joseph Wright was a real person or a fictitious person?—To this moment I did not know; I never knew about it.

97. Why should he use Joseph Wright's name?—There is no earthly reason for it, except that it was a well-understood rule that he could not get extra pay in his own name, unless it were voted by Parliament.

By Mr. Foster:

98. He could not get the cheque for himself?—No; for the very good reason that the Auditor-General would not pass it.

By Sir Richard Cartwright:

99. He was violating the law, and has been doing it for years?—There is no doubt that there has been a technical violation of the law.

By Mr. Somerville:

100. I think there was a gross violation?—I do not think it was a violation when the work was actually done.

101. Can we see this work that was done?—Certainly.

102. Well I will ask you to bring it for the next meeting. Now there are some other persons whom I have been informed—I am only acting on information from other persons, and I have to substantiate it by the evidence I have to bring forward—Do you know a Miss Agnes Duhamel?—I do; well.

103. Is she in the employ of the Department now?—Not now.

104. When did she cease to be in the employ of the Department?—I do not remember, but the last time that payment was made to her would be shown in the Public Accounts.

105. I see in the attendance book there is the signature Agnes Duhamel, under date 20th April, 1889?—That is her name.

106. She signed this attendance book all through—this book commencing the 1st March, 1889, up to—

Mr. CHAIRMAN—31st August, 1889.

Mr. SOMERVILLE—But she ceased to sign the book before that. Now if you look at this signature (pointing to book) Agnes Duhamel, and compare it with her signature in another place, Agnes Duhamel, they are not in the same handwriting?—I think they are. I assure you she was working in the Department up to August 1889.

107. This second signature does not look like the lady's handwriting at all. She was in the Department employed up to August you say?—Up to that time. I may say to you that Miss Agnes Duhamel is a niece of the Archbishop of Ottawa.

108. We don't care anything about that?—Except that it will be a test of her respectability.

109. I am not talking about her respectability?—I thought that you were doubting the signature.

By Mr. Bowell :

110. Has Miss Duhamel received any pay since she left in August, 1889?—No, sir; she has not.

By Mr. Somerville :

111. My information is that Miss Duhamel has not been in the Department for over two years—that she has been in Paris, France, studying music?—If the man who says that professes to say that of his own knowledge he deliberately lies.

By Mr. Denison :

112. Has she been drawing pay since August, 1889?—She has not.

By Mr. McMullen :

113. What particular work was she doing?—She was copying in Mrs. Lee's office—copying letters for signature.

By Mr. Somerville :

114. Here is one of Miss Duhamel's cheques. You will see that it is endorsed Agnes Duhamel. Will you say whether the same party who wrote the endorsement on the cheque is the same one who wrote the signature in the time-book? Do you think the person who signed the cheque signed the attendance book?—I could not say as to that. All I know is, that Miss Duhamel was actually working in the Department of the Interior up to the time she ceased to be paid, and that the cheques were issued in her name. This lady actually worked the same as the rest of the ladies did from day to day in Mrs. Lee's office.

By Mr. McMullen :

115. She may have done so; but submit the two signatures to an expert, and he would not say they were the same?—Well, I know this, that Miss Duhamel came to the office every day and at the time she is marked for. I saw her from day to day.

H. H. TURNER called and examined :—

By Mr. Somerville :

116. What is your position in the Interior Department?—I keep the ledgers, sir.

117. There appears in the Auditor-General's Report an amount paid to Joseph Wright for extra work, \$237.50, and I understand from Mr. Burgess, the Deputy Minister, that you are the party that has got this money?—Yes; I got that money.

118. How did it come that you entered it in Joseph Wright's name?—In the first place, before my wife died—

119. Just a moment. When did your wife die?—Unfortunately, I have lost both. It was my first wife who did the work, and after she died the name of Joseph Wright was substituted for hers. He went to the old country, and I believe is since dead.

120. When did she die?—About five years ago. I married again and lost my second wife.

121. It was after your first wife died that you substituted Joseph Wright's name for that of your first wife?—Just that.

122. How long has Joseph Wright been dead?—I said I believed he is dead.

123. How long is it since he went to the old country?—About a year, I think.

124. What was he employed at in the city while here?—He was not employed at anything.

125. Did he live with you?—He did not live with me.

126. Was he a man of means?—Well, no; not a man of any great means.

127. He must have had some way of living?—Yes; I suppose he had. I only saw him occasionally.

128. How often did you used to see him?—Not every often.

129. Did he ever do any of this work?—Certainly not. He is a connection of my first wife's. He never did any of the work; that is what suggested it to me.

130. Who suggested it to you to put it in the name of some other person?—I do not know.

131. It must have been somebody?—I think the suggestion came from Mr. Douglas.

132. What Mr. Douglas?—He was at that time the Assistant Secretary of the Department. I think the suggestion came from him.

133. Did you submit Mr. Douglas' suggestion to anybody?—No, sir.

124. Then you adopted that name from that out?—Yes.

135. Here are Joseph Wright's cheques. Who signed the name on the backs of the cheques?—I did.

136. You put Joseph Wright's name there?—I did.

By Mr. Paterson (Brant):

137. Have you a power of attorney from Joseph Wright?—No.

By Mr. Bowell:

138. Had you any authority from Joseph Wright to do that?—Oh, yes.

By Mr. Paterson (Brant):

139. Do you not think that was rather a queer way of doing business?—I suppose it was like this. There was the work, the work was done, nobody can dispute that; it was work done until 12 o'clock at night and often until 2 o'clock in the morning.

By Mr. Somerville:

140. Would it not have been better for you and for the Department, and better for the public interest, if the Department had raised your salary and then given you this work to do?—I understood that that would be done. The way in which I took the matter is this: I was doing a whole lot of work, very arduous itself, and there was a great deal of it. The whole of the North-West scrip issued since we commenced to issue scrip—nine-tenths of that has been drawn with my pen, and that in addition to my own work. Moreover, I have some knowledge of French and as a good many of these names were in French I had a good deal of writing and work to do in that direction. The fact of the matter is that the money that was paid in the name of Joseph Wright has been earned twice over.

141. We are not disputing that at all, Mr. Turner. I do not wish to put you in any false position or do you any injury, I am simply making enquiries in the public interest. There is no desire to hurt your feelings. Can you remember whether you ever consulted your superior officers with regard to using the name of Joseph Wright?—At that time the gentleman whose name I mentioned, Mr. Douglas, certified my accounts.

142. Who certifies your accounts now?—Since the scrip ceased, there have been none. I have received none of this extra work for the past 15 or 13 months. I have never received a dollar extra since then.

By Mr. Paterson (Brant):

143. You endorsed Joseph Wright's name after his death?—No, sir; I do not know that he is dead.

144. You said he was?—I said I believed he was; I had heard a report that he was dead.

By Sir Richard Cartwright:

145. Do I understand you to say that this Joseph Wright had no existence at all?—Oh yes; at one time. I believe he may have now.

146. What relationship did he bear to you?—He was a distant connection of my wife's.

147. Did he do this work for you and you receive the money?—I did the work, and I received the money.

148. And used his name?—And used his name.

149. And subsequently after he left this country, you signed the name of Joseph Wright?—Oh yes, but I think only once.

150. You say he left this country about a year and a half ago?—About 15 months ago. I won't say exactly.

151. But Joseph Wright did not do any of this work?—Not any.

152. And the work was done by yourself?—I won't say that.

153. Who did the balance?—The late balance.

154. During the last five years?—I did it myself.

By the Chairman:

155. Did your second wife do any work?—She did some checking. After I had done the work she read it over with me for the purpose of checking.

By Sir Richard Cartwright:

156. But practically speaking Mr. Joseph Wright, as a person doing this work had no existence at all. You used his name?—Yes.

By Mr. Foster:

157. Did you sign Joseph Wright's name to these cheques?—Certainly.

158. And with his consent?—And with his consent.

159. Although you have no written power of attorney?—No.

By Mr. Hyman:

160. How did you come to get that consent?—He simply gave it to me.

161. But you had no power of attorney from him?—No.

By Mr. Somerville:

162. When he went to the old country, did he give you permission to use his name?—Not particularly.

163. But you used his name?—Certainly.

By Sir Richard Cartwright :

164. Who was Joseph Wright; what was his business or calling?—He was a school teacher, over in the States.

165. Was he not residing here?—No. He came to see us once or twice.

By Mr. Hyman :

166. What suggested to you to use Joseph Wright's name?—My first wife died. She had been a school teacher and was doing practically the most of this work.

By Mr. McMullen :

167. Was her name Wright before she was married?—No.

168. Did you use her name in putting in her accounts?—I did.

169. In what year?—At the very beginning. You will see her name probably in the Auditor General's Report—Mrs. Emma Turner.

170. That would be 1884 or 1885?—Yes; about then.

By Sir Richard Cartwright :

171. During the whole of this five years you say Wright visited you only two or three times?—Yes.

172. And during the whole of this time, Wright's name has figured on the backs of these cheques?—No; because there have been no cheques issued for the last fifteen months. You have to take that period off.

173. You commenced using Joseph Wright's name about five years ago?—Yes. I was told it was used for five years, but it is not over four; it is only three years and a-half.

By Mr. Wood (Westmoreland) :

175. What bank are those cheques drawn on?—The Bank of Montreal.

175. To bearer or order?—To order.

176. Did you draw this money personally?—I drew it personally.

177. Did the bank know you?—I do not know. They always paid the cheques; they always paid my salary cheque too.

178. Will the bank pay cheques here that any person presents?—I do not know. The cheques may not have been given me at the same time.

By Sir Richard Cartwright :

179. Could you give us Mr. Joseph Wright's present address?—I think so.

180. What is it?—3 Victoria Terrace, Lightcliff, near Halifax, Yorkshire, England.

By Mr. Somerville :

181. I understood you to say he was dead?—I said he might be. If he is not you will hear from him at that address.

(At this point Mr. Burgess pointed out to the Committee an entry in the Auditor General's Report of payment made to Mrs. Emma Turner for extra work.)

By Sir Richard Cartwright :

182. (To witness) Are you aware of any other parties in the Department who have been drawing money in the same way in other people's names?—Not that I know of, sir. Not that I know of of my own knowledge. I do not think there are any.

By Mr. McMullen :

183. You say that your chief in the Department suggested to you the way, or at least acquiesced or was cognizant of the fact that you were drawing money in this way?—Not my chief; it was Mr. Douglas.

184. What was his suggestion?—As I said my wife died. At that time I was in a great deal of trouble. I had done the work, and I wanted the money. My wife was dead and this name was taken.

185. Who suggested the name?—Mr. Douglas.

186. But he did not suggest this particular name?—He said some name must be taken.

By Mr. Somerville:

187. Who certified to the work after it was done?—Mr. Douglas.

188. But since Mr. Douglas' death?—Different parties.

189. Who were they?—The accounts themselves will show.

Mr. BURGESS—(interposing) It would principally be the Chief Clerk in the Patent Office.

WITNESS—They were certified by different clerks who were in a position to know that the work had been done.

By Mr. Somerville:

190. Who has charge of these accounts that were certified?—The Auditor General.

191. Has he the accounts?—Why, certainly.

By Mr. McMullen:

192. Was any other person cognizant of the payments being made to you in addition to Mr. Douglas in the Department?—I am not sure. I do not know. I am perfectly certain I never told anybody. If they were aware they got to know in some other way.

By Mr. Somerville:

193. Did Mr. Burgess know?

Mr. BURGESS—Not at the time.

194. Mr. SOMERVILLE—How long is it since you found this out?

Mr. BURGESS—I could not definitely say. It is not more than 3 or 4 months ago; comparatively recently at any rate.

By Mr. McMullen:

195. Were you aware of it before the service closed in the name of Wright?

Mr. BURGESS—No. At least I do not think I was.

196. Mr. McMULLEN—The person who certified to the accounts must have been aware of it?

Mr. BURGESS—I could not say that. That would not follow. There was a great deal of our work being done outside the office.

197. Mr. McMULLEN—But the man certifying to the correctness of an account in the name of Mr. Wright must have been cognizant when certifying to that account—must have known who did the work?

Mr. BURGESS—I do not think he would know it. He had simply to compare the account with the work done; that was all.

By Mr. Bowell (to Mr. Turner):

198. Did Mr. Douglas give you any reason for the course that he suggested when you substituted the name of Wright for that of your wife? I understand that your wife did the work, and in that case it was quite proper that the account should go in her name?—My wife died.

199. Did Mr. Douglas give you any reason why you should substitute somebody else's name instead of hers? Did he say to you that you could not draw the money in your own name under the Civil Service Act, and consequently it is necess-

ary to substitute some other name, or did you not think anything of it?—Really, to tell you the truth, I did not think much about it. I had not been at that time very long in the Department, and I thought it was to obviate jealous feelings in a great measure—that if people saw I was getting more pay than they were—people who had been in the Department for a longer time than I had—it would cause jealousy.

200. Did you know it was contrary to the Statute to draw extra pay in this way over and above your salary?—No; I thought it was in this way: Here was certain special work to be done—

201. That is not what I want to know. Did you know personally whether it was contrary to the provisions of the Civil Service Act to draw money other than your salary for extra work?—I did not know that.

By Mr. McMullen:

202. It was during the lifetime of your first wife that this business commenced?—Yes.

203. How long were you married the second time?—About a year elapsed after the death of my first wife. I had little children and I married again.

204. After you got married again you still continued to draw the extra pay in the name of Wright?—Certainly.

205. Why did you not adopt the principle of drawing the money in your second wife's name? She would be there then to sign the cheques?—That is true, but still it would make a great deal of bother in changing the accounts. The reason I did not do it was to avoid trouble. The fact of the matter is, I never troubled my mind about it.

By Mr. Paterson (Brant):

206. Why did you cease drawing it in the name of your wife?—My wife died.

207. But apparently, after you supposed this man Joseph Wright had died, you went on to use his name?—I said I heard that he was dead; I do not know that he is dead.

By the Chairman:

208. What time did you understand that this Mr. Wright died?—I think it is about a year ago, or something like that, that I heard he was dead. I am not certain that I received any cheque at all after I heard he was dead. If I did, it was only one.

By Mr. Paterson (Brant):

209. Did you get your cheques cashed at the same bank—your own salary cheque and the one in Wright's name?—Yes, sir; both.

210. Did they make any inquiry when you drew the money for Wright?—No; certainly not.

211. Though they knew you to be Mr. Turner, they never made any inquiry about Mr. Wright?—Certainly not. It is in this way: On a departmental pay-day—anyone can substantiate what I am going to say who knows anything of the way the Departments are run, on a departmental pay-day it is like a pay-day at any large establishment. You have to go to the teller's wicket at the bank in single file. The teller pays out the money as fast as he can pay it. Among the hundreds, I might say the thousands that are there I do not think he would take much notice as to who the man was who presented the cheque, provided the cheque was properly signed.

By Mr. McGregor:

212. But your cheques were not issued on the same day?—No; but if they had been I would have presented them on the same day. It would not have made any matter.

By Mr. McMullen :

213. Who is Secretary of the Interior Department?—Mr. J. R. Hall.

214. Was he aware of the cheques passing in this way?—I do not know, sir.

215. You do not know whether Mr. Hall was aware of the fact that the money was drawn in Wright's name or not?—I do not know anything about that. When the work was done it would be checked and passed and, the account certified by somebody, and then the account would be sent down for approval to the Deputy Minister or Secretary, as the case might be. When it came back to the Accountant he would look at it, and if he saw that it had been certified by a permanent officer, and approved of by Mr. Burgess, or Mr. Hall, or the acting Deputy, whoever he might be, then he would issue a cheque for the amount.

By Mr. Taylor :

216. In addition to the payments of your wife and those in Wright's name, did I understand you to say that you had rendered more service than the value you received?—You understood me to say that in addition to that for which I was paid I put in 210 nights of work, for which I have never received a cent yet.

By Mr. McMullen :

217. Have you pocketed all the money you received for extra work?

Mr. TAYLOR.—I do not think the word pocketing is the correct word to use.

218. Mr. McMULLEN.—(To witness)—Well, did you receive all the money credited in these names for extra work?—I received the whole of it; indeed I earned it.

By Mr. Taylor :

219. You say you have done 210 nights of extra work, for which you have not received pay?—I do.

220. For what reason have you not received pay for that?—In this way:—I had to get the books out. It was regular office work and I did it out of love for my office and in order to get the work completed. If anybody knew how Mr. Beddoe and I were rushed in doing the work they would say we ought to be paid for it.

By Mr. Somerville :

221. When did you do this extra work of 210 nights?—When I first came into the Department.

222. When was that?—In 1883.

223. How many hours do you say?—About 210 nights.

224. You worked 210 nights extra in 1883?—I think so—in 1883 and 1884. Altogether there were 210 nights that I came back again and worked.

225. You worked in 1883 and 1884?—Yes and since;

226. Have you a book with the names of the days marked down?—I have.

227. Have you kept track of them?—I have.

228. Did you state to your superior officer that you thought you should be paid for this extra work?—I did in this way: I mentioned that I had done a good deal of extra work, and I thought I might reasonably expect promotion. I thought it would be a good backing.

229. What circumstance stood in the way of your promotion?—I was not at the head of my class.

230. What salary do you receive now?—\$950.

By the Chairman :

231. What salary did you receive in 1883?—\$600. I passed the examination with four optionals, and so started at \$600, instead of \$400.

By Mr. Paterson (Brant):

232. You did not make this change of name without conference, without the knowledge, consent and approval of your superior officer—it was known to him? It was known to Mr. Douglas that I used the name of Wright.

233. He was your superior officer?—My wife died, and I had to use some name because I wanted the money.

234. Mr. Douglas certified the account?—Yes.

235. Did any one else know?—Not to my knowledge.

By Mr. McMullen:

236. Were you ever questioned by any other person in regard to using the name of Wright?—I was about four or five months ago. I was going along the corridor, when a gentleman in the Audit Office met me with one of these accounts in his hands. He asked me: "Who is Joseph Wright?" I said: "I suppose the man who signed the cheque." That is all I said; I then walked on to my office.

237. Who was this officer whom you met in the corridor?—Mr. Macdonald.

238. Who is he?—He is a clerk in the Audit Office.

By Mr. Hyman:

239. Is that the first time you were spoken to?—He is the first and only man.

240. How long is that ago?—A few months ago.

Mrs. LEE called, sworn and examined:—

By Mr. Somerville:

241. What position do you hold in the Interior Department Mrs. Lee?—I am chief in charge of the ladies branch of copyists.

242. What are your duties?—To superintend the attendance book and the general work in the office; to see that each lady performs the work given to her in the best possible manner.

243. You give the work out?—Sometimes, but I am speaking now of the ladies in the office. I superintend their work in every particular.

244. When the work is sent in to you, you receive the work that is required to be done?—Yes; I receive it.

246. And you allot it to the different clerks under you?—Yes.

247. And keep a record of the amount of work they do?—In one way I keep a record of all the work done, but not of each individual lady. That is not necessary.

248. Do you not have a file of the work each employé does?—No; not in regard to that. Each employé is supposed to be at work the day long. A record of the work that has gone through my office is kept and in that way we have a record of the work done.

249. Do you know Miss E. Bell—is she in your Department?—No. The ladies employed under me are in this book.

250. Do they all work by the day?—All those whose names are in the attendance book.

251. Have you in charge any of those whose names are not in the attendance book?—We used to give a good deal of work outside, particularly two or three years ago. Those that were employed outside, those who are not regularly employed, are not recorded in the attendance book.

252. But when they were employed outside you kept a record of the folios?—Certainly. We kept a record of the files that passed through the office.

253. How long is it since you ceased to give work out?—Since the 1st of July last.

254. There was some work done previous to June, 1890, under that head?—Yes.

255. You have the superintendence of this attendance book?—Yes.

256. You witnessed the signatures?—I initialled the book each day, showing that it is a correct list.

257. Have you had a Miss Agnes Duhamel in your branch?—Yes; I have had her for some years.

258. How long is it since she ceased to work for you?—Since August. I think she left in August or September, the year before last, but the book will show.

259. Do you know Miss Duhamel's signature?—Certainly.

260. Did you see her write her name here?—Certainly.

261. Is that Miss Duhamel's signature (pointing to book)?—That is her signature.

262. You are positive?—Perfectly positive.

263. Is that Miss Duhamel's signature (pointing to book)?—That is her signature, to the best of my knowledge and belief.

264. The second signature is not like the first one I showed you?—I could not say. A good deal depends on the pen. Is that a cheque you have there?

265. Yes?—I do not see them sign the cheques. I should say this is her signature, to the best of my knowledge and belief.

266. But you are positive that Miss Duhamel was performing work in your Department up to the date the book shows?—Up to the date the book shows.

By Mr. Paterson (Brant):

267. The lady said August last, a year ago?—I am not positive, but the book will show.

By Mr. Somerville:

268. I see by reference to the attendance book that the 2nd of August, 1889, seems to be the last occasion on which she has signed?—I am perfectly positive, as I told you, about her signature.

269. My information is not correct then, that Miss Duhamel has not been at the Department?—I should say so.

270. I have been informed that she is in Paris, France?—So she is. I have had letters from her.

271. When had you letters from her last?—About six months ago.

272. When did she go to Paris?—I understood she was going to Paris when she left here.

273. Do you know Mrs. Forrest?—I know Mrs. Forrest.

274. Is she one of the staff?—She was one of the outside staff.

275. Had you the superintending of her work?—Certainly.

276. She does not sign any book?—No.

277. She does extra work, that is, work given out and paid by the folio?—She is paid by the day. She works outside, but is paid by the day.

278. How do you know she works?—Because she returns the work to me. She is under my supervision, or was up to the 1st July. She received the work from me and returned it to me.

279. How did you keep track of the work she did?—By keeping the record.

280. Do you know by the amount of work she does?—Certainly I did.

281. I would ask you to send over to the Department for Mrs. Forrest's work?—I do not know how you can get that. I can only give you the number of files that she did.

282. You say she has been working steadily?—No. There are some days she did not work, because we had not anything for her.

283. How much did she work?—The average amount.

284. She worked regularly last year?—I do not say that. She did not work every day, but on the average.

285. I see that she was paid for 365 days?—That is the way, I suppose, they are all paid.

286. You are perfectly positive she has worked?—I am perfectly positive she has worked.

By Mr. Sproule :

287. Does the Department pay for the working hours in the day or only the 24 hours?—Really I do not know. The regular hours in the office are from half-past 9 until 4.

By Mr. Bowell :

288. You would consider that a regular day's work?—Certainly. I would count a day from half-past 9 in the morning until 4 in the afternoon of the same day.

By Mr. Sproule :

289. If a person did twice as much work in a day as they were ordinarily required to do, by putting in more time, would you count that as so much more work?—She would get what she considered a day's work—sometimes more, sometimes less.

290. But if she put in 365 days—that would be including the Sundays, and she is not supposed to work on Sundays?—No.

291. But might she not put in the ordinary office hours, from 9.30 to 4—that is six and a half hours—and then put in more by extra work in the 24 hours?—I suppose she might, but she never got any extra work.

By Mr. Bowell :

292. That principle of allowing clerks to put in two days within the 24 hours has never been recognized?—No.

By Mr. Sproule :

293. Do you pay for Sundays?—Certainly.

By Mr. Somerville :

294. When you get a piece of copying to do, and hand it out to a certain lady, do you not keep a record of that?—Certainly, of the file, but not of the number of the page.

295. Well, could you not give us Miss Duhamel's work?—It is impossible for me to give you the work of any particular lady in the office. I divide the work out amongst them, but I do not keep any record of that which they write in the office, because they work each day, and they are working all the time. It would take a great deal of time to hunt up each file each lady has done.

296. You have a means of ascertaining?—Of course, I know myself whether a lady has done her proper day's work.

297. Do you not keep a record of the work done, say by Miss Jones or Miss Smith?—When I receive papers to be copied I divide these out amongst the ladies in my office to the best of my judgment, and when the work is done I have a record as to where it was sent to be compared, but not the work each individual lady has done in the office.

By Mr. Paterson (Brant) :

298. I understand you give out a certain amount of work to the ladies, and do not take any account of it, beyond this, that you are satisfied in your own mind that they have each done a fair day's work; but in a large amount of copying you keep a record of that?—Decidedly.

299. Did Mrs. Forrest work inside or outside?—She worked inside for some time, but her health would not permit her to continue. She got a doctor's certificate, and therefore she was given work outside.

By Mr. Somerville:

300. When Mrs. Forrest got the work, did she go for it herself to the Department or send for it?—She usually sent for it; sometimes she came.

301. You checked the work?—Certainly.

302. You know the number of folios?—Not the folios; the number of the files.

303. I want to get the number of files handed out to Mrs. Forrest during the last year?—That would not show the amount of her work, but it might give a fair idea. Of course, there might be a great many enclosures.

304. Do you know a Miss Jane Hay?—No.

305. Is she in your branch at all?—No.

306. You do not know her at all?—No.

307. Do you know her, Mr. Burgess?—Mr. BURGESS.—Oh, yes.

308. Mr. SOMERVILLE.—What is she doing?—Mr. BURGESS.—She is doing general copying for the Department.

309. Under whose supervision?—She is outside the service. She is like a great many more who have been employed outside.

310. (To Mrs. Lee)—Did you ever have a cheque made out in your name for which you did not get the money yourself?—Not that I know of. I always get my own cheque and receive the money.

311. Do you remember having a cheque made out in your name for services rendered, the amount of which you did not receive yourself?—I do not.

312. You do not remember?—I do not remember anything of the kind.

313. Did not you get an extra allowance last year?—That was for working on returns. I got the cheque for that, and the money, too.

314. I see, according to the Auditor General's Report, that you were paid 184 days at \$2 per day, and 181 days at \$2.50?—That was calculated at so much per hour. It was considered extra work beyond my regular duties.

315. When was that work performed?—Before and after hours.

By Mr. McMullen:

316. How long have you been in the service, Mrs. Lee?—More than nine years.

317. And you have been continuously in the service since you commenced?—Yes:

K. J. HENRY called, sworn and examined.—

By Mr. Somerville:

318. What branch of the public service are you in?—I am in the Secretary's Branch of the Interior Department.

319. What is the nature of your duties?—I am styled the Registrar of correspondence—that is, I open all the letters coming to the Department, all telegrams, and see that they are recorded and indexed, and sent round to the different branches for action. On their return, after action has been taken on them, I see that they are filed away properly.

320. You have something to do with the certifying of accounts?—I have, sir; quite a few.

321. To whose accounts do you certify?—To those in my sub-branch.

322. You do not certify to any accounts in the copyists staff, do you?—Oh, no.

323. What branch do you certify the accounts in?—Registration—the sub-branch.

324. Do you know a man named James A. Hickey?—I do, sir. I do not know whether his name is James or John, but I think it is John.

325. Did you ever certify to any accounts for Mr. Hickey?—I think I did.

326. I see that last year he was paid for 276 hours at 50 cents an hour, amounting to \$138. Do you remember certifying to those cheques?—I cannot say that I remember. I certified to accounts, but whether to that amount in his name I do not know.

327. Do you remember certifying to any accounts for extra work?—Oh, yes, I certified to accounts all along.

328. For Mr. Hickey?—Yes, for Mr. Hickey: I won't swear that I did, but the accounts will show. That is my recollection.

329. Did you ever certify an account in the name of an extra clerk, and was it within your knowledge that that extra clerk did not draw the whole amount of the money?—I did, sir.

330. Who for?—Mr. Humphreys.

331. Where is he now?—In Winnipeg.

332. In the service of the Department?—He is in the office of the Commissioner of Dominion Lands.

333. When was he sent out there?—Quite recently; since this trouble of the Lowe matter.

334. What was the amount of the cheque you certified?—\$200.

335. To Mr. Humphreys?—Yes.

336. For extra work?—Yes.

337. How much did he get?—\$100.

338. Where did the other go?—I understood it went to Mr. Chisholm.

339. How did he come to get it?—He got it as he stated for Mr. Burgess. At that time he was private secretary to Mr. Burgess.

340. When you certified to this account, did you know that the services had been performed?—It was in this way. I was coming in from luncheon about 2 o'clock that afternoon, and I knew that Mr. Humphreys had been wanting to get an additional cheque as a sort of remuneration. He was getting \$1.50 per day, and the deputy had allowed him to get an extra 50 cents a day or something like that. He was to get it in this way about every five or six months to prevent others in the Department being dissatisfied. I looked upon Humphreys as being a better man than many in the Department who, if they knew, he was getting this additional sum would probably bring political influence in order that they might also get it. I had no hesitation in doing it, although I said at the time I did not think it was right. But I was anxious that he should get some additional remuneration. I was coming into the office about 2 o'clock in the afternoon, when I met Mr. Burgess. I think it was in 1887. He was leaving for the North-West the next day and he said to me—he met me on the top of the stairs—"Henry, if you make out that cheque in favour of Mr. Humphreys and add an additional \$100, I will approve of it." I had issued one or two before that for Humphreys for the same sum, although I think on every occasion I said it would be much better to give him an additional 50 cents a day and I would bear the brunt of it rather than to do this. Mr. Burgess was in a hurry, and, of course, I did not want to stop him, knowing he was anxious to get away to the North-West. I did as I was requested, but it occurred to me at the time—who is this additional hundred dollars for? I thought I had a perfect right to know this. I had every confidence in Mr. Burgess and no doubt he will tell me. Mr. Burgess, however, went away to the North-West the next day, and I did not see him for a long time afterwards. The next day, Mr. Chisholm, his private secretary, came to me and said: Have you not got \$100 for the deputy? No, I said. He said, You must have. Humphreys has the \$100, and you had better see him. Humphreys had not got the cheque at that time, and I think the next day, when he had got the cheque and Chisholm had been to him two or three times for it. At all events he could not get it. Chisholm thereupon wrote Humphreys a note. This is what made me feel anxious, and I have felt ever since that the only wrong thing I ever did. I cannot remember the words of Chisholm's note to Humphreys, but I saw it, and it ran something like this—My dear Humphreys—You have got a cheque for \$200, the other hundred is for the Deputy Minister. I want it to pay his debts.

341. Who wrote this, do you say?—Mr. Chisholm. He was then Mr. Burgess' Private Secretary.

By Mr. Foster :

342. Whose debts was it to pay?—Mr. Burgess'. I said to Humphreys : this is a queer thing, what are we to do about it? He said, I will hold the note, and I told him he had better do so. When Mr. Burgess returns from the North-West, doubtless he will be able to explain it.

343. Well, Mr. Burgess returned in due course, but he was very sick at the time and was laid up weeks afterwards, if I remember rightly.

Mr. BURGESS—You are mistaken.

Mr. HENRY—I cannot say positively, but I think that was it. At any rate I felt I was in an awkward position, and I felt, moreover, that I should have an explanation. Possibly I would have had that explanation sooner, if it had not been for my friend Mr. Goodeve—I suppose you will be having him here—

344. Who is Mr. Goodeve?—He is Chief Clerk of the Patents Branch?

345. What is his first name?—W. M. Mr. Goodeve is a friend of mine; we have known each other since 1872, and we have been together almost daily in the office and out of the office. I confided the matter to him and I said such and such a thing has happened. He said "Oh by-the-bye I heard of it before you spoke to me," and I said I did not know it was common talk in the Department. He told me I had better hold on, but after awhile I felt it was my duty to see Mr. Burgess and to have an explanation. I saw Mr. Burgess, told him my case and stated what had happened. Mr. Burgess then gave me the explanation. At first we were alone, but I said to him that I would like Mr. Humphreys and Mr. Chisholm to be present to hear what he had to say. He thereupon sent for Mr. Chisholm, Mr. Humphreys and Mr. Hall was brought in to listen.

346. What is Mr. Hall's name?—John R. Hall. He is secretary of the Department. He was brought in to hear what Mr. Burgess had to say. Mr. Burgess' explanation, so far as I can remember, was that this \$100 that he got was for his late father-in-law for work that he did, I think, in connection with the report of the Forestry Commission, Mr. J. M. Morgan. It was particular work and his late father-in-law, Mr. Anderson, read the proofs, I think that was it, he compared and read the proofs, and he, Mr. Burgess, thought Mr. Anderson was entitled to this sum of money, and that he hesitated about saying anything to the Minister or putting in an account for it, Mr. Anderson being his father-in-law, that he took this method of paying him. He said he had advanced his father-in-law the money out of his own pocket, whether by cheque or bills I do not now remember, and this is the way he took to get it back again.

347. When was this work performed?—I think before Mr. White's death.

By the Chairman :

348. Who were present when the explanation was made?—Mr. Hall, Mr. Humphreys, Mr. Chisholm, and Mr. Goodeve.

349. Did Mr. Humphreys give Mr. Chisholm this \$100?—I understood so, but I did not see him.

By Mr. Somerville :

350. You say this was done back of 1887?—Do you mean comparing the Forestry Report?

351. Yes? I really cannot tell you. You have that report here in the House. It was printed in the Departmental Report.

352. You felt you had done something wrong?—I did, and I feel it to-day. I feel I ought to be censured; I have always felt that.

353. Do you know of any other cheques having been issued on that account?—No, sir, that is the only one.

354. Are you aware of any cheques having been paid to permanent clerks in the names of extra clerks?—Yes, there have been moneys paid to permanent men on my own staff.

355. To whom?—They were all working together and the cheque would be drawn in the name of the extra men.

356. And the extra men did not get the money?—They divided up the money. If an extra man and a permanent man worked together, they divided up the money.

357. Supposing Smith and Jones were working together, Smith was the permanent man and Jones were the extra man, Jones would have the cheque made out in his name?—Yes.

358. Well, did he do the work?—Both would do the work; the extra clerk and the permanent one.

359. And the cheque would be drawn in the extra clerk's name?—Yes.

360. And he would divide with the other man?—Yes.

361. Why was it done?—Because the work had to be done.

362. How long has this practice been going on?—It was going on in Mr. White's time; in 1885 and 1886.

363. Is it a common practice?—Certainly; I do not think it is going on now. It was stopped last spring.

364. How do they get the extra money now?—I do not know.

365. You do not know of any other plan having been adopted?—Not that I know of.

By Mr. Foster :

366. You say this has been done in several cases?—As regards my own branch, I will give you the names of my staff, every man of whom, with the exception of myself, having participated in this.

367. Give us the names?—J. A. Coté.

368. He is a permanent clerk?—Yes.

369. Who was his partner?—The accounts will show that.

By the Chairman :

370. How will the accounts show that, when the names do not appear in the account?—That is true; I had not thought of that. I had a little time-book that I kept.

By Mr. Foster :

371. Was it a private book?—No. The clerks got about \$9 a week each, that is, two would go on this week, two the next, and so on through the batch. It would be seven or eight weeks before the first two came on again, unless in the meantime someone got sick and his place had to be filled by another.

By Mr. Hyman :

372. Do you know of any instances in which permanent clerks have done extra work during office hours, and received extra pay for it?—I cannot say that I do.

373. It has always been done after hours?—To my knowledge. Of course there may be cases, but I do not know of any.

By Mr. Somerville :

374. I suppose everybody in the Department knows the law?—I do not plead ignorance of it.

375. You knew that the way these men were being paid was illegal?—I did, and I said so time and again to Mr. Hall and Mr. Burgess.

376. What did they say?—What could you say? Here they were getting extra pay all through the Department. A clerk would come to me and say: "I am a married man on only \$500 or \$550, with a family to support, and I do not see why I should not get extra pay as well as other permanent officials." I had no hesitation, however, in telling them it was wrong.

377. You knew the work was being done?—Yes, I knew it.

378. When you certified to the accounts, you certified to it in the name of the man who did the work?—In the name of one of the men.

379. And he shared it up?—Yes.

380. Do you know James A. Hickey?—I know John A. Hickey.

381. I see he is down for 376 hours overtime and got \$735.50 altogether? Did you certify to his accounts?—I dare say I did, but the accounts themselves will show that.

382. Do you know if he got the whole of that?—Sometimes the extra men would apparently have too much for one month, and it might therefore be run over into the next month.

383. You did not want him to get more than \$9 per week?—I wanted to restrict them to \$9 per week.

384. And this extra besides?—And this extra besides. Hickey would put in an account in his name for that.

By Mr. Foster :

385. You knew that?—I knew that.

By Mr. Somerville :

386. Did your superior officers know about this?—I think not.

By Mr. Hyman :

387. Did you not have conversations with them?—No.

By Mr. Paterson (Brant) :

388. Were the salaries of these clerks only \$9 per week?—Oh, no. They had \$1.50 a day or \$45 per month.

389. That was the regular salary?—Yes. And in addition I did not want the men to go beyond \$9 per week for extra work to give each man a chance. There were 18 men altogether, and if you did not restrict them, some of them would get more than their share.

By Mr. Somerville :

390. What is your salary?—\$1,800.

391. Did you get any of this extra money?—I never took any.

392. And you knew all the time you were doing this you were doing what was wrong?—I did, Sir.

393. How many years has this been going on?—A good many years.

394. Under whose administration was it started?—I think in Sir David Macpherson's time.

By Mr. Foster :

395. Have you any special reason for saying it was in Sir David Macpherson's time?—I have not; it may have been in Mr. Mackenzie's time.

By Mr. Taylor :

396. The money was well earned in every case?—Oh, yes.

397. And if it had not been paid in that way, you would have had to employ extra clerks?—I cannot say that. We were engaged on an index, condensing three years into one, in order to enable us to get at the papers readily. You, gentlemen, would come over to the department every day and want papers, and if they were not obtained within three or four minutes there was a row. I wanted a system established in order that we might get the papers readily.

By Mr. Foster :

398. It was necessary work?—Certainly. It was a valuable index and is not even finished to this day.

By Mr. Taylor :

399. The Department got full value for the money ?—Yes, full value.

400. And if these clerks had not been employed you would have had to employ experts ?—You would have had to wait.

By Mr. Somerville :

401. Could not this index have been prepared in office hours ?—No, I do not think it could, because the books are almost in constant use.

By Mr. Taylor :

402. And the regular staff were the best men to do it ?—Certainly.

By Mr. Somerville :

403. Did Humphreys get his money in the regular way ?—Oh, yes, with the exception of that which I have spoken of.

404. What about that cheque for \$200 ?—That was independent of extra work.

405. How did he come to get that ?—Because as I tell you, the deputy wanted to give him an additional 50 cents a day.

406. And if he had given him an additional 50 cents a day it would have been recorded in the Auditor General's Report ?—Yes, and he did not want to do that.

By Mr. Corby :

407. How is that \$200 entered ?—I suppose it is entered to B. H. Humphreys for extra work,

By the Chairman :

408. You stated this was done about 1887 ?—I think that was it, but the accounts will show.

By Mr. Taylor :

409. How long have you been in the service ?—Since the 24th May, 1871.

By Mr. Foster :

410. In this position ?—In pretty much the same position.

411. And why do you not know if this has been going on since 1871 up to the present time ?—You have me on my oath ; I cannot swear positively.

412. You say it has been going on during Mr. White's time, probably in Sir David Macpherson's time and it may have been going on in Mr. Mackenzie's time ?—It may have been.

413. Having been there all that time, cannot you say when it first came to your knowledge ?—I cannot exactly tell you that ; I cannot say when.

414. You could not come near the time ?—I am pretty sure it was going on as far back as Sir David Macpherson's time, and it may have been going on in Mr. Mackenzie's time.

By Mr. Somerville :

415. Can you state positively when this was commenced ? Was it in force last year ?—Oh, yes.

416. That was in 1890, well, was it in force in 1889 ?—I think so.

417. And in 1888 ?—I am only speaking about my own work. Sometimes the index would stop for a few months.

418. But during the year 1888 ?—I think so.

419. Was it in operation in 1887 ?—I think so.

420. In 1886 ?—I think so.

421. You knew it, you say ?—I think so.

422. Well was it in operation in 1885 ?—I would not say whether it was or was not in 1885.

423. You would not go back of that?—I would not.

By Mr. Foster :

424. But you have no reason to think it was not?—It is very difficult for me to say.

By Mr. Somerville :

425. I understand the witness is positive as far as 1885?—No, I am not positive.

By Mr. Taylor :

426. By looking over the accounts for moneys paid, can you ascertain exactly when this practice was first in operation, whether in 1871 when you commenced, or what year after that. Have you any way of reaching that?—I got work in that way in the Finance Department in 1872.

By Mr. Foster :

427. For what work?—Counting notes.

428. That is the practice to-day? When did you go into the Interior Department?—In 1873.

429. Did you get any extra work in that Department?—I did; prior to the Civil Service Act going into effect.

By Mr. Somerville :

430. It would not be contrary to law before that Act passed?—No.

By Mr. Taylor :

431. Did you get any extra work in 1874?—I do not know that I did.

432. In 1875?—I cannot say.

433. You have no reason to believe you did not, over and above your salary?—I have no reason for believing, but I do not know that I did. In fact, I am almost certain I did not get anything.

434. Did any of the other clerks?—I do not know; I cannot speak for them.

435. You do not know whether they did or did not?—They may have done so.

By Mr. Paterson (Brant) :

436. Would it be contrary to law previous to 1882?—I do not think so.

437. But after that it was irregular?—Irregular and illegal.

Mr. BURGESS re-called, and further examined:—

By Mr. Sproule :

438. We have heard about information having been given, and rumours in circulation with reference to your Department. Do you know of any parties who gave any information, or whether these reports come from reliable sources or otherwise?

THE CHAIRMAN.—I think Mr. Burgess had better be sworn, seeing that we have adopted the principle of swearing witnesses since Mr. Burgess was first examined this morning.

MR. BURGESS.—I am ready to take the oath and to swear to everything that I have said in my previous examination.

THE CHAIRMAN then administered the oath to the witness.

MR. SPROULE repeated his question.

I do not know positively who gave the information. I may say, however, that about a month ago I received a message through the assistant secretary of the Department, from a Mr. Harry Palmer, who was an extra clerk in the Department of the Interior, to the effect that unless by the 20th June—this must have been before that, but I do not remember the date—unless by the 20th June I found a permanent situation for him in the public service, or employment for his daughter

in the Department of Indian Affairs, he (Palmer) was going to make disclosures concerning me.

By Mr. Somerville :

439. Was it a letter?—No; it was a verbal message. This was communicated to me by the assistant secretary of the Department. I told him I wanted him to put the message in writing, and he did so. It was to the effect that I have stated, that unless by the time mentioned this was done, he (Palmer) was going to make disclosures which would make it hot for me.

By Mr. McMullen :

440. Who was this man?—His name is Harry A. Palmer. He was taken into the Department several years ago, but being over 35 years of age, and not having passed the Civil Service Examination, under the decision of the Treasury Board, to which reference has been made this morning, he, along with others, had to leave the service.

By Mr. Hyman :

441. Where is he now?—That I do not know.

By Mr. Sproule :

442. How long is it since he left the Department?—He left it immediately after I got that message.

By Mr. Daly :

443. He was fired?—Yes; he left immediately I got that message.

By Mr. Foster :

444. Will you give an explanation of the circumstances connected with the \$200 cheque drawn up in favour of Mr. Humphreys?—In the first place, permit me to say that I never drew a dollar or a cent of money myself from the Government by way of extra remuneration from the day I entered the service up to the present moment, directly or indirectly. I remember the particular occasion mentioned by Mr. Henry. I was about to leave, as he says, for the North-West. The circumstances are pretty much as he has stated them, except that he has omitted to give the explanation I made to him when the cheque was drawn. The claim that was made on account of Mr. Humphreys I always understood to be for the reason that he worked after 4 o'clock.

445. The claim had been standing?—It had been standing, and, as Mr. Henry says, it had been arranged that he should be paid for that work.

By Mr. Somerville :

446. By whom had it been arranged?—With myself and the Minister of the Interior.

447. With Mr. Dewdney?—No; with Mr. White. He was an extra clerk and could have been paid any amount of money we choose to give out of the outside vote, but I did not want to break down the rule in the Department of paying more than \$1.50 a day. I quite agree with Mr. Henry that this man was entitled to additional remuneration; but I did not want to break down the rule of \$1.50 per day.

By the Chairman :

448. He was superior to the clerks in the Department?—He was. The day before I left for the North-West I said to Mr. Henry that I would let Humphreys account pass for \$200; but it is also true, which Mr. Henry appears to have forgotten, that I explained to him what I intended to do with \$100 of it.

By Mr. Foster :

449. What was Humphreys' claim for \$100 or \$200?—It was really, I understand, for more than \$100. But if he had been given more than that he would have exceeded the 50 cents a day extra which it was proposed to give him in this way. I told Mr. Henry then, as I told him subsequently, but evidently he has forgotten it, that I intended this extra \$100 for Mr. Anderson. I do not see why Mr. Henry should have laid such stress on the fact that Mr. Anderson was my father-in-law. He was an old and accomplished journalist, and when the report was made on Forestry by Mr. J. M. Morgan, of Amherstburg, after reading it over I considered it was not in good literary form, and had to be revised by somebody. I therefore gave it to this old gentleman, who carefully went over it from beginning to end. He rewrote the whole of it, and afterwards revised the proofs. I thought he was entitled to something, but I had some delicacy about giving it to him directly, as Mr. Henry says, because he was my own father-in-law. That being the day before I was leaving for the North-West, and Mr. Anderson being in the act of changing his residence, it being the first of May, I put my hand in my own pocket and gave him \$100, and I said, that when Mr. Humphreys handed over the extra \$100 out of the \$200 to Mr. Chisholm, he could give it to me. I considered that I had a perfect right to recoup myself for that amount.

By Mr. Hyman :

450. You knew that in doing this you were doing something that was illegal?—No; I do not know that. Mr. Henry excuses himself for receiving money up to 1882, but in this case the work was performed, not by Mr. Humphreys, but by another man.

451. Would not the better way have been to have put Mr. Anderson's name in the ordinary way?—Doubtless.

452. You must have acknowledged that you were doing what was wrong?—I did not think it was wrong.

By Mr. Paterson (Brant) :

453. Did Mr. Henry see you subsequently to this interview?—No; I went off immediately to the North-West.

454. I do not mean then, but at any subsequent time?—Yes; a few months ago.

455. He wanted to ascertain the reason then, for the payment?—Yes. He had some cause then. I had had occasion to take objection to the size of his staff and the way he was running it, and the suggestion was made that if he were only to see the size of the staff in the Land Commissioner's Office at Winnipeg he would notice the difference. I may say, also, that some years ago I refused to recommend Mr. Henry's promotion.

By Mr. Hyman :

456. Was this previous to the receipt of the \$100?—I never received it. To Mr. Anderson, as I said.

By Mr. Paterson (Brant) :

457. At this interview at which the others were not present, did you tell Mr. Henry what was to be done with the money when you asked him to draw the cheque?—I think I did; I think that question was discussed then. Mr. Henry's impression was that I had not told him, and my impression is that I did.

458. So that the only discrepancy between you is that Mr. Henry states that you did not tell him at the time, while you think you did?—That is so.

By Mr. Corby :

459. If Mr. Henry did not think it was right, why did he not speak to you about it for such a long period afterwards?—That I do not know.

By Mr. Taylor :

460. When did you enter the service, Mr. Burgess?—In 1876.

461. Was it the practice in that year to pay the permanent staff to do extra work?—I so understand.

462. In 1876?—Yes.

463. And the practice has been continued more or less ever since?—Yes.

464. Where there was extra work to be done by the permanent staff?—Oh, no; I never understood that Mr. Henry's permanent clerks were getting any of this extra money. He did come to me and object to certain office accounts, but I never understood that was his objection.

By Mr. Paterson (Brant) :

465. What was his objection?—That was the end of it, as far as I know. He says every clerk in the office got some share of this extra money. If they did, I did not know it.

466. You knew the system was being carried on?—I knew the extra men were being paid.

467. And the system of sharing up with the permanent staff—you knew it?—I did not; positively I did not.

By Mr. Taylor :

468. But in 1876 permanent clerks were occasionally employed over-time and paid for it?—I know that some of the clerks of the Interior Department were employed over-time in the Finance Department.

By Mr. Paterson (Brant) :

469. But anything before 1882 would not be irregular, so far as those payments were concerned?—I suppose not; on the mere ground of the law, there was no irregularity in paying those extra clerks.

By Mr. Foster :

470. What I understand you to say is, that you knew permanent men in your Department were receiving extra pay?—I did not. I thought that only the temporary men in the Department were receiving extra remuneration.

471. You knew the temporary men were receiving extra pay?—Yes.

472. And you did not know your permanent men were in partnership with the extra men, and were getting part of what these extra men were drawing?—I did not.

By Mr. Somerville :

473. Was Mr. Humphreys a permanent clerk?—No; he was an extra man. He is in Winnipeg now. If you were to call him here he could not tell you more than I have told you at the present moment. The reason he went to Winnipeg is this: The late Mr. White had arranged that he should be appointed permanently, but being a young-looking man, unfortunately I allowed him to attain his 35th year before the appointment was made. In fact, up to that time a vacancy had not presented itself. I represented his case, as I am doing now, to Mr. Dewdney, with a view to securing him a permanency, but meanwhile he is engaged in the Land Commissioner's Office at Winnipeg.

By Mr. Foster :

474. When did Mr. Anderson do the work you have mentioned?—In the fall of 1886 or the other part of 1887.

475. Did you arrange for him to be paid for it?—I did not make any arrangement with him.

By the Chairman :

476. What is your value of the work?—Certainly more than \$100.

By Mr. Paterson (Brant):

477. Why should there have been any delicacy about it?—I see now there should have been none. I suppose it was mistaken delicacy. He was the only relative I had in the country, and as something had been said in the newspapers about his getting employment in the Department, perhaps it was on that account.

By Mr. Hyman:

478. You paid the money out of your own pocket?—I paid him the morning I was going to the North-West.

479. And you got it back again?—My private secretary got it.

480. How long was it after the work was done in 1887?—It was immediately after the work was completed. It was work that took a considerable time; it was in the winter of 1886-87.

By Mr. McMullen:

481. The Minister knew the work was being done?—He did.

482. He was cognizant of the fact?—He was, but not of my giving the money to Mr. Anderson.

483. Practically, there is no certificate in the Department that he did the work?—Oh, yes. There is the pamphlet; it speaks for itself.

484. You made the Minister aware of the fact that Mr. Anderson did the work?—Most decidedly. I may say that the Minister was being pressed to publish this Forestry pamphlet.

485. And the Department received full value for this \$100?—It received much more than value.

486. Then the only thing about this transaction is the simple irregularity in reference to the way it was being paid.

By Mr. Hyman:

487. Did the Minister know the money was being paid?—I arranged with the Minister that it should be paid, but he did not know the way it was paid.

By Mr. Bowell:

488. I understand you to say that to your knowledge no permanent clerk in your Department has received extra pay?—I say, with the exception of Mr. Turner who was here this morning, there has not.

By the Chairman:

489. You speak of the whole Department?—I do.

490. You do not know of any other?—No.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 14th July, 1891.

Committee met—Mr. WALLACE in the Chair.

FRANCIS McCABE called, sworn and examined:—

By Mr. Somerville:

491. In what part of the public service are you employed now?—I am at present employed on the Census staff of the Department of Agriculture.

492. At one time you had a position in the Interior Department?—Yes; I was employed there as temporary clerk in that Department for some time.

493. What was the nature of your duties; what work were you employed at?—I was part of the time comparing letters that were sent into the Department with

the original drafts ; part of the time I was précis-writing, and I was for a time assisting in settling up the claims of the volunteers who served in the North-West Rebellion of 1885. I was some time at that. I was for quite a while employed in comparing official documents in the Department.

494. That was your particular duty ?—For a part of the time ; not all the time.

495. I see, according to the Auditor General's Report, page 33-B, you were paid for 365 days at \$1.50 a day, and extra work 102 hours, at 50 cents. That would be \$51 you got for extra work. Do you remember that ?—Which year, please ?

496. The fiscal year ending 30th June, 1890 ?—I remember doing extra work ; I do not remember just now what it was.

497. Here is one of your accounts. Will you take a look at it. Is that your writing ?—Yes.

498. Here is another account—is that your writing ?—Yes.

499. The whole of it ? Yes.

500. Is the bottom line yours, too ?—Yes.

501. And the whole account is in your handwriting ?—Yes.

502. What is the date of the first one ?—27th January, 1890.

503. What is the date of the next one ?—27th February, 1890.

504. And you identify these two accounts as having been made out by you ?—I identify the handwriting in the body of the account, but I notice a certain correction made in the date which I do not remember having made myself.

505. Were you instructed to make that account out yourself, or did you do it of your own option ?—Will you permit me to give an explanation ?

506. Certainly, we want to get at the truth, and you can make whatever explanation you please.

507. Who certified to those two accounts as being correct ?—Mr. F. Nelson.

508. Who is he ?—He is a clerk in the Department of the Interior.

509. Is he one of the principal clerks ?—He is a second-class clerk.

510. Can you explain about this account ?—About this date—27th January, 1890—as well as I remember, I was employed in the Department working under Mr. J. S. Brough. I was, I think, as well as I can remember, allowed some extra work at that time. I know I was allowed extra work.

511. I want you to be particular about that, and to be specific as to what you were allowed ?—At that date or during this winter—the winter of 1890—and for sometime previous, to the best of my knowledge, I was drawing some extra pay. I was a temporary clerk in the Department, and I am willing to refer the case to my chief as to whether I earned that money or not.

512. That is not the question ?—I think I earned whatever money I drew for myself as an extra clerk.

By the Chairman :

513. What was the work you were doing ?—At that time, as far as I can remember, I was doing précis-writing.

By Mr. Somerville :

514. What I want to get at is, what were the services rendered for that account ?—So far as I remember about the account certified to by Mr. Nelson, he at that time, to the best of my knowledge, was away from his regular work engaged in preparing, or assisting to prepare, the annual report of the Department. That is what I think, and he had helping him at that time, to some extent, Mr. Palmer. Either he or Mr. Palmer, I cannot just remember which, came to me and said they had a great deal of extra work to put in in connection with that report ; that they worked after hours and they were entitled to extra pay for it ; and they asked me—

515. Who asked you ?—One of them ; I don't remember which.

516. Try and remember ?—I cannot distinctly remember.

517. Can you not come to a conclusion as to who it was ?—To the best of my recollection I think it was Mr. Palmer. I am not quite certain.

518. What occurred then?—It was stated to me on that occasion that this extra work had been done—

519. By Palmer and Nelson?—Yes; and that it was felt that extra pay was merited. I was then asked to allow my name to be used in that connection, without any consideration at all—that I was not to receive any part of the money.

520. You were not to receive any of the money?—No; not any part of it, but to oblige them by letting them use my name in the matter. After considering the matter, and enquiring into the amount of work done and the character of the work, I concluded to give them the use of my name. I did not wish to get any of the money myself. It was not given with that intention. It was merely an accommodation.

521. This Nelson is a permanent clerk?—Yes.

522. About the other account, was it got up in the same way—the account dated 27th February in the same year?—I only have to tell you that I do not remember of Mr. Kinloch ever having certified to an account of mine. I do not remember ever having asked that gentleman to certify to an account for me.

523. When you say that, do you imply that some other officer took it there?—I do not know.

524. This first account was made out by you at the dictation of Palmer or Nelson. You would not know what they were entitled to?—After telling their case to me I enquired into the amount of work and the character of the work and I thought at that time that whatever money they would get would be got honestly—that they were honestly entitled to. As a matter of accommodation I allowed my name to be used.

525. You could not know what amount of work they had done?—I enquired.

526. From them?—Yes; as far as I remember.

527. It was by the information you received from them, and at their dictation, you made up this account?—If I remember correctly, they showed me the work they had.

528. It was at their dictation you made the account?—I do not remember the details at all. I know this much: the account would never have been made out unless they had asked me to do so.

529. Is the other account in the same position?—I do not remember to this moment Mr. Kinloch ever certifying to an account for me.

530. Was it under similar circumstances? Who requested you to make out that second account?—I do not remember.

531. Did you do any work for that account, or was it done by Palmer and Nelson?—I do not know.

532. Did you do it?—All I wish to state is this, that at this time of the year I was working after hours in the Department. It was decided I should receive extra pay for the extra work that I did.

By Mr. Hyman :

533. Who decided?—I was told by Mr. Hall, Secretary of the Department, some time previous to this date. During this time I was receiving extra pay.

By Sir Richard Cartwright :

534. Do you not remember whether in that month you received a sum of money equivalent to that account?—I do not remember the amount I received each month.

By Mr. Somerville :

535. It is a simple matter to say if you remember distinctly how you came to make that out. Did you do the work for that account?—If you will allow me, I will continue my statement, which is all I have to say to you.

536. I am asking you with regard to this account, and not with regard to your extra pay in the Department. What I want to get at is this first: Was that account made out for work done by yourself, or work done by other men, or by another man?—I was about to tell you that I do not remember this particular account. The

work which I was doing at this time, with the exception of this first account, was, as well as I can remember, certified to by Mr. Brough, and this is the first intimation I have received of Mr. Kinloch's name being put to an account of mine.

537. The certificate has nothing to do with the work. You certainly remember if you did the work?—I was telling you that at this time I was offered extra work. When I was doing this work I handed every account to Mr. Brough, to the best of my knowledge. This first account is one that I told you was certified to by Mr. Nelson, but all the rest, with the exception of the one I thought was certified to by Mr. Nelson, was certified to by Mr. Brough. I was working under Mr. Brough at that time. I did not expect to meet this kind of certificate by Mr. Kinloch.

538. Here is the cheque for the first account—\$24.50. You got that cheque, I suppose?—I see it is made out in my name. Yes; I endorsed that.

539. Do you remember drawing that money out of the bank?—I do not remember having drawn it.

540. Did you get that money?—That is the one certified to by Mr. Nelson. I gave the money to Mr. Nelson or Mr. Palmer. I gave it to both of them.

541. Did you get any portion of it?—Not that I remember, not from Mr. Nelson.

542. Did you get any portion of that money?—Not of the account I put in. I do not think, as far as the account I put in.

543. Who did you hand the cheque to after it was given to you?—I do not remember; I cannot remember just now.

544. Do you remember that after the cheque was made out you handed it to a certain man in the Department, and he took it to the bank and got it cashed?—I do not remember at all. I do not remember whether I got it cashed or he.

545. Did you not get \$5 out of that amount?—Of which amount?

546. That first cheque.—To the one certified to by Mr. Nelson?

547. Yes.—I do not remember having got it. I remember getting \$5 at that time from Mr. Palmer. I always thought in consideration of extra work that I did for him. I think that was the intention; I do not know what his intention was—but I took it as that.

548. That he paid you for work you had done for him?—He was aware that I did the work, and I took it as the regard for that. I did not take it as an incitement to preparing the account.

549. Was there any remark made when Mr. Palmer paid you that?—No; I do not remember any.

550. What portion of the second cheque did you get?—The one certified to by Mr. Kinloch?

551. Yes.—I do not remember that account at all.

552. Did you get any portion of that?—No, sir; I am sure I did not, because I do not remember the account.

553. Did you not get \$4 for it?—I do not remember it.

554. Do you remember getting a cheque in the previous year, or cheques, for \$254 for work done?—Excuse me. About that \$5, I remember some money being given me. I know it was a small amount, and I think it was \$5. But this \$4 I do not remember anything about at all.

555. You remember you said you were working in connection with Mr. Brough. You remember getting a cheque for extra work in 1888-89, and how much of that did you hand over to Mr. Brough as his share?—What month?

556. I cannot tell the month. You remember getting a cheque that year for extra work?—Yes; I remember that. I remember doing extra work and getting extra pay.

557. Did you share your extra pay with Mr. Brough?—Part of the time I did.

558. How much did you give him of the amount? I am informed you got \$254 for extra work in 1889 and shared it with Mr. Brough.—Yes.

559. How much did you give of it to Mr. Brough?—I do not remember, but I would like to explain the matter briefly.

By Sir Richard Cartwright :

560. Can't you tell us generally? Did you give him half?—While we worked together I did, I think. I was working with Mr. Brough before his name was mentioned in this connection of extra pay, and I felt I worked very well for it and received it honestly and legally. Some time during that winter Mr. Brough came to me and stated that I was to work with him. There was then, I think, returns for the House of Commons being prepared, which was in addition to the usual work I was doing. I continued to do this extra work which I had been previously doing, and joined in with Mr. Brough in doing this other work. Mr. Brough and I worked together after hours, sometimes in the morning, as far as I can remember, before nine o'clock. We worked very hard, and the account we made out in my name because I was an extra clerk; but I divided the money with Mr. Brough.

561. Because you were an extra clerk?—Mr. Brough was a permanent clerk and I was an extra, and they were made out in my name.

562. You knew Mr. Brough was not entitled to receive any?—I felt he was honestly entitled to receive it.

563. Did you not know it was contrary to the Civil Service Act?—I felt it was not strictly in accordance with the Act.

By Mr. Somerville :

564. Who instructed you to do this?—Mr. Brough himself.

565. Did you receive instructions from anybody else?—Not directly.

566. Had you any instructions indirectly?—No. Mr. Brough told me he was to work with me.

567. You, to the best of your recollection, gave Mr. Brough about half the amount you received for extra work in 1889?—Yes; I do not remember whether we exactly divided, but whatever Mr. Brough and I got I felt we were very honestly entitled to it.

568. Was Mr. Brough the party who certified to the account?—I handed the accounts to Mr. Brough because I was working under him; but I do not remember whether he certified to them or not.

By Mr. Hyman :

569. Who was the person who should have certified to the account?—Mr. Brough.

By Sir Richard Cartwright :

570. I understood you to say in your previous evidence that Mr. Brough had certified to your accounts?—Before Mr. Brough came into the matter at all he certified.

571. Did he certify to this particular account that you divided with him?—I handed them to him; but I do not remember seeing his initials or certificate attached. I suppose the account will show.

572. It was his custom to certify?—Yes.

By Mr. Somerville :

573. You came to this understanding to share up this extra money because it was the usual practice in the Department. You knew it was in practice there by other clerks. It was a common practice there?—I was informed it was.

574. Who informed you?—I remember having heard it stated. I do not know whether the practice prevailed to any great extent, but I understood it did. Mr. Brough spoke to me about working with him.

575. Can you give me some information about this account of 27th February, 1890? Because, I may tell you that I have another witness who knows all about that account, and you might just as well tell about it now?—I assure you I am trying to cloak nothing. If I cannot answer this question to your satisfaction it is because

I do not know it. May be if my memory is refreshed I may get along better. I am sure you cannot show I did anything wrongly.

576. But you did not get this money at all?—The only way in which I can remember Mr. Kinloch's name being mentioned is that Mr. Palmer told me that an account I put in in connection with work done by Mr. Nelson was taken in to Mr. Hall by Mr. Nelson and Mr. Kinloch. I see that these dates do not correspond—that is, the date certified to by Mr. Nelson and by Mr. Kinloch. One is the 27th of January and the other is the 27th of February.

577. Can you recollect how that came about?—Really I cannot. I do not remember Mr. Kinloch ever having certified to an account, and I don't remember ever having asked him to do it.

578. Do you remember in 1886 giving a clerk in the Departments the use of your name for an account amounting to \$73.50 under similar circumstances to these?—If you will excuse me for a moment, I would say that as far as this account of Mr. Kinloch's is concerned I should be glad if any explanation could be given that would refresh my memory upon the subject. If this could be done I would be quite willing and happy. I don't remember at this moment that Mr. Kinloch ever certified to that account.

579. Well, in 1886 do you remember allowing your name to be used for an account amounting to \$73.50?—Can you tell me the month, please?

580. I cannot. I have not the papers here; we have only the papers for last year?—I remember allowing my name to be used for some account. I think it was \$73.50.

581. I asked you if you allowed the use of your name for that account?—Well, at that time I was working—

582. Now, this is a simple question; answer it directly. Who asked you for the use of your name?—I think it was Mr. Nelson.

583. The same man who asked you for the use of your name in the other case?—I don't say whether in that other case it was Mr. Nelson or Mr. Palmer.

584. He asked you for the use of your name for this \$73 account in 1886 and you gave it to him?—He drew my attention to the fact that there was a certain amount of extra pay for work done partly by me and partly by himself. He said "that extra pay was deserved for the work that was done," and that he knew the amount of extra hours charged for were put in, and I was asked to allow my name to be entered as extra clerk. I never received a dollar of that money. I did it because I felt the money was honestly earned—probably not legally earned—but I felt the money was earned, because I understood Mr. Nelson had put in extra time. I put in extra time myself, but I did not keep an account because I was not looking for extra work.

585. How much of that \$73 did you get?—I don't remember ever getting any of it.

586. Then it all went to Nelson?—To the best of my recollection it did. I was not looking for any, and don't remember ever having got any. I felt when I allowed the amount to go in my name that the money was well earned. It was for extra hours put in partly by Mr. Nelson and partly by myself. I don't know how many I put in. I put in some, and he put in a great many, or at least I understood so.

By Mr. Foster :

587. Did you say you did part of the work?—I worked extra time, but I was not looking for extra pay.

588. You did not get extra pay?—No more than the use of my name. I did not get any.

By Mr. Somerville :

589. You said Mr. Nelson kept the whole of this \$73.50?—Yes.

By Mr. Lister :

590. How long has this sort of thing been going on, in so far as you were concerned—for how many years past?—The extra pay, you mean?

591. Yes; the permanent clerks being paid in this way for extra work?—Of course, I am only aware of those two gentlemen I spoke of.

592. I am only asking you to speak so far as your knowledge extends?—This case—

593. Never mind this case. How long has this been going on? You have only given two or three cases.—This case was the first I had anything to do with.

594. That was in 1886?—Yes.

595. But you had something in 1887?—For whom?

596. I don't care for whom—for Palmer or Nelson?—Yes; for Mr. Nelson in 1887, I think it was. I remember working on an index of Orders in Council relating to the Department of the Interior. I put in extra time at it, and I felt whatever money we got was well earned.

597. I am not doubting that?—We got money, and I think to the best of my recollection it was given in my name.

598. How much was that?—I do not remember; it was not a very large amount. I think I received about \$10.

599. How much did Mr. Nelson receive?—I don't know. It was probably a little more. My account was very small.

600. That was in 1887?—Yes; I think it was. That is the only instance in 1887 that I think of now.

601. You swear it is the only one?—To the best of my recollection, it was the only one.

602. In 1888 the same thing took place. An account was made to you and a cheque was made to you?—I don't remember, sir.

603. Do you swear you don't remember whether in 1888 extra work was paid for in that way?—I never knew that I would have to give this evidence until lately.

604. That is only two years ago?—Yes; I think I commenced to get extra pay in 1888.

605. Who was the gentleman over you—Mr. Nelson?—I think in 1888 I was working for Mr. Brough.

606. Did you "divvy" up with him?—In this particular case I spoke of I have already said he and I worked together.

607. That was in 1889?—I don't remember if I "divvied up" in 1888.

608. Just try and put your thinking-cap on and refresh your memory?—Of course, I am free to admit what "divvying" I did with Mr. Brough; it was in 1889.

609. You say he did work for you, and you did work too, and you divided upon the cheque?—Yes.

610. Did you do that in 1888?—I don't remember whether it was in 1888 or 1889.

611. But you had extra work every year, had you not, since 1886?—I only got extra work myself, I think, in 1888 and in 1889.

612. But your chief, Mr. Nelson, did extra work every year, did he not?—Mr. Nelson did work in 1886 and 1887. We did a little extra work on the index of Orders in Council.

613. Well, in 1888 then, I understand you to say, you cannot swear whether there was any money paid, in the way of a cheque being given to you for extra work done by Mr. Nelson?—I don't remember, sir.

614. You do remember in 1889, and you do remember in 1890?—Which instance is that, sir?

615. Well, did you have extra work in 1889?—I remember doing work in 1889. I was working under Mr. Brough.

616. And you and he were working together?—Part of the time.

617. And the cheque was made out in your name?—Yes.

618. And you gave him a share of the money?—Part of the time I did.

619. What portion of the year would that be?—I think it was during the session.

620. During the time Mr. Brough and you were working together, doing extra work, cheques were made out in your own name?—Yes.

621. And the cheques were divided?—Yes.

622. He getting a portion and you a portion?—Yes.

623. Who got the lion's share?—I think it was equally divided.

624. Did not Mr. Brough get the most of it?—I think it was pretty well divided.

625. What is your judgment? Did Brough get the most of it, or did you get the most?—On the whole, I don't think I got the most.

626. Who was your immediate chief in 1889—Mr. Brough?—Yes.

627. Then there was an arrangement made between you and Mr. Brough that Mr. Brough should have extra work, and you should have extra work, and that the cheques should be made out to you. That was the agreement, was it not?—That is what I understood it to be.

628. Was there not an expressed agreement?—I don't remember. I have an impression the cheques were made out in my own name.

629. You want the committee to understand there was no conversation?—I don't remember any conversation. Brough told me we were to work together, and I understood the cheques were to be made out in my name. I was the extra clerk and he was not.

630. He was your chief?—Yes.

631. You have told us you enquired into this extra work considerably to satisfy yourself that Mr. Brough had done his share of the work?—No; with Mr. Nelson. I knew what Brough was doing.

632. You enquired into Nelson's case, to see he was not getting more than he was entitled to?—I enquired into the amount of work done.

633. Who did you speak to about that?—I think to him and to Mr. Palmer.

634. Did you speak to Palmer?—I don't remember more than I had a conversation with Mr. Nelson upon the subject, and I asked about the amount of work and the kind of work that was done.

635. You said you enquired into the work, and considered it was fair to allow the use of your name to Palmer and Nelson?—I considered the work was well earned.

636. You investigated the work that was done?—Yes; I enquired about it.

637. Who did you enquire from?—I think I went up to the room and asked.

638. Asked whom?—I think I spoke to Mr. Nelson and to Mr. Palmer.

639. You thought it was your duty to investigate what your superiors had done, and to see whether they were doing too much or too little?—They were not my immediate superiors in that case.

640. Well, they were your co-conspirators?—I don't think I was a conspirator, Mr. Lister.

641. Well, put it as you like. You thought it was necessary to investigate the work they did?—I don't know that I thought it necessary. I enquired into it.

642. And from the enquiries you made, you satisfied yourself that the charges that they were making were right?—The charges for money, you mean?

643. For extra work?—Yes; I considered at the time.

644. Who investigated your account, because you had a share? You put in for work, too?—When?

645. Did you or did you not get a share, or did this money go to them? Did all that money go to them?—In that connection?

646. There was a cheque made out, we will say, for \$800, half to go to you and half to the chief, Palmer or Nelson or Mr. Brough. Now, your work had to be supervised by some body; who did that for you?—I was working under Mr. Brough. Mr. Brough supervised it.

647. Mr. Brough supervised your work and you supervised Mr. Brough's work?—I think so.

648. Of course he was over you?—He is my chief—yes.

649. He certified to the work you did and you investigated the work he did?—We worked together.

650. You told us you investigated?—You are mixing the two names together.

651. Well, we will call it Nelson. Did Nelson certify to your work?—Which work—the work done by me when I was under Mr. Brough?

652. When you were under Mr. Nelson. Were you ever under Mr. Nelson?—I was under Mr. Nelson, when I left the Department last fall.

653. And you and Mr. Nelson had a little charge of this kind, and Mr. Nelson certified to your work. Yes or no?—I understood he did.

654. You know he did. And did you investigate Mr. Nelson's work?—I was not called upon.

655. You told me for the purpose of satisfying yourself the money was fairly earned you made enquiries?—That is the time Mr. Nelson and Mr. Palmer drew extra money. I enquired into the amount of work they did.

656. You had nothing to do with Palmer and Nelson. They came to you as a stranger?—Not as a stranger. I was very well acquainted with them.

657. And asked you to allow them to use your name?—Yes.

658. You were working under Mr. Nelson on 27th January, 1890, were you not?—I think I was working under Mr. Brough then.

659. And that account for Mr. Nelson, was it not in January, 1889, for \$24.50?—I think so.

660. Is that your handwriting?—Yes.

661. Well that work was for Mr. Nelson?—That was the account.

662. And you made out the account in your own name and Mr. Nelson certified it as correct?—It appears so.

663. That is so, is it not?—It appears so.

664. Well, was there any part of that for Mr. Nelson's services or was it all for his services?—I don't remember having done any work of that character.

665. That was all for Nelson. He got the \$24.50?—Yes.

By Mr. Devlin:

666. Did you not do a great deal of that work for which pay has been given?—Which work, sir?

667. The extra work?—I have done a great deal of extra work in the Department.

668. With regard to those cheques, do you think that Mr. Nelson or Mr. Palmer would have complained had you kept the full amount of the money, or would they have been satisfied that you had done the work meriting those cheques?—I don't remember, Mr. Devlin, more than that I was working after four and after six in the evening, but I don't remember the circumstances of the case at all.

669. And when you allowed your name to be used by Mr. Nelson you did not think you were doing anything wrong?—No; I did not think I was doing a dishonest thing, by any means. I enquired into the work they did and found they did enough work to merit the money.

670. You were induced to do that by Mr. Nelson?—Either he or Mr. Palmer spoke to me. I had a conversation with both before it went through.

671. If you had kept the money for which the cheques were made your conscience would not have reproved you—you would have felt satisfied you had done the work?—I felt satisfied I was doing enough extra work at the time.

By Mr. Somerville:

672. You have already stated in your evidence that you did not work for this, you just allowed the use of your name to Mr. Nelson for that amount?—Yes.

673. You did not do any work for this?—It was extra work under another chief.

674. You did not do any extra work for this amount; it was Mr. Nelson?—My recollection is, I simply lent my name.

675. You simply lent your name to Mr. Nelson?—To either him or Mr. Palmer,

By Mr. McMullen :

676. When did you enter the service?—In 1885.

677. As temporary clerk?—Yes.

678. Who obtained the position for you?—I got the position through Mr. Macmaster, who was then member of Parliament for Glengarry.

679. And you have been in the service since 1885?—I think my appointment that year was only for the session; I left when the session was over, and shortly I was reinstated in the Department, and remained there until last autumn, when I resigned and went to Toronto to study medicine.

680. When did you return?—I returned this spring, and received employment on the Census staff.

By Mr. Denison :

681. You are an extra clerk now then?—Yes. If the Committee wish any more evidence from me I shall be most willing to give it. I would like to say this before leaving: Any money I received from the Department of the Interior I felt that I honestly earned it, and I think the gentlemen who were my chiefs will swear to that—that I legally and honestly earned it.

By Mr. Lister :

682. Were you receiving any money while you were studying in Toronto?—Any pay while I was there?

683. Yes?—When I left the Department, as far as I can remember, I had not taken my regular holidays. I applied for my holidays just when I was leaving, because I had not taken my holidays during the year, which was customary for the clerks to take, and for the first month I received a cheque.

684. That was all?—Yes.

HARRY PALMER called, sworn and examined:—

By Mr. Somerville :

685. How long have you been working in the Interior Department?—Seven years next November. I was doing outside work for about six months before I went into the inside service.

686. What branch were you in?—First of all I was in charge of 30 or 35 women—outside copyists; I counted all their work, and made out their accounts on the 15th of every month. The accounts then went to Mr. Hall, the Secretary of the Department, when I had initialled them and certified to them.

687. To come down to business, look at this account, dated January 27th, 1890. Did you ever see that account before?—Yes, sir.

688. Where did you see it?—Mr. Nelson had charge of getting up the Annual Report for the Interior Department, and he called upon me to assist him. I had been on that work for three or four years previous. Mr. Parsons and I one year got it up together, but I received no extra pay for it. When Mr. Nelson and Mr. Parsons had charge of the work they got \$100 for it; Mr. Parsons got \$50 and Mr. Nelson got \$50.

689. How did the parties get that money?—Mr. Nelson did not do any of the work; he simply had the supervising of it. I did the work after my usual day's work. I would often commence work again after supper, at half-past six or seven, and work until eleven or half-past. At the end of the month Nelson came to me and said, "I guess you are entitled to extra pay for this work." I said to him, "All right, how much am I entitled to?" and he said, "\$24 or \$25." I thought half a loaf was better than none at all and I said, "I have got a family to support and I would sooner take half of it than nothing at all." I said I had put in a great many

more hours than what he proposed to pay me for, and he said to me, "Yes, I know you have."

690. You were not a permanent clerk?—No, sir; an extra clerk.

691. And you were, therefore, entitled to draw pay for extra services?—Yes. After I made up the account he certified to it and he said, "I would like to get some too; do you think you could fix it with McCabe." I said, "McCabe is a pretty good fellow, and I think he would have no objection." He said, "I done it some years ago, and I do not see why he should not do it." I may say that McCabe is one of the most faithful and hard-working officers we had in the Department.

692. I notice that you certify to each other's character?

WITNESS.—No, not particularly; but I will say this: he was a hard-working man and never left the office at four o'clock as the others did. Well, I saw McCabe and at first he refused to do what Nelson wanted. He said, "I am damned if I will do it." He said, "Nelson did not treat me right when I came downstairs." I said, "If you don't do it I will lose my share;" and then he said, "If it is to help you I will do it; if you are going to lose yours I will do it;" so he done it. I accordingly brought up the account and Mr. Nelson certified to it.

693. Were you present when this account was made out?—Yes; he made it out in my presence and I took the account to Nelson. I was there while he made it out.

694. What was the understanding, that it was for services rendered by McCabe or Nelson?—By Nelson.

By Mr. Foster:

695. And yourself?—No, sir. My own account ought to be there also for \$24.50. We got even amounts. Well, I brought the account up to Mr. Nelson and he took it to Mr. Burgess and it was certified to by Mr. Burgess. When Mr. Nelson came upstairs again he stated to me, "I did not like to approach Mr. Burgess in this matter with this account, but I told him you had refused to accept any money because it is I who got it." I said, "You told him a damned lie, Mr. Nelson."

696. Did Nelson do any of this work?—Yes; some of it. I went to his house and worked for four hours on two consecutive Sabbaths. That is all the work Nelson did.

697. That is how that account originated?—Mr. Nelson took the account in to Mr. Beddoe and then got the cheque. I presume Mr. Beddoe sent the cheque to Mr. Burgess and it was signed by him. Mr. Nelson handed me the cheque and told me to go to the bank and draw the money. I thereupon took the cheque to McCabe and he endorsed it. When I came up again I said that McCabe had to get something out of this, for the use of his name, and I got \$5 out of the account and handed it to McCabe.

698. Who told you to hand that to McCabe?—Mr. Nelson; it was for the use of his name.

699. Now about the next account, dated February 27th, 1890. Did you see that made out?—I did.

700. Tell us the circumstances.—Mr. Nelson said: "I do not want to present this account to Mr. Burgess on account of getting the other one." He said: "Could not you fix it and get Mr. Hall to certify it?" I said: "No, I won't go near Mr. Hall, nor ask him for any such thing." He said I was a great personal friend of Mr. Kinloch, "Could you not get Mr. Kinloch to present it to Mr. Hall. If he does it is all right." Mr. Kinloch refused point-blank at first to do it. However, he reconsidered the matter and said, "I will take it in to Mr. Hall." He did, and Mr. Hall certified to it, and that is the end of that. When he got that cheque Mr. Nelson told me to get it cashed, and I got that cheque cashed also.

By Sir Richard Cartwright:

701. Read that (pointing to the account).

"Certified correct.—H. KINLOCH.

"Approved.—J. R. H."

702. I thought you said that Kinloch refused to certify to it?—He did at first, but he afterwards reconsidered his decision. Well, I got the cheque cashed and came back, and Nelson said, "I suppose \$4 will be enough for McCabe for this account." I said, "I do not know about that; this is your generosity; you can do as you like." Well, he gave me the money and I handed Mr. McCabe the \$4.

703. What did you say to McCabe when you gave him the \$4?—I said: "Mr. Nelson sends you this——"

704. What for? For the use of his name?—Yes; the same as he got \$5 for the first one

Mr. McCABE (interrupting)—I do not remember that.

Mr. PALMER—Your memory is pretty short. You remembered it well enough a few days ago.

By Colonel Denison :

705. Are you in the Department now?—No, sir.

By Mr. Foster :

706. Will you explain clearly why this second account was not taken to Mr. Burgess?—I do not know, except that Mr. Nelson did not want it to go to Mr. Burgess.

707. He gave you no reason?—No, sir.

By Mr. Bowell :

708. But surely he must have assigned some reason. Was it in his own name that it was presented to Mr. Burgess?—He gave me no more particular reason than this. He said: "I do not want to trouble him with a second account." He was working on the annual report with Mr. Ogden, ex-M.P. There was a second cheque for \$95 of which he was to receive half for that, and so he was really paid twice over. If he received \$47.50 from Mr. Ogden, he would get this other for doing nothing.

By Mr. Somerville :

709. And this work if it was done, was done during office hours?—My work was done after hours, and he supervised it in office hours.

710. And he did not do any work for this?—Except on the two Sabbaths, when we worked four or five hours each.

By Mr. Lister :

711. Will you make this Ogden matter clear?—Well, the men who get up the annual report are always entitled to \$100 for the work.

712. And you say that for this amount nothing was done?—No, I say that I worked at this altogether with Nelson. Ogden was sick at the time, and when he got better the report was nearly all done.

By Mr. Somerville :

713. You state that this man Nelson did no work for this first account dated January 27th, 1890, except in office hours?—Yes, with the exception of the two Sabbaths in which I went to his house. We worked for about four or five hours. I took the galleys.

714. Oh, you were reading proof. Who held the copy?—I held the copy.

715. And you worked four hours each Sunday?—It might be four, five or six. We started at ten in the morning and I did not come away until half-past three or four in the afternoon.

716. You were kept continuously at work?—Oh, yes.

717. But there was no work done for this at all?—Except during office hours.

By Mr. Adams :

718. When did you leave the Department?—On the 8th June.

719. What was the reason you left the Department?—That would be a long story.

720. Give it shortly.—It is a long story.

721. Can you tell why you left the Department on the 8th of June?—On the 6th of June I met Mr. Pereira, the Assistant Secretary, at about a quarter to six, at the corner of the Union House. I was going down to my tea. I asked Mr. Pereira for an interview and when he could give me one. He said: "With pleasure." I said: "Where will I meet you; will you come to my house or come to the hotel and meet me at the Russell?" He said: "Anywhere you say," and he asked at what time. I said: "Any time this evening," and he said he would meet me at the summer house. I met him at half-past seven and then commenced to tell him about the ugly rumours that were being circulated about our Department. I told him about this ease of Joseph Wright, Mr. A. Berry and numerous other cases which I presume will come up afterwards. He stayed with me until about ten minutes before the death of Sir John. I asked him to lay these facts before Mr. Burgess and to tell him that the dismissal of twelve or fourteen of us extra clerks would have an ugly effect.

By Mr. Foster :

722. On whom?—On our party.

723. Which party?—The Conservative party.

724. Do you belong to that party?—Yes, sir, I do. I never became a renegade for any office. I never put pen to paper—

By Mr. Somerville :

725. Go ahead with your story.—I laid all these facts before him and I said: "You know what I am." I told Mr. Pereira: "Now," I said, "you know very well that I had a partial promise to have my daughter put in the Indian Department. To prove that I am disinterested, you promise that you will do all you can—she is a first-class typewriter, as the Messrs. Holland Brothers will certify—if you will do that, and it is done by the 20th, I will step down and look for a job somewhere else. If you will do that, I will step down and out of the Department; but I would like to have sufficient bread and butter, as I might not be able to get a job in Ottawa and leave my family here." I supposed we could get along on that for a year, with what my wife has. We have a couple of Senators with us during the Session. I merely stated I would step down and out of the Department if he would do that, and I would like an answer by the 20th. Whatever facts he laid before Mr. Burgess, I do not know. Would you like me to read Mr. Burgess' letter of dismissal?

By the Chairman :

726. When did this conversation take place with Mr. Pereira?—6th of June. This is the letter I received from Mr. Burgess:—

(EXHIBIT No. 1.)

"OTTAWA, 8th June, 1891.

"SIR,—Mr. L. C. Pereira has conveyed to me your message to the effect that unless by the 20th instant provision is made for continuing you in the employment of the Government, or a situation be found for your daughter in one of the public Departments, you propose to make some disclosures which, in your opinion, will reflect upon me and other officers of this Department in connection with its adminis-

tration. I have now to inform you that your services as a clerk in the Department of the Interior are dispensed with from this date.

"I am, Sir,

"Your obedient servant,

"A. M. BURGESS,

"Deputy of the Minister of the Interior.

"Mr. H. A. PALMER,
"Department of the Interior,
"Ottawa."

When I received this letter I went to Mr. Pereira and asked him if he would give me an interview with Mr. Burgess. He said: "It is no use; you had better see your friends." I said: "I will not beg; I will not ask my friends for nothing." However, Mr. Birkett volunteered, and said: "I will take Mr. John Graham up with me." They went up and asked Mr. Burgess if he would see me, and he said no, he did not want anything to do with me.

By Mr. Somerville:

727. Why did you want to leave the Department?—Because I thought if they provided for my daughter it would be sufficient.

728. I thought you said you were disgusted with the proceedings. Why were you so disgusted?—This thing has been hanging over our heads for the last two years.

729. What thing?—Our dismissal. Every three months or so we were told we would have to go. Two years ago, I think about April or June, they made up a list and it was approved by Mr. Dewdney, and there were thirty-two of the extra clerks on this list. I was told by a gentleman who saw the list.

By Mr. Montague:

730. Were not all the extra clerks on it?—All in our Department.

731. There was no discrimination?—I cannot speak about Mr. Deville's branch.

By the Chairman:

732. Have you passed the Civil Service examination?—No; I was over age.

By Mr. Montague:

733. You were not threatened with any dismissal except what the law provided?—No; but we did not want it applied to one Department. We were told every month or so: "You must go next June." That time would be tided over and then we were told "You will have to go in September." Then, we did not hear anything more about it until the 1st of January. "On the 1st of January you must go sure;" but we never received any notice at that time. It was just a dog's life. Every man will tell you the same as I have told you, that it was a constant irritation. Every month or we were told we would be fired. I got so disheartened that I said: "I will get out." I thought I was entitled to a position for my daughter. I think Mr. Mackintosh will bear me out that when he could not raise a corporal's guard for Sir John Macdonald that I marched at the head of seventy-five men and gave Sir John a reception.

By Mr. Adams:

734. Did you tell anyone but Mr. Pereira?—No; because I had the interests of the Department and the party at heart.

735. After you got this letter from the Deputy Minister on the 8th of June, did you then tell anyone about this?—No, sir; I did not. I never mentioned it to any person but Mr. Pereira up to the present time.

By Mr. Montague :

736. You say you wrote to somebody?—I enclosed a letter to the Minister of the Interior, enclosing a copy of Mr. Burgess' letter, which I have here.

By Mr. Adams :

737. Did you tell any person since receiving the letter of the 8th of June?—I have not, although Mr. Burgess accused me of being the man who gave this information. I have not.

By Mr. Somerville :

738. You spoke to Mr. Graham?—I never gave Mr. Graham any secrets.

739. But you told him about your being discharged—Yes.

By Mr. Adams :

740. Did you inform any person outside of Mr. Pereira as to the matters testified to here to-day?—No, sir, because I was well treated in the Department, both by Mr. Burgess and all the officials.

741. You say that Mr. Burgess wrongfully accused you?—Yes; it came out in the public evidence in the papers. It would not take a very small mind to know who accused me. Mr. Burgess had not the slightest occasion for that accusation.

By Mr. Paterson (Brant) :

742. You had told no one until you read that evidence?—No, sir; and then my hands were untied, and I did not hesitate. When Mr. Burgess accuses me I have a right to protect myself and family, and I will endeavour to do it.

By Mr. Bowell :

743. Were you not aware that the Auditor General had taken the position that those who had not passed the Civil Service examination could not remain on the pay-list?—We were told so, but I was informed the Auditor General denied that.

744. Who informed you?—It was spoken of around the Department. I cannot name them now, as it is a long time ago.

By the Chairman :

745. Did you receive a notice from the Interior Department some time ago that your services would be dispensed with?—Yes; along with fourteen or fifteen others. Here is the letter:—

(EXHIBIT No. 2.)

“ DEPARTMENT OF THE INTERIOR,
“ OTTAWA, 28th April, 1891.

“ DEAR MR. PALMER,—I regret very much to be obliged to inform you that, under the provisions of the Civil Service Act, it will not be possible to retain you in this Department after the 30th day of June next.

“ Yours faithfully,

“ JOHN R. HALL,
“ Secretary.

“ HENRY PALMER,
“ Department of the Interior,
“ Ottawa.”

By Mr. Somerville :

746. You were dismissed then at that time with fifteen others?—No; I was dismissed on the 8th of June, because of this conversation which I held with Mr. Pereira.

747. Did any others go out at the same time?—No, sir.

748. Have any others gone out since?—I think two or three are out.

749. Are there any more than three out, then?—All were taken back. They went back on the following day, except Mr. Hickey, who remained out one day.

750. Is he back?—I may say that I simply expostulated.

By Mr. Taylor :

751. How do you know about Mr. Hickey?—I know he is back, and he was out for one day.

By Mr. Lister :

752. There is only one of the fifteen struck off?—There was Col. Bethune, Mr. York and I think a Miss Slater—beside myself. Mr. Pereira's brother drew up a list, and I suggested drawing up a memorial to Mr. Burgess.

By Mr. Montague :

753. When was that—previous to the time you had made the threat?—This was in May.

By Mr. Somerville :

754. The witness denied that he made a threat?—I said they would have to make up their minds. I said there was no use for a man who threatened to write the whole Department up.

By the Chairman :

755. Will you explain how the giving your daughter a position would prevent these disclosures?—I had nothing to do with that. They were made afterward. I never threatened to make any disclosures, and if Mr. Burgess says so he says what is false.

756. Why did you want your daughter to get employment?—Because I had worked hard for the party.

757. You said you would step down and out if your daughter got a position. That has, to my mind, rather a peculiar meaning under the circumstances?—I would not state it was those exact words; but I think I used these words.

758. But the Government were employing you?—That was a matter with Mr. Burgess. If he decided to retain me I did not want a position for my daughter.

759. Why was your daughter connected with it?—She has passed her examination and was promised a position in the Indian Department.

760. And if your daughter had got the position you would not be here to-day giving evidence?—I do not know whether I would or not.

761. What do you think?—I think possibly I would be here; because I find out that other men had made up their mind to make these disclosures.

By Mr. Denison :

762. What was the name of this old newspaper man?—The old newspaper man—I think he was—was Mr. Hickey.

763. He said he would show up the Department?—Yes; he said he would show them all up.

By Mr. Daly :

764. How do you know he was taken back?—Because I was told by half a dozen men. There is the gentleman himself over there in the corner.

FRANK NELSON called, sworn and examined:—

By Mr. Somerville :

765. You are an officer in the Interior Department?—I am

766. What position do you hold?—There is no official title to my position. I am a second-class clerk in the Secretary's branch of the Department.

767. What salary do you receive?—\$1,250 at present. I received \$700 when I entered first.

768. How long have you been in the Department?—Nearly nine years.

769. What business were you at before you went into the Department?—I was in a railway office in Chicago before I entered the Interior Department.

770. You are a man who received a very good education?—Yes; I am a B.A. from Toronto University. I had a pretty high standing there, too—a B.A. with honours.

771. You are conversant with the Civil Service Act?—I have seen the Civil Service Act, but I never studied it out. I do not suppose one in fifty has done so. I do not know that it is the business of an ordinary clerk to do so.

771a. You are sufficiently conversant with the Civil Service Act to know how you should conduct yourself in your own Department?—Yes.

772. You have read the Act, and know that no permanent clerk can receive pay unless it is voted by Parliament?—Yes.

773. When you entered the service of the Government—when you were appointed to office—you took an oath?—Not at first; but I think I did take the oath of office in the office of the Clerk of the Privy Council. I did not remember that. It was some time after entering the service. That is on record.

774. Would it be five years ago?—About that.

775. Just read that, and put in your name where the blanks are.

“I, Frank Nelson, solemnly and sincerely swear that I will faithfully and honestly fulfil the duties which devolve upon me as a clerk of the Interior Department, and that I will not ask or receive any sum of money, services, recompense or matter or thing whatsoever, directly or indirectly, in return for what I have done or may do in discharge of any of the duties of my said office, except my salary or what may be allowed me by law or by an order of the Governor in Council; so help me God.”

776. Well, that is the oath you took?—Yes.

777. You have been in the room, have you not, while the other witnesses were being examined?—I have been here some little time. Mr. McCabe was on the stand when I came in.

778. We will just refer you back to this account. Do you see this account here?—I see it is an account for 49 hours' extra work.

779. Well, give the date of it?—27th January, 1890, and certified to by F. Nelson. That is my signature.

780. That is for \$24.50?—Yes.

781. You heard the evidence given by Mr. McCabe with regard to that account?—I don't know that I did.

782. You heard the evidence given by Mr. Palmer?—Yes; and to say the least of it, I was greatly surprised indeed. I must say I am prepared to contradict Mr. Palmer on nearly every point with regard to this account.

783. Did you ask Mr. McCabe for the use of his name when that account was made out?—I did not speak to Mr. McCabe at all about it before that account was made out.

784. Who did you speak to about it?—I did not speak to any body about it.

785. How did it come to be made out?—At this time the ‘grippe,’ I think, was prevalent, and the clerks of the Department were depleted; several in my office were away. There were several jobs on hand—the annual report, and I do not know whether it is confidential to say the North-West Territories Act,—and a large amount of work in connection with the Canadian Pacific Railway. Judge Clark was here, I think, about that time.

786. A member: Selecting lands?—Yes; a large amount of work had to be done in connection with that matter. Mr. Burgess was short of hands—at least, he asked me if I could assist him in any way. I told Mr. Burgess I was short, and that I was working night and day with what I had on hand. I said with regard to this: “There is Mr. Palmer; he is not sick; I see him around; I will get him, and he will help me

out of the work." It was a work Mr. Palmer was conversant with. Mr. Palmer and I did considerable work. He says he was at my home two Sundays in succession. Perhaps that was true. I do not remember. I know that when I was engaged on the work I was stricken with "grippe" too, and Dr. H. B. Small ordered me to go home and go to bed for three days, or I would be very ill. I went home and went to bed. Dr. Small called to see me and I was sitting up in my bedroom in a dressing gown and working. He said this would not do, that I would have to go to bed and remain in bed. Mr. Palmer called shortly afterwards and we worked together. Most of that time we were working at my home I was in bed. I think Mr. Palmer will admit that when we got done with this work Mr. Palmer said to me: "Nelson, I will put in my account now." I had kept pretty faithful track of Mr. Palmer's work, and Mr. Palmer, if I rightly remember, wanted more than I would certify to. He said: "Nelson—

787. I only want to know about this account ?

Several MEMBERS.—He is leading up to it.

Mr. Palmer said: "See here, I want to put in more than my own account." I said: "I know what you want to do, but I won't have anything to do with it." He said then something about speaking to Mr. McCabe. What it was I do not know, or what he intended to say. When Mr. Palmer laid his account before me this of Mr. McCabe's was with it. I said: "What is this?" He said: "Mac has been working over time, g— d— it, until 6 o'clock at night, and he has done that work." Well, I took the account along with Mr. Palmer's and put it into my pocket. I saw Mr. McCabe shortly afterwards, and I said: "Mr. McCabe, that matter of Palmer's is all right, is it not? You did the work?" He said something about working overtime, and working at night, and something or other about 49 hours' extra work. In this case I was led to ask, because the work is not specified here and I had not supervised it. I assured myself from enquiries of Mr. Palmer that the work was done and of Mr. McCabe, I spoke to him afterwards. He said he was working overtime, and I knew Mr. McCabe would not make an account out unless he thought he was justified. In matters of this kind, sometimes we have largely to depend upon the honour of the man who makes the account out. I cannot keep an account of work done when a man works at his own home, but I was always scrupulously careful to either inspect the work myself, or by carefully examining and carefully questioning to elicit from them information which satisfied me the work was done. I was satisfied Mr. McCabe did his work. Mr. Palmer said he handed me a cheque and I handed it to him. I never saw the cheque.

788. If Mr. McCabe stated he never did any of the work he is not telling the truth?—I—

789. Answer the question. If Mr. McCabe says he did not do any of the work he is not telling the truth?—For that particular account Mr. McCabe told me he worked overtime?

790. I want you to answer the question, sir. If Mr. McCabe swears he rendered no service for that account—that he did not work for it—you say then that he is not speaking the truth?—I did not say Mr. McCabe is not speaking the truth. I say Mr. McCabe told me at the time he was working overtime. I tell you, Mr. Somerville, we are not used to being pulled before a tribunal like this, as Mr. Palmer.

MR. PALMER.—You're a liar, sir, I never was before any tribunal.

Messrs. McCabe and Palmer were then ordered to leave the room.

By Mr. Somerville :

791. What I want is an answer to my question. I do not want to get you into any trouble, but I want to ask you this question: Mr. McCabe swears that he rendered no service for that account, that it was made out to accommodate you and at your request?—If he says at my request—

792. Wait a moment. He says that he rendered no service for that account, but that it was made out for the purpose of helping you?—At my request, you say? It was not at my request.

793. He did it either at the request of Mr. Palmer or Mr. Nelson?—Mr. McCabe said that? I did not speak to McCabe at all about this thing. The account is made out in a very unusual way. It says: "49 hours' extra work." I know Mr. Burgess enquired the date of the work, and what work was done. When I presented the account Mr. Burgess said: "What is this?" I replied: "I enquired about the work, Mr. Burgess, and I am satisfied it is done," and he then approved of it.

794. What was the nature of the work?—It was writing actions on the back of files, assisting in preparing correspondence, and indexing books. It was more than the work of one man, and Mr. McCabe did that work under Mr. Brough and myself.

795. We have already in evidence Mr. McCabe's testimony to the effect that he did not do any work for that account?—I don't know that. Mr. McCabe satisfied me at the time that he did. His extra work I don't know, but he satisfied me at the time. I was scrupulously careful in certifying to any of their accounts. There is my certificate that the work was done. I was scrupulously careful to enquire and satisfy myself that the work was done before I put my name to.

A MEMBER.—Then you must have been satisfied by McCabe?—I was, and by Mr. Palmer. He said: "G— d— it, McCabe has worked until six o'clock every night, and he ought to get pay for it."

By Mr. Somerville:

796. For extra work on the 28th of January, 1890, there is a cheque for \$24.50, representing that account endorsed by McCabe?—Yes.

797. Did you ever have that cheque in your possession?—I never saw it before, unless amongst a bulk of papers. I never saw that cheque before.

798. Did you ever hand a cheque to Mr. Palmer to go to the bank to cash?—Never, unless one of my own salary cheques, and I always cashed them at the bank myself. I never handed a cheque to Mr. Palmer to go to the bank and cash. What connection would I have with it? How would that cheque come into my hands when the Accountant signs the cheque to the man himself?

799. You were in the room when Mr. Palmer gave his evidence?—I was in.

800. And you heard him swear that when this account was certified by you you gave him this cheque to go to the bank?—Yes; I heard him say so, and I did not give him that cheque. I never saw that cheque or Mr. Palmer's letter.

801. Did you not give Mr. Palmer \$5 to hand to Mr. McCabe for the use of his name?—I did not give Mr. Palmer \$5 to give to Mr. McCabe; that is a matter that I will swear that I have nothing to do with whatever.

802. Do you say on your oath that you never received any portion of the money from this cheque?—I will explain now.

803. I want you to answer that question?—I cannot say what money was drawn on that cheque.

804. There was \$24.50 drawn on it?—You asked me if I received any portion of it, and I was going to explain what did happen. You will notice another account here of Mr. Palmer's about the same time for almost the same amount. I think I would not certify to Mr. Palmer's account for \$40 as he wanted me to.

By Mr. Montague:

805. He asked for \$40?—Yes; for the time he was working for me I kept a record; I knew the work, and that was not work that he was calling for. He said there were some big errors for which he was entitled, and I replied: "I don't know anything of that; I will certify to the work you had with me." A few days after these accounts were made I found—I won't be sure of the sums—\$20 on my table and I surmised at once it had been placed there by Mr. Palmer. When I spoke to Mr. Palmer about it I said: "Here, did you do this?" He said: "Don't ask anything about it." I said: "See here, you know this won't do." I don't remember exactly the words that passed between us, but I said: "See here, this won't do; I have a regular salary as permanent clerk." Well, he said: "When a man works at home on Sunday in bed sick, if he is not entitled to a little extra money I don't

know who is." I said: "That is not the point at all," but I acknowledge that I received the money.

806. How much money?—I received about \$20. I am not sure whether it is that account, whether Mr. McCabe and Mr. Palmer took the two accounts and put them both together and divided them up. I don't know what they did; I only received the sum I mentioned.

By Mr. Somerville:

806a. My recollection of what Mr. McCabe said is that he never received any money at all?—He said he received \$50, I think, for Mr. Palmer. Whether that was the amount or not I don't know. Mr. Palmer did the financial part of the work. That money, Mr. Somerville, was forced upon me; it was laid on my desk. I know that I should not have taken it, but it was left there and it was forced upon me.

807. What portion of this account did you get—(account produced)?—"Certified correct"—I knew nothing about that account.

808. Did you get any portion of that?—I never remember of receiving anything. That is the account I think Mr. McCabe said he knew nothing about to Mr. Kinloch and Mr. Hall.

809. Well, then, you say distinctly that the statements made by Mr. Palmer and Mr. McCabe with reference to more accounts are not here?—I don't say that. I know some of these settlements made by Mr. Palmer are certainly not here; and I must state to you I have heard before I was brought up to be examined that somebody had a particular spite against me in this matter, and they were going to roast me; and it did not take very long when Mr. Palmer came up here to see the source of it. With regard to this account, I don't know. You are asking me now about an account that Mr. Kinloch certified to, and of which I know nothing.

810. Did you send Mr. Palmer to Mr. Kinloch to certify to that account?—I did not send Mr. Palmer to Mr. Kinloch; I knew nothing of it.

811. You knew nothing of it at all?—I knew nothing of that account.

812. Do you know this: Mr. Kinloch took that account to Mr. Hall. Is it not Mr. Hall's signature to it?—Yes.

813. After Mr. Kinloch took that account to Mr. Hall, and got it certified to, did you not go into Mr. Hall's office the next day, a short time afterwards, and meet Mr. Hall, and thank him for certifying that self-same account?—I don't remember having done so.

814. Well, now, try and remember that?—I don't remember.

815. Well, now, try and remember; because I am in possession of information that you did that in regard to the second account?—With regard to the second account, I have no recollection of that.

816. You swear you do not remember thanking Mr. Hall for his kindness in certifying to that account?—I don't remember.

By Mr. McMullen:

817. Will you swear you did not?—I may have done so; I am speaking now to the best of my recollection.

818. I am asking you will you swear you did not?—I will not swear I did not. A great many things pass through my hands, and Mr. Hall and the officers of the Department walk about a great many things that one time and another. All I can say is this account is entirely new to me, Mr. Hall may have spoken to me about this but I have no recollection.

By Mr. Somerville:

819. Why would Mr. Hall speak to you if your name is signed there?—I don't remember Mr. Hall having spoken to me about it.

820. And you don't remember having spoken to him?—No; I won't swear to the honourable gentleman that I did not; absolutely I swear that I have no recollection of speaking to Mr. Hall.

By Mr. Lister :

821. If such a thing did happen, why would you thank him ?—I don't know.

822. You have no interest at all in the cheque or the money, and you have no knowledge of whether you thanked Mr. Hall ?—I don't know.

By Mr. Somerville :

823. You know something about the system which has been prevailing in that Department for some time—that is, for extra clerks to do work and share up the money with permanent clerks ?—Yes, you are right ; I have known that system ; at least, I have known it to prevail more or less.

824. For how long a time ?—For four or five years, perhaps.

825. As far back as 1885 ?—No ; I would not be sure. I cannot be sure as to dates, but I know the system has prevailed.

826. Regularly ?—Not regularly, as far as I know. It was in cases of a special rush, such as the North-West Rebellion, and cases where the work necessitated the clerks remaining over time. Sometimes nearly every night the staff was doubled up and made to work. I know cases of that kind necessitated the increasing of the staff, and adding to the expense. The clerks of the Department work overtime, and I know it was the custom, at least, so far as I was concerned, to allow the clerks to work overtime.

827. I would like you to say how long this has been the custom ?—Well, it has been the custom perhaps since 1884 or 1885 ; it may be further.

828. What year did you go into the service ?—In 1882.

829. You commenced drawing it about 1884 ?—Yes ; I was an extra clerk at that time.

830. When were you made a permanent clerk ?—In 1885 or 1886.

831. You are speaking from your own recollection. What year did you commence to draw extra pay ?—At the time of the North-West Rebellion.

832. And who was working with you then ? As I understand it, you worked two together ?—All the clerks of the Department were working overtime then.

833. You worked in couples, did you not ? And the extra man was paid by the service ?—Not necessarily that we worked in couples ; the North-West Rebellion gave rise to a great deal of extra work.

834. Yes ; we all know that, but in 1885, you say you were appointed a permanent clerk ?—Yes.

835. At that time you commenced to get extra pay ?—No ; it was not in that year. It was in the year following, I think in 1886.

836. Well, in 1886 you commenced to get extra pay ?—Not for work I did myself, understand that.

837. Well, who did you get it for ?—Mr. McCabe mentioned here the case of an account that went through. Mr. McCabe had been working overtime amongst a large number of others, and I had been busy at that time, as Mr. Burgess can tell you ; I worked so hard that it brought on a fit of nervous prostration, and Dr. Wright attended me. He told me I would have to give up that kind of work and bothering so much about it.

838. What year was this ?—In February, 1886. I spoke to Mr. Burgess and said : " I have been working as you know, and I am going to ask for a bonus of \$500 to be put in the Estimates." There were others who had been working too, and I thought that \$500 was about a fair return for the work that had been done. Mr. Burgess told me : " No ; it would take a good deal of trouble to get that ; I will perhaps promote you." That was all the conversation that passed between Mr. Burgess and myself, and Mr. Burgess gave me to understand this would count in my getting promotion. Then I let the bonus go. I spoke to Mr. McCabe about the matter. He was an extra clerk. I said : " We cannot get the bonus through ; you are an extra clerk, you had better get it in the extra way."

839. Was that for Mr. McCabe? - Mr. McCabe did the work; I only received the money. Mr. McCabe did the work. He did work enough to cover the account, and a great deal more.

840. In 1886?—Yes.

841. How much did you get?—I do not remember the exact amount.

By Sir Richard Cartwright :

842. About \$73, it is stated?—That is about it.

843. How much did you get of that?—Mr. McCabe says he handed me the whole of it, and I do not deny getting it.

844. If McCabe did the work, how did you come to get the money?—He gave it to me. I considered it was McCabe's, legally and honestly.

By Mr. Somerville :

845. McCabe must be a very generous man?—I suppose he is.

846. Did you get the whole of that \$73?—I do not recollect the exact amount, but he says he handed the whole of it to me.

847. When you took the whole of that, you knew you were contravening the Civil Service Act?—No. The money was legally McCabe's; it was properly his, and if he chose to hand me that money it was his affair. I may state that shortly before this there was a charge made against him that he had made a serious mistake in a letter, by leaving out the word "not" where it should have been, and as a consequence he was threatened with dismissal. I looked the case up; I knew him to be a man honourable and big-hearted. I examined the thing, and found he was not responsible. I pointed it out to Mr. Douglas, the then Assistant Secretary, and I said it was too bad to dismiss McCabe for this when it was not his fault. The result was, that McCabe was not dismissed, and he has always regarded me since, I think he will tell you so if you ask him, as a true friend of his. I do not say it was on this account that he handed me the money, but it may have been.

848. He did the work, and handed you the money?—Yes; and it is a matter of his own account.

849. Did you certify to this account?—I think that I did.

850-1. When you certified to that account, did you have any expectation of getting the money from him?—I left that to Mr. McCabe.

852. You had an idea, then?—I had an idea I would get something.

853. Was it left on your desk?—No; it was handed to me by Mr. McCabe.

By Mr. Watson :

854. Was it forced on you?—No; I think it was handed to me on the street.

855. That transpired in 1887?—I do not remember; have you got the accounts?

By Mr. Lister :

856. Did you get money in 1887?—I do not remember.

By Mr. Hyman :

857. Will you swear you did not?—I won't swear I did not. Excuse me, sir, what is your name?

MR. HYMAN.—Hyman is my name.

By Mr. Somerville :

658. Do you know Mr. Ogden?—I know Alfred Ogden.

859. He used to be a member of Parliament?—He was member for Guysboro', I believe.

860. Is he in the Department now?—No; he is away in Nova Scotia now.

By Sir Richard Cartwright :

861. What is he doing?—I think he is superintendent of fisheries.

By Mr. Somerville :

862. How long has he had that appointment?—I think since the first of July.

863. He was a candidate down there at the general elections?—Yes; I think against Mr. Fraser.

863a. Was he in the service of the Department up to the time he entered the campaign?—No; the date of his resignation is there, and the date of the campaign you know. I think it was the 1st of February when he resigned. There were rumours of the election coming on, as you know, and it was some time just before that he resigned his appointment, as he was an expectant candidate.

864. Did you ever certify to an account for Mr. Ogden?—I did.

865. Do you remember a particular account for \$95 that you certified to for Mr. Ogden?—No; but I certified accounts for Mr. Ogden. I acknowledge that.

866. Did you ever get any share of the accounts you certified for Mr. Ogden?—I do not know that I did, but I will explain my relation to Mr. Ogden. When he first came into the Department of the Interior he was, to use a very familiar expression, very hard up.

867. Sick, did you mean?—Financially straitened. His family were in Halifax, and he was here with no money, and Mr. Allison, another ex-M.P., from Nova Scotia—

868. Was he hard-up, too?—I do not know, but he was getting a salary. Well, when Mr. Allison was going to the North-West he came to me and said: "Ogden is going into the Interior Department," he was trying to get Ogden into his place: "he is very hard up; will you sign with me and another gentleman a note for \$100, to relieve him?" I said "I do not know Mr. Ogden, except to see him, and he has no claim on me, but if he is in such desperate straits as you say I will sign the note."

869. You signed with whom?—With Mr. Allison and Mr. Douglas Stewart, of the Department of Justice. Mr. Ogden got the money and paid off the note occasionally, \$10 or \$5 at a time.

870. To whom?—To the gentlemen who advanced the money and who held the note. I myself at the end paid \$20 on that note, and Mr. Ogden at various times handed me back sums of money on this account. Whether these were from extra money he received or from his salary as an extra clerk I did not inquire, but he paid it to me as a legitimate debt on the note as it became due.

871. Did you ever share in pay with Ogden?—Except in that way. I may say, also, that when he went down to Nova Scotia, at one time I loaned him \$100. He was going down into business when the Short Line opened to St. John. He explained to me that he had got freight rates from the Canadian Pacific Railway, and told me the prices he would pay in St. John and what he would receive in Montreal, and what a grand chance it was. I said: "Here is the chance of a lifetime, and I will give it you if you cannot get it anywhere else." He could not get it anywhere else, and so I gave him the money.

872. You swear you did not get any money for extra work done by Mr. Ogden?—Unless Mr. Ogden paid it to me as a legitimate debt. That is the only answer I can give.

By Mr. Lister :

873. Did you certify to any of his accounts?—Yes; because I knew the work was done.

874. With the understanding that you were to be paid?—No. If the Committee wishes, I can not only procure a statement of his work, but the actual pages he did.

By Mr. Montague :

875. Was he a permanent clerk?—No; an extra clerk.

By Mr. Somerville :

876. Referring to the work of the clerks, did you examine it before certifying to the accounts?—I said that on all possible occasions I examined the work. Where I could not examine, we had to trust to the honour of the clerk making the account.

877. In 1888–89 did you get anything from Mr. Ogden?—Nothing, except in payment of legitimate debts.

878. Did he not present you with a watch at one time for allowing him to get a cheque?—Mr. Ogden offered me a silver watch. He wanted me at one time to share an account with him. He said I am indebted to you for a great many favours, Mr. Nelson.

879. For what—sharing?—No for speaking to Mr. Hall and Mr. Burgess on his behalf and for loaning him money. When he got a cheque he said: “It is not fair to take the whole of this myself,” and I said: “You know I cannot touch it, Ogden.” He had a silver watch which he wanted to sell, and I said I will trade you my watch for yours, and I gave him my silver watch for his silver watch.

By Mr. Hyman :

880. Which was the more valuable?—Well, I thought Ogden’s was the more valuable.

881. You knew you were getting the better watch?—Yes. This is one of the instances which shows the animus against me.

By Mr. Lister :

882. What do you mean by “animus”?—This is one of the smallest instances I have ever heard of. I heard it was to be brought up against me.

By Mr. Somerville :

883. Do I understand that you received the watch as payment of your part of the cheque that you were sharing with Mr. Ogden?—No. Mr. Ogden wanted me to take money, and I said: You know I cannot take it, and, another thing, do not try and force it on me.

884. I want to know what you mean by this “animus”?—I have heard—one of my friends told me that they were after me particularly.

885. Who were after you?—I do not know whom.

886. Where?—I do not know where.

By Mr. Lister :

887. You refused absolutely to take Mr. Ogden’s earnings?—Yes.

888. And whatever you received was paid in satisfaction of a debt due you?—Yes.

888a. Did he apply all the moneys he received as extra pay for these debts?—He only paid the debts when they became due; I do not know where he got the money, whether it was from his salary cheque or from extra pay.

888b. You certified his accounts?—Yes; and I knew what money he was drawing. I have the actual work.

888c. You knew how much he was drawing as extra pay?—Yes.

888d. And he suggested sharing this with you?—Yes.

888e. And you refused?—Yes; I refused to have anything to do with it.

889. It is a pity you did not do so all along?—It is a pity.

890. When did he make these offers to you?—I do not remember when it was.

891. As late as 1890?—Some time then.

892. And you got the \$20 in 1890?—Yes.

893. Was it before that that Ogden offered you a share?—I am not sure; I could not answer that. I do not remember the date at all.

894. Do you know how much Ogden paid you altogether?—No; I do not remember how much he paid me altogether.

895. You have no account of it at all?—No; I did not keep any account.

896. How long was Ogden in the Department?—About 18 months.

897. And you have no idea at all how much he paid you?—No.

898. His last cheque was \$100?—I do not know; I loaned him \$100.

899. Was that paid back in a bulk sum?—I do not remember; I also loaned Mr. Ogden \$20.

By Mr. Hyman :

900. As a matter of fact, you do not know whether he has paid the money back that you loaned him or not. He may have paid you more or less?—He may have paid me more or less. I was under the impression that he owed me a little when he left the Department.

901. Did you speak to him about it?—I spoke to him about it, and we were satisfied to call quits.

902. Let us understand about the watch question. Do I understand you that Ogden approached you to join with him in getting money which was not his due?—No; Ogden earned the money legitimately, according to law. I certified to his accounts; he drew the money, and he thought I was entitled to a share of it.

903. Why should he offer the watch, then, if he had earned it legitimately?—He wanted me to share the money with him, and then he offered me the watch. I said, "This won't do; it is contrary to the Civil Service Act;" and I said: "You know that, Ogden." He said: "All right. I wish you would take something for your kindness," and he kept on at me.

904. What do you mean when you say it was contrary to the Act?—It was contrary to the Civil Service Act for a permanent official to take money for extra work. I told Ogden so, and then we changed watches. His was a silver watch with a silver case. I afterwards exchanged the case with McMillan, the jeweller, on Rideau street. It was a good time-keeper. I said to him: I will make a trade with you in watches; but I do not suppose there was \$5 difference between them. We made a trade of watches, which is all there is in it.

905. You told Ogden it was contrary to the Act to take this money, or was it contrary to the Act always?—I do not know that it is contrary to the Act to take money from a man who owes it to you. I said to him, however, I could not take any money on account of extra work. He got a regular salary of \$2 per day, and once in a while extra money, and with this money he paid his legitimate debts with both accounts. I do not know whether it was from his salary or his extra money.

By Mr. Somerville :

906. The fact is, that this system which prevailed throughout the Department you knew to be a case of sharing with permanent clerks?—I knew it in my own case.

907. You actually received money from these extra clerks and shared with them?—I have acknowledged receiving this money—this money that was earned by Mr. McCabe.

907a. You say you did not receive any money from Mr. Ogden, except such as he owed you?—Except what paid his legitimate debts.

By Mr. Lister :

908. Do you remember the amount he wanted to share with you?—I do not remember the month, and I do not know if I could specify the account.

909. Was he owing you?—Yes. The note we signed, that we were liable for, was all he owed me for.

910. It would have been so much on it. How much was that debt?—I did not take the money from Mr. Ogden then.

By Sir Richard Cartwright :

911. I do not know whether you were in during the whole of the time, but another witness who was under examination and under oath stated that he had received the sum of \$95 or \$100 for preparing the report of the Department, in which you had assisted him. Do you recollect that?—I do not recollect that particular transaction. I know Mr. Ogden assisted me, and I know he got paid for it.

912. Did he receive extra pay?—Perhaps there was extra pay. I cannot state the exact amount.

913-8. You do not recollect anything about that?—I recollect Mr. Ogden doing the report with me, and I recollect him getting paid for it, and I recollect going over the account for it; but the exact amount I do not remember.

By the Chairman :

919. Did you prepare the the whole of that report?—It was done under my supervision, with Mr. Ogden's assistance.

By Sir Richard Cartwright :

920. That particular sum which was paid to Mr. Ogden for preparing this report under your supervision, did you receive any portion of it?—I have to state again that I have no recollection of that specific amount, and my recollection tells me there was no such large amount—no more than \$40 or \$50. That we could easily ascertain from the accounts.

921. That was the statement made?—If that witness could produce the account it would speak for itself. If there was any such account I could not have received any part of it.

922. The statement made by the witness was that you and Mr. Ogden generally prepared the report?—That is correct.

923. But that sum was divided between you. You say that is not the case?—That is not the case; I received no part of it.

924. I have nothing to say with regard to Mr. Ogden, but if there was extra work you received no part of that?—No.

By Mr. Daly :

925. Do I understand you to say you did not receive from Mr. Ogden any money out of the extra pay he received, except to repay you the legitimate debts he owed you?—Only legitimate debts. I do not know whether he paid me one dollar of that extra money or whether it was his regular salary.

926. You do not know whether there was any understanding about it?—No.

927. Was there any understanding between you and Mr. McCabe?—I did not speak to Mr. McCabe.

928. Was there any understanding with Palmer? Was there any understanding between you and Palmer by which you were to share this extra pay?—No. There may have been that understanding between Mr. Palmer and McCabe; but between myself and McCabe there had been no conversation about it.

By Mr. Howell :

929. You have stated that you certified to the account of Mr. Ogden. Did you ever certify to any account for Mr. Ogden for which work had not been performed?—No; I am sure of that.

930. Mr. Palmer stated here that you said when asked to present an account—you told him—you did not like to take it to Mr. Burgess?—I do not know anything about the second; but the first I told him I did not like to take to Mr. Burgess until I had an explanation. I am satisfied Mr. McCabe did the work. He worked a great deal overtime and he always had a legitimate claim for overwork.

931. Was that because you could not tell Mr. Burgess about the work?—I enquired first if the work was done. Then I told Mr. Burgess that the work was done.

932. Mr. Burgess was particular?—Yes.

By Mr. Montague :

933. Do you know of any accounts having been certified to for which work was not done?—No.

By Mr. Foster :

934. This system of sharing with permanent clerks—was that undertaken to provide for press of work?—For unusual press of work. I do not know what Mr. Burgess' views were, but mine are that to increase the staff to meet the demands of that work would entail ten times or a hundred times the expense on the Government; because, when a man comes into the Department it is hard to get rid of him. Mr. Burgess is a man of hard-working habits himself, and it was his idea that clerks should do the same. So, instead of engaging outside clerks to come in, thereby increasing the staff, we doubled up the staff we had, in order to meet the emergency.

935. So that, although we agreed to it having been irregular, the work was more economically done than it would have been done under other circumstances?—As far as my knowledge goes, I am satisfied the work was done, and I am also satisfied that under this system tens of thousands of dollars have been saved to the Treasury.

By Mr. Somerville :

936. With reference to this first cheque which Palmer says Nelson asked him to share with McCabe, what do you say?—I deny that point-blank.

937. And that you gave him \$5 for McCabe's share?—I deny that.

938. And that you refused to take the second account to Burgess?—The second account I know nothing of.

By Mr. Taylor :

939. You did not give \$4 to Palmer to take to McCabe on the second cheque?—No; nor \$5 on the other.

By Mr. Hyman :

940. What do you mean by "system"?—You cannot hair-split on my words. I know it was a system that prevailed.

941. That permanent clerks should get work as extra clerks?—I say I do not know of any instances except my own. I have heard rumours.

By Mr. Montague :

942. Have you had any conversation with Palmer since he was dismissed?—No; I have met him a number of times on the street, but have not had any conversation with him.

By Mr. Somerville :

943. You say this system which has been established in the Department has saved tens of thousands of dollars to the Government?—Yes.

944. Then it must have been a system?—If I used the word "system" I should have said practice.

945. You said this practice has saved the Government tens of thousand of dollars. Do you mean annually?—No; not annually. I think it would take ten or twenty clerks at times.

946. It was with the full knowledge of the heads of the Department that this practice was established?—I know nothing about that. You will have to ask the heads of the Department.

947. Did Mr. Burgess know anything about this?—I told Mr. Burgess this work had been done by Mr. McCabe.

948. You knew this practice was prevailing in this Department for years?—I did not know it.

949. Why did you say it saved ten thousand dollars a year?—By making clerks work over time.

950. You said, the practice of doing this work with extra clerks and sharing with them?—I did not say sharing. I mean the practice of making clerks come back and do the work, whether they got paid or not. I did not say anything about extra pay.

951. You know, as a matter of fact, that work has been done by permanent clerks and they have been paid for it?—I have heard it rumoured.

952. Did you ever hear of the Joseph Wright case?—No; until the thing came up here.

953. There were general rumours to that effect?—I have heard them.

954. Mr. Burgess never knew you shared this money?—What money?

955. With McCabe.—No.

Mr. Bowell asked at the last meeting of the Committee during the examination of Mr. Burgess:—

“488. I understand you to say no permanent clerk in your Department has received any extra pay”? and he replied: “Only Mr. Turner.”

956. You do not know of any?—No; I can only speak from my own experience. I know Mr. Burgess was not aware any of this money was given to me. I suppose it is a revelation to him now.

By Mr. Bowell :

957. Who suggested this mode of evading the law?—I do not know. I suppose each man did it for himself.

By Mr. Bergeron :

958. With how many clerks could you, if you had wanted, shared in the Department?—I have no idea.

959. How many accounts could you have certified to there? You have mentioned Mr. Ogden, Mr. McCabe and Mr. Palmer.—There were a large number of extra clerks in the Department.

960. How many are there beside these three?—I do not know how many extra clerks there are in the Department.

961. How many could you have certified for?—I do not know.

962. I want an answer.—I do not know.

963. How many clerks have you under you?—I have one extra clerk under my charge. A little while ago I had three under my charge, and at another time I had two.

By the Chairman :

964. How many permanent clerks?—A short time ago I had two permanents and now I have one. Sometimes the clerks were not under my charge, although they were in the same office.

By Mr. Bowell :

965. The Deputy Minister had no other way of finding out how many hours these men had work but by you?—He had to take my word for it.

By Mr. Hyman :

966. I see your name appears for \$1,200 in June, 1890. Did you receive any other moneys except those you have told us about?—No. The accounts will be here.

967. I am speaking of the accounts in your name?—No.

968. Did you receive any other moneys, except what appears in your name?

Mr. A. M. BURGESS.—Might I be allowed to make a statement. I simply beg to state that in the excitement of the moment at the last meeting, in answer to a question by Mr. Somerville, as quoted to-day, I stated what I would very seriously modify to-day—that is, that I knew of no cases in the Department. I thought it was Mr. Foster who asked me the question, and I understood it to refer to the preparation of the Burr Index: “Did I know whether any permanent clerks had shared in the money paid for extra work?” That is what I understand the question to be. If I had understood it to be otherwise I should have answered it otherwise. I did know of a practice prevailing in the Department in several instances, of which I am quite prepared to give a list to the Committee at the next meeting. That is why I would prefer to keep my statement until the next meeting, so that I may accompany it with a list of those cases in which this practice has prevailed.

By the Chairman :

969. Your answer had reference to the Burr Index?—Yes; when occasional extra work was given to other clerks, or their female relatives, for the express object of making up their salary.

By Mr. Foster :

970. Permanent clerks?—Yes.

971. In those cases, did you know that full work was given?—I say so positively. I took the greatest pains in those cases.

By Mr. Bowell :

972. Could you tell us—because there may be some misapprehension about this—if you know of any cases in which permanent clerks received money for work done by friends of theirs and for which they themselves did no work?—I know of no cases of that kind. I did know of cases in which the relatives of permanent clerks were paid for the work which the permanent clerks did themselves.

By Mr. Foster :

972a. Your answer the other day was under a misapprehension?—Yes; under a misapprehension. I take the opportunity of saying so now.

By Mr. Montague :

973. I understand you to say you did not know that certain permanent clerks were doing extra work and getting extra money in this irregular way?—Yes; I did.

By Mr. Somerville :

974. You say the relatives of these permanent clerks were drawing pay as for extra service?—Well, I understand they were relatives.

975. The wives of these men?—In some cases the wives.

976. Do you know the name of Miss Lizzie Evans?—I cannot say; I thought I knew who she was.

977. Do you know Miss Lucy Evans?—I think I know both of them.

978. Miss Lizzie Evans got \$231.60 in 1886 and \$280.80 in 1887. You don't know who she is? She would be the wife of some clerk?—I don't think she was the wife; she was a cousin, I think, of the wife of Mr. Pereira, the Assistant Secretary.

979. She was the cousin of the wife?—Yes; she was living at Pereira's house, so I understand. I profess no personal knowledge of that.

980. Do you know Miss Lucy Evans?—I understood she was the sister of Miss Lizzie, but of my own personal knowledge I don't know. In 1886, and these days when there was an enormous quantity of work being done by the Department, I don't pretend to know one-half of those who were at work.

By Mr. Montague:

981. So this practice allowed, was the means of avoiding the Civil Service Act for the purpose of fraudulently giving money to these clerks, was allowed by you as a matter of economy?—It was allowed by me as a matter of economy.

982. There was no intention of defrauding the public?—No; and I have no reason to suppose any fraud was ever committed; I took the strictest pains to assure myself on that point.

By Mr. Bergeron:

983. You heard a witness state a moment ago that he certified to accounts. You had confidence in him that he would not deceive you?—Unless they were officers of that kind about me my position would be intolerable.

By Mr. Montague:

984. You believe every dollar paid there, was for work done?—I will go further than that, and say there were many thousand dollars of extra work if you count everything, even the official day.

By Mr. Somerville:

985. When this work was being done, in that way you knew there were permanent men who, were receiving a share of the money for the work done by the extra clerks, had read the Civil Service Act, did you not?—I thought so.

986. Well, you knew that more men were required to take the oath?—Yes.

987. You knew the nature of that oath?—I would not like to say that was present to my mind at any time while this arrangement was in force.

988. You knew of the oath?—I always knew of it, because I took it myself; it was not present to my mind. Moreover, I would not have allowed it.

989. But you remember the oath?—I must have known it; I would be very poorly fitted for the office which I fill if I did know that. I had no idea whatever I was doing the injury. The injury it appears I was doing, I am sure I had no intention of it.

By Mr. Montague:

990. I understood you to say that if you had employed outside clerks the sum spent would be much larger than under the present system?—Yes; I would go further, and say a good deal of the work could not have been done by people outside. It had to be done by people who knew the Department.

By Mr. Somerville:

991. Do you know anything about the account (produced)?—No; I know nothing about it. Mr. Nelson reminds me I had made some objection about it, but I don't remember.

MR. NELSON.—I remember you enquiring, "What is McCabe doing?"

MR. BURGESS.—It is very likely.

The Committee then adjourned.

COMMITTEE ROOM,
THURSDAY, 16th July, 1891.

Committee met; Mr. WALLACE in the Chair.

Mr. FOSTER presented a statement in reply to an allegation of Mr. Palmer that of the 15 clerks who had been dismissed from the Interior Department on the 30th June, all had been re-instated except two or three, which statement was filed as Exhibit No. 3, and is as follows:—

(EXHIBIT No. 3.)

I examined the pay list for this month, and find that none of these names appear, and no cheques have been made out for any of them: E. P.

J. F. Cross—Gone.

B. H. Humphreys—Transferred to the Winnipeg office, to fill a vacancy in the Land Office there, caused by the creation of the Lake Dauphin Land Agency and the Red Deer Land Agency.

H. Palmer—Dismissed.

Mrs. Graburn—Gone.

Mrs. Forrest—Gone.

Miss Slater—Gone.

C. E. Anderson—Gone (waiting for proposed gratuity in Supplementary Estimates). Loss of an eye.

J. A. Hickey—Gone; came back a few days after the 30th June.

P. Mungovan—Gone.

A. R. Bethune—Gone.

G. V. York—Gone.

Samuel Gray—Transferred to Regina Agency for same reason as Humphreys went to Winnipeg.

T. W. Hodgins—Notified at the beginning of the month that his services were ended and that he could no longer be paid, but has been hanging about the buildings.

William Peart—Gone.

R. D. O'Brien—Gone; gratuity asked for in Supplementary Estimates on account of old age. (Nine years in service.)

Mr. BURGESS read the following statement, which was filed as Exhibit No. 4, and is as follows:—

(EXHIBIT No. 4.)

OTTAWA, 15th July, 1891.

Mr. CHAIRMAN—I crave the permission of the Committee to submit a written statement in explanation of the extra payments which have been made to permanent clerks in the Department of the Interior and the circumstances which led to these payments being made.

I was secretary to the Deputy Minister of the Interior in 1881 when the contract was entered into between the Government and the Canadian Pacific Railway Company. At that time the staff of the Department was quite equal to the work to be done, but on account of the enormous expansion of the Departmental business which followed upon the completion of the contract and the commencement of work on the road, Colonel Dennis, then Deputy Minister, became incapacitated from overwork and retired from the service at the end of the year. After the 1st January, 1882, a

reorganization of the Department took place, which it was hoped would increase its efficiency so that the work might be overtaken. Mr. Lindsay Russell, Surveyor General, was appointed Deputy Minister, and a new branch was created to conduct the correspondence, with myself at the head of it as Secretary. However, the work grew out of all proportion to the machinery in existence for its conduct, and early in 1883 Mr. Russell was compelled to give up work, and has been incapacitated from business ever since. I was then charged with the duties of Deputy Minister, and on the 1st July, 1883, was confirmed in the position. About that time the Government made every effort to strengthen the working power of the staff. Mr. Hall, the present Secretary, was transferred from the Department of Justice to succeed me in that office; Mr. Joseph Pope, now the Prime Minister's Private Secretary, and Mr. Arthur Chisholm, now Private Secretary to the Minister of the Interior, were transferred from the Department of Marine; and about this time, also, Mr. T. G. Rothwell, a solicitor in active practice in Ottawa, Mr. G. U. Ryley, a Dominion Land Surveyor, now in charge of the Timber and Mines Branch, and Mr. L. C. Pereira, now Assistant Secretary, were brought into the Department. With these and other subsequent additions to the staff, the business was systematized, and had been brought into a state of efficiency when, in the spring of 1885, the North-West Half-breed Commission was appointed. All the labour attendant upon the organization of the Commission and the preparation of the instructions fell to the share of the Minister and myself, but when the Commission got to work in the North-West and began to send in batches of claims which they had investigated and approved, it was found that there was no provision in the organization of the Department for doing special work, such as the issue of scrip for these claims. I regarded it as important that the issue of this scrip should be surrounded by the same safeguards as the payment of money, and it was arranged that no scrip should be drawn except upon requisitions signed by myself and countersigned by the Chief Clerk of Patents, in whose branch the recommendations of the Commissioners were examined and classified. The requisitions were then transmitted to the Accountant, in whose office the scrip notes were prepared for signature, the same as ordinary cheques.

During the session of 1885, also, there was an unusual demand from Parliament for information respecting the Department of the Interior; and the Rebellion also added enormously to the work, both directly and indirectly. The volunteers who took part in its suppression were granted by the Military Bounty Act the choice of 320 acres of land on homestead conditions, or land scrip for \$80. It was necessary to communicate with each volunteer to ascertain his option, and as in many cases the volunteer disposed of his right, powers of attorney had to be filed in the Department to enable the purchasers to receive the scrip or warrant, as the case might be. As there were over 6,000 of these cases, the correspondence of the Department was greatly augmented.

All this additional business was thrown on the staff almost simultaneously, and as there was no provision in the organization of the Department for conducting it very great pressure of work existed in the offices of the Secretary and the Accountant. It became a question whether an effort should be made to overtake the work by the ordinary staff or whether the Government should be asked to devise some special means of meeting the exigency. The officers, especially the Accountant and his assistant, protested strongly at various times that the pressure upon them was too great, to which my invariable answer was, that the work must be done and that I would endeavour to find some means of remunerating the staff for their extra labour. This class of business was spread over the years 1885, 1886, 1887, and part of 1888-89, and in these years there was also added the office business connected with the Civil Rebellion losses claims. These claims were investigated on the ground by a Commission, but the necessary steps to make payment for the losses fell to the share of the Department of Interior.

In 1886 the Department commenced to wind up the business between the various colonization societies and the Government, and this work has been spread

over the intervening years. The following summary of scrip notes of various kinds which have been drawn in the Accountant's office and issued by the Department in those years will give some idea of the extent of this special class of work :—

Manitoba Supplementary Half-breed scrip.....	1,717
North-West Half-breed scrip	5,790
Scrip in commutation of the right of hay and common on the Red and Assiniboine Rivers.....	235
Old white settlers' scrip.....	96
Military Bounty scrip and land warrants.....	6,106
Colonization societies' scrip.....	3,896
Total	<u>17,837</u>

All this work was intermittent in its character, and had to be performed in addition to the regular duties of the persons to whom it was entrusted. It would have been difficult to obtain outside assistance whenever and only for such periods as might be necessary, and, even if obtainable, such assistance would be of little value without previous experience of the business methods of the Department.

The annual report of the Department is brought down, in so far as the various agencies in Manitoba, the North-West and British Columbia are concerned, to the 31st October each year, and in fact a statement of all the business of importance down to the close of the calendar year is included. The surveyors employed by the Department usually do not return from the field until November, and between the end of the year and soon after the opening of the session of Parliament their reports upon the season's operations, as well as the reports of the Crown Lands and Crown Timber Agents from Lake Superior to the Pacific Coast, have to be collected, carefully revised, the proofs read, and the whole summarized, indexed and printed. This means that a very large amount of work is crowded into a short time. It can only be done, or at all events be done far better, by regular employes.

At the end of the financial year, too, there is, in so large a Department, necessarily a great amount of extra labour in closing up and balancing the appropriation accounts of the Department, the accounts of the North-West Government and of the Government of the District of Keewatin, and the accounts connected with the Torrens system of registration.

The selection of the material required for returns to Parliament, the distribution of the files among the sessional writers who copy them, and the examination and certification of the copies composing the return, has for many years made very large demands upon the time of the regular employes in addition to their everyday duties. I find on examination that the cost of copying, at a given rate per folio, the returns called for since 1884, has been as follows :—

1884-85	\$6,369 50
1885-86	2,912 00
1886-87	1,100 00
1887-88.....	952 05
1888-89.....	780 00
1889-90.....	700 00
Total.....	<u>\$12,813 55</u>

In addition to the mere copying, however, it is necessary for some officer to select the material to be copied, and subsequently care has to be taken that the proper documents have been copied and that they are correct copies. Of course, such information as can be extracted from the records of the Department is furnished, as in the case of all other Departments, without involving extra expenses.

With a correspondence averaging, for the past five years, over 47,500 letters received per annum, not perhaps all of very great importance, but all requiring to be attended to and answered (involving, in most instances, also, a reference to the land registrars or survey records of the Department), and requiring to be carefully indexed, registered and filed, so as to be easily found when required, it is necessary that the officers and clerks of the Department generally should not adhere to the office hours of 9.30 to 4 o'clock, and I think it will be seen by the Committee that additional demands of the nature I have been describing (the list of which could be greatly amplified if necessary), upon the time of the regular employes, must mean great pressure of work and the devotion to their duties of a large amount of extra time.

I desire here to state most emphatically that no payment was ever authorized by me except for work which was certified by the proper officer to have been performed or where I had personal knowledge of the fact myself. It was as a rule work of an important and pressing nature, which could not have been performed within official hours, nor to the best of my judgment and belief by others than the permanent employees of the Department. This is not stated by way of defence, but to show that the Government received actual value for every dollar that was expended in this way. In every instance, so far as I can remember, this work was done and the payments made in pursuance of a previous arrangement with the clerks, and none of the payments were in any sense a gratuity.

The payment made to the late Mr. Anderson was irregular, but this was not a payment made to a permanent official. Except in this instance, none of the employes who have benefited by these irregular payments are connected with me in any way, directly or indirectly. None of them, so far as I know, regard the office hours as the necessary limit of their labours; but, on the contrary, it must be within the personal knowledge of a very large number of the Committee that they do not as a rule leave their offices until between 5 or 6 o'clock each day; and they are always ready to return if necessary. Nor would I have the Committee to understand that any attempt has been made to make even the appearance of compensation to the permanent employes in question for all the extra labour they perform.

I have gone carefully through that portion of the Auditor General's Reports having reference to the accounts of this Department for the years 1885-86 to 1889-90, inclusive, with a view to discovering how much, to my personal knowledge, has been paid to permanent officers, exclusive of what Mr. Turner got. The amount is so small that I hesitate about submitting it to the Committee, being only \$1,818.45, or about \$360 per annum. As to the payments made indirectly to permanent clerks, of which I have no knowledge, it is impossible for me at the present time to ascertain the exact amounts, but I believe them to be inconsiderable.

In addition to the statement which I made to the Committee at its last meeting in relation to the Burr Index of correspondence, I may say that when, in the first instance, Mr. Henry stated that permanent clerks had been employed on the making of this index I felt sure that I had no knowledge of this, and, as already explained, that was what I intended to say to the Committee. I have taken every means in my power to refresh my memory on this point, and I am of the same belief still. I, of course, have had no communication with Mr. Henry, but I have no recollection of any conversation with him, either before the work was commenced or while it was going on which would indicate that permanent men were to be so employed. He stated to the Committee that what he did in this relation was authorized by his superior officer. I presume he refers to Mr. Hall, the Secretary of the Department. I do not recollect whether Mr. Hall ever told me that any permanent clerks were assisting in the making of the index and sharing the proceeds with the temporary clerks so employed. The question of the index, however, was frequently discussed between us, and in order that this matter may be cleared up beyond doubt I have telegraphed to Mr. Hall, who is absent in Boston on his holidays, to return here. If, when Mr. Hall comes before the Committee, he will say that he informed me that permanent men were so employed I

have no doubt that such was the fact, since I well know of the existence of the practice in the Department, and had authorized it in other specific cases. Whether I knew of it in this instance or not is not of much importance. It is an undoubted fact, I believe, that the junior clerks in Mr. Henry's office were so employed, and that they were paid in the manner indicated. I remember that the work upon the index was stopped some time during 1890, on a representation made by Mr. Hall, the nature of which I cannot recall, and it has made no progress since. It is a large index of a series of smaller indices, and its usefulness as a work of reference is chiefly in relation to the earlier papers composing the Departmental records, particularly title papers, and even what has already been done—it is almost complete from 1870 down to the close of 1882—has expedited the work of the Department very greatly. I agree with the opinion expressed by Mr. Henry, that it would be a tedious, and I am afraid an impossible task, to bring it up to date by any system of working which could be applied to it during office hours.

I would also state that upon further examination I find that the extra time for which Mr. Turner was paid, as explained at the last meeting of the Committee, was spent to a much greater extent in examining Half-breed scrip files and preparing the scrip notes for signature, examining, classifying and scheduling Rebellion losses claims, and in writing up the Establishment Ledgers of the Department, than in the work of checking and making a regular account of scrip and warrants of all kinds issued prior to 1883.

I am reported as saying that Jane Hay, one of the persons mentioned in the letter of the Clerk of the Committee to the Secretary of the Department, whose presence here for the purpose of giving evidence was desired, has been employed in the Technical Branch of the Department. What I thought I said, and what I had intended to say was that I was, informed and believe that Jane Hay is a real and not a fictitious person, and that she has been paid for work performed in one of the branches of the Department. I understand that she is a relative of a third-class clerk in the Department, who, at the time of his appointment, was a Public school teacher in Ottawa, at a salary, I am informed, of over \$600 per annum. He was selected for appointment during the year 1887 because he was a good stenographer and typewriter, and assistance of that kind was and is indispensable in conducting the large correspondence of the Department. I understood at the time that he was promised a salary of \$600 per annum to commence with, on the presumption, no doubt, that he had passed in a sufficient number of optional subjects to entitle him to that amount. It transpired, however, that he had not passed in any optionals, although fairly well qualified in the two mentioned; and he could only be appointed at \$400 per annum. There is no doubt that the object of giving the extra writing was to make up the deficiency. Since the close of the financial year ending on the 30th June, 1890, the payment in question has been discontinued.

I have seen in one newspaper a suggestion that in May, 1887, when I paid Mr. Thomas Anderson \$100, that gentleman was dead. I beg to state that Mr. Anderson died on the 23rd January, 1888, having been in his ordinary health up to the previous day, and that when the transaction referred to took place he was a temporary clerk in the Department of the Interior. The same newspaper represents me to have said that the \$100 was never repaid to me. I never intended to make any such statement. Although I did not personally receive this repayment, Mr. Chisholm did so for me.

I have already frankly admitted that the payments complained of have been made in contravention of the provisions of the Civil Service Act, but I repeat that they have invariably been made, so far as I know, for substantial service really rendered and actually necessary in the interest of the business of the Department. I desire to escape no portion of the responsibility which attaches to me in this relation. There is no doubt that the proper way to have obtained for the men who did the work the remuneration to which they were honestly entitled would have been to get a specific appropriation for that purpose. That method is adopted in the Post Office and Finance Departments, and I greatly regret that it was not adopted in the Interior

Department. I would point out, however, that the work so provided for in both the Departments mentioned occurs with perfect regularity at a fixed period of the year that the cost can be very closely calculated in advance and the sanction of Parliament obtained so that the payments can be made when the service is rendered. The amounts paid out irregularly in the Department of the Interior have been mainly for work that could not have been anticipated, but of course the payments might and ought to have been delayed until Parliamentary authority was obtained. I respectfully submit that the irregularity is one which does not involve my honour or my honesty.

I would also take leave to say, Mr. Chairman, in relation to the evidence given by Mr. Henry, that I regret very much that in a moment of anger I should have said anything that would reflect upon him. I prefer to believe and do believe, from what I have known of Mr. Henry during the last 16 years, that he made the statement he did and gave the evidence in the way he did from conscientious motives, and believing that it was his duty to do so.

By Mr. Somerville :

992. You said, in giving evidence here at the previous meeting, that this system of paying temporary clerks for work which was afterwards shared with permanent clerks was commenced in 1885, after the Hon. Thomas White was appointed, and that you had a consultation with Mr. White in regard to the method you would adopt in order to pay for that work, and that either you or he suggested that this method should be adopted?—I think I stated that in regard to the case of Mr. Turner only.

993-4. Can you say when the Hon. Thomas White was appointed to office?—I cannot say definitely, but I think it was August, 1885.

995. The 5th August, 1885?—Some time in August, 1885; I do not remember the date.

996. Mr. Turner, then, did not receive any money for extra work previous to that. In fact, in your statement to-day you say that this class of work commenced in 1885?—Yes; this class of work.

997. In your opinion Mr. Turner did not receive any money for extra services previous to 5th August, 1885?—I could not say that. I have no recollection of payments to Turner in this manner before 1886 myself.

998. Your conversation with Mr. White occurred after his appointment?—It must have been after his appointment, of course.

999. And this extra work not having started until after Mr. White's appointment, you must be positive that no money was paid to Turner for work of this character before that?—I could not be positive. I may say that I made no inquiry with a view to ascertaining that; it did not occur to me. I only say that, to my own knowledge, nothing was paid before 1886.

1000. What was the name of the party used by Mr. Turner before Joseph Wright's name?—I do not know. I never knew of any party other than his wife, myself personally.

1001. Do you know what his wife's name was?—I do not.

H. H. TURNER recalled and further examined :—

By Mr. Somerville :

1002. In what name did you receive extra pay previous to receiving it in the name of Joseph Wright?—I received it in the name of my wife altogether.

1003. What was her name?—Emma M. Turner.

1004. Did you receive any in the name of M. E. Slighter?—That is my wife's maiden name.

1005. How did you come to use your wife's maiden name?—I think that was a suggestion of the late Mr. Douglas. As I stated to the Committee before, he said to me that there were certain jealous ones in the Department, and that as I was getting pay for extra work and others had been there longer than I had, they thought they were entitled to it, but could not do the work. The suggestion therefore came from him that I should take my wife's maiden name. I only received but three or four payments that way. I could give you my diary, if you like, showing when I received the money.

1006. The first payment you got, was it in your wife's name or M. E. Slighter's?—It was changed, I think, after the 1st of July, after I had received four or five payments—not a large amount, perhaps \$70 or \$80.

1007. On what date?—1884–85, I think.

1008. At what date in those years?—That is more than I can tell you. My written record shows that I only began on the 1st of January, 1885, and then I have an unbroken record for two years or over.

1009. Before that?—No. I did not receive anything before that. I only came into the Department in the fall of 1883. I had been a temporary clerk for some time before I got my permanent appointment.

1010. What is the date of the first payment in your wife's name?—I could not tell you that unless I had the ledgers.

1011. I would like to know who suggested you should use the name of Miss M. E. Slighter?—Mr. Douglas.

1012. Mr. Douglas?—Yes; he suggested I should change the name to my wife's maiden name, because of jealousy.

1013. You were drawing in your wife's name before you changed?—Yes; I drew three or four amounts, not very large, in all perhaps some \$70 or \$80, but not more than that.

1014. According to my information, which has been taken from the Auditor-General's Report, and which I have not had an opportunity of verifying myself, you received something like \$2,291.80?—I daresay. It would average about \$300 a year.

1015. Sometimes it was \$500 or \$520?—That depended upon the pressure of work.

1016. You did all that work yourself?—I did all the work myself—every bit of it.

1017. I want to know if you shared that work with anybody else?—No; not a bit of it. It was money of my own which was earned by myself, and I used it myself.

1018. Nobody ever got a portion?—Nobody ever got one cent of it.

1019. Here is an account to Miss Slighter, \$251.30. (To the Auditor General): you have not the vouchers for 1884 and 1885, or any record in the books showing when this payment was made.

The AUDITOR GENERAL.—Not in our books; we keep the vouchers every year to be examined by Parliament. Then we send them back to the Department. It happens in this particular case we have not the vouchers. We have the monthly sums in the ledgers, but not all the details.

By Mr. Bowell:

1020. Can you ascertain by the books when this payment was made, Mr. Turner?—I know very well about it myself.

By Mr. Lister:

1021. What is your recollection about that?—I was appointed a permanent clerk some time, I think, in February, 1884. I did not do any extra work for a few months after that time; I should say perhaps it was about the end of 1884 or the beginning of 1885 that I first received any extra pay in this way.

By Mr. Denison:

1022. That was, in your wife's name?—Yes; or in any other name.

By Mr. Lister :

1023. According to your recollection, it would be previous to the time of the appointment of Mr. White, if he was appointed the 5th August, 1885, that you had been receiving money?—I may have received a little money—not very much.

By the Chairman :

1024. You say that the payments were first made in the name of your wife, Mrs. Emma Turner?—Exactly.

1025. And afterwards it was in the name of M. E. Slighter?—Exactly; that is my wife's name, too.

1026. How do you account for the payments in 1884 and 1885, "M. E. Slighter, copying, 10 cents a folio, \$251.30." Was there a payment made in your wife's name before that year?—No.

1027. Well, then, the payments commenced with your wife's maiden name, according to this report, in 1884 and 1885?—I don't think it did. There were only two payments made under the name of Turner. The name Turner was drawing attention to me, and it was causing jealousy in the Department, too.

By Mr. Hyman :

1028. Were you drawing payments at one and the same time under your wife's maiden name and under the name of Mrs. Turner?—I think not.

1029. You won't swear you were not?—I could tell if I looked at the books.

By Mr. Lister :

1030. I think what Mr. Hyman means is, that you were drawing an amount of say \$100 in your wife's maiden name, and a sum of \$100 in your own name?—Oh, no; certainly not.

By Mr. Chrysler :

1031. I would like to put one question on behalf of Mr. Burgess. Did you have any conversation with Mr. Burgess on the subject, or had you any means of knowing that he was aware of what took place?—I don't know about that, sir. The work was given to me to do under Mr. Douglas' direction by Mr. Howe, Mr. Rothwell and other parties. I had no dealing with any person except Mr. Douglas. Mr. Douglas was at that time Assistant Secretary of the Department. It was under his order that I did this outside work, and I did the work, and I received the pay, as I have said.

1032. What is your answer to the question as to Mr. Burgess' knowledge, so far as you know, of the payments that you were receiving in 1884 and 1885? Do you know anything about it?—I don't know anything about it.

H. A. PALMER made the following statement to the Committee:—

I wish to apologise for the intemperate language I used the other day, but I don't mean in that apology to include Mr. Nelson. I regret very much in your presence, sir, and the honourable gentlemen, that I made use of that language. I would like also to modify the statement which I made with regard to some one asking me if I had made any statement to any person with regard to the Department. After we got our notices of discharge on the 28th April many of the men who were in the same boat as myself used to come to my room and discuss the thing, and of course I may have said something, just the same as they. They discussed the thing with me and I discussed it with them, but no word was said about giving anything away, except on one or two occasions, and not by me. I suggested a respectful memorial to Mr. Burgess asking him to lay the case before the Honourable Mr. Dewdney, the Minister, asking that he should get an amendment to the Act covering our cases. I have also a recollection of, I think, four or five of us, in company with Mr. Satchell, meeting Mr. Charles Mackintosh. I said: "You are just the gentleman we are look-

ing for." I showed him the notices, I think, which we had received, and asked him as a personal favour if he would interview the Minister or take some action on our behalf, and I stated to Mr. Mackintosh that it would be much better; that there were a great many rumours going around, and a great many threats had been made with regard to showing it up, and I stated if it was shown up the Rykert scandal would be a small matter compared with it, because it was a petty thing, and it would reflect on the Department and the officers of the Department. He said: "Harry, I will see you again," but I never had any communication with Mr. Mackintosh afterwards, with the exception of going down to his house with this petition, asking him to lay it before Mr. Dewdney. That is all the recollection, as far as I know, of any conversation with any outside gentleman outside the Department.

By Mr. Foster :

1033. That is, you only spoke with Mr. Pereira, the men who wanted the same object as yourself, and Mr. Mackintosh?—And the men clerks in the Department, sir, and I think I have had two or three conversations with Mr. Rothwell.

1034. With whom?—Mr. Rothwell. I had nothing of any moment, that is all. We spoke about the Department; that is all, to the best of my recollection. I have heard no threats of any outside party giving anything away, good, bad or indifferent.

By Mr. Montague :

1035. Perhaps you will tell us who did make the threats to Mr. Mackintosh? You say you were justified in making those statements to Mr. Mackintosh. You must have a meaning? You say you spoke to a Liberal member?—I don't say I spoke to a Liberal member; I did not speak to anybody. They came into my room.

1036. Who were they?—Mr. Hickey, Mr. Bethune and Mr. Mongovan.

1037. Who made threats?—I think to the best of my knowledge during one morning—I think Mr. Satchell was present when we were discussing the thing—Mr. Hickey stated if we were discharged "I will write the thing up." That is all; that is the only recollection. I have heard other remarks outside that the thing would be shown up, not by parties connected with the office. That is to the best of my recollection. I made also certain statements to Mr. Hickey with regard to what was going on in the Department. I was entitled, and so was Mr. Hickey, to every dollar we earned, because the law allowed extra clerks to receive full pay for extra service.

By Mr. Foster :

1038. You said threats were being made to Mr. Mackintosh, and the only person you ever heard making threats of showing up the Department was Mr. Hickey?—There were others.

1039. What others?—I could not say exactly, now, sir.

1040. Cannot you remember anyone?—I think there were several who spoke in a general way—if they had to go "We would do so-and-so."

1041. You cannot remember any of their names?—Only with the exception of Mr. Hickey.

By Mr. Bowell :

1042. Did Mr. Satchell?—No; Mr. Satchell did not make any threats.

By Mr. Montague :

1043. Were you among the number?—No; I was not. The Minister was always very good to me. In conversation, I said I was treated with kindness by Mr. White and Mr. Burgess both. I have no complaints, except I thought it was unjust, and I asked Mr. Pereira if Mr. Burgess would grant me an interview.

1044. Then, when they made threats, you disputed with them?—No; I walked out of the Department. I was trying to get a position not in the service at all.

With regard to the reinstatement of these men, I was credibly informed that Mr. Hickey returned to work on the following morning. I saw Mr. Hickey on Saturday morning, and he told me he was offered extra work. He said we could all get extra work, and asked if he should intercede with Mr. Henry to make up what I was getting as a salary. I said: "No, sir; I do not want any favours, good, bad or indifferent in that way." There is a statement made that no person has been returned to the pay-list.

J. L. McDUGALL called and further examined:—

By Sir Richard Cartwright:

1045. You have been here, and heard the evidence as to the manner in which some permanent clerks have made use of some extra clerks for the purpose of receiving additions to their salary. You are yourself the head of the Department?—Yes.

1046. Is it within your knowledge that such a thing has occurred in your Department?—I am sure it never did.

THOMAS G. ROTHWELL called, sworn and examined:—

By Mr. Somerville:

1047. What branch are you employed in?—I am not employed in any branch; I am law clerk of the Department. It is a departmental title. I do not think it is recognized by the Department of Justice, but I am addressed that way officially by the Department.

1048. Are you the solicitor of the Department?—I look after legal matters. In matters of legal moment my opinion is asked, and if Mr. Burgess is satisfied with it he uses it, and if not he refers it to the Department of Justice; or very often, when opinions are given by the Department of Justice, they are sent to me to look over before Mr. Burgess deals with them.

1049. You have been a long time in the service?—Not very long.

1050. How long?—Eight or nine years.

1051. You, of course, understand the nature of this enquiry. Can you give us any information with regard to certifying to accounts and these irregular payments that have been made?—I am very glad to be able to do so, because I think the matter has not been put fairly before this Committee. The general statement has been made that it is a general practice in the Department for permanent officials and extra clerks to divide payments. That is not true. Certain permanent clerks in the Department of Interior I know have done so. As far as my knowledge is concerned, it is that Mr. Burgess was pressed from time to time by permanent officials, whom I may call juniors, to advance them; and these juniors along with extra clerks have to my knowledge been getting extra pay. Of course, I have heard the evidence here, and it has been brought out that other people got extra pay. I had heard that, too, but not in any way that I care to say anything about.

1052. About what?—That I heard that persons calling themselves officials of our Department were certifying to accounts and taking part of the money themselves.

1053. You heard that?—Yes; certainly.

1054. Is it within your knowledge as to who really were engaged in that?—I know from Mr. Nelson's sworn evidence that he did so. I have heard that others did so, but I do not know of it.

1055. Do not know what?—That they certified to accounts themselves and got the money; but I know that they got money from cheques certified to by others.

1056. And shared with others?—I think the work was done by members of the family or something of the kind. I would like to say a little more about the prac-

tice of the Department as I know it. When I went in there in 1883 and 1884 that practice was in existence. I did not think much about it then, but I have a great deal since.

By Mr. Foster :

1057. At that time, when you went in, such a practice was in vogue?—I understand it was in vogue for years, and it is in vogue all through the Departments of the Civil Service in the way I speak of—that is, permanent clerks earning small salaries were receiving extra payments.

By Mr. Somerville :

1058. In contravention of the Statute?—That depends upon the construction put upon it. There has been a very strict construction put upon that clause of the Civil Service Act.

By Mr. Sproule :

1059. The Civil Service Act was only passed in 1882?—A. That was the practice, as far as I know. I have heard talk, but I do not know. There is another point : that extra work has not been distinguished before this Committee. It consisted of two kinds—first, copies of papers, such as returns to Parliament, and other purposes. For instance, when we have papers to send to the Commissioner we send mere copies, and we furnish copies for many other purposes. A good deal of that, however, has been done away with of late. The next class is that spoken of as having been done in the Department by permanents and the cheques being made out in the name of other people for that work. So, there are two classes of work. The class of work that was sworn to here the other day, for which permanent officials were in the habit of certifying to their own accounts and dividing the cheques with unfortunate extra clerks, is something I had only heard of, but did not know until I heard it acknowledged here.

By Mr. Somerville :

1060. You say, then, it was a common practice, according to your explanation, in all the Departments?—I have heard so ; but I do not know it.

1061. Heard so from parties in the other Departments?—Just general talk.

1062. You know of no special cases?—I have been told that there were special cases in the different Departments, if I would look in the Auditor-General's books ; but I did not wish to become a detective in this business, just because our own Department had got into trouble.

1063. Did you certify to accounts?—I certified to a great many accounts for copies of papers, of returns to Parliament and copies of files that are sent to Commissioners, and copies of papers for other purposes. I have also certified to one account—that is, the account of Jane Hay.

1064. Who is she?—The mother of a junior official in the Department, H. H. Rowatt.

1065. Who did the work?—Rowatt. I will tell you all I know about it. Mr. Rowatt came to me after the death of the late Mr. Douglas, the Assistant Secretary. He told me that he had been receiving sufficient extra work to make his salary up to a stated figure, I think \$600 or \$700. His statement was that he had resigned his position in the Public school, where he was receiving \$600 or \$650 ; that he had been promised an equal position in the Department of the Interior ; that after getting into the Department, and on account of a rule in the Treasury Board, he could only receive \$400 ; that the difference had been made up to him by extra work done by himself and the cheques issued in the maiden name of his mother. He told me that Mr. Douglas had done that for him, and he said that he had been sent to me to continue the practice.

1066. Who did he say sent him to you?—I knew that the practice was wrong, and I refused to have anything to do with it ; but having found that his story was

correct, I did it, and continued doing it. I continued doing it for three or four months, and then I told him this matter must be fixed, and that I would have nothing more to do with it. Finally, I called him into my room and told him that if he had not political friends to make this matter right I had, and I would see them. He asked me to speak to them, and I spoke to one of them, and he was voted his salary in Parliament.

1067. Who spoke to you?—I knew it was wrong—that it was wrong with the strict construction placed upon the Act, and I accept the full blame.

1068. When you refused to do this, and wanted authority, whom did you get authority from?—I spoke both to Mr. Burgess and to Mr. Hall about the matter. They said it was all right, and what I understand was this: that any payments allowed by either Mr. Hall or Mr. Burgess were as salary. I think myself it was salary. That is my own opinion, that it is not fixed what the working day is—that it is not fixed when a man shall be brought back and when not. I may say, as a permanent official of that Department, I have come back myself for five or six years, and I have worked in that Department for between eight hundred and a thousand nights. I have left Mr. Burgess working there occasionally until twelve and one o'clock; I have seen him working there with Mr. Chisholm, and I have seen Mr. Chisholm ill over it. We used to bring back juniors and extra clerks. Who told them to come back I do not know. These extra clerks we could allow 50 cents an hour, but the junior clerks we could not allow one cent. The result was that they continually worried Mr. Hall and the Deputy of the Department for extra pay, and in a moment of weakness he allowed it. This is all there is in this thing, except the acknowledgment that certain permanent officials, getting good salaries—more than twice as much as some of us, who are working our ears off—and sharing the extra payments of these unfortunate men, who are telling all they know. I know one man who came to me and spoke to me nearly out of his mind. He was dismissed once on my recommendation, because I thought he was a poor clerk. He came back afterwards on the influence of Mr. McMaster, and he came to me at the first meeting in this room. I refused to listen to his case. I said: "Tell the whole truth; tell all you know; what makes you ask?" He told me that Frank Nelson did not want him to tell the truth.

1069. Did he say that he had been approached by Frank Nelson?—He said that Frank Nelson told him to say that he had spent the money for hotel bills. I do not know if that is true. I stopped him.

1070. What kind of a man is this McCabe? Is he reliable?—I cannot tell you that. He knew I had recommended his dismissal to the Deputy, and afterwards I spoke to him about it, and said that since I knew he was doing better work I was sorry I had put him under that reflection.

1071. You know nothing against the man's character?—I know nothing whatever against McCabe, except that he is uncertain.

1072. Uncertain in his work?—I know nothing about his work.

1073. Uncertain in what?—He has been worried about men coming to him to cover up things that there was no necessity to cover up.

By Sir Richard Cartwright :

1074. Do you consider there is nothing at all to cover up in the practice of entering in the Public Accounts statements of account and moneys paid to people who have not done the work?—Certainly, or I would not have refused continuing to certify their accounts; but as far as I know, every dollar's worth of work certified in that Department has been done.

By Mr. Somerville :

1075. Some of the witnesses who have been here say differently. Mr. McCabe swore, that accounts had been certified for work which had never been performed?—I am speaking of my own knowledge; I know nothing about that class of work, except what I have heard.

1076. Do you know Mrs. E. Shore?—I do not know her.

1077. Did you ever certify to any accounts in her name?—I cannot tell until I have seen them. Hundreds of accounts were brought to me to certify, and I paid no attention to the name, provided the files were all right.

1078. You would not remember Miss E. Berry?—No; I do not know what that name is. I may say that possibly I know only a few of those accounts, because you must understand that permanent officials came to me, knowing I had control of the returns to Parliament, and if they presented their accounts I simply saw that the work was done and certified the account.

By Mr. Devlin :

1079. How long is it since you recommended the dismissal of McCabe?—He had been in the Department for about a year; I suppose it is five or six years ago.

1080. Since then you have known nothing against him?—No. I may say, however, that with the exception of nodding to him and saying I was sorry I was so harsh to him, I have not spoken to him since. He might speak to me out in the corridor or on the street, and that's all.

1081. He is an able and reliable man?—Yes.

1082. Are you aware that he was highly recommended to the Department?—By yourself?

1083. Oh, no. I do not even know him?—I was told he was highly recommended to the Department.

By Mr. Somerville :

1084. Do you remember Turner presenting his account and your refusing to certify it?—I do. I certified some accounts in the name of Slighter. Very often I gave him special work in connection with returns to Parliament. I had an extra clerk named Deacon, and when a certain return was required by Parliament involving carefully prepared statements I gave a portion to Deacon by Mr. Burgess' direction, and the other portion to Turner. I first went to Mr. Turner, as he was working very hard, and asked him how much he could do. He took the half of it, and I gave him some more sheets and the balance to Deacon. Afterwards Mr. Douglas told me that Mr. Turner was dissatisfied, and I then discovered that Mr. Turner was getting extra pay in the name of Mrs. Turner?

1085. At the same time?—I could not tell you if it was the same time. I may have certified to some further accounts after that, but after this came to my knowledge I refused to certify any more.

1086. Were you instructed by any officer in the Department to continue to certify accounts?—No; it is just the general way of doing the work.

By Mr. Foster :

1087. You spoke about a view you had about that section of the Civil Service Act. Will you explain what it is?—Certainly. There is nothing to show what the working out of the Civil Service Act is. There is an Order in Council in existence, and I believe a ruling of the Treasury Board, which authorizes a Deputy Minister to bring back any official he likes. As far as my memory goes, I do not think it says he shall pay them or shall not. I want to say something else, if you will permit me. Mr. Nelson, the other day, when before the Committee, stated in his evidence that he had heard that somebody had said he was going for him. I do not say I go for anybody without cause. I was the man who said that. When I heard him sneering at Mr. Henry for giving away this thing, as they stated, and acting like that, I did say things about him and another that were perhaps hasty, but there was some justification for it. These men had been behind the Deputy Minister; they had been fed by him, he had given them lots of work, while other men doing more responsible work were getting nothing, except in the proper way, and I felt very much hurt that this reflection should have been brought on the whole Department by a few; because I will say this, that there are in that Department 50 or 60 gentlemen with whom

am proud to work. I therefore said I would give it to Nelson if I got the chance. I wish my statement to be scattered as broadcast as his was scattered. The man who will come here and deliberately say that he is getting extra work, that he is a prominent officer of the Department, and mixes himself up with men in the Department who are doing work with which his cannot be compared, who admits that he has taken advantage of his Deputy Minister, and that he has taken money from an unfortunate Civil Service employé, who is getting only \$400 or \$500 a year, deserves all I said of him, and I would like to say more and do more. I would rather be Mr. Harry Palmer, or any other man who started this thing, than Mr. Frank Nelson, to day.

Mr. PALMER.—I beg your pardon ; I did not start this thing.

Mr. ROTHWELL.—I did not say you did, but you have been blackened and made a scapegoat in connection with this matter.

By Mr. Taylor :

1088. You state that an Order in Council exists by which the Deputy Minister can call back any official of the Department?—He can call back any official in the Department, high or low. Some of the Civil Servants do as they are told ; others, perhaps, do not do everything ; and if I have done anything wrong I take the responsibilities on my own shoulders.

1089. Does the Civil Service Act make provision, in case a Deputy Minister orders back a permanent clerk to do work, by which he can be paid?—That depends altogether upon the construction of the Act. I will not undertake to interpret it ; others can do with that.

By Mr. Lister :

1090. I understood you to say you never received any extra pay yourself?—Not one dollar. That brings a matter to my mind which I will frankly state to the Committee. It is one of the things which has perhaps made me feel indignant at somebody who said I was as bad a man as any of the rest of them. There is a small account in the Auditor General's Report which gives the whole thing away. That account is in the name of Mrs. T. M. Rothwell ; that is the name of my wife. I have the good fortune or the bad fortune to have a wife who has a better head than myself. Mr. Burgess, in 1890, told me to go to Banff on important business. My salary is \$1,450 a year, and although I have not a very large family I hesitated, and he asked me " what was the matter." I said " I do not want to go without my wife," and he said, " Take her along." I said, " I cannot on the pittance allowed by the Civil Service Act, \$3.50 a day. I would have to stop at the Canadian Pacific Railway hotel, and the fare is considerable." I afterwards said to Mr. Burgess. " Supposing Mrs. Rothwell does some extra work," and he kindly gave me \$100 worth of work for her. I took the work and she did some 40 odd dollars worth herself. She did it herself ; the cheque was made out in her own name and she got the money. When I came back : as the money did not come up to the \$100, I paid back the difference. I paid over \$60 on account of personal expenses.

JOHN A. HICKEY called, sworn and examined :—

By the Chairman :

1091. Your name is John A. Hickey?—Yes, sir ; Mr. Palmer stated here now in his evidence that I had used threats when we were notified to leave the Department. I would explain how the matter occurred.

Mr. LISTER.—I think Mr. Somerville had better go on with the examination, and let any explanations you have to make come after the evidence.

WITNESS.—I thought you would be kind enough to allow it, as Mr. Palmer was granted the privilege. The occasion I refer to was after being notified by the

Department our services were dispensed with on the 30th of June. Well, a few of us met together, and we were discussing the matter. Of course, most of those present felt naturally annoyed, I thought, on being dismissed so summarily, and I said if I was not satisfied that there was absolute necessity for being dismissed at the time I might be inclined to go for the Department, or to give them a raking through the press on account of it; but being afterwards satisfied, I took no action and done nothing. On the contrary, when Mr. Palmer was dismissed I endeavoured to keep him as quiet as possible; and Mr. Henry is here, he can testify to that. I went on two occasions in order to intercede with the Deputy Minister to get him back, because I apprehended trouble, as he had threatened trouble if he was not taken back, and Mr. Henry seemed inclined to act; but on further consideration he declined. He said he did not like to interfere in the matter, so Mr. Palmer then stated to me he was prepared to give any explanation or any denial, or sign any document, provided he would be taken back. Now, that is true, gentlemen, with regard to the whole matter. Instead of encouraging him to go on, I done all I could to dissuade him.

By Mr. Somerville:

1092. Why did you dissuade him to go on?—Because I did not consider it would do any good, but only give a lot of trouble.

1093. To whom?—To everyone of the Departments and everyone concerned.

1094. How many in the Department did you consider were concerned?—The whole Department.

1095. The whole house? But whom do you consider was implicated? Was the Minister implicated?—No; I don't say anyone was implicated, but I say all this confusion has been made by his dismissal, as far as I know.

1096. What position did you hold in the Department? Are you there now?—I am not.

1097. How long had you been in the service?—Over seven years.

1098. And when were you dismissed?—I was dismissed on the 30th June.

1099. You were an extra clerk?—Yes.

1100. I see in the Auditor General's Report for last year that you were paid for 365 days at \$1.50 a day, and that for extra work you are down for 376 hours at 50 cents an hour,—that would be \$188.00 Did you get all that money?—No.

1101. You did not?—The gentleman who was working with me.

1102. Who was the gentleman working with you?—It was not always the same party. Sometimes it would be a different clerk. I was acting under the instructions of Mr. Henry.

1103. How much of the \$188 did you get for yourself?—As far as I remember I don't think I got more than half that amount.

1104. About \$74?—Yes.

1105. But cannot you be positive?—As far as I remember. It is sometime since, you know.

1106. Did you get the cheque signed?—The cheque came out in my name; I gave half the amount to the party who was working with me.

1107. Did you draw the money yourself?—I did.

1108. Who did you give the money to?—I gave it to the party who had the cheque.

1109. Who was the party?—There was Mr. Connolly, I worked most of the time with. I worked also with others.

1110. What is he?—He is a permanent clerk. I don't know whether he was a permanent clerk myself at that time.

1111. How much did you give to Mr. Connolly?—Well I don't remember precisely.

1112. Who else did you divide with?—I don't well remember, there were so many of us.

1113. This one single transaction?—The reason I remember is, I was more with him than any one else.

1114. This is a single transaction. Surely you can remember whom you shared the money with?—I don't think it was the same person. They were all charged to me.

1115. But when you drew your money out of the bank you knew how much you put in your own cheque, did you not?—I did.

1116. And you knew who you gave the rest to?—As far as I know, Mr. Connolly is the only person I gave to.

1117. You shared with Mr. Connolly the whole of the \$185—he got the rest of it?—I would not say he got the whole of it.

1118. The whole of the rest?—I would not say he got the whole of the rest, but I know he got the greatest portion of it.

By the Chairman :

1119. You say you divided the money with some other clerks. Surely you can give us their names?—I don't remember any other person but Mr. Connolly, he was the one I worked principally with.

By Mr. Somerville :

1120. What others did you work with?—I remember I worked with Mr. Curley ; he was an extra clerk.

1121. And he would not get any of it?—Of course ; he would get half.

1122. Not with your cheque ; he had a cheque of his own?—Yes.

1123. Who did you work with besides Mr. Connolly?—Well, I didn't pay particular attention at the time.

1124. You must remember who you worked with?—Well, Mr. Connolly was the principal person ; of course, I worked with Mr. Curley, now I remember. Those are the only two I remember.

1125. Was Mr. Curley a permanent clerk?—No ; he is an extra clerk.

1126. You did not share with Mr. Curley? What permanent clerk did you work with?—I happened this way : That Mr. Curley was away, and when he returned we worked together.

1127. I am not speaking of extra clerks, I am speaking of permanent clerks. What other permanent clerks did you work with?—I don't remember any other.

1128. At all events, you only got \$74 of this amount?—Yes.

1129. How long have you been in the Department?—Over seven years.

1130. And you have been in the habit of earning this money in this way previously?—I never received a cent of extra money in that seven years only this, and I would not have received it only for a friend of mine who is down stairs in Mr. Henry's office. It appears Mr. Henry always considered the work would be better done by permanent clerks. It was a particular kind of work, and could only be done by experts, who were familiar with the work. It was most intricate and particular work ; and I may say here that this work, although done by permanent clerks, if extra had been called in it would have involved three times the expense, and it would have taken a certain time to train them.

1131. That is your opinion. Are you a competent judge?—Mr. Henry is here, he can testify to that. It would cost the Department three times the amount.

By Mr. Lister :

1132. You had made up your mind at this little meeting, you and a few of your friends, to invoke the power of the press against this?—No ; I said if I was not satisfied that it was necessary to dismiss us I might be inclined to do so. Being afterwards satisfied it was, we did not do so. The Deputy Minister afterwards explained at a meeting downstairs, and fully satisfied me we had no reason to do so, and therefore I would not take any action. Or I never wrote a scroll.

1133. Then it was on account of finding out there was no substantial reason that you changed your mind from resenting it?—I merely felt annoyed at the time, as any one would under the circumstances.

1134. And you were going into the press?—I would afterwards, if I had been treated unjustly.

1135. You found out afterwards that you had been treated justly?—I did.

1136. Did you communicate that to the Minister?—I had no communication with the Deputy, or any other person whatever.

1137. It was a fearful threat to make. How many were you?—I think there were fourteen or fifteen of us.

1138. You were to do the writing, were you?—I would have done the writing myself. I considered I would be justified in doing it.

1139. What were you going to write about?—I thought it was a piece of unnecessary tyranny to send so many men adrift, and these men, a great many of them, were unfitted for other callings, and I thought it was very hard to be summarily dismissed.

1140. You considered it was a fearful piece of tyranny?—I considered if it was unnecessary it would be tyranny.

1141. You were going to abandon the Government for doing it?—I don't know it would affect the stability of the Government, but at all events it would have satisfied my feeling?

1142. You were going to abandon the Government, eh?—I don't know that it would seriously affect the Government, but it would have relieved my feelings, any way.

1143. Well, now, you were going to attack them, I suppose?—Well I would consider I would have perfect right; this is a free country.

1144. Were you going to attack them on the ground of this distribution of extra pay?—No; not on that account.

1145. You swear that was not in your mind?—No.

1146. It was not to show the Department up?—No; nothing whatever of that kind.

1147. Nothing more than they were acting tyrannically with a few of your own friends?—I thought they were acting summarily in dismissing us.

1148. You had no intention whatever of showing improper practices prevailing in the Department? You would not do it?—I would not, and I done all I could to restrain Palmer from doing it.

By Mr. Somerville:

1149. Why have you changed your mind?—Because, as I said before, I was satisfied with a proper dismissal.

By Mr. Lister:

1150. Now, have you seen your friends—the gentlemen who met in that room?—I meet them occasionally.

1151. Every day?—Not every day.

1152. Are you going back?—I don't know that. Mr. Palmer drew up a petition, but I wanted to do it in a legal and constitutional way and I drew up a petition myself, and we decided to give it to Mr. Pereira to put it into typewriting.

1153. You drafted it?—I drafted it.

1154. You were afraid Palmer's constitutional knowledge was not sufficient to undertake that part of the work?—Well, yes.

1155. Was Palmer present when you drafted it?—He was.

1156. It was a joint work?—I done the principal portion of it myself. There may have been some alterations made in it. I just done it hastily, in a few minutes.

1157. You have been there for seven years, and you swear that only on one occasion was there a cheque made out to you, the proceeds of which were divided with a permanent clerk?—As far as I remember.

1158. Do you swear that?—I do swear that, as far as I remember.

1159. Only on one occasion?—There may have been more; but I said before that there may have been more.

1160. Do you undertake now to swear that there were no more cases?—I will not; I will not swear to anything but what I know to be true.

1161. And you do not know that?—I do not.

1162. Who did you divide up with?—with Connolly?—Connolly and Curley.

1163. Why did you divide with Curley?—He worked with me.

1164. He was an extra clerk?—As I said before, we should have worked, I think, together. That was how the matter occurred. I remember we worked together, but I forget the details.

By Mr. Bowell :

1165. I understood you to say that you divided with Mr. Curley because you worked on a certain piece of work together and put in one account, which you divided?—Mr. Curley put in a cheque at one time for me and then I put in a cheque for him.

1166. You were both extra clerks?—Yes.

By Mr. Lister :

1167. Why should he put in an account for you?—Because at the time it was put in it was arranged that we took work alternately, week about. That is, when we extra employés worked. We averaged about twenty hours a week.

1168. Then you would have two weeks in one cheque?—No. The amount of his week's work of ten hours at 50 cents would be \$5, and my work at \$5 would be \$10. We would make the cheque out for two weeks.

1169. You could have put your own account in?—Yes.

1170. And he could have put his in?—Yes; but it would only be a small matter of a few dollars. I am prepared to say the work was faithfully and honestly done.

1171. Mr. Connolly was a permanent clerk?—He was latterly.

1172. And he was at the time the cheque was made out to you?—He was part of the time, but I do not think he was a permanent clerk for the whole of the time.

1173. Was he a permanent clerk at the time the services were rendered for which you got a cheque?—As I said, he was for the most of the time; but I think there was a portion of the time he was not.

1174. Was there any portion of it earned while he was a permanent clerk?—There was.

1175. Was he the only permanent clerk you divided with?—There may have been others, but he is the principal one I recollect.

1176. Was that last year?—Last year.

1177. You swear that you have no recollection of dividing up with permanent clerks previous to last year?—No.

1178. And that you never earned any extra pay yourself?—No; only on that occasion.

1179. Did you ever act as a convenience for some permanent clerk who had done work—to have a cheque made out in your name and go and draw the money and give it to him, you doing none of the work yourself?—I may have done it, but I do not remember.

1180. Do you swear you do not remember?—I do not remember. I remember one occasion I was approached to do it, but I did not.

1181. Was that lately?—It was about the last time we went to work there.

1182. Do you tell the Committee here that you never allowed your name to be used for the purpose of drawing money for permanent clerks?—As far as my memory goes, I do not remember it. I remember distinctly that I refused when asked, although I was conscious he did the work, and that it would be certified to by Mr. Henry.

1183. Did you, during the time this conspiracy was hatched up?—There was no conspiracy.

1184. Conference would be the better word. Did you tell your friends, at the time you held the conference, that you had received cheques for permanent clerks?—I do not remember.

1185. Will you swear you did not?—I may have said something of the kind, but I do not remember it.

1186. What is your present employment,—in the Civil Service?—Not at present.

1187. Do you expect to receive employment?—No; not from any Government sources. I had been acting as insurance agent, and I have been a notary by profession.

1188. In Quebec?—Yes.

1189. You have been in expectation of receiving employment again?—There has been no promise made to me.

1190. Did you ask?—No; but when I was dismissed I applied to some of my friends—it is not necessary to mention the gentleman's names. I certainly tried to get back again, but I found it was useless.

By Mr. Taylor :

1191. You made the statement here a few moments ago that all the employés drew money in this way. What did you refer to,—all the employés in your room or in the whole Department?—I did not say that.

1192. That was the interpretation I put upon it, that all the employés of the Department earned it in this way?—I did not say it. In fact, I got no extra work there myself except that year, although I had been seven years there. On one occasion when I had been burned out here I applied for extra work and could not get it. The Deputy told me that this extra work was only given to orphans and widows, and persons in very distressed circumstances.

By Mr. Lister :

1193. You do not recollect being offered money for your name?—No. If it had been offered I would not have taken it.

By the Chairman :

1194. This work was faithfully performed that you spoke about as having been done by Mr. Connolly?—It was earned faithfully.

By Mr. Denison :

1195. How many years were you engaged on the press?—It was up the country. It was not a journal of great importance. It was a paper conducted by Dr. Shannon. It was the Eganville *Enterprise*.

Mr. T. G. ROTHWELL recalled and further examined :—

By Mr. Taylor :

1196. I wish to ask if all the accounts you certified to were for work actually done and the money earned?—Yes. I forgot to say that in the case I mentioned of Mr. Rowatt I told him he would have to do the work again before I would certify it, and he actually worked two hours for every one he was paid.

L. C. PEREIRA called, sworn and examined :—

By Mr. Somerville :

1197. What position do you occupy in the Department?—Assistant Secretary of the Department.

1198. How long have you been in the Department?—Since the 1st of January, 1883.

1199. What salary do you get?—\$1,800.

1200. Is that the whole salary you get?—That is the whole salary I am drawing to-day.

1201. How is that money paid?—That is my permanent salary.

1202. You are acting as Private Secretary?—I was.

1203. But not now?—No.

1204. When did that salary cease?—30th June last.

1205. Who is Private Secretary now?—I do not know.

1206. How long did you occupy the position of Private Secretary?—I have been Private Secretary under different Ministers.

1207. Can you remember when you were appointed?—I came up first as Private Secretary to Sir David Macpherson.

1208. Were you filling another appointment in the service?—I was a second class clerk in the service.

1209. I am informed that you have been in the habit of drawing money other than your salary from the Department. Is that the case?—I have.

1210. In your name, or in what other names have you drawn money?—In the name of Lizzie Evans.

1211. Any others?—Ellen Berry.

1212. Any others?—No.

1213. Just those two?—Yes.

1214. You know Lucy Evans?—No.

1215. Did you ever draw any money in the name of Lucy Evans?—No.

1216. Where does Lizzie Evans live?—She is my wife.

1217. Who is Miss Berry. Not your wife, too?—That is an assumed name.

1218. There is no such person?—No.

1219. How did you come to make out an account in Ellen Berry's name?—I would like to make some statement to the Committee.

1220. Answer the question first and make some statement afterwards. Very well, then you may make your statement?—After the session, at the time of the North-West Rebellion, the two private secretaries of the Minister of Militia had a grant of \$500 each for extra work, which was entailed upon them by the occurrence of the North-West Rebellion. The late Minister of the Interior, the Hon. Thomas White—who was subsequently made Minister—was asked on my behalf if a similar compensation would be made to me, because it was represented to him that I had certainly done as much work as either of these two other secretaries, if not more. My Minister said at the time, that he did not care to ask anything for his own private secretary, as it would seem too much like a personal favour. He subsequently, as I was informed by my Deputy Minister, authorized that a certain amount of work should be given to my wife in compensation for the extra services I had rendered, instead of asking for a grant for me. This extra work the Deputy Minister allowed my wife to do from time to time as it could be found, and there was an amount paid up to about \$280 in that name.

1221. In which name?—Lizzie Evans. I may explain to the Committee, that Evans is my wife's maiden name. The work up to about \$280, I think—

1222. What year was that in?—That was up to the year ending 30th June, 1887.

1223. How much did you get that year under the name of Lizzie Evans?—\$280. In the spring of last year, 1890, I was very much pressed with work, and I had made application to the Deputy Minister for some sort of assistance, and I reminded him that my wife had not got the benefit of the whole of what the late Minister had sanctioned to be given to her on my behalf, and he authorized me to allow her to help me in my work to the extent of a further amount which would about cover what the late Minister had sanctioned.

1224. How much did he sanction?—He sanctioned at least \$400, I know.

1225. A year?—No, for the whole thing; and I am not sure that he did not say that it might be extended to \$600; but I have nothing to show for that and I am not certain.

1226. Have you anything to show for the \$400?—The work that was done in the spring of 1890, was done during April and May, and the account for it would have been made out in my wife's maiden name in the same manner.

1227. Ellen Berry?—No; Lizzie Evans. I had incidentally heard some talk about extra work, and had heard it mentioned in a peculiar way: "We know who this man is and that man, and we know who Lizzie Evans is." I took upon myself the responsibility, of which this Committee will be the judge, of not allowing my wife's name to appear any longer in the matter, and the account I made out myself in Ellen Berry's name. When the cheque was made out, I endorsed that cheque. There is no such person as Ellen Berry. The work was done by my wife and I took the responsibility of making the account out and the cheque in that other name for the reason which I have explained.

By Mr. Lister :

1228. You state that the Minister authorized you to do the extra work?—Yes.

1229. That was for the balance between the \$280 and the \$400?—No. The Deputy Minister authorized the balance of the work on the authority which he had previously received from the late Minister. I would like to add to my statement that with regard to the sanction given by the late Minister for the work to be given to my wife, I have the authority of the member for Cardwell, for making that statement to the Committee.

By Mr. Somerville :

1230. When you had this work given to your wife, why did you call her "Miss Lizzie Evans?" What was that done for?—I did not think it was desirable to make it public in any way that my wife was getting the work.

1231. For what reason did you not, if it was honestly earned? Why did you object?—For one reason I suppose that if it were known, very likely a number of other permanent clerks might ask for the same thing.

1232. You state that the late Minister authorized you to get up to \$400?—Yes, up to \$400; but I am not certain that he did not say it might go up to \$600. I may state that, because I have a note with me as to that.

1233. Whom did you get the information from that you were to be allowed to go up to \$600?—The Deputy Minister said that he thought that that authority had been given. He was not quite positive on the point, but he was certainly positive about the amount of \$400.

1234. How did you come to draw more than \$400?—I did it under the authority of the Deputy Minister, because he was under the impression, and I have no doubt he had good grounds for having that impression, that the Minister had said it might go up to \$600.

1235. You were more interested in this than the Deputy Minister, but your impression was that it was \$400?—No, Sir; what I said was that I knew that I had something to show it was up to \$400, but beyond that I had nothing except the impression, but what I received from the Deputy Minister.

1236. Who was present beside the Minister and yourself when this understanding was come to?—Nobody else was present.

1237. Was the Deputy Minister not present?—I presume the Deputy Minister had an interview with the Minister because he conveyed the information to me.

1238. After you had had a consultation with the Minister?—I had had several consultations with the Minister about it.

By Mr. Haggart :

1239. I understood you to say that you had something to show that that arrangement was made. What do you mean by that. Have you anything in writing respecting that \$400?—I have shown the member for Cardwell confidential correspondence with the late Minister's brother which I think will satisfy him that it bears out my statement.

SIR RICHARD CARTWRIGHT—I think that correspondence should be produced, Mr. Chairman.

WITNESS—If the member for Cardwell has no objections I have no objections. It was a letter written by the late Minister to his brother at the time the arrangement was made. He was helping me financially and the money was paid to him out of this extra money.

By Mr. Somerville :

1240. Repaid to whom?—To Mr. Richard White, of Montreal.

1241. Then you were in financial difficulties?—I had borrowed some money from him.

By the Chairman :

1242. Is this letter in your possession now?—The correspondence is in the possession of the Deputy Minister. It is a letter in his private letter book. I have a copy of it.

Mr. R. S. WHITE, M.P.—Perhaps I may be allowed to say that I knew nothing of the existence of this letter until yesterday, when in the course of conversation with me, Mr. Pereira showed me this letter written by Mr. Burgess to Mr. Richard White of Montreal. Of the statements in that letter, I have no doubt as to their truth, but I never saw the letter or knew it was in existence until yesterday. I am not in a position to authorize Mr. Pereira to produce it, but I am satisfied Mr. Burgess' statements contained in it are correct.

1243. Mr. SOMERVILLE (to witness). You have a copy of that letter in your possession?—Yes.

1244. You have it with you?—Yes.

Mr. SOMERVILLE.—I think we ought to have the copy of that letter produced.

After some discussion upon the point the Chairman ruled that the Committee had no authority to compel the witness to produce this copy of the letter, but that Mr. Burgess could produce it if he cared to do so.

WITNESS—If the Committee will allow me I might say that the letter contains other personal matters which have no bearing whatever on the subject-matter of the conversation.

By Mr. Somerville :

1245. When did you first commence drawing any extra money in your wife's name or in anyone else's name?—I had drawn money in her name for work that she had done previously to this.

1246. What time did you commence to draw that?—I have no note of that. I have no doubt the Auditor General's Report will show.

1247. Did you draw any in 1883-84?—I cannot say. I have not made an examination of the Auditor's Report to see.

1248. But you certainly could remember the year in which you commenced to draw this extra money?—I cannot say without referring to the Auditor's Report.

1249. But you did draw moneys before the arrangement was made with the late Minister which you have spoken of?—Yes, there have been amounts drawn.

1250. In the name of your wife?—Yes.

1251. And in the name of anyone else?—In the name of Ellen Berry, as I stated. In the spring of 1890.

By Mr. Lister :

1252. Is that the first time Ellen Berry's name appeared in 1890?—Yes.

1253. Previously to that time, in whose name were the cheques made?—In Lizzie Evans' name.

1254-5. And only in her name?—Yes.

1256. For what services were the payments previous to the arrangement made by the late Minister?—They were all made for extra work.

By Mr. Somerville :

1257. According to the Auditor General's Report for 1883-84, I see, " Miss Lizzie Evans, \$120.20." You got that money?—No doubt I did.

1258. By whose authority did you get that work?—Of course, I got it by the authority of the Deputy Minister.

By Sir Richard Cartwright :

1259. Were you not aware that it was contrary to the Civil Service Act to receive pay for work done in that way?—I do not know that I was. I do not think that I had ever looked at the Civil Service Act at that time.

1260. You took an oath when you entered the Service?—I did not take an oath when I entered the Service, and I do not think I did until quite recently.

1261. This was merely a subterfuge on your part?—I want the Committee to understand that my wife did that work; and as to what the late Minister authorized, he authorized it as compensation for the extra labour performed during the session when the work of the Rebellion was on the Department, and that the work had actually to be done over twice so that it might be really her own.

1262. But with respect to the previous payments?—That was for extra work done by my wife.

By Mr. Chapleau :

1263. You were compensated for extra work you had done?—Yes.

1264. And to compensate you for the extra work you had done your wife had to do that extra work?—Quite so.

1265. You certified to your wife's accounts?—I did in one case—certainly.

1266. When she did the work?—In the case of Ellen Berry I did.

By Mr. Hyman :

1267. Did Ellen Berry do the work?—No; the work was done by my wife. Ellen Berry represented my wife.

By Mr. Somerville :

1268. What I understand you is, that this work done in the name of Ellen Berry, was done by your wife?—Yes.

1269. And when she did the work you certified the account was correct?—I did in the case of Ellen Berry.

1270. In every instance?—No; in no other instance.

1271. Only the payments to Ellen Berry?—Yes; just the two.

1272. Who had the checking of the work?—I checked the work myself, because I was the only person who knew what had been done.

1273. Did not you submit that to your superior?—As a matter of fact there was nobody to submit work of that kind to.

1274. Who knew in the Department that you were certifying to your wife's work?—I did not know if the Deputy Minister knew I certified these particular accounts.

1275. Who sent the work to your wife?—I took the work to my wife myself. I may say to the Committee that there is not one night in the month for all the years I have worked here—and I was appointed in 1883—that I have not taken work home myself, altogether irrespective of that which my wife did.

By Mr. Paterson (Brant) :

1276. Did you select the work, or did your superior officer select it?—I selected the work.

By Mr. Somerville :

1277. You selected the work, took it home, and afterwards when it was done, you certified to the account in this fictitious name?—Yes.

By Mr. Foster :

1278. For all that work, whether before this arrangement with the Minister, or after, which has been done, and paid for, either in the name of Lizzie Evans or Ellen Berry, the actual work was done by your wife?—The actual work was done in every case.

1279. And certified to by you?—Certified by me in some cases.

1280. And in other cases?—In other cases the work was done.

1281. It was work necessary for the Department?—Yes; it helped me and saved me a good deal of my time. It would have necessitated employing an assistant for me if it had not been given to my wife in that way.

By Mr. Foster :

1282. So in no case did you use your wife's name—Ellen Berry's name—as a mere convenience to draw sums for yourself?—No—never.

By Mr. Chapleau :

1283. There was no fictitious account?—There were no fictitious accounts.

By Mr. Lister :

1284. You said you took work home and your wife and yourself did it?—Yes.

1285. That is so, is it?—Yes.

1286. I don't care how much your wife and you did, but the work was done between you?—The work was done.

1287. The account was made out in her name and certified to by you?—In some cases.

1288. In the two cases to Ellen Berry?—Yes.

1289. Part of that money was for work that had been done by you?—The whole of it was work done by my wife.

1290. You say you took work home and your wife and you did it?—I always took work home.

1291. Did you do any part of it?—My wife did it.

By Mr. Bowell :

1292. What we want to know is did you do any of the work for which you received money under your wife's name?—What I wish the Committee to understand is this—whatever work was charged for was amply covered by the work done by my wife.

By Mr. Lister :

1293. Supposing you took \$100 worth of work home, did you and your wife work on that together?—Whatever she would have done would have amounted to the value of \$100.

1294. And it was for that account only?—For that account only.

1295. And there was no part of your work included in the accounts of Ellen Berry?—Not at all.

1296. You did none of that work yourself?—None. That was all work she did for me.

1297. Then I understand you did none of the work at all?—No.

1298. And the bills made out to Ellen Berry were for work done by your wife?—Yes.

1299. None of which you did?—None of which I did.

1300. Who certified to the accounts made in the name of Lizzie Evans?—I cannot tell, unless I see the accounts. I may have certified to some of them.

Mr. SOMERVILLE.—These accounts are not here.

By Mr. Lister :

1301. You cannot tell. They were certified to, at all events?—Yes.

1302. You may have certified you say to some of them?—I may have done so, but I cannot recollect.

1303. If you did not certify who did?—Some officer in the Department.

By Mr. Bowell :

1304. I understood you to say you take work to do at home for which you make no extra charge?—I have done that until perhaps the beginning of this year every night of my life since I have been here.

By Mr. Somerville :

1305. How many years?—Since 1st January, 1883.

1306. Since 1st January, 1883, up to when?—Up to till towards the spring of this year.

1307. You were so busy in performing departmental work you had to take it home every night?—I would like to say that, perhaps a night or two during the month I might not do so.

1308. What kind of work would this be?—Private secretary's work and departmental work.

1309. That is what I want to get at. I thought if you were so busy doing departmental work at that time you could not do much work as private secretary?—I filled the two positions together. I may say, during the time I was working as private secretary my Minister's system was to take the information from the papers himself in a great measure; and that necessitated his going through all the papers. In almost every case he had to deal with he preferred to do that, and to answer the letters fully himself, according to the facts as they appeared in the correspondence, rather than simply to send an acknowledgment and have the bulk of the work done as a departmental matter.

By the Chairman :

1310. That was Mr. White?—Yes, Mr. White, and the previous Minister.

By Mr. Paterson (Brant) :

1311. When did you get that sum of \$400 that has been paid away back in 1882 or 1883?—That sum of \$400 was paid after the North-West Rebellion.

1312. Because some clerks in the Militia Department had got it, you thought you were entitled to it?—Two private secretaries in the Militia Department got \$500 each.

1313. It was thought you should have the same?—My Minister thought I should have got compensation.

1314. What year was that in?—It must have been in 1886.

1315. Was that certified to as work already done, or was there work given?—It was the late Minister who authorized the Deputy Minister to give extra work to my wife as compensation to me for his not being able to ask for a grant for me. The work was all done over again, and, as a matter of fact, in that way the money was really earned twice.

1316. Thus you thought if you were entitled to the first grant it was really imposing upon you to require you to do extra work in order to make payment possible?—I did not think I was imposed upon.

1317. But you thought you were not dealt with as justly as the others?—I thought I was as much entitled to it as the other secretaries were.

1318. And the Minister agreed to that?—Yes; he agreed, and stipulated I should do the work over again, and he explained his reasons for not asking for a grant, which was it was like asking a personal favour for himself if he asked it for his private secretary.

By Mr. Foster :

1319. So your compensation was really a privilege to your wife to earn \$400, which she did?—Yes.

By Mr. Hyman :

1320. You had taken that privilege before this. What was the object in asking the Minister to do it again?—No; I was never in a position to give out work myself.

By Mr. Paterson (Brant) :

1321. Who selected the work that your wife did for the \$400, did you select that yourself?—Yes.

1322. Did any other officer know the amount she was doing?—They may have, some of them.

1323. But it was under your charge?—Yes, under my charge.

By Mr. Lister :

1324. The first work done in 1883 was done by your wife?—Yes.

1325. And it was selected by you?—It may have been selected by me.

1326. What about that cheque in 1883, that was to Lizzie Evans?—Yes.

By Mr. Somerville :

1327. You thought you were insufficiently paid, Mr. Pereira?—I thought I had done a great deal of extra work which my salary did not cover, during the two sessions of the Rebellion, and in view of the grant that had been made to the two private secretaries of one single Minister I thought, and I had every reason to suppose, my Minister concurred in my view of the case.

By Mr. Lister :

1328. All this money I think you said went to Mr. Richard White?—No, sir, not all of it.

1329. The greater part of it, then? I cannot tell you for a moment how much of it; but when he knew this arrangement had been made, he was kind enough to help me through by an advance, and it was paid by cash.

1330. When he knew you had made this arrangement with the Minister he advanced you money, and he was repaid out of the proceeds of this work done?—Mr. Richard White did. He was in constant communication with his brother and would not have made the advance to me if the arrangement had not been made. I don't know if I did before, but I would like to make it quite plain, that the Deputy Minister although he had authorised the work in the spring of 1890, that my wife should get the work, he did not know—and I don't know that he knows until I appeared before the Committee this morning—that the account was made out in any different name than my wife's. I took the full responsibility of doing that, and he did not know that I had used any other name than my wife's maiden name.

By Mr. Somerville :

1331. Did you ever receive any portion of the cheque made payable to Mr. Humphreys?—Never.

1332. Are you sure of that?—I am quite sure. As Mr. Humphreys name has been mentioned I certified to an account for Humphreys, I may say for extra work and the reason why I did so was because he informed me Mr. Henry had refused to certify to it. He did not give me any other reason. He simply asked me if I would certify to it, and I asked him the whole of the circumstances, and reasons why he was getting this work, because it was the first time I knew he was getting it, and I made him explain fully to me what he was doing, and I was aware—as I never left the Department before six o'clock every evening—he was constantly engaged there

doing work after hours, and I satisfied myself he was doing this work, else I should not have certified to the account, but I know I have never received a cent of it and know nothing about it.

1333. That would be this account of Humphreys in 1889-90 for 776 hours at 50 cents would it?—I don't know, I fancy the Committee are under perhaps, a misapprehension about these accounts. Probably that would be made in monthly payments.

1334. Did you ever receive a consideration from a man named Walter Hatch for recommending his annual increase?—No.

1335. You never received any consideration?—No; Mr. Hatch came to me—he had been able to do some departmental work which I had been able to find for him—and he came to me and said that he had not been getting his increase for some years, and asked me if I would recommend him.

By Mr. Foster :

1336. Was he a permanent clerk?—He was a permanent clerk. He had not been doing a very great deal of work in the Department, I thought simply, perhaps, through want of qualification for it to some extent, but I found that I could give him work which he could make himself useful at, and after he had been at it for some time he asked me if, in view of his being able to do some work, I was not able to recommend his application for his ordinary statutory increase. I said if he would put in an application to the Secretary I would state to the Secretary exactly what he was doing. That is what I did.

1337. He had not been receiving his statutory increase for some time?—He had not been receiving his statutory increase for some time.

1338. He has received his statutory increase since he spoke to you?—Yes, all I did was to hand his application over to the Secretary, and I simply stated what I knew to be just to the man, because I knew he was trying to do what he could in his work. I could not do anything else than hand his application over to the Secretary.

1339. Why was he not getting his statutory increase the same as other clerks?—That is not a matter I had anything to do with.

1340. What kind of work does this man Hatch do?—What I give over to Mr. Hatch, as I can find it, is correspondence. If it is not worrying the Committee, I would like to say what I do is this; to take a fyle and write a letter for him in shorthand. I write it in shorthand myself and send it up to him and he can type-write it from that.

1341. From the shorthand?—Yes. The reason for my work being somewhat lighter now is that I have taught three or four of my shorthand writers to do that, and I can do a great deal of work at night in that way. I write the letters in shorthand and they can read it.

1342. Is that the principal work this man has to do?—That is the principal work he has to do.

1343. What is his grade?—Third class clerk.

1344. Is he employed pretty steadily in doing this work for you?—Yes.

1345. How many hours does he work?—He is there during official hours.

1346. I have been informed he does not do an hour's work a day?—He is not in my room and I am not the head of the Secretary's branch, but as far as I am able I have kept him employed.

1347. Was it your duty to keep him employed?—Yes, as far as I am able.

1348. Was he under you?—He was more immediately under the Secretary of the Department.

1349. If you did not find work for him, was it anybody else's duty to find work for him?—I do not know. That is a matter for the head of the Department to say.

1350. He was supposed to work under your instruction?—Under the instruction of the Secretary. I am only the Assistant Secretary of the Department.

1351. Did the Secretary instruct you that you were to have the services of this man Hatch under your command?—He never instructed me, but looked to me to try and utilize everybody in the Department.

1352. Is it then a fact, that this man Hatch was working under you principally?—Not under me principally.

1353. How much work does Mr. Hatch do for you daily?—I cannot say that.

By Mr. Bowell :

1354. Did you recommend Mr. Hatch's statutory increase to be paid?—When Mr. Hatch put in his application he asked me if I would hand it to the Secretary of the Department, to whom it was addressed, and if I could do so to recommend it.

1355. Did you?—I said I would state exactly what the facts of the case were. I did recommend it.

1356. Did you do that in consideration of being paid by Hatch?—No, sir, I did not.

1357. You did not get anything for that?—No, sir, nothing whatever. I did it simply as a matter of justice to the man.

By Mr. Somerville :

1358. No consideration from the man at all?—No.

By Mr. Bowell :

1359. You borrowed no money from him?—No; I have borrowed no money from Mr. Hatch.

By Mr. Paterson (Brant):

1360. What rule prevails in the Department about certifying to accounts? How many are allowed to certify to accounts?—I do not know that I am quite competent to answer that question.

1361. I understood you to state that Mr. Henry had declined to certify to an account of Mr. Humphreys. Did you say that?—Yes; that was what Mr. Humphreys told me

1362. But it was Mr. Henry's place to certify to that particular account?—I do not know that it was his place. What I understood was that Mr. Henry, would not certify because some of the other men wanted to be paid.

1363. It seems to me a strange thing that he should go to Mr. Henry unless Mr. Henry was the right man to certify. Does the rule of the Department allow that if a superior officer does not certify to an account the clerk may go to some other person and have him certify, and his account will be paid on that certificate?—I think if a permanent clerk in any position in the Department was satisfied that the work he was asked to certify to was done—as in this case I satisfied myself it was—he would have the power to do so.

1364. Any permanent clerk?—I am not in a position to say that.

1365. Is it your belief that any permanent clerk would have the power to certify to an account?—I am not sure about that.

1366. I am only trying to find out the rule of the Department. To this work which Mr. Humphreys brought to you, Mr. Henry had been asked to certify. Why did he go to Mr. Henry first? Did Mr. Henry give out that work to him?—It was extra work on the books.

1367. Who should assist Mr. Humphreys on that?—Mr. Henry, I presume.

1368. Then Mr. Henry surely should have certified to that account that he had authorized. I want to know what rule of the Department permitted him to go to you and how your certificate passed muster. Is every officer who knows nothing about anything to have the power to pass what an officer who does know refuses?—In that case it was the fact. But it was not because I knew nothing about it, I satisfied myself first.

1369. If you had not satisfied yourself, or if it had happened to be somebody else they might have done it too?—I cannot say how other clerks would have acted.

1370. In that case this man was working under Mr. Henry and Mr. Henry declined to certify?—Not because the work was not done.

1371. But he declined to certify?—Yes.

1372. And you knowing nothing of the matter yourself, except when the matter was brought to you, certified?—I think I have stated that from the fact of my being just across the passage—

1373. But your work was entirely different?—Yes.

1374. He came to you with this account, and said: "Mr. Henry will not certify to it." I am not finding fault with you. I want to find out if it was the rule of the Department. You certified to it, first satisfying yourself that the work had been done. Is there any supervision over and above this certificate of permanent clerks as to how this is done, and whether it is to be done under certain jurisdiction. The mere fact of any officer's name being on the account, does that pass muster in the highest quarter? Can any one of you in command supersede any official, although you have not given the work yourselves?—I think they were satisfied the work had been done, and it was not for that reason that the person who gave the work out would not certify. It was simply because Mr. Henry declined to certify, because others would want the same thing.

By Mr. Hyman :

1375. Did you take occasion to ascertain from Mr. Henry why he refused to certify Humphreys' account?—I took Humphreys' word for it.

By Mr. Paterson (Brant) :

1376. When this work was certified to whom did your certificate pass? What official does it then go to?—To the Accountant.

1377. Was it any part of the Accountant's duty to go beyond any officer of the Department in regard to the certifying of accounts, or is that a sufficient authority for him?—I do not know what instructions the Accountant may have.

1378. But in that case there was no inquiry made by the accountant?—No.

By Sir Richard Cartwright :

1379. I understood you to say that you did not go to Mr. Henry, who is an officer of considerable rank in your Department, and ask him why he refused to certify the account. You had no communication with Mr. Henry?—No, sir; partly because I knew this man was working from day to day.

1380. Mr. Humphreys was a temporary clerk?—Yes.

1381. And from what you tell us, it appears the practice of the Department is this—that a temporary clerk comes to you after his superior, Mr. Henry, declines to certify the account and you certify to it?—I certified to it.

1382. Mr. Henry is an independent officer, as far as you are concerned?—Yes.

1383. And you, the Assistant Secretary of the Department, third in command, do not deem it necessary to hold any communication with Mr. Henry as to the reasons for his declining to certify to Humphreys' account?—I did not think it was necessary, because I knew this extra work was being done. I had the evidence of it myself.

1384. As a matter of discipline in the Department, do not you think an officer in your position, when he finds for any reason that an officer of high grade, if not of co-ordinate degree, declines to certify to an account, as a matter of business, that you should have had some communication with Henry about it?—As a matter of business and courtesy, I admit perhaps that I should have done so.

1385. You have already told us you believe Mr. Humphreys?—I knew Humphreys was working there. I think I may say that the Registry branch is in a measure just as much under the control of the Secretary's branch, because the Secretary has

really charge of all the correspondence, and must necessarily, therefore, have charge of all the files—must have access to them, in order to get information.

1386. It might be a different thing if you had consulted with Mr. Henry, and then in the exercise of your discretion, after hearing his decision, you had chosen to over-rule it. That is a thing which may or may not have been done with propriety under a sense of your responsibility. I am putting the question to you, however, whether you, as one of the principal officers of the Department, should not in such circumstances have communicated to Mr. Henry, who was the officer who gave the work to Humphreys?—I have stated already that as a matter of business and courtesy it would have been better, but in this particular case Mr. Humphreys stated the reason why Mr. Henry declined to certify to the account.

1387. You have stated a dozen times that Humphreys gave the reasons, but I do not care a straw for that. The question I put is: whether or not the rules of your Department are so loose and so lax that when an officer of that Department, having given work to a clerk, declines to certify the account, and you certify to it without the common courtesy and business precaution of communicating with the chief who gave the work out?—I think I admitted that I recognized that.

1388. That you had done wrong?—No; not that I had done wrong; but that, as a matter of business courtesy, it would have been better to have asked Mr. Henry about it. I would have done so in any ordinary case, but in this case I knew the work was done.

By Mr. Foster :

1389. Did you do that more than once?—I do not think that I did.

1390. Then, from this one transaction it would not be fair to deduce that this was the general practice in the Department?—Not so far as my experience goes.

By Mr. Lister :

1391. As I understand it, you have permanent clerks and extra clerks in the Department?—Yes.

1392. And the extra clerks are doing work under some of the permanent clerks?—Not necessarily; they are doing work generally.

1393. Supposing you have someone in your office doing work under you, you, as a permanent clerk, would certify to that work?—Certainly.

1394. Does that prevail all through the Department?—I do not know; I am not in a position to know.

1395. Then, what right had you to certify to that account at all?—Because I knew the work had been done.

1396. But not under your instructions?—I knew it was done.

By Mr. Paterson (Brant) :

1397. Are you the superior officer of Mr. Henry?—I do not know; I could not say; but I did not mean, by my certifying to that account, to challenge Mr. Henry's authority in any way.

1398. By your rank, could you over-rule Mr. Henry in any way?—I do not know about that.

By the Chairman :

1399. About this matter of Walter Hatch: there were two statements made by Mr. Somerville. One was that you took money from Hatch to get him an increase in salary. That you have denied upon oath. The second statement is, that Hatch did not do an hour's work every day, and you say you recommended him for a statutory increase. Did you know what work he did, or had you a general idea?—Certainly I did.

1400. Did he do more than an hour's work every day?—Yes.

1401. Two hours?—Yes.

1402. Four hours—did he do a pretty good day's work every day?—I think he did a fair day's work for his ability.

By Mr. Somerville :

1403. For his ability?—Every body has not got the same ability.

By Sir Richard Cartwright :

1404. What time did Mr. Hatch enter the service?—I do not know, sir; he has been there a long time.

1405. Longer than yourself?—I cannot say.

By Mr. Somerville :

1406. You say in your evidence that you used to take work home to your house to do in the evenings, and also work for your wife?—Yes.

1407. You state that you did that nearly every evening?—I said I did my own work myself.

1408. And you worked every evening?—Yes.

1409. Would that be all the year round?—Pretty nearly all year round.

1410. Previous to 1890 were you working at home nearly all the year round?—Yes, except that there might be a few nights that I have not worked at home.

1411. You say you were at home nearly every night in the year, with one or two exceptions?—Yes.

1412. This man Humphreys put in 776 hours at 50 cents an hour. Now, if he was paid for doing work 776 hours at 50 cents, and you were working extra hours at home, how could you be cognizant of the fact that he was working extra hours?—Perhaps you do not remember that the office hours are from 10 to 4. Mr. Humphreys, I know that, for the account I certified was working between 4 and 6.

1413. And you were still in the Department then?—Yes.

1414. Are you aware that in the evidence given by the Deputy Minister before this Committee, Mr. Burgess explained that this man Humphreys was paid this 50 cents as a consideration for his excellent qualities as a clerk, and not for extra work at all?—I know that Mr. Humphreys was an exceedingly good man, and that he was working over hours. I do not know the reasons that may have been given for his getting the extra 50 cents.

MR. BURGESS—The fact is, that in 1887 Mr. Humphreys was paid an extra 50 cents a day because he was a superior clerk to those who were getting \$1.50 a day.

By Mr. Chapleau :

1415. You have mentioned your work outside of this Department. You were a Departmental clerk at the same time that you were Private Secretary?—Yes.

1416. And for the work you did, at home did you receive any consideration?—None at all.

1417. What were your ordinary office hours in the Department?—The official hours were from 10 to 4.

1418. But you were in the Department up to what time?—I never left the Department before 6 and sometimes even 7 o'clock.

1419. Did you receive any remuneration?—Nothing, except this favour I have spoken of.

By Mr. White (Cardwell) :

1420. I desire to understand a little more clearly this arrangement which you say was made with the late Minister. It was for an allowance of \$400?—That was the amount in the aggregate.

1421. And the work was to be performed by Mrs. Pereria, and was to be done over again to be earned?—Yes.

1422. And it was earned over again—every dollar of it?—Yes.

1423. If Mrs. Pereira had not been employed, would some one else have been engaged?—Certainly; a second-class clerk would have been necessary to do the work, and that would have involved an expense of \$1,000 a year.

1424. There was no loss to the Treasury in consequence of this arrangement? Was that arrangement in contravention of the Civil Service Act?—I cannot say that; I am not clever enough to interpret the Civil Service Act.

1425. You say the cheque was made out in the name of Lizzie Evans?—Yes; it was my wife's maiden name.

1426. Had the cheques passed under the notice of the late Minister?—No; I don't think so. After he had given his consent to the arrangement he had nothing further to do with it afterwards.

1427. I understand you said that most of this money, which amounted in the aggregate to \$280—that was the amount earned—and that the whole of this \$280 earned was subsequently paid to Mr. Richard White, of Montreal?—I cannot say how much.

1428. Was the late Minister a party to the arrangement?—Not that I know of at all. It is quite possible he was not. It was an arrangement between myself and Mr. Richard White.

1429. And it was made subsequent to the arrangement that the Minister should give compensation for Mrs. Pereira's work?—It was after Mr. Richard White had given his authority to it.

1430. And who gave the information to Mr. Richard White?—The Deputy Minister did.

1431. Not Mr. Thomas White himself?—No.

By Mr. Hyman :

1432. In regard to that—Humphreys' account of \$200, you spoke of certifying to it?—I did not speak of certifying to it.

1433. What was the amount?—It was probably only a small amount.

1434. What reason did Mr. Humphreys give to you for Mr. Henry not certifying to it?—As far as I recollect, the reason he gave was that Mr. Henry thought if he got extra work or extra pay that others in his room should get it too. Well, I knew of course that was a matter for the Deputy Minister or the Minister. That was nothing to Mr. Henry or myself, and I knew this work was being done by Mr. Humphreys.

By Mr. Paterson (Brant) :

1435. Mr. Henry thought there were others in the room entitled to this work as well as Mr. Humphreys?—That was the reason Mr. Henry gave me.

By Mr. Lister :

1436. You certified to the 766 hours for Mr. Humphreys account?—I don't know that I certified to it. That is an account for the whole year.

1437. This is the aggregate?—Yes; but what I certified to might be only for 50 or 60 hours.

Mr. BURGESS recalled.

By Mr. Foster :

1438. There were some questions as to what was the practice of the Department in this matter of certifying. One case was proved, in which Mr. Pereira certified to an account. In view of that special case, the rule might be deduced from it of considerable looseness. Would you state what is the practice in your Department in reference to certifying and paying accounts?—Only the clerk who is in charge of the room in which the work is performed certifies. Take Mr. Henry, for example:

he is a first-class clerk, drawing the same pay as Mr. Pereira. A certificate from him to me that the work had been performed in his room would be a satisfactory certificate.

By Mr. Hyman :

1439. Can you tell me if this account Mr. Pereira speaks of passed through by this rule?—If it was certified to by Mr. Pereira I would be perfectly satisfied. He is an officer of that standing. His certificate would have to be taken, or the Department could not be run.

By Mr. Paterson (Brant) :

1440. There is no supervision?—Certainly there is a supervision.

1441. Well, why was this rule not adopted?

Mr. FOSTER.—There was no reason to adopt it.

Mr. LISTER.—He said he had the right to certify to it.

By Mr. Paterson (Brant) :

1442. Had he the right to certify to an account with which he had nothing to do?—Both of these gentlemen are in the same branch of the Department. The room in which the one man works is right opposite the other man's room.

Sir RICHARD CARTWRIGHT.—Yes; but that would not enable a man to see through the wall, or whether the work was done?

The WITNESS.—They are engaged in exactly the same class of work. If Mr. Pereira wanted any papers he either goes or sends into Mr. Henry's room for them, which, as I have said, is opposite, and any explanations he might want of Humphreys' account could be obtained there.

By Mr. Lister :

1443. This man was working in Mr. Henry's room, and the work was given by Mr. Henry?—He is in charge of more than one room.

1444. But the work was given by Mr. Henry?—So it appears.

1445. Well, was not Mr. Henry the proper person to certify to that account?—Certainly; there is no doubt about that.

By Mr. Somerville :

1446. In the course of evidence here Mr. Pereira said he had accounts made out in the names of Ellen Berry and Lizzie Evans, and he kept the proceeds. You don't know anything about that?—No; I only know now for the first time, although I had heard since these things have come to be talked about it has been stated to me, but not as a matter of personal knowledge.

1447. When were you appointed Deputy Minister?—In 1884.

1448. And you were not aware Mr. Pereira was drawing money in the name of Miss Lizzie Evans and Mrs. Ellen Berry all these years?—It was paid in 1885, I think

By the Chairman :

1449. It was stated by Mr. Pereira that you were aware of that fact, that the late Hon. Thomas White had authorised \$400 worth of work to be done by his wife. Were you aware of that?—I have served under six Ministers, Mr. Chairman, three of them living and three of them dead, but I do not feel at liberty to indicate what any of them may have said to me in the course of confidential communications.

By Mr. Somerville :

1450. It was stated, Mr. Burgess, you received permission from the Minister?—Certainly, that is quite correct, I have myself said to Mr. White, when I heard sup-

plementary payments were to be made to the Private Secretaries in the Militia Department, that Mr. Pereira had worked for Sir David Macpherson night and day, and I thought that during the period preceding and succeeding the Rebellion he had probably not more than two hours sleep at night, as nearly as I could judge. Since the others were being dealt with in that way, I thought he should be dealt with in a similar fashion. Mr. White then made confidential communications to me of the reasons why he would not recommend a grant to Mr. Pereira. They were not personal to Mr. Pereira in any way, but he suggested to me, instead, that I might find means of giving him something. He said his wife was a clever woman, to his knowledge, and could write a clever hand. There was no reason she should not get some of the very large amount of extra work in the Department. I might say, until I looked at the letter which Mr. Pereira referred to the other day, if I had been asked what my recollection was of the amount I would have said \$600. On referring to my note to Mr. Richard White I find the amount stated at \$400.

By Mr. Paterson (Brant):

1451. How many officials of the Department of the Interior are authorised to certify to accounts?—There would be the Surveyor General, or the officer acting for him, the Secretary, the Assistant Secretary, Mr. Henry; or if Mr. Henry were absent then the officer acting for him, would be entitled to certify in the same way with Mr. Pereira.

1452. That would be all?—That would not be all.

By Mr. Lister:

1453. Mr. Nelson?—Yes; Mr. Nelson.

1454. I suppose every permanent clerk who has any one extra working with him?—No one certainly, below an ordinary second-class clerk.

By Mr. Paterson (Brant):

1455. Does he certify to it, and does it pass supervision in that way?—No, it comes to me for approval.

1456. I don't see how you account for it?—Well, I do manage to keep track of it.

The Committee then adjourned.

COMMITTEE ROOM,
THURSDAY, 23rd July, 1891.

Committee met.—Mr. SPROULE in the Chair.

Mr. BURGESS recalled and further examined :—

By Mr. Somerville :

1457. I would like to ask a few questions with regard to the payment of money by Mr. Pereira to Mr. Richard White, of Montreal, to be taken out of extra work which was to be furnished by you under an understanding with the late Minister. You have in your possession a letter instructing Mr. Richard White that the payment should be made?—Informing him, yes.

1458. Well, I would like to have that letter?—I have not got a copy of the original letter.

1459. If you have a copy of the letter I think we ought to have it, because it is important for us to know that an arrangement of that kind was made?—I tell you an arrangement of that kind was made.

1460. Mr. Pereira got \$400 worth of extra work, and the amount he received for the work was to repay a loan by Mr. Richard White?—That is not the way.

1461. That shows the necessity of having that letter; we want the facts of the case?—I can tell you the facts of the case.

1462. Well, then, you say this arrangement was made with the then Minister of the Interior, that Mr. Pereira was to get this extra work?—That Mr. Pereira was to get this extra work.

1463. For what?—In consideration of the fact that the Minister had not found it possible to obtain the same consideration for Mr. Pereira that was given to the private secretaries in the Militia Department for the same class of service.

1464. How did it come that Mr. Richard White's name was mixed up with the transaction?—Mr. Pereira would be better able to explain that than I; but my recollection is this, that Mr. Pereira, these arrangements having been made, wrote to Mr. Richard White, who was an old friend of his, asking him to advance him some money on the faith of this arrangement, and Mr. Richard White expressed his readiness to do so, providing I would write him a letter telling him the arrangement, and undertaking to see that the money was sent to him from time to time as it was earned.

By Mr. Adams :

1465. He was to get extra work?—Mrs. Pereira was to get the extra work.

By Mr. Somerville :

1466. You became responsible to Mr. Richard White for the payment of this money, out of the earnings of Mrs. Pereira?—Yes.

1467. Was that all there was in this letter?—That was all there was in the letter as far as I recollect.

1468. Did the Minister know anything about this arrangement?—Which arrangement do you mean?

1469. That Mr. Richard White was to be paid this money?—I could not say that.

1470. Had you any conversation with him about it?—No, I had not. That took place subsequent to the conversation I had with the Minister about Mr. Pereira and the extra work.

1471. Well, you said, in the course of your examination at one of the previous meetings, that the payments that were made to Mr. Turner were commenced after Mr. White was appointed Minister of the Interior?—That was my recollection.

1472. It was for special work?—Yes, that was my recollection, and is my recollection still.

1473. Are you not aware that the practice was in vogue before that time, and that Mr. Turner was drawing money in the name of Joseph Wright, and in the name of his wife before that?—No.

1474. You were not aware of that?—No.

1475. You were not aware of it at the time?—I have no recollection of it.

1476. Could he draw that money in that way without your knowledge?—I think very likely he could. As I explained before, a great many extra clerks were employed, whose names I did not know, and whose personality I was not acquainted with.

1477. Then you are positive you have no knowledge of this money being paid in that way, before the arrangement was made with Mr. White?—I am as positive as I can be about a thing that took place so long ago; I have no recollection of it.

1478. You went out to the North-West some time ago and got sick. What date was that?—I have been taken sick twice in the North-West.

1479. Well, about 1888 you were away for about six months?—More than six months.

1480. Do you remember the dates?—I could not say the date of my leaving here exactly; it was some time either in the latter part of June or the early part of July.

1481. In 1888?—Yes.

1482. And when did you get back?—I got back to my office on 1st January, 1889.

1483. Indexing the Dominion Lands Act would be special work entrusted to the regular officers of the Department, would it not?—It would greatly depend on the condition of the work in the Department at the time.

1484. It is not work likely to be entrusted to outsiders?—It might be.

1485. Is it possible that you would give it to men not working in the building at all?—It might be.

By Mr. Bowell:

1486. It is just the kind of work to be given to an outsider?—I have no particular recollection of the indexing of the Act, but I should think that work might be done outside.

H. KINLOCH called, sworn and examined:—

By Mr. Somerville:

1487. What position do you hold in the Interior Department?—First-class clerk.

1488. How long have you been in that position?—As first-class clerk, six or seven years. I have been in the Service about 15 years.

1489. What is your salary now?—\$1650, I think.

1490. Are you aware of any irregular payments having been made to permanent clerks in the Interior Department contrary to the provisions of the Civil Service Act?—No, sir.

1491. You are not aware of any irregularities of that character?—No, sir.

1492. You are not aware that work was given to extra clerks, and after the work had been certified to and payments ordered that the money was afterwards divided with permanent clerks?—I know more about that since I have heard of this investigation than I did before. I did not know it.

1493. You were not aware of that?—No, sir.

1494. Did you never share any of that money yourself?—No, sir.
1495. You are positive as to that?—Yes, sir.
1496. Do you know a man named William McMahon?—Yes.
1497. Where is he engaged just now?—Just now he is assistant superintendent of the Printing Bureau.
1498. Are you aware that Mr. McMahon has done some work for the Department of the Interior?—No.
1499. You are not aware of it?—No.
1500. Here is an account, "Department of the Interior to William McMahon Dr.; to copying 152 folios, \$15.20?—Yes.
1501. You see who witnessed the payment of that?—Yes.
1502. Is not that your name attached?—Yes.
1503. Does not that account bring it to your recollection?—To the best of my recollection that work was done by a lady who did not wish her name to appear. The account was made out in Mr. McMahon's name and he signed the receipt. Mr. McMahon got not one cent of that, neither did I.
1504. Who got it?—A lady.
1505. Who was the lady?—Miss Armstrong.
1506. Miss E. M. Armstrong?—No.
1507. What is her name?—I am not sure of the initials. I know the first one is "C," but I do not know the second one.
1508. How did it come that the work was done in that roundabout way?—It was a time when we were very much pressed in the Department. We were sending a great deal of copying out of the Department, in fact we were pushed for copyists. That lady was a friend of mine who was glad to receive copying and I had this done for her as she did not wish her name to appear. Mr. McMahon was a friend of mine and he allowed the use of his name as far as signing the receipt and endorsing the cheque, but as far as receiving any part of the money he had no more to do with than I had.
1509. You swear you did not get anything of the proceeds of the work?—Not one nickel.
1510. Here is another account from Mr. McMahon?—The same thing.
(Exhibits Nos. 5, 6, 7 and 8 filed).
1511. You see that account (Exhibit No. 8) is for work in indexing Dominion Lands Act?—Yes, sir.
1512. Work of that character is done in the Department is it not?—Work of that character very seldom turned up.
1513. How is that?—Well, indexing of that Act needed somebody specially qualified from his intimacy with the Act and with a legal knowledge to do it properly, that could not have been done by an outsider as well as it could have been done by those familiar with the Act.
1514. You say that this required special knowledge, the preparing of this index?—I do not mean to say that exactly. What I mean to say is, it would be very much better done by somebody who is familiar with the Act, and having some legal knowledge.
1515. According to that statement, it would not be likely that that work would be given to a lady?—Certainly not.
1516. Was this work given to this same lady?—No.
1517. Who was it given to?—It was given to Mr. Rothwell and myself.
1518. You did this work?—We did it together.
1519. And you got Mr. McMahon to allow you to use his name?—Yes.
1520. Why did you do that?—Because it could not be given to permanent clerks. We did this work night after night, Sunday after Sunday. It was worth \$100 if it was worth a cent.
1521. When you did this work you knew you were contravening the Civil Service Act and the oath you took when you entered the service?—I knew I had done the work for this.

1522. Read over that oath.—(Reads the oath previously given in the proceedings.)

1523. You were aware this could not be allowed to you by law?—No; it could be allowed by law.

1524. If voted by Parliament, but in no other way.—The oath reads: “In the discharge of the duties of my office”?—That was not a matter that came within the duties of my office.

1525. If it is a straightforward transaction, why did you need to get the use of Mr. McMahan’s name?—That is a matter for the interior economy of the Department.

1526. When you did this were you aware that it was being practised by other permanent clerks of the Department, and that this system was in operation there?—I was not aware of anything at all there, except that I was told to do this work in my extra hours, and I did it with the assistance of Mr. Rothwell. I worked for more than twice that amount.

1527. You do not mean to say that you invented this system of getting money?—Oh, no.

1528. You knew it had been invented before?—I did not know; I know I earned the money and got it.

1529. There is a memorandum put on this amount: “Who is he?” Who put that there?—I do not know.

1530. You have no idea who put that there?—No.

The AUDITOR GENERAL.—It is written by a clerk in the Audit Office.

1531. Here is another amount, \$13.20 (Exhibit No. 9), in the name of Mr. William McMahan for copying in 1884. Who did this work?—The same lady I mentioned before.

1532. Whose writing is that in the account?—Mine.

1533. “Copying a portion of Moose Jaw squatters file, 132 folios.” Who has charge of this?—The Registrar of the Department.

1534. Who is the Registrar?—Mr. Henry was, but he is suspended at present.

1535. Here is another account of Mr. McMahan’s. What is that? Is that your writing: “For copying M. A. files 1693” (Exhibit No. 10)? What does that refer to?—The Manitoba Act files.

1536. Who did this work?—The same lady.

1537. When these cheques were drawn in favour of W. McMahan, who were they sent to?—To him for endorsement.

1538. Is it not necessary that all receipts shall be witnessed?—It is customary.

1539. You see that receipt?—Yes.

1540. Mr. McMahan’s name is there, and there is no witness to it?—That is for the Auditor General and the Finance Department to deal with.

1541. Who approved of that account?—Mr. Douglas.

1542. How did you come to think of getting Mr. McMahan to let you use his name for this purpose?—He is a very intimate friend of mine, and it was as I told you before. The lady did not wish to have her name mentioned, and it answered all practical and honest purposes that somebody else should have got it. There was no concealment in the matter.

1543. That will do, as far as the lady is concerned, but in the other case where you did the work, why did you then get Mr. McMahan to allow you the use of his name?—For the same reason as Mr. Pereira says, that permanent clerks are not given that sort of work when others are anxious to get it.

1544. You swear positively, Mr. Kinloch, you did not receive a portion of this money yourself. I may as well tell you that I have information which is to the effect that you received the whole of it?—Your information is absolutely incorrect. I deny that most flatly.

1545. You got the portion that was for indexing the Dominion Lands Act?—I got half.

1546. Who got the other half?—Mr. Rothwell.

1547. Was any other officer of the Department aware that this—I might call it crooked transaction—was being done?—I cannot answer a question that you infer. Why don't you say it was a crooked transaction? I don't think it was.

Mr. T. G. ROTHWELL recalled, and further examined:—

By Mr. Somerville:

1548. You wish to make a statement?—The payment that was stated to have been made to me—I don't know what the amount is, for I have never seen the cheque—was for work done by myself and Mr. Kinloch, when I was an extra clerk in the Department. My appointment as a permanent clerk took place almost two or three days after the work was completed, and I remember thinking that the money would be lost, and mentioning it to Mr. Kinloch, who said it would be all right. Afterwards, I think, he gave me \$30. What I said here the other day was that I had not been paid one cent for any extra clerk's work I had done as a permanent clerk in the Department. I was considerably excited over it.

1549. You got \$30?—\$30 from Mr. Kinloch. I think that is the amount; I don't remember whether it was \$25 or \$30.

By Mr. Foster:

1550. For work done when you were an extra clerk?—When I was an extra clerk. It was a few days before I was permanently appointed. I had helped Mr. Kinloch at his own house to do the work; after I left here the other day I thought of the matter.

By Mr. Barron:

1551. Was Mr. Kinloch a permanent clerk?—Yes; at that time. I asked Mr. Beddoe, Assistant Accountant, to find out, if he could, what was paid. He described the cheque to me particularly, and told me that on it was marked in my own handwriting "Received."

1552. You got \$30 of this amount?—\$25 or \$30. I don't remember if Mr. Burgess paid me when I was an extra clerk. Since I have been a permanent clerk of the Department I never received one six-pence, and the newspaper accounts of the evidence given here are not very correct. I have seen it stated that the \$100 worth of work given to Mrs. Rothwell to do—of which she only did a portion, and the balance was never done—is credited with having been given by the Minister. If I said that, it was not correct; it was Mr. Burgess.

Mr. J. R. HALL called, sworn and examined:—

By Mr. Somerville:

1553. What office do you hold in the Interior Department?—Secretary.

1554. What is your salary?—\$2,800.

1555. You sometimes certify to cheques, do you not?—Yes; if I know that the work is done, but it is not my practice to certify. I require some permanent officer to certify. I approve and pass the account for payment. I don't certify unless I know, to my own knowledge, that the work has been done.

1556. When "Approved" is written on an account what does it signify?—It is an authority to the Accountant to pay the amount. The Accountant won't pay unless the Deputy or myself authorizes him to pay. The approval is the authority for the Accountant to pay that account.

1557. And in order that you may approve of an account, the account must be certified to by some competent authority in the Department as being correct?—Yes, by a permanent officer always—the head of the room in which the work is done.

1558.—Is it not a fact, that at times the accounts are certified to by not only first but by second and third class clerks?—Yes.

1559. Is there any rule as to who should certify to accounts?—The rule is, that the man in charge of the work should certify. There might be a third-class clerk, who would have work given out to several of these ladies outside to copy, and he would have to count it when it came in. In that case I would take a certificate.

1560. Have you no written or printed instructions from the Finance Department, regulating the payment of money in your Department?—Not that I know of, except the Civil Service Act.

1561. Have you no general rules for your guidance?—Only the Civil Service Act.

1562. I was given to understand there were some printed instructions issued by the Finance Department, or the Treasury Board?—There was a Treasury Board minute, I think, somewhere about July, 1882, after the Act of 1882 went into force, laying down regulations, but that was about the attendance book, and about going out to lunch, and I think also there was a paragraph in that about the payment of extra clerks, but I cannot remember.

1563. Is that still in force, then?—That is still in force.

1564. Have you a copy of it in the Department?—Yes.

1565. I would like you to send me one over. You heard the evidence given with regard to those McMahon accounts and cheques?—Yes.

1566. I see you approved of some of those accounts. I think that is your signature on Exhibit 8?—Yes; that is my signature; that is for indexing the Dominion Lands Act.

1567. You approved of that?—I authorized the work, and I approved the account.

1068. You authorized the work?—Yes; I told Rothwell and Kinloch to do that indexing.

1569. You knew that Kinloch was not entitled to do that work, yet you allowed him to do it?—Yes; but Rothwell was an extra clerk at the time. He was entitled to do it.

1570. Why did you tell Kinloch?—He got Kinloch to help him.

1571. Why did you tell Kinloch?—It was to help Kinloch.

1572. In what way?—Financially, unquestionably.

1573. You are aware this system has been carried on in your Department for some years, of giving extra work or extra clerks work, with the understanding that they were to share the proceeds with permanent clerks?—Yes.

1574. You know that has been done?—Yes.

1575. It has been the practice?—Yes.

1576. Since when?—I could not tell when it began. I came into the Department in 1883. It may have been done before my time.

1577. But has it been done continuously since your time?—I think so.

1578. You think it has?—On special occasions—that is, special work; but it is not an everyday occurrence.

1579. It was usual, when an officer of the Department became “hard up,” or got into financial difficulties, that you would throw a little of this extra work in his way, would you not?—If I could.

1580. That was the practice?—Yes; I have had to go down to the court house to take a man “out of bond,” because I wanted him to come to work for me. I cannot do that out of my own pocket.

By Mr. Barron :

1581. You were anxious to have the work done?—Yes.

By Mr. Somerville:

1582. Did you ever have any conversation with an extra clerk named McCabe about dividing the proceeds that he used to get for some work that he did?—No; never. I never told extra clerks to divide up with permanent clerks; that was an arrangement entirely between themselves. It was a matter of honour. If an extra clerk got a permanent clerk to help him, and divided up, it was a matter of honour. I never got any extra clerk to share up with a permanent clerk.

1583. Do you remember having a conversation with a permanent clerk named Brough?—I have had a great many conversations with Brough. He was in the Department before I entered the Interior Department.

1584. He is a favourite of yours, is he not?—Not particularly.

1585. Do you remember the time Mr. Brough was about to be married?—Yes.

1586. Did not you ask an extra clerk in the Department to whom extra work was given to divide up with Mr. Brough, because you wanted to assist him a little now that he was going to be married?—I do not recollect it. Who was the extra clerk?

1587. McCabe?—I never asked McCabe to share with Brough. I once allowed Brough to do a little extra work after his marriage. It amounted to \$12. He got it in his wife's name. You will see it in the Auditor General's Report, "Mary Brough." It is the only account of the kind that I remember.

1588. You will understand that I am working somewhat in the dark; sometimes I may not be on the right track?—I will give you all the information in my power.

1589. You remember the case of Joseph Wright. You have seen that reported?—Yes; that is Turner's case.

1590. You know there was no such man as Joseph Wright ever employed about the Department?—Yes.

1591. Do you know that Mr. Turner drew the money?—Yes; and did the work.

1592. I see that your name is attached to this account in Joseph Wright's name?—Yes, "Certified correct, P. B. Douglas." "Approved" by me July 1887. I was probably Acting Deputy at the time. Generally the Deputy would go to the North-West in summer time.

1593. You were acting Deputy then?—Yes; I signed the cheque as acting Deputy.

1594. Here is your signature again—July, 1887?—Yes.

1595. Here is another signature of yours—August, 1887?—Yes.

1596. You were aware at the time you signed these cheques and approved the accounts that no such man as Joseph Wright existed?—Not that there was no such man as Joseph Wright, but that Turner was doing the work and getting the money. Turner says there is such a man—a friend of his.

1597. You are aware that this system is being carried on in the Department from the time you entered the service of the Government?—Of the Interior Department. I have been 23 years in the service of the Government.

1598. This practice was contrary to law?—Certainly. The Civil Service Act was being broken.

By Mr. Taylor:

1599. In all these payments that have been made to your knowledge, has the work been done in every case and a saving to the Government been effected, rather than by giving it to outsiders?—Unquestionably.

1600. In every case?—Yes.

1601. In any case has a payment been made unless the work has been actually performed and the money earned?—The work was always done, and well done, by the permanent men. Wherever a permanent man got money beyond his salary, he rendered full value for it.

1602. Is it not a fact that you, Mr. Kinloch and Mr. McMahan are very great friends?—That is putting it too strong. I have a great many friends.

1603. Is it not a fact that you are pretty thick, as they say?—No. Kinloch was a clerk in the Department of Justice when I was there, and we were intimate there. Since I have come to the Interior Department I have taken a higher position there. He got married and we drifted apart.

1604. How about McMahan, have you drifted apart from him?—I do not see him once in three or four months, except just to say how do you do.

1605. That is since he has been at the Printing Bureau?—He was clerk with McLean, Roger & Co.

1606. Were you not intimate with him then?—No; I have only been in his house once. I may state, however, that I am not ashamed of my friendship for Willie McMahan. I think he is a fine fellow.

By Sir Richard Cartwright :

1607. You stated just now that the practice in your Department as to the certification of work was that the head of the room in which the work was done should certify to it, or, in other cases, that the officer in charge should certify to it?—Yes, sir.

1608. That is, I suppose, the invariable rule of the Department, that the party who gives out the work, whoever he may be, to the permanent or extra clerk who does it, is the one to see that the work was done?—Certainly; not merely that he gives out the work, but sees it when it comes back, and counts it.

1609. Have you read the evidence given by Mr. Pereira, the Assistant Secretary of the Department, at the previous meeting?—I have not got the evidence at all; I was not present at the early meetings.

1610. I want to ascertain the point distinctly, because it bears very materially on the discipline of the Department. Mr. Pereira stated that a certain officer of the name of Humphreys, whether a permanent or extra clerk I do not now remember?—Extra.

1611. That this officer had received certain work from Mr. Henry. What is Mr. Henry?—He is in charge of the registration of the correspondence.

1612. That Humphreys had received certain work from Mr. Henry, and that when he took this work to Mr. Henry and asked for a certificate Mr. Henry refused to give it, for some reason or other. I think he said that the other men in the room were as well entitled to extra remuneration as Humphreys. Thereupon Humphreys went to Pereira and told him that Mr. Henry had refused to certify to the work, for the reason which I have stated, and that Mr. Pereira thereupon took upon himself, although I understood he did not give out the work, and although this work had been done under Mr. Henry's supervision, to certify to it—

Mr. CHAPLEAU.—Because he knew the work was done.

Sir RICHARD CARTWRIGHT.—He said he knew it had been done, but I was not at all satisfied with his statement. (To witness): Well, Mr. Pereira undertook, according to his sworn evidence, to certify to this work, and undertook to do it without any communication with Mr. Henry, who had given out the work, and who, I understood you to say, was the person who ought to have certified to it?—Yes; Mr. Henry should have certified to it. I ought to state, however, that it was not work given out; it was overtime work done by Humphreys.

1613. But Henry was the proper person to certify to it?—Certainly.

1614. It was done in Henry's room?—Yes.

1615. And having been done in his room, it was not possible for Pereira of his own personal knowledge to have known whether Mr. Humphreys had done the work properly or not?—He may have known, because Pereira's room was just across the passage, and he may have seen Humphreys working.

1616. But Pereira could not tell that Humphreys was working in the other room when he was not present?—Undoubtedly, Mr. Henry should have certified to it.

1617. Well, under such circumstances, I want to know whether it was not the bounden duty of your Assistant Secretary to communicate with Mr. Henry, after

having been told that Henry had refused to certify to the work, and ascertain what his reasons were for so refusing, and not simply to have taken Humphreys' statement?—I think it was.

1618. Otherwise, you will see that no discipline can exist in the Department?—I do not quite understand the statement that Henry refused to certify to Humphreys' work, because Henry repeatedly pressed on me to do something for Humphreys—that he was one of his best men.

1619. I would ask you whether, in your experience and knowledge of the Department, that was not a gross breach of discipline, as well as a want of business courtesy, for one officer to take the thing out of the hands of another?—Mr. Pereira was Henry's immediate superior, and I presume he had the knowledge at the time that Humphreys had done the work.

1620. Pereira did not claim to be Henry's superior?—He is his next immediate superior. He is the Assistant Secretary.

1621. If he chooses to take the responsibility, it would no doubt alter matters to some extent; but the statement made by Mr. Pereira when I cross-examined him was not to that effect?—If you will allow me to explain: I always understood that Mr. Henry contended that there were other men that were entitled to be paid for overtime as well as Humphreys, and that is the reason why he refused to certify for Humphreys and not because Humphreys had not done the work. There was a certain hardship in Humphreys' case. He had passed Civil Service examination, and we had recommended the Department to appoint him as a clerk; but while his application was before the Treasury Board he passed his 35th birthday, and the Board refused to allow his appointment.

1622. The reason is this: It is quite obvious that if one officer undertakes to certify for work which another officer refuses to certify to, according to every business rule which I have ever heard of and the practice of the Departments which I know anything of, it was the bounden duty of the officer who chose to do so to have communicated with the other officer?—Certainly.

By Mr. Somerville:

1623. You say that this man Humphreys, you thought, was harshly used?—It was a rather rough deal on Humphreys that he was not appointed before he passed his 35th birthday. He had qualified himself, and came into the Department at 33. He was a good clerk, and when we found he was nearly 35 we hurried off a report to Council, which report went before the Treasury Board, and lay there until he had passed his 35th birthday.

1624. He was an extra clerk all along in this Department?—Yes.

1625. I see in 1888, 1889 and 1890 he was paid for 365 days at \$2 a day, making \$730; and he was paid for extra work during the same time, 776 hours, at 50 cents, \$388, making altogether \$1,118 in one year. That was more than an ordinary third-class clerk would get?—Yes; the maximum of the third class is \$1,000.

1626. What about the second class?—They commence at \$1,100 and go up to \$1,400.

1627. He was ranking better than a third-class clerk?—He did very well that year.

1628. The next year he got \$876, and the year previous, 1887-88, he got \$824.50—551 hours, at 50 cents, in addition to working 366 days. You must have been working this man to death?—He certainly worked overtime from four to six, and came back, I understand from Mr. Henry, to work at night.

1629. In 1886-87 he got \$732.50, and so on all the years through. Now, was it usual to give any one extra work or so much extra employment as this?—No; he was looked upon as a particularly good man.

1630. Where is he now?—Winnipeg—in our service.

1631. Do you know what salary he is getting?—I think \$730—\$2 a day. I would not be positive.

1632. He got an Irish hoist out of the Department?—We could not keep him here, and we did not want to turn him off. We sent him up to Winnipeg, where there happened to be a vacancy, and put him in the Commissioner's office.

1633. Are you aware that Mr. Humphreys divided these moneys he earned with some permanent clerks?—I do not think he did. I think he got it all himself. I cannot say positively, but from what I know of Humphreys I think he knew he was entitled to it and kept it himself. He did the work.

1634. He must have been an exception to the general rule?—We have got good and bad there.

1635. I mean to the general rule of dividing up. He must have been a favourite in not being asked to divide up with the permanent men?—As I said before, I never asked an extra clerk to divide up with permanent men.

1636. You must admit that this man must have been a favourite when he was allowed to keep it himself?—He was a good clerk, and all good clerks are favourites.

1637. Do you know Miss H. M. Mosden?—No.

1638. Do you know whether she ever did work for the Department?—I do not recollect her at all.

1639. Do you know Miss E. M. McRae?—No.

1640. Never heard of her?—I may have seen the account, but never saw her in flesh—so to speak.

1641. Do you know A. Dubuque?—No; his name is not familiar in connection with any extra work in the Department.

1642. Do you know N. S. Dubuque?—No.

1643. Do you know Miss E. N. Charbonneau?—Yes; she represents Mr. Loyer, of the Crown Timber Office. He got about \$15 per month in her name.

1644. What is his first name?—François.

1645. He draws in the name of Miss Charbonneau?—In the name of Miss Charbonneau.

1646. This Miss Charbonneau is a fictitious person?—No; she is some relation of Loyer's.

1647. Does she live in the city?—I think so.

By Mr. Bowell :

1648. Is Loyer a permanent clerk?—Yes.

By Mr. Somerville :

1649. How long has Loyer been getting this money?—Since 1887. There was an old man named Gormully, who came from Cobourg, who was employed at \$45 a month to assist Loyer. Loyer is a very excellent clerk and has a lot of work to do. Gormully died about 1887, and Mr. Ryley, who is in charge of the Timber and Mines Branch, consulted with Mr. Burgess and myself as to who should take Gormully's place. Our policy was not to increase the staff, and the suggestion was made by Mr. Ryley that Loyer should come back and work at night. He was a married man, and a very hard worker, and was getting a salary of \$600 or \$700 a year. He was asked to come back to do the work at \$15 a month for which Gormully had got \$45. Neither Burgess nor I saw there was any harm in this, and we allowed it to be done. It was an infraction of the Civil Service Act, but we were saving \$30 per month. Mr. Loyer, being a permanent clerk, could not draw this money in his own name, and, therefore, drew it in the name of a female relative—Miss Charbonneau.

1650. You see this letter on page D-157 of the Auditor General's Report for 1890 (letter filed as Exhibit No. 11 and read):—

“AUDIT OFFICE, OTTAWA, March 14, 1890.

“SIR,—During the fiscal year 1888-89, and also during the first six months of the current fiscal year, Miss E. Charbonneau has been paid out of the vote for Dominion Lands \$15 a month for copying 300 folios each month, 5 cents a folio. The small

chances of a round sum for one month, and of an equality of work for two months, both become impossibilities when the time extends over eighteen months. Please have the vouchers amended if the arrangement is for \$15 a month.

"I am, Sir, your obedient servant,

" J. L. McDOUGALL, A.G.

"The Dy. Minister of Interior."

Yes; the Auditor General thought there was something irregular.

1651. You did not reply until 20th May, when the Assistant Secretary replied as follows:—

" DEPT. OF INTERIOR, OTTAWA, May 20, 1890.

" SIR,—In reply to your letter of the 14th March last, in relation to the payments made to Miss E. Charbonneau for copying, I am directed to explain to you that the account is made out for 300 folios each month, as that is the outside limit that this Department will pay in one month, in this case, for copying. The Deputy Minister, it may be added, takes care to assure himself each time that the work done is not less than that limit.

" I am, Sir, your obedient servant,

" LYNDWODE PEREIRA,

"The Auditor General."

" *Asst. Secy.*"

1652. Do you know Miss Florence K. Campbell?—No; the name is strange to me in the Interior.

1653. Do you know any other mysterious strangers whose names appear in the Auditor General's Report and whose names are used by permanent clerks in the Department. Tell me all you know?—There are the three regular ones: Joseph Wright for Turner, Jane Hay for Rowatt and Miss Charbonneau for Loyer. These were three good men, working hard, and got this extra remuneration in this round-about and irregular way.

1654. Do you know a man named C. Gordon?—No; there is a McDonald Gordon, who is our Inspector of Agencies; but I do not know C. Gordon.

1655. You do not know him at all?—No.

1656. Do you know a man named C. C. Rogers?—Yes; he is a second-class clerk.

1657. In the Department?—Yes. His principal duty is looking after Orders in Council. We print a whole volume of them every year affecting the Department.

By Mr. Cameron (Inverness):

1658. Did Mr. Brough ever get money under another name?—Not that I know.

1659. Do you know that F. McCabe got money and shared with Brough?—If McCabe shared up with Brough I could not possibly know, but I say distinctly I never told McCabe to share with Brough or with anybody. I never told any extra clerk he must share with a permanent clerk.

By Mr. Paterson (Brant):

1660. With reference to the matter Sir Richard Cartwright was speaking of, I would like to find out the rules of the Department. I understand the rules of the Department are that whoever gives out work is authorized so to do, and is the one who has to certify to the account?—Not only does he give it out, but he sees it when it comes back and counts it before he certifies. The work that is given out is paid for at so much a folio, at 5 cents a hundred words. Some permanent clerk must actually count that work, and certify that the account is a correct one.

1661. That is where I am a little confused. You say some permanent clerk does that. Can any permanent clerk certify?—No; it must be the permanent clerk who has charge, but we prefer the head of the room. If three or four men are working in a room the senior clerk should certify.

1662. But if he did not, do I understand you to say that any permanent clerk can?—Yes. The head of the room may be absent on leave or ill, and a permanent clerk, but no extra clerk, can certify to an account. There is some rule, I think. The Auditor General knows the rule, and the Audit Office would not take a certificate unless it was from a proper person.

1663. In the case of a person doing this extra work, could any of the permanent clerks certify to that without first speaking to the head of the Department, so to speak?—Yes.

1664. Well, then, really, the certificate of any permanent clerk is accepted, and the account passed on it. Is that the rule of the Department?—Yes; that is the rule. We assume that all the permanent clerks are reliable and honourable men, who would not certify to anything that is not true.

1665. How many permanent clerks would there be in the Department?—I guess some 50 or 60 permanent clerks.

1666. Would you consider it a regular transaction—that of Mr. Pereira, referred to by Sir Richard Cartwright—when the immediate officer over Mr. Humphreys gave him the work, and having been asked to certify to the account declined to do so—that it was proper for him then to go to Mr. Pereira, and Mr. Pereira to certify to it, without consulting the person who had given out the work? Is that quite proper?—That was irregular, but I would point out Mr. Pereira occupied a little different position, as Assistant Secretary, to the ordinary run of permanent clerks. He might assume a little more executive authority than the ordinary second or third-class clerks.

1667. But if any permanent clerk certifies to an account you don't go beyond that?—Not unless I suspect there is something wrong.

By Mr. Foster :

1668. Suppose A and B are permanent clerks, and that A gives out a lot of work to some person, can the person who does the work take that to B, who did not give it out, and did not know of its being given out, and get it certified and passed?—No; I would never take a certificate from a man who did not know positively that the work had been done.

1669. What I want to get at is this : Must it be the person who gives out the work, or with his supervision? I can quite see how any person can count the work and judge that the work tallied with that given out, but should he not then go to the person who gave out the work in order to get it certified?—No; because I might myself, as Secretary, give out a whole bundle of papers to somebody to copy. Well, I cannot count that when it comes in; somebody else will count it.

1670. But you would certify to it?—I would approve it for payment on the certificate of the person who had counted it.

1671. That would be something you yourself knew about?—I would know that it had been given out, but not that it had been properly counted. I would take the certificate of the officer counting it that it had been properly counted.

1672. But suppose some other officer, who knew nothing about the transaction, did what you suggest?—I don't quite catch the question.

1673. Supposing Mr. Henry gave it out?—He never gave out any work. Mr. Henry's work is registration work.

By Mr. Taylor :

1674. As I understand it, the permanent clerk certifies to the work being done. Then a clerk goes to either you or Mr. Burgess to approve the account, and then you or Mr. Burgess will not approve of it until you question the certifying clerk, and are satisfied that the work has been performed?—Yes; excepting that it is not necessary the certifying clerk should bring the account to me. The person in whose favour the account is made might bring it to me and ask me to pass it, or bring it to the accountant, and the Accountant might collect those accounts and bring them in a batch to me.

1675. And you do not pass them until you make enquiries that everything has been done, and you are satisfied by the certifying clerks that the work has been done, before you approve?—Certainly; I never passed any bogus account. I satisfied myself always the value was received for the money to be paid.

By Mr. Paterson (Brant):

1676. You mean by that you are satisfied it is not bogus, because the name of the person authorised to sign is attached to it, and that makes it genuine?—Well, a fictitious name might be attached, but I mean I would be satisfied that the work was done.

1677. That was an irregular thing that Mr. Pereira did?—Yes.

1678. Well, was there any means by which you might be able to detect that irregularity?—I had to accept a certificate from the Assistant Secretary, a man holding a position next to myself in the Department, without any question.

1679. And he could have done it many times, if he had chosen to do so, and there would be no way of checking the irregularity?—I would not question a certificate.

1680. If it was some one lower than Mr. Pereira in position—would you question it in the case of the certificate of any permanent clerk?—If I did not know what it was for I would question it. I would send for the parties and ask: "What was this work; what did you do; where did you do it," and find out all about it.

1681. But as a matter of fact, it is largely, if not wholly, a matter of honour for these permanent clerks. You have to trust almost entirely to their honour?—I must do so with a large staff like that.

By Mr. Denison:

1682. How long have you been in the service?—I was in the Finance Department from 1867 to 1871; then I resigned and went into the Department of Justice, where I remained from 1873 to 1882, when I entered the Interior Department.

1683. Were payments ever made, before the Civil Service Act was passed, to permanent clerks?—In the Department of Justice?

1684. Anywhere?—No. I was nine years in the Department of Justice, working nights and Sundays, and never got a cent of extra pay.

1685. In any case, do you know if it was ever done?—I don't know. I worked in the Finance Department and the Department of Justice, and I only got about \$20 extra work in the six years I was in the former Department. That is the only extra work I have had since I entered the service.

1686. I want to get at whether it was done at all?—I don't know; I cannot speak of other Departments.

By Sir Richard Cartwright:

1687. Not to your knowledge?—No.

By the Chairman:

1688. You would accept Mr. Pereira's certificate that the work was performed unhesitatingly?—Most unquestionably.

1689. Was Mr. Pereira, in certifying to work, not aware he was acting in an irregular matter?—I cannot assume that Mr. Pereira did not know it.

By Mr. Taylor:

1690. I would ask the witness if this work that was given to Mr. Turner and the other permanent clerks was absolutely in the interests of the Department?—Certainly.

1691. If it had not been performed by these clerks you would have had to call in other experts or else outside assistance?—Yes; we would have had to get a good man to do Mr. Turner's work. He is an excellent clerk.

1692. And the other permanent clerks referred to as doing extra work?—Yes.

1693. Had you not given it to permanent clerks it would have cost more money and would not have been as well done?—Yes; we could not have got a man for it; we could not get a man, without much difficulty, to do the work Loyer was doing on these works. I might remark here that all this extra work has been stopped, and will never be resumed again in the Department.

By Mr. Somerville :

1694. Since when?—Since last June. It occurred in this way: There was a minute of the Treasury Board over-ruling a decision of the Auditor General. The Auditor General had always taken the ground that the Dominion Lands Income vote, out of which the extra clerks were paid, was not subject to the provisions of the Civil Service Act. The Auditor General had always held that view, and the Department was justified, therefore, in paying extra clerks more than if they had been paid out of Civil Government Contingencies, which, under the Civil Service Act, would only be the minimum of the salary of a third-class clerk, \$400. The Department did not pay them out of Civil Government contingencies, but out of the Dominion Lands Income vote at the head office at Ottawa, and the Department always felt we could do pretty much as we pleased, and pay for the extra work out of that vote. The Minister of Justice, however, decided otherwise. Mr. McDougall said he was very glad to be over-ruled; he still held to his opinion, but in the interest of the Civil Service he was glad to have his objection over-ruled; and accordingly, in the case of a clerk named Philip Low, there was a minute of the Treasury Board over-ruling Low and placing him on the permanent list. In future anything paid in the Department must be in accordance with the Civil Service Act.

Mr. BOWELL.—Or by vote of Parliament.

By Mr. Bowell :

1695. Or special vote of Parliament?—Yes; as in the case of Mr. Rowatt.

By Mr. Chrysler :

1696. Will you say whether, in your view of the Civil Service Act, you thought that these payments were outside of that Act?—I always thought so.

1697. And that was the view entertained by the Auditor General as well as by yourself?—Yes.

1698. Until the decision you speak of?—Yes.

1699. That decision was given—when?—In June last. It was given verbally some time ago by Sir John Thompson. He had told us nearly 18 months ago that this Dominion Lands income money should be subject to the provisions of the Civil Service Act. He had not done that officially, but at that time Mr. Burgess warned all these temporary clerks that they would have to pass the Civil Service Act and come down from \$500 a year to \$400, and that if they did not pass the examinations they would have to get out. It was not until the Treasury Board passed the minute that decisive action was taken.

1700. That was the view entertained up to that time?—Yes.

By Mr. McGregor :

1701. Do you know of any case, outside of that of Pereira's, where a man gives out the work to himself and certified to his own account?—No.

By Mr. Chapleau :

1702. Are you aware that that work given by Pereira to be done by his wife, was with the consent of the authorities of his Department?—I take it that he had the authority of the Deputy Minister.

1703. You did not know it yourself?—No.

1704. You did not know that it was a kind of compensation to him for extra work done during the time of North-West insurrection, and which was to be paid by some extra work done by his wife?—I know that now.

WILLIAM McMAHON called, sworn and examined:—

By Mr. Somerville:

1705. What position do you occupy in the service of the Government?—At present I am the Assistant Superintendent of Printing.

1706. How long have you occupied that position?—About two years. I was appointed to the Civil Service about July, 1890.

1707. Previous to that, what was your engagement?—I was employed with the Government contractors for printing.

1708. McLean, Roger & Co. ?—Yes.

1709. Had you ever been in the Civil Service previous to the appointment you now hold?—Never.

1710. You were not in the Civil Service in 1884?—Never previous to the date I have just now given.

1711. You are aware that a number of accounts were passed through the Interior Department for payment for work said to have been done by you. Here is one of them (referring to Exhibit No. 10) ?—That is a cheque made payable to me.

1712. Is that your signature?—That is my signature on the back.

1713. Did you ever do any of the work in the Department?—Never.

1714. Not for the Department at all?—Never.

1715. You never performed any services for these sums at all?—Never; nor ever received any money.

1716. How did you come to lend your name to the officers of the Department?—It was asked for as an accommodation. Seeing that the cheque was an official one, that it was countenanced by the Department, I did not think it anything out of the way to endorse the cheque. The cheque was made out in my name; I saw it was an official one. The work was supposed to be done, or was done, and consequently as it was an accommodation I signed the cheque.

1717. You say you did not do any work?—Yes.

1718. Did you make the accounts yourself?—I did not.

1719. Who brought the account to you?—Mr. Kinloch brought the cheque to me.

1720. You did not know anything about the account?—No; the cheque was brought to me.

1721. You never saw anything but the cheque?—I never saw anything but the cheque; I never saw the money.

1722. You did not know what was in the account?—The cheque was presented to me; I endorsed the cheque and handed it back.

1723. Did you know what the cheque was for?—I supposed it was for extra work, but I did not know.

1724. You did not do any extra work?—No; but as the gentleman who presented it to me must have done the extra work, I took it for granted it was so when he received the cheque from the officers of the Department.

1725. Did you ask any explanation why the cheques were submitted to you?—I asked what they were for, and he said extra work.

1726. And you allowed your name to be used?—That is all; as an accommodation. If the officers of the Department permitted him to do extra work it was all right. I knew him to be able to do it quicker than the ordinary extra clerk could do it.

1727. You did not think it was any of your business to inquire anything about it?—So long as the cheque was made out by the officers of the Department in which that gentleman was employed I saw no reason for inquiring.

C. C. ROGERS called, sworn and examined:—

By Mr. Somerville:

1728. What position do you hold in the Interior Department?—The position of a second-class clerk.

1729. What is your salary?—\$1,400 a year, the same as it has been for seven years.

1730. They have not been using you right?—I have been in the same position for seven years.

1731. You ought to have been advanced?—I have not said so.

By Mr. Bowell:

1732. You have been a second-class clerk for seven years?—I have been receiving the salary of a senior second-class clerk for seven years.

By Mr. Somerville:

1733. Did you ever get any money for extra work performed?—Where? I received extra money in the Department during twenty-one years.

1734. There is an account here in the name of C. Gordon. (Exhibit No. 12.)—That was not received by me.

1735. Do you know Gordon?—Yes.

1736. Who is he?—It isn't a he at all; it is a she.

1737. Who is she?—I suppose you all know that my brother was shot in the North-West Territories in 1885, and he has never received anything—or, rather, his people—from the Government. I have been at several times straitened in circumstances, and that lady is my sister-in-law, whom I have kept for twenty years, and she has helped me on a great many occasions when I have taken work home; and I have asked Mr. Burgess to give her some small assistance in the way of giving us some extra work. That work has been done faithfully and thoroughly. I have seen to it myself. I have been doing night work for the Government all my life.

1738. Your sister-in-law did this work?—Yes. She has not been employed by anybody. I have had to keep her.

1739. She is not your brother's wife—No; he was single. To show you how I was straitened, you see here (showing some letters) that Sir David Macpherson recommended me for promotion and a bonus of \$100 for long and hard work; but I never got it. You will also see Mr. Lindsay Russell's testimonial.

1740. Here is an account, certified to by whom?—Mr. Côté. It was work done for his branch. It was copying files with regard to the Half-breeds. There was a great deal of work of that kind in 1886.

1741. Did Mr. Côté know about this?—Yes; he knew it was a lady. I did not tell him who it was. I told him it was done by a lady, because I had had to certify to the account before.

1742. Did this lady do the work, or you?—She did it, but I helped her a good deal. Some of it had to be compared, and I had to show her how to do it. She is a lady who is capable of doing work.

1743. You did some of it?—I have no doubt I did a great deal of it. I have had to read all those things.

1744. Here is another account in the name of C. Gordon (Exhibit No. 13)?—It is stated there "Half-breed."

1745. It is 77 hours at 50 cents. Would that be hours you worked or the lady worked?—There was a time they paid them by the hour, and sometimes by the folio. It was sometimes one and sometimes the other. I have seen some Departments pay by the folio and some by the hour. There was no regular rule of pay, either by the hour or by the folio.

1746. Look at this account. It is for 77 hours at 50 cents. Was that work done at your house?—Every bit of the work of that sort was done at my house.

1747. There was no check on these hours, except your own?—I was the one who had to tell Mr. Côté that it was honestly and faithfully done.

1748. Suppose you did half of it yourself. What check was there on you?—I always try to speak the truth.

1749. What check was there on you? Did this C. Gordon check you?—No. For instance, if she was going to work she would sit down at a certain time and her work would be regular. The clock was there, and I was always around the house. I am always at home at night with my children.

1750. You would sit down and work, too?—I had in a great many cases to do that work, because it was all kinds of handwriting and difficult to read.

1751. You kept account of the number of hours?—A. Certainly.

1752. You could not make any mistake about it?—No.

1753. But you could make a mistake if you chose?—Yes; she might have got \$50 as well as \$38, if there had been an intentional mistake.

1754. There was no check on Miss C. Gordon or you?—None more than giving the Deputy my word of honour.

1755. You took the work and checked the time, and informed your superior officer that it was done?—Yes; of course.

1756. And got the money?—Yes; she always went and got the money herself.

1757. Here is another account for \$36.25, 5th May, 1886: "To services preparing index Half-breed scrip claims, heads." (Exhibit No. 14.) What the meaning of that?—That index was work that had to be done for Mr. Côté at the time they went to settle up matters with the half-breeds—some time after the Rebellion. I do not see any date on it, but it is all 1886. That was index work that was done for Mr. Côté.

1758. Who is Mr. Côté?—He is a first-class clerk in charge of all the Half-breed work—scrip work.

1759. Is he your superior officer?—I forget whether he is a first-class clerk or not. Yes, he is. He is in Mr. Goodeve's Patent Branch. In this case I merely asked Miss Gordon to let me use her name. This work had to be done in the office at night I think there was myself and another man who were specially qualified to make indexes, and we were told we would be compensated if we came back at night.

1760. You got that money?—In that case, certainly. That index work is not done outside of the building.

1761. 72½ hours' work at 50 cents. (Exhibit No. 14)?—The books are over there, and I should like the Committee to send over and see them. I am not ashamed of my work.

1762. You knew you were not complying with the Civil Service Act?—I was not aware. It was work that did not appertain to my duties.

1763. You did it in your office?—Not in my office. I did it in Mr. Côté's own office. It was not work that either the Deputy or Minister could say: "You must go and do this work by compulsion." I had no acquaintance with it in the day time. It was not a case in which I might do the work through the day.

1764. Why did you not use your own name?—Because it was the custom for permanent men not to get paid for extra work.

1765. The custom must have had some sanction?—In the time of Mr. David Mills I did a good deal of extra work.

1766. But the Civil Service Act was passed in 1882?—Custom grows, however, and custom becomes second nature.

By Mr. Denison:

1767. Was it done in other names, then?—It was the custom for permanent men to get extra pay.

1768. The money would not be paid in his own name?—No; the money was not paid in his own name.

By Mr. Somerville:

1769. But it was not contrary to the law?—If it was not contrary to the law why did they do it? It was the custom. I say that if a man did any extra work and the Minister wanted it done he was compensated in the name of some relative.

1770. That was the understanding with the Minister?—At that time I think it was. I think the Minister knew as much of what went on as anybody else.

1771. Was that prior to 1878?—Yes; I did work for the Privy Council then many times. I mean to say, that the thing grew out of a regular practice.

By Mr. Barron:

1772. You forget that the Statute came in between and prohibited it?—No; I speak as a man of some education. If I am employed, say in the Finance Department, to do a certain work in the day time and another work at night, that does not appertain to my office duties. It is special work, which does not attach to my office. I have been doing extra work for years and getting nothing for it.

By Mr. Chrysler:

1773. Is that oath taken by all the extra clerks, as well as the permanents?—I believe it is.

1774. That oath is taken by everybody who works there, and is not intended to be the same in extent as the Act itself?—No.

Mr. SOMERVILLE.—Mr. Burgess, do extra clerks take that oath?
Mr. Burgess.—Yes.

By Mr. Chapleau:

1775. You state that at times extra work was paid by the hour and at other times by the folio?—Yes.

1776. You said there was a period at which it was paid both ways. What do you mean by that?—I mean in the period away back. In the time of Mr. Hims-worth, of the Privy Council, he gave me some work in preparing indexes for his Department. He paid me by the hour, as there were thousands of figures in the index and the work had to be done with perfect accuracy. If you give a person clear printed work, for example, it is easy to count it.

1777. You did not mean to say that it was paid both by the folio and by the hour?—There were not two payments.

1778. How long have you been in the service?—Since 1870. I became an extra clerk in 1870, and a year after that I was made permanent by Sir John Macdonald, who put me in the Ordnance Office. It was the Queen's Printer's Office.

1779. Since how long have you been a second-class clerk?—I was promoted to a second-class clerkship in 1878. I was at the maximum in 1884, and have not received any increase since.

1780. The custom which you spoke of, and which, in your opinion, was second nature, as you put it, was it prevailing in the Department since 1870?—Of giving extra work to permanent men?

1781. Yes.—They used to do it. I used to get extra work in the time of Sir Richard Cartwright, when he was Minister of Finance. There were men who were first-class clerks engaged then in destroying notes. It was confidential work. They would come on at 7 o'clock in the evening and work until 11 or 12.

By Mr. Taylor:

1782. Did they draw the money in their own name?—Their own.

By Mr. Somerville:

1783. There was no necessity for their trying to evade the law?—No; because it was not considered wrong. It was considered right for a man to improve his time, just as men in the Civil Service use their time for literary work.

By Mr. Paterson (Brant) :

1784. Was the account made out in your own name or anybody else's in the time of Sir Richard Cartwright?—There was just a pay-sheet.

1785. Was the pay sheet signed in your name, or was it signed in the name of some person else?—I do not think so.

1786. Do you believe that prior to the passing of the Civil Service Act any extra work you did was paid for in the name of any other person?—It may have been, I did not get any in my Department since. It was only subsequent to the death of my brother in the North-West.

1787. Why did you say this custom grew out of a custom which had prevailed in the Department prior to the passing of the Act?—I think I stated what was quite right—that in the time of Mr. Mills I did one or two little jobs and got paid for them, but not in my own name.

1788. You did work in the time of Mr. Mills and were paid, not in your own name?—Yes; I was paid in the name of my sister-in-law. She was helping me.

By Mr. Barron :

1789. In the case of Mr. Mills she did extra work?—Yes; we both did the work.

1790. And it was in her name the account was put?—Yes; it was work for the Ordnance Lands Office.

1791. At that time there was no law against that sort of thing?—I never followed that sort of thing.

1792. When you say the custom was kept up, the same custom as formerly, that is not exactly the case?—I think you misunderstood me. I said there was not a custom at all allowing permanent clerks to get extra work. Of course, there might be a number of cases, but I could not answer for them.

1793. When permanent clerks got extra work they got paid for it in their own names in Mr. Mills' time?—Yes.

1794. Not in anybody else's name?—No.

1795. Did you never see the statute upon this?—I read it; but it did not interest me very much.

1796. I want to point out to you what the statute says. It says: "No extra salary or additional remuneration of any kind whatsoever shall be paid to any Deputy Head, officer or employé in the Civil Service of Canada, unless the same has been placed for that purpose, in each case, in the Estimates submitted to and voted by Parliament." You see that statute is somewhat different from the oath, and prevents you from even doing extra work when it is in another Department?—I don't know, sir; I might argue that point—I think it is possible to do it. A certain sum of money is voted indirectly to cover extra work; I think this covers the case.

By Mr. Taylor :

1797. I understood you, whether correctly or incorrectly, to say that during the time of Mr. Mills you had done some work in which your sister-in-law assisted you?—And got paid—yes.

1798. In whose name was it paid?—I got the pay in her own name, as well as my memory serves me.

By the Chairman :

1799. I understood you to say that the work was done jointly by you two, but it was paid in the name of your sister-in-law?—We both did the work and it was pay for her for work we did.

By Mr. McGregor :

1800. She got the money, did she not?—Yes.

By Mr. Bowell :

1801. You got the work for your sister-in-law, you assisted her in doing it, she drew the money for the work which the two of you did in your own house?—Certainly.

By Mr. Chapleau :

1802. The work was for her?—Yes.

1803. And you said that in a certain manner the extras were to compensate you for your brother being killed in the North-West?—We had a great deal of trouble and loss and expense. I acknowledge that I merely used my sister-in-law's name because, according to custom, I could not get it otherwise; but I did the work, and I would have made it out in my own name, but it was not the custom, and probably the Auditor General would not have allowed it to pass.

The Committee then adjourned.

COMMITTEE ROOM, WEDNESDAY, 29th July, 1891.

Committee met—Mr. SPROULE in the Chair.

A. P. SHERWOOD called, sworn and examined :—

By Mr. Somerville :

1804. You are chief of Dominion Police ?—Yes.

1805. You have certain duties to perform with regard to the keeping of the time of the men going in and out of the Departments ?—Going in and out of the buildings. Anybody going in after hours, before 7 in the morning or after 6 in the evening, has his time taken, and unless he is on the pass list of the Department he is not allowed in.

1806. What do you mean by pass list ?—An order from the Deputy Head to go in.

1807. Can you turn up your books and tell me whether Mr. B. H. Humphreys had an order of that kind from the 15th December, 1888, to the 1st of May, 1891 ?—I cannot go back to 1888, as the information I was asked to give was from the 1st of July, 1889, to the 30th June, 1890. I have brought my books with me.

The examination of Mr. Sherwood was suspended, to enable him to procure the information asked for by Mr. Somerville.

H. E. HUME called, sworn and examined :—

By Mr. Somerville :

1808. What position do you occupy in the Interior Department ?—I am a second class clerk ?

1809. What is your salary ?—\$1,100.

1810. You are private secretary to Mr. Burgess, are you not ?—I attend to his personal correspondence ?

1811. What does that mean ?—I wrote his letters.

1812. You were called private secretary, were you not ?—No, sir ; there is no office of that name.

1813. But you discharged the duties of that position ?—I was Mr. Burgess' correspondence clerk.

1814. Did you ever receive any extra pay for services in the Department ?—I have received extra pay.

1815. When ?—In the spring of 1887 I received a payment.

1816. Of how much ?—\$50.

1817. From whom ?—I received it through a clerk named Hastings.

1818. Do you see that account, Mr. Hume (producing account). Is that the money you got ?—Yes, sir ; I received part of this account.

1819. How much of that did you receive ?—\$50.

1820. By whom is that account made out ?—I wrote the account myself at Mr. Hastings' request.

1821. And you certified it as correct ?—I certified that it was correct.

1822. You got the money ?—I received a part of the money.

1823. Who instructed you to do this ?—I received instructions to do it, but I do not think it is quite fair to say right out who told me.

Mr. SOMERVILLE.—I think it is right that you should tell every thing you know. You cannot inquire of anybody here. You are sworn, and you must give the evidence.

Mr. FOSTER.—You must answer.

By Mr. Somerville:

1824. Who instructed you to do it?—The Deputy Minister instructed me.

1825. How did he come to instruct you; how did he come to tell you to make it out?—He said to me one day that I might have extra pay for certain special services I rendered.

1826. That you had rendered?—Yes.

1827. What were these special services?—In the first place, I wrote out for him his evidence concerning a certain case in which he was examined—a certain land case. A commission was issued to take his evidence, and I wrote some of his evidence for him. There was also work in connection with the preparation of the annual report, which I did over and above my ordinary duties.

1828. When did you do this?—Which do you mean?

1829. This extra work?—At different times previous to this account.

1830. Did not Mr. Hastings do any work?—He did work I think to the value of \$8.

1831. In that account?—Yes.

1832. The account is for \$58. (Exhibit 15). I see it is extra work since the 15th December, 1886, 85 hours at 50 cents, and then extra work on the annual report, 31 hours at 50 cents. Who did the first part of this work, you or Hastings?—I think that includes the \$8 worth of work which Mr. Hastings did—that first item. The second item is for work which I performed.

1833. Were you doing right when you certified to that account for yourself?—I certified that the work had been performed. I knew that it had been performed. The Deputy Minister was satisfied with my certificate that the work had been performed.

1834. Did he instruct you to make out an account in that way?—Yes, sir.

1835. Here is another account (Exhibit 16) of the same character. Do you know anything of that?—Yes, sir; I think I remember about this account.

1836. What do you remember about it?—I received the proceeds of that account.

1837. Made out in the name of S. J. Hastings?—Yes, sir.

1838. What circumstances led up to your receiving this?—The circumstances were, as far as I can remember, exactly the same as in the other case.

1839. Who has certified to that? That is not a certificate at all, is it?—That is an endorsement in the Accountant's office.

1840. Is that account certified to?—It is not certified.

1841. Not by anybody?—No, sir; it is approved by the Deputy Minister and not certified.

1842. Is it not necessary to have an account certified? Is that not a rule of the Department?—I am not in a position to say whether it is a rule of the Department or not. Accounts are usually certified. I have no doubt it was an oversight that it was not certified.

1843. At all events, you received the money?—I received the money.

1844. Here is another account (Exhibit 17). What about that?—This account is dated the 1st August, 1886. I remember about that to a certain extent.

1845. What about the circumstances connected with it?—I remember simply that I did not receive any part of that account; that it was paid to Mr. Hastings for work done by him. That is so far as my recollection goes.

1846. You certified to that?—Yes, sir; I certified.

1847. But in that case you say Mr. Hastings did the work?—My recollection is that that account was put in by Mr. Hastings for work he did himself, and he received the proceeds of the cheque.

1848. You are positive about it?—That is my recollection.

1849. You are positive you did not get that account or any portion of it?—It is so long ago I cannot be positive; but I can swear that to my recollection I received no part of that \$10.

1850. \$58 was the first account. You received all of that?—No, sir; I received \$50 of that.

1851. The second account was \$15 and this is \$10. You say you are a second-class clerk?—I was at that time a third-class clerk.

1852. You are a second-class now?—I am now.

1853. Did you ever read the Civil Service Act?—Yes, sir.

1854. Read that clause.—(Reads the clause in relation to extra salary or remuneration).

1855. Don't you think that is pretty plain? Is that not *very* plain?—My idea always was that the Civil Service Act was intended to prevent civil servants from receiving pay from outside persons. It is possible that a man might be offered money by an outsider for having attended to business for him. I understood the Civil Service Act to apply to payments of that kind.

By Mr. Foster :

1856. For work done in or out of hours?—I understood it to be for work properly belonging to the office; that any person offering pay to a clerk other than his salary, the clerk should not receive it.

By Mr. Somerville :

1857. Did you ever certify to any other accounts for other extra men?—I have certified to an account of Miss Armstrong's—Miss E. M. Armstrong. She did some typewriting work for the Department and I certified to it.

1858. There was another Miss Armstrong—a Miss C. Armstrong?—I do not know her.

1859. Do you know Miss C. Armstrong?—I do not know her.

By Mr. Taylor :

1860. For these three accounts—\$58, \$15 and \$10—that were received by Mr. Hastings and of which you received a part, there was work actually performed and services rendered to the value of these amounts for the Government?—Yes, sir; I performed the work to the extent to which I received payment.

By Mr. Foster :

1861. Is Hastings an extra clerk?—Mr. Hastings was an extra clerk.

By Mr. Chrysler :

1862. When did you become the secretary or clerk of Mr. Burgess. How long have you been acting in that capacity?—Since October, 1886; that is to say, I have been working for him since that date, but I took the place of his clerk in 1889.

1863. Whom did you replace as his clerk?—Mr. Chisholm.

1864. At what date in 1889?—About the 1st May.

1865. Take this first account of the 12th August, 1886, of \$10. Were you Mr. Burgess' clerk at the time that work was done?—I received no part of this account.

1866. On the 30th June, 1886, were you his clerk at that time?—I was doing work for him.

1867. But you were not his clerk?—No, sir.

1868. And the work that is referred to there is it in the case of *Mercier vs. Fonseca*?—Yes.

1869. Do you know whether that was gone into—he was called as a witness in his official capacity?—I don't know whether he was called in his official capacity or not, but I presume that the work was such as would come within his office.

1870. All these accounts, then, were anterior to the time that you became his special clerk?—Yes, sir.

JOHN MASON called, sworn and examined :—

By Mr. Somerville :

1871. What position do you occupy in the Interior Department ?—I am employed in the storeroom.

1872. Were you the carpenter ?—I am a carpenter by trade.

1873. You had carpentering work there ?—I did carpentering work there in my spare time, when I am not employed in the stores.

1874. Are you employed steadily in the Department all the year round ?—Yes, sir.

1875. What was your salary last year ?—\$730.

1876. What are your hours supposed to be ?—From 8 to 5.

1877. Are you constantly employed in the Department ?—Constantly.

1878. You have work there all the time ?—All the time.

1879. Do you ever do any outside work for outside parties ?—Sometimes.

1880. Have you done any lately ?—Not lately.

1881. When did you do the last ?—I suppose about three months ago.

1882. Whom did you work for then ?—Mr. Dewdney ; I did some extra work for the Minister.

1883. Where did you do it ?—I did it in the building.

1884. What kind of work was it ?—Screens for mosquito blinds.

1885. How many screens did you make ?—Altogether, I think about eight.

1886. Eight mosquito screens ?—That is two years ago.

1887. Where did you get the material for that ?—I bought it.

1888. What other work have you done ?—I put up a shelf or two.

1889. You put up some shelves—when ?—A couple of years ago.

1890. When did you do this work ?—I did it in my own time.

1891. After hours ?—Yes.

1892. You entered the building after hours ?—I was there in the building late at nights and early in the morning, and I had my son helping me. He is a carpenter, and I had him to help me.

1893. Where did you get the lumber ?—Bought it.

1894. You carried it to the Department ?—I brought it into the Department. I made a wardrobe and bought all the stuff.

1895. Have you the bills for that stuff ?—I have the bills for the cedar.

1896. You have the bills ?—Certainly, the bills that I paid. Whatever I bought I paid for, and Mr. Dewdney paid me.

1897. When did Mr. Dewdney pay you ?—I think the last bill he paid me was in the first of the new year—1st of January.

1898. Have you got any pay from Mr. Dewdney since ?—Not one cent.

1899. You had leave of absence, had you not, in 1890 ?—I had, sir.

1900. How long ?—I think it was six or ten days, I forgot which—six days I think.

1901. Not longer ?—It may have been ten.

1902. Was it no longer than ten ?—No.

1903. Are you sure ?—Certain.

1904. It was not five weeks ?—Five weeks—no.

1905. You are positive ?—Positive ; can swear to it upon my oath. I swear positively.

1906. How did you put in your time during your leave of absence ?—Working for Mr. Dewdney ; six days would finish all the work that was done there.

1907. You spent your leave of absence working in Mr. Dewdney's house ?—I was working at my own place, not Mr. Dewdney's. My son was in the buildings. If there was rush at the stores my son was in the place during my leave of absence.

1908. Then your son had a salary ?—No, sir ; not but what I paid him.

1909. It was not leave of absence at all, then?—Mr. Hall told me I would have to attend to the stores; that I would have to see to the boxes to go away, and I had to see to that, and if I was away my son was there doing this work.

By Mr. Foster :

1910. Your son is a carpenter?—Yes, sir.

By Mr. Somerville :

1911. Now, did you ever make any meat safes in the Department for Mr. Dewdney?—I made a meat safe.

1912. When did you do that?—I did it in my own time; it took me perhaps, to make that meat safe, over six weeks. I entered the building at 6 o'clock in the morning and I had two hours then. I have never received a cent in my life since I have been engaged with the Government, and I have been engaged since 1858.

1913. You never received a cent for what?—Over and above my pay.

By the Chairman :

1914. It is desired to know whether you used in doing any of this work the time you ought to be at Government work?—I may have; I won't swear; I may have taken an hour or so. There was one time I could not help it. My son was working with me there at the time and I think I took an hour for the purpose of gluing on some cedar.

By Mr. Foster :

1915. Your son was working for you at this time?—Yes; he was backwards and forwards all the time, so that it would not interfere with my own work.

By Mr. Somerville :

1916. Is it not a fact that you had not a great deal of work in the Department, that you had lots of idle time?—I might say as a general rule I have so much to do I do not know what to take up first. I have always jobs on hand that I can take up.

1917. Did you do any work for Mr. Dewdney this spring?—I did.

1918. What did you do?—This spring I made a couple of boxes and a mosquito frame?

1919. How many frames?—One.

1920. In whose time did you do that?—In my own time.

1921. You are positive about that?—Yes.

1922. This did not need any special gluing, and you did it in your own time?—I did.

1923. Do you know a man named George V. Yorke?—I do.

1924. Where is he now?—I am sure I cannot tell you. In the States—at least, in Toronto.

1925. Do you know a man named Donovan?—Yes; that is the man I got to take the things to the Minister's house when I had made them. I paid him for doing that.

1926. When was the last payment the Minister made to you?—On the 1st of January.

1927. Did he not send you a cheque about the 1st of May last?—That was the last.

1928. I thought you said the 1st of January?—It was the 1st of January, I think.

1929. Did he not send you a cheque in May this year?—I think not.

1930. Are you sure?—I do not recollect it. The last cheque sent to me I think was in January.

By Mr. Mulock :

1931. What was the first job you did for Mr. Dewdney?—I could hardly tell you. I think it was putting up a little shelving.

1932. Where?—At his house, when he first went there.

1933. By whose orders did you do that?—Mr. White asked me if I could do a little extra work in my own time for the Minister, and I said I did not know. I said: I cannot see my way clear at present, but will see you again. I concluded that I could manage to do this little job, with the assistance of my son.

1934. How long is that ago?—About three years ago.

1935. The first job was putting up shelving in Mr. Dewdney's house?—A little shelving.

1936. How much did he pay you for doing that?—I could not say. I have not got the bill here. It is a very small account.

1937. When did he pay you for that?—I suppose about 6 or 8 months after.

1938. How did it come to run so long?—Because I never put it in.

1939. When did you put in the account?—I have not the date with me.

1940. You did put it in, did you?—I did.

1941. Seven or eight months after the work was done?—Yes; to the best of my recollection, but I do not remember the amounts.

1942. You do remember that you were paid?—Yes.

1943. By Mr. Dewdney?—Yes.

1944. Personally?—Yes.

1945. Where?—It was a cheque on the bank.

1946. Did that cheque include other work?—I think he gave me two or three cheques together.

1947. First of all, he gave you one for the shelves?—Yes; and perhaps for some other little work.

1948. What else would it include, if it included more than the shelves?—I made a table.

1949. That was the next work for him?—I would not say it was the next.

1950. What kind of a table was it?—A table for the kitchen.

1951. Was that the next work you did?—Yes.

1952. How long was it after you had made the shelving that you made the table?—It was soon after.

1953. A week, or two or three weeks?—It might have been a fortnight after.

1954. Within a fortnight, or soon after you put up the shelving you made a kitchen table?—Yes.

1955. Where did you make the table?—In the building.

1956. In your shop?—Yes.

1957. Where did you get the material from which you made the table?—Where did I get the material? I brought it from home.

1958. You remember that well?—Yes.

1959. You had the exact timber required?—Yes; I have lots of timber at home; I brought it down.

1960. I suppose there were other things required. Where did you get the nails?—I bought the nails.

1961. And the tools?—They were my own tools.

1962. You have a complete set of tools apart from the Government's?—The Government has no tools.

1963. When did you get paid for the table?—I could not say the date.

1964. How long was it after the table was made?—I could not say that; some months after.

1965. Was the price of the table included in the cheque for the shelving?—Yes.

1966. Did that cheque cover just those two items?—It covered other things.

1967. What else did you do for Mr. Dewdney?—There was a plate rack.

1968. You made that in the buildings, too?—Yes.
1969. What was the price of the plate rack?—I could not say.
1970. What was the price of the table?—I could not tell you that even.
1971. Have you no idea?—I have not.
1972. Have you no idea of the price of the plate rack?—It is on the bill I gave to Mr. Dewdney.
1973. Was that included in the first cheque he gave you?—I think it was. Those are about the first items I did.
1974. What was the next item you did?—The next was this wardrobe I spoke about.
1975. That is the work that took six weeks to do?—Yes.
1976. What was the price of the wardrobe?—I forget that.
1977. Have you no idea?—I forget.
1978. You have no idea of the price of the wardrobe?—No.
1979. You have not the faintest idea?—Not just now.
1980. \$50?—No.
1981. \$10?—About \$30 or \$35, I should say.
1982. So you have an idea. Did that go into the first cheque?—Really I could not tell you.
1983. Now the second cheque was not included in that?—I think I had only three cheques altogether.
1984. What was the next work you did for Mr. Dewdney?—I do not know; that very near finished it.
1985. Oh, no. We have the mosquito nets. What was the next in order of time? You have to go over two other cheques yet. He would not give you other cheques for nothing. I suppose it simply means this: that you were doing little chores for Mr. Dewdney?—I kept no regular account.
1986. And you cannot now with accuracy give us details of the account?—No. I did not keep an account.
1987. It simply means that from the time of Mr. Dewdney being Minister of the Interior until now you have been doing work off and on for him in the way you have mentioned?—Yes; but I have not done anything for him for the last three months.
1988. And you have been paid out three cheques?—I think it is about that.
1989. During all this time you have been in the public service?—Yes.
1990. Drawing pay at what rate?—\$2 a day.
1991. For how many days in the year?—365.
1992. You have been paid for 365 days in each year since Mr. Dewdney became Minister?—Yes.
1993. And occasionally you got leave of absence from Mr. Dewdney?—Not occasionally; never but once in my life.
1994. Mr. Dewdney gave you leave of absence once?—Mr. Dewdney did not. I asked Mr. Hall. I said I had a little private work to do and I would like leave of absence. He said: "I do not see how we can spare you; the goods must go away." I said: "I will attend to that; if I am not there my son will be there and see that everything is all right."
1995. You got leave of absence from Mr. Hall to do private work?—Yes.
1996. What private work?—Mr. Dewdney's work.
1997. You did it for Mr. Dewdney?—Yes.
1998. And delivered it to him?—Yes.
1999. He knew you were doing it?—Yes.
2000. During the time you were off duty you got your son to take your place and drew pay from the Government?—Yes.
2001. Your son does extra work?—He does not.
2002. What is your son's name?—John.
2003. And your name is John?—Yes.
2004. I see there is a payment here to S. J. Mason. Is he not your son?—No.

2005. Your name is John Mason, "packer, 365 days, at \$2 a day, \$730." That is what you have received?—Yes.

By Mr. Foster :

2006. During the last three years, which have been in question, you have had leave of absence for how long?—I think it was 6 or 10 days.

2007. Is that all?—That is all I have had since I have been in the employ of the Government.

2008. Why did you get this leave of absence?—I had this little private work to do, and I did not see my way clear to do it; but I thought if I could get leave for a few days, then I could do it.

2009. Whom did you ask?—Mr. Hall.

2010. What did he say?—He told me, he says: "I will give you leave, John, but I do not see how we are going to do without you; goods are going away every day." I said I would see there would be no delays, as my son would be there in case I could not be.

2011. You got your 6 or 10 days' leave?—Yes.

2012. And during that time your son was engaged in your place?—Not all the time; every time there was work to be done he was there.

2013. That work that you would have done was done by him?—Yes.

2014. Did he receive pay for it?—I paid him.

2015. I mean from the Department?—No; not at all.

2016. He received no pay from the Department during the time he was at work while you had received leave of absence?—Not one cent.

2017. Did you do this work for Mr. Dewdney in office hours or out?—I may have used a few hours in office hours.

2018. How many?—Not a day altogether.

2019. All the rest was done outside of time?—Yes.

2020. And for everything you did Mr. Dewdney paid you?—Yes; as I sent in my bill. I paid for everything I used.

2021. The material you used for these articles you bought and paid for yourself out of your own money?—Yes.

By Mr. Somerville :

2022. You wanted this special leave of absence at this time to do work for Mr. Dewdney?—Yes.

2023. Did you have any conversation with Mr. Dewdney about it?—I did not.

2024. Mr. Dewdney asked you to do the work?—No, sir; Mr. Fred. White came to me and asked me if I thought I could do this work for Mr. Dewdney. He wanted this work done.

2025. Who is Mr. White?—Comptroller of the Mounted Police.

2026. Is he your superior officer?—No, sir.

2027. He said Mr. Dewdney wanted this work done?—Yes; Mr. Dewdney asked if he could recommend him some one.

2028. When was this?—This was when the Minister first came.

2029. But I mean with reference to your leave of absence?—That is the time I had my leave of absence—the first of the year 1890.

2030. Previous to that, according to your own statement, you had been doing work for Mr. Dewdney?—Not at all. This was the first commencement.

2031. Had you not done any work for Mr. Dewdney before these holidays commenced?—No.

2032. You got these special holidays of six to ten days in order that you might do work for Mr. Dewdney by instruction from Mr. Fred. White?—No instruction. He came and asked me if I could do it. I told him, I did not see my way clear at present, but would let him know again; and I thought that if he was not in a hurry,

and it did not matter how long I took over it, I would do it in my spare time. My son would help me, and I could manage it.

2033. You did this work right along when you got your holidays?—Not at all.

2034. I mean this special work?—I did the bulk of it.

2035. What were you doing during these holidays?—I was working at Mr. Dewdney's house and in the buildings in my own shop.

2036. Hadn't you your son at work in the buildings?—Sometimes I would come there when I was using glue, and so on. I had not that at home.

2037. You were working at Mr. Dewdney's house, and came back when you wanted to use the glue?—I was not at Mr. Dewdney's house when I was using the glue at the buildings.

2038. Certainly not. This holiday was specially to work at Mr. Dewdney's?—Yes.

By the Chairman :

2039. Is it customary for clerks working on the same lines of work as you to get holidays some time in the year?—Yes.

2040. Does their pay go on during their absence?—Yes. The Board of Works gives their men holidays.

By Mr. Barron :

2041. Is it customary to get holidays to do work for a particular Minister?—No

By Mr. Taylor :

2042. How long have you been working for the Government?—More or less since 1859.

2043. And these are the first holidays you ever had?—Yes.

WILLIAM PEART called, sworn and examined:—

By Mr. Somerville :

2044. How long have you been in the service of the Government?—Since the 1st of June 1880.

2045. Where did you reside previous to that?—I was engaged in the Government service on the 1st of June 1880 in Winnipeg.

2046. What were your duties in Winnipeg?—Messenger of the Department.

2047. Of what Department?—The Indian Department.

2048. Who appointed you to that position?—I was living in Winnipeg and I saw an advertisement in the paper for a messenger and I applied and got it.

2049. Whom did you apply to?—The head person.

2050. You were in the service of the Government in Winnipeg from 1880?—Yes.

2051. Until when?—The present time.

2052. But you are not now in Winnipeg?—I was in Winnipeg from the 1st of June, 1880, until the 1st July, 1882.

2053. Were you transferred from Winnipeg to the service in Ottawa?—I was.

2054. How did that come about?—I was transferred by the order of the Minister. When Mr. Dewdney was made Minister I was his messenger in the North-West. Therefore, he had me transferred from Regina to Ottawa.

2055. You were his special messenger out there?—I was.

2056. You went there in 1882, when Mr. Dewdney came?—I did not.

2057. When?—I left Winnipeg in 1882 and went with the Department when it removed to Regina.

2058. How did you come to get to Ottawa?—On the train, I suppose. I went to Regina in July, 1882, and remained there until the 1st November, 1888, and was transferred from there to here.

2059. What did you do at Regina?—I was messenger to Mr. Dewdney, as he was Indian Commissioner and Lieutenant-Governor.

2060. What were your duties as messenger?—Anything I was asked to do.

2061. What character of duties had you to do?—The duties of a messenger.

2062. In the morning what did you do?—I went to the office and cleaned it out and looked after it. I went to the post office and got the mail and distributed it to the clerks. I worked in the office all day long and put letters on the files and put the files away and copied letters and stayed there until the work was finished.

2063. You had no duties outside of the office?—No; I had not.

2064. You did not do any work outside of the office?—I went up and down with telegrams and posted the letters.

2065. But you did not do any work outside of office duties?—What kind of work?

2066. That is what I want you to tell me?—If you ask I will probably give you the information.

2067. You were transferred to Ottawa in 1888?—I was.

2068. Mr. Dewdney was then Minister of the Interior?—Yes.

2069. Where do you live?—With Mr. Dewdney.

2070. What time do you come to the office here?—On an average at half-past nine.

2071. What time do you leave?—When the Minister leaves.

2072. When does he leave?—Some times four o'clock, sometimes half-past four; sometimes it is five o'clock; but mostly it is half-past six. It is oftener seven o'clock than four.

2073. You are a kind of body servant to Mr. Dewdney?—I am his special messenger. That is what I go by.

2074. You do work down at his house?—I do, certainly. I live there. That is my home. I do no work there except when I am through with the office, before I go to the office and after. That is my home.

2075. If any of the other parties in the Interior Department were to give evidence to show that you were not in the Department more than from one to one and a-half hours per day what would you say?—That it is not so.

2076. Don't you act as general chore man or boy around the residence of the Minister?—I do, but that has nothing to do with the Government whatever.

2077. You wait on the table?—I do.

2078. You black the boots?—I do all sorts of work around the house.

2079. You black the boots? There is no disgrace about that, because I do it myself?—Yes.

2080. You clean the windows?—Yes.

2081. You are general butler or body servant to Mr. Dewdney?—I am, out of office hours; not in office hours.

2082. Will you swear that you attend the office during office hours constantly; do you swear that?—I do, for the most of it, with the exception that when Mr. Dewdney is at the house working I remain at the house as his messenger. Sometimes he is laid up sick and not able to be at the office, and I am his special messenger, and live at the house, and run up and down from the house to the office, and bring his letters and all sorts of documents to be signed, and bring them back to Mr. Hall or Mr. Burgess, or whoever is acting Secretary.

2083. What do you do in the Department?—I am Mr. Dewdney's messenger.

2084. You really work for Mr. Dewdney?—I suppose so. I am Mr. Dewdney's special messenger in the Department.

2085. When Mr. Dewdney travels, do you go with him?—I do.

2086. When he goes to the North-West?—Yes.

2087. What are your duties then?—I am his messenger.

2088. When he gets out on the prairie, what work have you to do there?—There is lots of work. Telegrams and letters have to be sent.

2089. What kind of work do you do when you are travelling with Mr. Dewdney? Tell us without hesitation?—I would rather be asked particularly.

By Mr. Somerville :

2090. When you were travelling with Mr. Dewdney what did you do?—I go out with telegrams to the stations and get letters when there is need of it, and so on.

2091. Does he have with him a Secretary, too?—Certainly.

2092. Who is his Secretary?—Last time Mr. Dewdney went up Mr. McGirr went up, I believe.

2093. And do you get travelling expenses?—Yes.

2094. You get travelling expenses when you are travelling with Mr. Dewdney?—Yes.

2095. How much allowance do you get besides your pay?—I get \$1.50.

2096. When Mr. Dewdney goes into the North-West or into any part of the country do you always attend him?—Well, I have done so, but I have only gone out twice.

2097. Have you ever been in any other part with him?—No.

2098. Were you ever down to the sea coast?—No.

2099. They do not give you such nice trips as that? You draw your salary of \$395 right along, I suppose?—Well, I have done so until the 30th June.

2100. And you get this extra pay likewise when you are off on these trips besides?—I have done so.

2101. Who do you get it from?—From the Department.

2102. Under what name did you get it?—In my own name.

2103. Are you sure of that?—Positive.

By Mr. Mulock :

2104. You are serving two masters?—How do you make that out?

2105. Are you serving two masters?—Well, I am working for Mr. Dewdney and Mr. Dewdney's house is my home, and I am at liberty to do whatever I wish before office hours or after office hours.

2106. Are you serving two masters?—I don't know how you get at that.

2107. Are you serving the Minister of the Interior in his official capacity?—Yes.

2108. You are a servant with the Minister of the Interior in his official capacity, and you are a servant of Mr. Dewdney in his private capacity?—I am.

2109. Then you are serving two masters, are you not?—I suppose so, if you like to make it out that way.

2110. Have you any regular hours of duty to the Government master—the Minister of the Interior?—I generally come down.

2111. I am asking you if you have regular hours for appearing on duty on the Department of the Interior?—Well, the office hours are from 10, I believe to 4; sometimes I am there from 9.30.

2112. Answer my question, sir?—Have you any regular hour for appearing on duty at the Department?—Well, on the average at 9.30.

2113. You say the average is 9.30?—Sometimes before, sometimes after.

2114. Do you sign the roll?—I do.

2115. The roll will show how far you have kept up to that average?—Yes.

2116. You sign it every morning when you are there?—Yes.

2117. It sets forth the hour of your arrival?—Yes; it does.

2118. Supposing Mr. Dewdney required you to remain one hour later than the regular hour for appearing—to remain at your home—which order would you obey—the order of Mr. Dewdney or the order of the Minister of the Interior?—That is not a fair question, I think.

2119. I am asking you a perfectly fair question?—That is not a fair question.

2120. I want to know whether you would obey the Minister or Mr. Dewdney?—

THE CHAIRMAN.—I would like as the Chairman to give him an explanation of it. The witness may not understand, when an order is given by Mr. Dewdney, whether he is acting as Minister of the Interior or as a private individual.

MR. MULOCK.—If he will accept that, I will accept his answer. Is that the case?—Yes.

2121. You don't know whether you obey the Minister or Mr. Dewdney in his private capacity?—Yes.

2122. You told us you drew pay from two sources. Do not you draw pay from Mr. Dewdney for the service you rendered him?—That is private.

2123. Did you or did you not?—I do.

2124. Then you are drawing pay from three sources and you have to render value to Mr. Dewdney in his private capacity for the pay he gives you, do you not?—I do.

2125. You have to give value to him for what he pays you privately for wages?—Yes.

2126. And you try to render value, I presume, to the Government for the pay they give you?—I do.

By Mr. Somerville:

2127. How much did Mr. Dewdney pay you privately?—I am not at liberty—

2128. You are at liberty to tell all you know?—I am not at liberty to give my private affairs in this way.

2129. Who told you that?—I know that—

Mr. FOSTER objected to the question being put concerning a matter of a private character.

2130. I want you to tell me who told you you were not to tell?—My private affairs belong to myself.

2131. Who told you not to tell that here?

J. R. HALL re-called and further examined:—

By Mr. Somerville:

2132. You stated I think—I have not got the printed evidence here—that Humphreys got extra work in the Department?—Yes.

2133. And were you aware he had performed extra work?—I was aware, as certified to by Mr. Henry who gave him the work.

2134. Did you certify to this account of Mr. Humphreys'?—Not beyond December, 1888. If you will allow me to explain the matter I think it may probably save time. Humphreys came into the Department in 1883 at \$1.50 a day. Some time in 1885 he commenced doing extra work, for which he was allowed to make about 50 cents a day, to make his pay up to \$2 a day. It was in the month of December, 1888—I was acting Deputy at the time—that Mr. Henry, who had been certifying to this account, said: "Would it not be better to give him 50 cents a day more and put him on the pay list at that rate?" I said, yes. He had been given this for several years and I thought it would be better to put it straight on the pay list and I authorized that and he was paid it. I said to Mr. Henry: "This is to end any extra work for Humphreys. Whether he does it or not, he must be satisfied with the \$2 a day." And since December, 1888, I have not certified to or approved of any payment to Mr. Humphreys. I am told he did extra work on indexing at night and did other work between four and six. That is the principal time he did the over-time. But since the time that I took the stand that he should be satisfied at \$2 a day I have not passed any accounts.

2135. What was there special about this man Humphreys that he should get so much extra pay?—I do not think his salary in any one year exceeded \$1,100, and some years it did not reach that. He was a good all-around man and a good worker.

2136. He seems to have got a good deal more than any other man in respect to extra work. You see, in 1888-89 he was paid for the full year, 153 and 212 days—making up the full year—and then, he was paid for 445 hours at 50 cents an hour, making \$222.50. In the previous year, or rather 1889-90, he worked 365 days, at \$2 a day, making \$730, and he was allowed 776 hours at 50 cents, \$388, making \$1,118. Could that man do this extra work for 776 hours and do justice to the Department by working full time for every day in the year?—He could put in a good deal of time between four and six o'clock. He was an extra clerk, and for extra clerks, between four and six was looked upon as extra time.

2137. You say, this work was done?—It was certified to by Mr. Henry up to the end of 1888.

2138. I am asking what you know about it?—I was not present in the room while he did the work. I accepted the certificate of his superior officer.

2139. You believe, he did this work?—Yes.

2140. Beside having worked 365 days in one year, he worked 776 hours?—I think, that would not be more than two or two and a half hours a day.

2141. And you think, he did that?—I believe, he did. If he did not, I have been deceived, and I am very sorry to hear it.

2142. Who told you that he did this work?—Mr. Henry.

2143. Who else?—Mr. Pereira.

2144. Anybody else?—Not that I know of.

2145. That statement seems to be rather strange in the face of the fact that we have the Deputy Minister's statement, I think, to the effect that this 50 cents an hour, was not for extra work at all, but was given to make up his salary?—I have not read Mr. Burgess's statement.

2146. Was that not your statement, Mr. Burgess?—Mr. Burgess—I do not remember.

2147. Do you know Mrs. E. J. Orde?—Yes.

2148. Who is Mrs. Orde?—She was my sister. She died in the month of June, 1887.

2149. Your salary is \$2,800 a year?—Yes.

2150. Looking through a number of accounts here I see that Mrs. Orde received \$235.60 in 1885?—The total she got was about \$480, extending over thirteen months—the year 1885 and January, 1886. Will you allow me to explain about it?

2151. Certainly.—Before giving that work to my sister I asked permission from Mr. Burgess to do so. There were about twenty-five women in Ottawa getting extra work from the Department at that time. A great many returns were being asked for by the House of Commons, and there was a great deal of copying to be done. This work was copied at so much per folio. The work was done by my sister, or by her eldest boy, a school boy of 15, who wrote a good hand. The money was drawn by her in her own name. I never touched one cent of it in any way. The work was counted up every month by Mr. Wm. Howe, who is since dead. I told him to be careful and count the work fairly, as Mrs. Orde was my sister; he was to be particular to see that it was counted right. One month Mr. F. C. Capreol counted it, Mr. Howe likely having been away. In 1886 the question arose in the Department as to whether we could give out copying to anyone who had not passed the Civil Service examination. Immediately that question was raised I stopped my sister from getting any more work, though dozens of others, who had not passed the examinations, continued to get the work. However, I wanted to make sure that there was nothing irregular, as far as my sister was concerned. For every dollar paid to her the work was honestly done, it was properly counted, and I did not touch one cent of the money in any shape or form. My sister lived at my house; she had five young children, and she did not even pay her board out of that money, in any way. I never touched or received anything out of that money.

By Mr. Taylor :

2152. I want to ask you a question in reference to the work given to Mr. Anderson. I think the impression was left on the minds of the Committee, when Mr.

Burgess was under examination, that he gave out that work. Will you please make a statement of what you know of it?—My recollection of it was that Mr. Burgess came to me one day in my office with the Forestry Report. He said to me: This report is written in such bad English, it is so ungrammatical that we cannot publish it in the Blue Book in its present shape. Whom can I give it to in the Department to revise. I have not time to take it home and do it myself. I at once thought of old Mr. Anderson, a man who had been editor of a newspaper in Scotland for many years, and one thoroughly competent to do the work. He was at that time getting \$1.50 a day in the Department—not very extravagant pay for an ex-editor. I thought that if a little could be thrown in his way no harm would be done. Mr. Anderson took the work home; he did it after hours. It took him five or six weeks to do it. That was in the year 1886. The result of that was published in a pamphlet—not in the report of the Department, but in a separate pamphlet, which was laid before Parliament. In reference to paying him for the work, had old Mr. Anderson come to me direct I would have paid him straight. Unfortunately, however, Mr. Burgess took a round-about way to pay him, and no one regrets it now more than Mr. Burgess himself. There was nothing wrong or crooked about the matter that I can see. Mr. Anderson was an extra clerk at \$1.50 a day. He did the work at night; he did it well, and got \$100 for it. That is all I know about it.

2153. Who is Mrs. Elizabeth Anderson?—I do not know, unless she is Mr. Anderson's wife.

2154. I see that in 1887-88 she was paid \$75. The account is certified to by Mr. Chisholm and approved by Mr. Burgess?—I think after Mr. Anderson's death his widow decided to return to Scotland, and some copying was given to her to help her towards that end. I have no doubt that she did the work. If I am not right in my supposition, probably Mr. Burgess can correct me.

MR. BURGESS—That is correct.

By Mr. Somerville :

2155. Do you know anything about Miss Duhamel's case?—Yes.

2156. There seems to be some mystery about that. I would like to get to the bottom of it?—About two years ago Miss Duhamel, who, I believe, is one of the coming prima donnas, decided to go to Paris to finish her musical studies, and her mother asked that we should not give her a year's leave of absence, but if possible to hold the appointment open for her, if the work could be done in her absence, so that if she failed in Paris she could come back into the Department. That arrangement was allowed on the understanding that it was to be for one year. It drifted on, however, into two years, and all the time, during her absence, the work of an extra clerk, the average day's copying of a lady copyist—I think more than the average—was done for and on behalf of Miss Duhamel. If the parties sent the money to Paris that is a private matter. All that we saw was that the work was done. It was done in a very good hand. The work I have since been informed was done by her sister, but the account has been put in the name of Miss Nellie Myers. Miss Duhamel's sister has passed the Civil Service examination and is entitled to do extra work. I was always under the impression that Miss Nellie Myers actually did the work until yesterday, when Mrs. Duhamel came to my office and admitted that her daughter did the work and that Miss Nelly Myers did not. However, the work was done. It stopped at the end of June, like all those other extra clerks.

By Mr. Barron :

2157. The lady who did the work was the sister of Miss Duhamel who went to Paris?—A. Yes.

2158. In the Department?—No; at home at night time. Those two books which I gave to Mr. Somerville will give an idea of the number of files got in the name of Miss Nellie Myers from day to day. Mrs. Lee happened to have those two, but she generally throws them in the waste paper basket. They are just rough memoranda.

By Mr. Somerville :

2159. The accounts were certified, Miss Nellie Myers signed the cheques, and they were witnessed by some person of the name of Duhamel?—That was probably the sister, Miss Agnes Duhamel—the one who is here in Ottawa.

2160. She is employed in one of the Departments?—I believe so.

2161. What Department?—I think the Post Office Department, but I am not sure.

2162. She would be receiving a salary in the Post Office Department?—Yes.

2163. Did you have any consultation with Mr. Dewdney about this matter?—Oh, no; I have not spoken to Mr. Dewdney about it. I think the arrangement was made with Mr. Burgess to oblige the Duhamel family.

2164. There is such a person as Miss Nellie Myers?—Yes. She has been here ready to be called before the Committee.

2165. She did not do this work at all?—She says now she did not. I always understood she did.

2166. What object was there in putting the account in a fictitious name?—Because the other Miss Duhamel being already employed in the Civil Service, could not be drawing other pay, I suppose.

By Sir Richard Cartwright :

2167. Is she a permanent official?—I do not know. I dare say she could have done it.

By Mr. Somerville :

2168. I understand from the Auditor-General that she is not a permanent clerk?—I cannot speak positively about that.

2169. Do you know why the account was put in Miss Nellie Myers' name?—That is a matter between the Duhamel family and Miss Nellie Myers. I know nothing of the arrangement. I was only concerned to see the work was well done.

2170. Did you examine the work?—I have seen specimens of it; it is in an excellent handwriting.

2171. I asked Mrs. Lee to furnish a statement to show the work she did. Mrs. Lee gives out the files every day?—A portion of them.

2172. She ought to know what amount of work is done for this money by the files?—Yes.

2173. She is in a position to furnish to the Committee the amount of work done by Miss Nellie Myers?—Yes. Mrs. Lee has assured me that Miss Nellie Myers, or whoever did the work for Miss Duhamel, did as much or more than the average lady copyist.

2174. I would like to have that evidence here?—You have the primary evidence here already, if you run through those little books which I gave you.

2175. What do the figures represent?—The number of the official files. It may mean that the whole file has to be copied or only one or two papers from it.

2176. Can you give any reason why this other person should be substituted for the real person doing the work?—I know of no reason except that the other Miss Duhamel was employed in another Department.

2177. But that would not be sufficient reason? She is not a permanent clerk?—I do not know whether she is permanent or not.

Mr. SOMERVILLE.—The Auditor-General says she is not.

The AUDITOR-GENERAL.—I am not positive on the point; I am only speaking from memory.

By Mr. Somerville :

2178. The payment of this money has been stopped?—At the end of June. That was the period up to which, by a mutual arrangement with the Auditor-General and the Treasury Board, we were allowed to continue. We gave them all notice in the

month of May that those who had not passed the Civil Service Examination must go at the end of June. That was the outcome of the minute of the Treasury Board on the subject of this extra work.

By Mr. Taylor :

2179. Can you give us a statement as to whether the expenses in connection with the Department of the Interior have been increasing or decreasing for the last two years?—Yes.

2180. Will you please do so?—Yes. I took the trouble to look into that and see whether we have been extravagant, so that I find there has been a steady decrease for the last two years, and a contemplated greater decrease. In civil government here at Ottawa we have made a cut of nearly \$5,000 in the last two years. We estimate between six and seven thousand this coming year, and it will thus be in three years eleven thousand. In 1889-90 we saved \$13,000. We made a reduction of \$13,000 in the outside service, and in 1890-91 we made a reduction of \$11,000; that is \$24,000 in the outside service, besides \$11,000 at the Head Office; and we will make a still further cut. Under Mr. Dewdney's administration of three years we will have effected a saving of fully \$40,000 between the Inside and the Outside Service. But I would like to say right here, and I think it is due to the memory of the late Mr. White, that at the time of his death he had fully made up his mind to make the very same reductions. He spoke to Mr. Burgess and myself about it repeatedly, and would have carried out those reductions had he lived.

By Mr. Paterson (Brant) :

2181. You are making comparison with what year—1885, 1886 and 1887 were extraordinary years?—Yes; those were extraordinary years.

2182. Well, is it a comparison with them?—I said with 1889 or 1890. My first reduction is in 1889-90, the second 1890-91, and I am now entering upon 1891-92, in which we are still going on with this reduction.

2183. Well, in the ordinary course of affairs the expenditure of that Department would be less now than in 1886, shortly after the Rebellion, when there was so much work connected with it?—Oh, yes; for several causes we have been able to effect these reductions; for instance, when the colonization companies were wound up we disposed of Mr. Rufus Stephenson's services at \$3,000 and \$1,000. In the same way we disposed of the Forestry Commission, with \$2,000 salary and \$1,000 expense attached.

By Mr. Somerville :

2184. Was Mr. Stephenson's salary not \$5,000?—\$3,000 salary and \$1,000 expenses. In these two matters we have saved \$7,000, and wherever we have a vacancy in the Crown Timber Office in the North-West, either by resignation or by death, we have amalgamated the Crown Timber Offices and the Dominion Lands Offices. We have done that at Winnipeg, Calgary, Edmonton and Prince Albert, and the salary of a Crown Timber Agent was \$1,200 with contingencies, so there was a considerable saving there. We disposed of the Land Guide service, and in the year 1886 two commissions went out to settle Half-breed claims, and there were expenses in connection with it. All these things are now settled up, and about the year 1887, before Mr. White's death, he began to see his way clear to make these very large reductions which Mr. Dewdney has since carried out.

2185. Reductions have been made because the work was not there to do. That is the reason of the expenses being cut down?—Yes; but if the Government wishes simply to make places for men they could have filled all the vacancies in the Crown Timber Office without any question being raised. They preferred, however, to cut down these expenses if possible, and united the Dominion Lands and Crown Timber Offices.

2186. It is because there was not enough for them both to do, I suppose?—Oh, there may have been an excuse for having two there. It is easy to find something to do for a Government Official.

2186a. Is that your experience?—I have always found plenty to do.

2187. It has been suggested to me that there are many men in the Department who don't faithfully discharge their duties?—There, at the Head Office?

2188. Yes, that there are some men?—Not a great many.

2189. There are some?—I don't know that I am authorized by the Minister to go into questions of internal economy in the Department.

2190. There are some men who do not render much service; would not the Government be doing its duty to get rid of those men who don't give much value?—Here at Ottawa?

2191. Yes?—I know some of them who I think in very few years will have to be superannuated; they are getting on towards that. There would be a still further reduction in our staff at Ottawa.

2192. The other day in giving your evidence you said you sometimes had to go down to the jail to get some of these men out—did you not?—I did.

2193. How did they get in there?—Debt—Division Court.

2194. Division Court debts?—Yes.

2195. And would you go down and get them out.

Mr. FOSTER objected to this question.

J. A. CORÉ called, sworn and examined:—

By Mr. Somerville:

2196. What position do you hold in the Department?—I am a third class clerk.

2197. When were you advanced to that position?—Since the 1st January, 1887.

2198. You were an extra clerk before you were advanced to the position of permanent clerk, and you were in habit of doing a lot of extra work, were you not?—I did some but not very considerable and I did some sometimes.

2199. Well I see in 1883-84 your salary was \$547.40 and you get \$417.15 extra work?—Yes.

2200. Well the next year your salary was \$547.50 and you got extra work amounting to \$450.50?—Yes.

2201.—That was 1884-85. Well then in 1885-86 your salary was \$547.50 and you got only \$109.25 worth of extra work?—Yes.

2202. How do you account for such a drop as that; you got \$417 one year, and \$440 another year, and then it dropped down to \$109?—Well during the years of 1884-85 the extra work that was put down as having been performed by me, was not in reality performed by myself.

2203. Who was it performed by?—It was performed by a brother of mine who was engaged in compiling an index for the Department and who was working after hours. He adopted this means of getting the pay because I was an extra clerk, and he could not very well draw the money himself because he was prevented, being a permanent clerk.

2204. It was merely a matter of accommodation for your brother?—Exactly, yes.

2205. He got the money in fact?—He got the money every cent of it.

2206. Did he not give you a little share of it?—Not a cent; it was no trouble for me to do that.

2207. You just let him have the use of your name?—Exactly. The thing was customary, at least I had heard in the Department. I did not know there was any thing dishonest about it. The work was done and well done.

2208. How do you know it was well done?—The work is there yet, and if you go over the work you will see it is well done.

2209. There seems to be a difficulty in getting a sight of the work?—I would be very glad to see the work brought here and examined by the honourable members of the Committee.

2210. You did not make out the account then?—I cannot recollect.

2211. Here are some of those accounts. Did you make that out (Exhibit No. 18)?—Yes; I made that out. I might have made out the account and drawn the money and given him the money.

2212. Here is another one certified to and approved by Douglas? Is that your writing (Exhibit No. 19)?—My writing, yes.

2213. And you got no money for that; how much is it?—It amounts to \$42.

2214. How much was the first?—\$51.

2215. Here is another one; how about that (Exhibit No. 20)?—That is one of the same sort I suppose.

2216. Did you make that out?—I did not make this out; it is in the hand writing of my brother.

2217. And certified to by whom?—It is certified to by Mr. Henry. I did not do any extra work at all for my brother, or pass any account in my name for him after 1885, only during 1884, because the work he was at was completed at the end of 1884, and any account that you will find after that date was done for himself.

2218. Well then this account for extra work which was done in 1883, 1884, of \$417.50, you say, all went to your brother?—Every cent of extra work in 1884 and 1885.

2219. And you just allowed him to use your name?—Yes. Of course, I myself performed a little extra work in those days. I may have put in an account, but there is nothing to distinguish now between the accounts filled for my brother as accommodation, and probably a little extra work I did in my own name.

2220. I am speaking of these accounts—you got none of this?—I got none of the money that I received from the accounts that were filled in for my brother's accommodation.

2221. And the total amount was for his accommodation? In these years as I understand you?—Yes.

2222. You knew at the time that you were doing wrong?—I did not. I did not think then I was doing anything dishonest, there may have been something irregular, but I did not think there was anything dishonest or that would in any way arouse any suspicion.

2223. Do you know anything about when your brother did this extra work?—After hours.

2224. Did he do it in the building?—Exactly, in the building and I am very sure he was there every night for over two years. He was working on this index which should be examined.

By Mr. Chrysler :

2225. The work that your brother was doing was the work he could not take home?—No. Not easily.

2226. What was it?—It was a compilation of three different indices into one under the Burr system of indices. It was the indices for different years from 1874 to 1879. They were all made according to the old system of indexing under the first letter, and as the work was increasing considerably in the Department it was very difficult to get at any of the previous correspondence so they thought it a desirable time to complete those indices under the Burr system. The work was long and tedious and required long experience.

2227. As I understand they were the indices to a large number of books?—Yes.

2228. Which could not be conveniently removed from the Department?—Not very conveniently.

2229. Were those books in use during office hours?—They were constantly.

2230. And for that reason the work would have to be done when the clerks in the office were not using them?—Yes.

NARCISSE COTÉ called, sworn and examined :—

By Mr. Somerville :

2231. What is your position ?—I am first assistant in the Patent Branch of the Interior Department.

2232. What is your salary ?—\$1,400.

2233. How long have you been getting that ?—Only since last January.

2234. What did you get before ?—I have been increasing \$50 a year since I was a second class clerk.

2235. You have heard the evidence given by your brother, is that correct ?—Perfectly.

2236. You got the whole of this money ?—Every cent. At the time I was drawing a small salary and had not taken the oath of office, or anything of that kind, although I don't attach any importance to that.

2237. In 1883, 1884 what was your salary ?—In 1885 I was made a second class clerk—on the 1st of January with a salary of \$800 or \$900.

2238. It would be the same in 1884 ?—No, I was a third class clerk then, getting a statutory increase of \$50 a year, so in 1884 I was getting \$50 less than in 1885.

2239. Who was this arrangement made with ?—When I started work, it was made with the then Deputy Minister Mr. Lindsay Russell.

2240. How long did you continue in this work ?—I was engaged in that work all the time I had this extra work.

2241. Two years ?—Yes two, or three years. It was in the fall of 1882 that I commenced the work and it was, as has been explained, upon indices covering the years 1874 to 1879, inclusive, and these books could not possibly be taken out of the office or used during the day, because we were constantly referring to them during office hours and in connection with the correspondence. It was an index of the correspondence received through the Department during those years.

2242. Why don't you insist upon having it done in a square way—having the vote for this extra work put in the estimates ?—It never struck me that there was anything out of the way in it.

2243. You knew about the Civil Service Act ?—I do not know whether I did. I suppose I did. I did not think there was anything really wrong about it. I was not ashamed to tell those who were entitled to know about it that I was doing it. They knew that I was quite willing to put in a good deal of extra time without extra pay, as I have done since ; but they knew that I was not doing all that work night after night from zeal.

2244. Did you know anything of this provision in the law ?—I know all about it now, but I do not know whether I did then. Even in the face of that I do not know whether it would have been an objection as I look at it.

2245. Was it not your duty to look at the Civil Service Act ?—I think it was just in the fall of 1882 that the Act came into force.

2246. Since that time you have been travelling in the North West ?—Yes, sir.

2247. What special business were you on there ?—I was Secretary of the North West Half-breed Commission, but in 1887 I was made a member of that Commission.

2248. Did you draw pay as a departmental officer and as a Commissioner too ?—No, no. I drew just the pay of the Department and the ordinary living allowance of \$3.50 a day. At first I drew \$5 a day because that was the rate allowed to employees travelling in the North West ; but later on that was reduced to \$3.50. I started when the living allowance was \$5, and a special Order in Council was passed allowing me to draw the \$5, as the arrangement was that I was to draw \$5 when I started out.

2249. Did you draw anything else than your living allowance for that service ?—In 1887, after I had performed the service, a vote of \$500 was passed by Parliament to me for my services. That appears in the Estimates.

By Mr. Denison :

2250. Did you draw extra pay before the Civil Service Act was passed?—I commenced doing extra work in the fall of 1882. I do not believe I did any before that. The Civil Service Act came into force about that time.

By Mr. Taylor :

2251. How long have you been in the service?—Since 1878.

2252. For this work that the accounts were put in in your brother's name, you rendered all the services?—I did the extra work. During the day, of course; but I did not do any of that kind of work for which I was paid afterward.

2253. I mean for this index that you did and for which the account was put in in your brother's name?—I did, and I would not do that same work again for twice the money.

2254. The Government got full value?—I would not, if allowed by this Committee, do that work again for twice the money.

By Mr. Coatsworth :

2255. Did you enter the service in 1878?—Yes.

2256. What part of 1878?—I first commenced doing work as an extra clerk, I think it was March 1878. Before that time I had done some work in the Public Works Department. I would like to say that that work could not possibly have been done outside of the Department, and I think I was the only one then in the Department qualified to do the work. I was then assisting Mr. Henry, and I do not think any one but a man familiar with all the correspondence could do it.

By Mr. Mulock :

2257. Were you ordered to do it?—I asked to do it. I represented the necessity for these works, and now these books are being used every day in the Department. We have now to go through these books to see if there was any previous correspondence. The Deputy Minister knew it and the work was certified to by the person in charge of that office.

A. P. SHERWOOD called, sworn and examined:—

By Mr. Somerville :

2258. You have examined the books with regard to the attendance of Mr. Humphreys between certain dates?—The 15th of December, 1888, and 1st May, 1891.

2259. You have ascertained that this statement (Exhibit 21) as prepared is correct from the books?—Yes.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 6th August, 1891.

Committee met;—Mr. Wallace in the Chair.

K. J. HENRY re-called and further examined:—

THE CHAIRMAN—Mr. Henry, I understand, desires to make some corrections in his evidence, and also to make a further statement.

MR. HENRY—Question 336, on page 20 of the printed evidence, I should have said that the account was put in under the heading of extra work. It was a difference in Salary on extra work. Question 340—In the sentence, "Henry, if you make out that cheque in favour of Mr. Humphreys, and add an additional hundred dollars, I will approve of it," the "cheque" should be "account." The words "one or two before, for the same sum," should be for two sums, being difference in pay for one year between \$1.50 per day and \$2. Question No. 351—I believe now I should have said that the Forestry Report was a separate report and not part of the annual report. Question 371—I find that in some cases the clerks exceeded the sum of \$9 per week, and I account for it in this way: at the end of the week the work was not in a fit shape to hand over to the next two clerks, consequently they did in many cases exceed the above sum. Question 381—Mr. Hickey may have had his name used by more than one permanent clerk, which will account, I think, for the larger amount which he appears to have drawn; a comparison of dates of cheques and accounts with time-book will no doubt clear this up. Questions 384, 386 and 387—I cannot for the life of me understand why I gave such answers. I must have been rattled, as I often spoke to Mr. Hall, and I also think to Mr. Burgess, that I tried to restrict the clerks to \$9 per week, and that all the staff were on the work excepting Mr. Bell, whom I thought was getting a salary sufficiently large without it, and I may also say that he never appeared anxious or asked for the work. In question 389, where I say 18 men altogether, I find I exceeded the number. I once had that many in my office, but I find that the time-book does not give so many; it should be 16.

STATEMENT respecting payments made to Mr. Humphreys—Difference in salary during years 1887 and up to 1889.

Mr. Pereira and Mr. Hall have both stated in their evidence that I gave Mr. Humphrey extra work and when same was done refused to certify. This is not correct, as any extra work done by him under my instructions was always certified to by me, or in my absence, by my first assistant, Mr. Geo. Bell. The whole amount earned by Humphreys on the Burr Index was between \$80 and \$100, as the time-book, which I now submit, and which turned up since I gave my evidence, shows. The accounts which I refused and which were afterwards certified to by Messrs. Pereira and Bell, were after the \$200 account, and, as I understood it, and firmly believe, were for difference in salary, not for work actually done, but an allowance granted by the Deputy Minister as difference in pay between \$1.50 and \$2 per diem. Each time these accounts were presented to me for certificate I refused, because I thought he, Humphreys, should be paid in the regular way. I also thought, and no doubt said, that if he was paid in that way—the irregular way I mean—there were other clerks in my office who should receive similar treatment, not that I would have certified in their case either, as after certifying to the \$200 account I had made up my mind that accounts of that description would never again be certified to by me. The fourth account was also presented to me by Mr. Hall, and again refused, and I again urged him, particularly as he was then acting Deputy Minister, to get the sanction of the Minister to increase the salary from \$1.50 to \$2 and thus put an end to an irregular and unpleasant matter. This was done, and Humphreys was paid at the latter rate. I desire further to explain the statement made by Mr. Burgess in his evidence, in which he alleges as a reason for my

“supposed” animus towards him, was because he had declined to recommend me for a chief clerkship. Notwithstanding his apology, the statement has gone through-out the public press, and many believe it to be true. Mr. Burgess did promise to recommend me for a chief clerkship, and also informed me what he intended to do for some others in same class; but further said that as Mr. Hall was only getting \$2,400 per year, and to place others who were in same branch in same class, although at the minimum salary, he did not think would be fair, but so soon as Mr. Hall got his pay increased to \$2,800 that my promotion would follow. This was done, and I am still a first class clerk. The late Mr. White, when Minister of the Interior, also promised and assured me that what I was applying for should be given and even when I questioned him closely and said I would need to refresh my memory or in other words, prepare for the examination, his answer was, to do so, as he fully intended to promote the late Mr. Douglas, who was then Assistant Secretary, and myself, to the rank and pay of a chief clerk. I mention this to the Committee to show that I have had reasons for feeling disappointed, but as to having any animus to Mr. Burgess, or having tried to injure him, such is not the case—I feel now, in the interest of myself and family, that I must clear my character from wrong doing. If I have done wrong it is in carrying out the instructions of my superior officers. Some of those who may have “sneered at me as they say, for giving this irregular business away” may live to find out that it is false, and that, perhaps, the chief information which led to its publicity, was worked up by *others*, who did not have as good a reason for feeling disappointed as myself. Further, I deny *in toto* having had anything to do towards bringing about this enquiry, except by answering truthfully the questions put to me by the various members of this Committee.

Respectfully submitted,

K. J. HENRY.

The Chairman read from the printed minutes of evidence that portion of Mr. Burgess's statement, submitted to the Committee on 16th July, 1891, which referred to Mr. Henry's evidence, as follows:—

“I would also take leave to say, Mr. Chairman, in relation to the evidence given by Mr. Henry, that I regret very much that in a moment of anger I should have said anything that would reflect upon him. I prefer to believe and do believe, from what I have known of Mr. Henry during the last 16 years, that he made the statement he did and gave the evidence in the way he did from conscientious motives, and believing that it was his duty to do so.”

By Mr. Somerville:

2260. When was it you had an understanding with Mr. Burgess that you were to be promoted? How long ago?—Prior to 1887.

2261. That has been hanging over ever since?—Yes.

2262. You say that Mr. Hickey's name was used by more than one permanent clerk?—The time book there will explain everything. For instance, there might be two permanent men working on this work, and, of course, the permanent men could not get the pay; but they might use Mr. Hickey's name to get the pay. The work was done in every case, as I have sworn.

2263. I have been trying for some time to get at the bottom of this Humphreys' matter. Can you say who Mr. Humphreys shared with. He got, according to the Auditor General's Report, a large amount of money for extra work—very much more than any of the others—and it was stated that on account of his excellent qualities as a clerk he was paid this extra amount of money. I see he has been sent to Winnipeg and gets \$2 a day?—That was what he was getting in the Department. I do not know what he is getting now.

2264. Do you know whether Mr. Humphreys shares this extra money with anybody?—I cannot say that. For any extra work that he got, and I certified to, I do not know that he shared it with anybody.

COMMITTEE ROOM, TUESDAY, 25th August, 1891.

Committee met—Mr. WALLACE in the Chair.

JAMES S. BROUGH called, sworn and examined :—

By Mr. Somerville :

2265. What is your position in the Department of the Interior ?—I am a second class clerk in the Department of the Interior.

2266. How long have you occupied that position ?—About two years.

2267. What is your salary ?—\$1,200. Since the 1st of July it has been that.

2268. 1st of July of this year ?—Yes ; of this year.

2269. You have been on the permanent staff in the Interior Department, since when ?—Since 1882, I think.

2270. Before that you were on the staff but were not permanent ?—Before that I was in the Department of Inland Revenue. I had charge of a subdivision at Elora, near Guelph.

2271. You have heard or read the evidence that has been taken in regard to this investigation into the management of the Interior Department ?—Yes.

2272. You understand the run of it ?—I do. I cannot say that I have read the evidence through very carefully.

2273. Are you aware, of your own knowledge, of irregularities occurring in the Interior Department—that is extra clerks sharing up with the permanent men ?—Yes.

2274. You know that has been done ?—Yes.

2275. Has it ever been done in your own case ?—Well, yes.

2276. Extra men have shared their money with you ?—Certainly. It was a general practice in the Department.

2277. Will you name the parties ?—Mr. McCabe was one that I did some work with in connection with returns for the House of Commons. The account was of course put through in his name.

2278. You remember the date of it ?—It was during the session of 1889. There were, I think, but two cases ; it was extra work in connection with returns for the House of Commons which Mr. McCabe had to do. As it was work which required two men to do he asked me to assist him and I did so. The work was done after hours—late at night and early in the morning. We were at work by 7 o'clock in the morning, working up to 11 o'clock at night.

2279. Would it be usual for an extra clerk to ask a permanent clerk to assist him ? Would not the practice be the reverse of that ?—That I could not say. This work, however, required two men to do it.

2280. One reason why I called you as a witness was in consequence of a letter which was published in the *Citizen* some time ago ?—Yes ; I contradicted in the *Citizen* a report which had appeared in the evening papers with reference to myself, which was to effect that I got the greater part of \$254, which was a lie. It was not the case at all.

2281. Will you read your contradiction which appeared in the *Citizen* ?—

“ INTERIOR DEPARTMENT INVESTIGATION.

“ *Editor of The Citizen.*

“ SIR,—In the evidence given by Mr. Francis McCabe yesterday before the Public Accounts Committee, as reported by the *Evening Journal*, the following statements appear :

“ “ In 1889 he (McCabe) got \$254 for extra work. He (McCabe) gave Brough about half the money.”

“ ‘On the whole, he thought Mr. Brough got the most of the money.’

“ Permit me to say that the above evidence, in so far as it applies to me, is wholly false, as I am prepared to testify under oath when called upon to do so.

“ I am afraid the whole of this wretched business is little else than a contemptible conspiracy against those who really honestly tried to do their duty, and have in consequence incurred the ill-feeling and spite of some dangerous and cowardly characters. A few irregularities, caused by an imperfect Civil Service Act, set up in a broad framing of lies, has been presented to the public and has been mistaken for corruption in the Department.

“ Yours truly,

“ J. S. BROUGH.”

“ OTTAWA, July 14th.”

2282. You say now it is not wholly false. You say you did share some of the money?—Certainly.

2283. You swear you did share with McCabe?—In this letter I contradict the statement which appeared in the evening papers. That statement is false. It is a statement that I got half the money or most of the money which was charged against McCabe in 1889. That statement, I say, is wholly untrue.

2284. But still you did get some of the money?—I got in one case about \$16, and on another occasion about \$5 or \$6.

2285. Is that the whole you got?—That is the whole I got.

2286. About \$22?—About \$22. I cannot swear to the exact figures.

2287. Well, I have the accounts here, and they will show?—I suppose so. I can probably help you to get at the figure, to a certain extent. Mr. McCabe was allowed for overtime. He was paid for overtime. He was not able to complete his work within the regular hours, and he was therefore paid for overtime in connection with that work. His account generally ran \$20 or \$22, or somewhere about that every month.

By Mr. McMullen:

2288. For extra time?—For extra time. In the two cases I refer to, where I assisted him, the amounts were entered in the regular monthly account for overtime.

By Mr. Somerville:

2289. Your time was entered there?—Not exactly my time, but it was mentioned in the account that there was an item for extra work in connection with the House of Commons in the two cases. If you hunt up the accounts you will find that that is the case. If you take the total of those accounts and deduct McCabe's average therefrom, which is somewhere about \$20 a month, and divide the remainder by two, you will find what we got in connection with the House of Commons return. I think in one case it will come to somewhere about \$16, and in another case about \$5 or \$6.

By the Chairman:

2290. Were these the only payments you got that year?—These are the only payments; I have never had any others.

By Mr. Somerville:

2291. Here is one of the accounts?—Yes. 1st February, 1889, “to extra work during the month of January last, entering up action on files and comparing returns called for by the House of Commons—66 hours, at 50 cents, equal \$33.” If you deduct \$20 from that, McCabe's average, it will leave you \$13. Divide that by two it leaves \$6.50. That is one of the accounts I had reference to. (Account filed as Exhibit No. 22.)

2292. You say you only got \$6.50 of that account?—I say I did not get any more; I probably got less. Here is the other account: “March 1st, 1889: To extra work during the month of February last, entering up action on files and comparing returns for the House of Commons and documents for the Commissioner's office at

Winnipeg—102 hours, at 50 cents, equals \$51." If you deduct from that amount \$20, McCabe's average, it will leave \$31; divide that \$31 by two you get \$15.50, which was about the amount I received. (Account filed as Exhibit No. 23.)

2293. How much did you get from Mr. McCabe altogether—\$22, according to your statement?—About that. I cannot swear exactly to a dollar, but these are the two accounts, and I am trying to help you to get at the actual facts of the case.

2294. I do not think that is in accordance with the official report of the evidence as given by Mr. McCabe?—Perhaps not.

2295. You say you only received \$22 from Mr. McCabe?—I did not say that; I said that was about it.

2296. Did you share with anybody else, or did anybody else ever share with you?—No; he was the only man.

F. McCABE re-called, again sworn and further examined:—

By Mr. Somerville:

2297. Mr. McCabe, you gave evidence before this Committee some time ago with regard to certain matters?—Yes.

2298. You worked with Mr. Brough, did you not, in the Interior Department—in connection with the work of the Interior Department?—Yes; I worked with him some time.

2299. And you shared the money with Mr. Brough after you earned it?—I did for a time.

2300. Here is an account. Look at that account (filed as Exhibit No. 24.) What is the date of it?—This is the 3rd of January, 1889.

2301. And the amount of the account?—The account was for \$37.

2302. How much of that money did you pay Mr. Brough?—I paid half of it, to the best of my recollection.

2303. I want you to recollect it distinctly? You say you paid half of the \$37?—Yes.

2304. Here is another account (Exhibit No. 22.) What is the date of that account?—The 1st of February, 1889.

2305. What is the amount?—That is for \$33. I shared half of that with him, too.

2306. You paid half of that to Mr. Brough?—Yes.

By the Chairman:

2307. The statement by Mr. Brough was that you deducted \$20 for your own over-time? and after that divided it?—There was no such arrangement at all.

By Mr. Somerville:

2308. Now, there is another account, (filed as Exhibit No. 23). What is the amount of that account?—\$51.

2309. What is the date?—The 1st of March, 1889.

2310. How much of that did you pay Mr. Brough?—Half of it.

2311. Are you sure?—I am satisfied I paid half.

2312. You are positive of that?—Yes.

2313. Now there is another one (filed as Exhibit No. 25)?—I would not swear that he got any part of that. I think I got all that myself.

2314. Are there any other accounts that you shared with him before that date?—No, none that I will swear to.

2315. Now Mr. McCabe from whom did you get instructions that you were to share this money?—From Mr. Brough himself.

2316. How did he come to tell you that you were to share it with him?—Mr. Brough stated to me that he was going to work with me and that we were to divide the pay, later on he told me that. I remember he told me that we were to work together and that the pay was to be divided afterwards. It was understood at the time I did the work with him, that he was to get an equal part of the pay.

2317. Did he say who it was understood with?—He told me that it was an arrangement with Mr. Hall.

2318. That you were to work with him and share the money with him?—Yes.

2319. It was generally understood in the Department, was it, that this system was being carried on?—Yes, I think so, as far as I can understand it.

By Mr. Foster :

2320. Do you know Mr. Nelson?—Yes.

2321. Did you have any conversation with Mr. Nelson before you gave your evidence in this room with reference to the subject of this inquiry?—Yes, I had.

2322. Of what nature was it—touching your own evidence?—Well, yes ; it would be to a certain extent.

2323. You and Mr. Nelson had a conversation about what you were going to testify?—Yes.

2324. What did Mr. Nelson say to you?—Well, he at first, so far as I remember, said that he felt that the extra pay was going for extra work and the accounts were made out in the extra clerk's name, and the money given to him and it ended there. He thought the extra pay was given to the extra clerk, and there the matter rested. If I understood him correctly, he said that the Committee had not the power to make him, the extra clerk, tell what he did with the money.

2325. The impression that he left upon your mind was what?—The impression was—well, I did not agree with him, I felt that the Committee had power to make me tell.

2326. Was that all the conversation that took place about this?—I think some time about a week before I gave evidence here, Mr. Nelson came to me, over in the Department of Agriculture, in which I was then working, and talked over the matter again just about what I say. He thought as he thought before, and said, just as he said before, that he did not think that we should tell what we did with the money, and he stated that if we were pressed to tell, if we had to tell what we did with the money, we could say how the money was got.

2327. That is the money you yourself got?—I never distinguished between that money and that which my partner got. The account was for the whole money and we sent it in the general way. I will say this, that he came to me the last time of all and said, so far as he and I were connected in our dealings, that he felt that any work that I did that was in the account—that was put in my name as earned by me, and that if I shared up the money afterwards it was nobody's business. He took pains he said to know that my name did not go down for any other money than the money earned by myself, and if I shared it up afterwards it did not matter.

2328. So that he had two conversations with you?—He had two or three, I think.

2329. Did he ever say to you that you should not tell this Committee that you shared the money with him?—I do not think that he put it in that way.

2330. Did he leave you with an impression as to what he would have liked you to do before the Committee?—Yes.

2331. That you should not tell the Committee that you had shared the money with him on the grounds that it was a private matter?

Mr. BARRON objected.

2332. Did he tell you or did he not?—Tell me what?

2333. Tell you that in giving evidence before the Committee you should not state the fact that you shared the money with him?—No ; he did not say that.

2334. Did he leave that impression on your mind?—Well, the impression that I had was that Mr. Nelson probably thought it would be better I should not tell, but he did not tell me not to tell, more than what I said, that the money I spent, I might say, I spent it in the way young men generally spent money, but I did not just at the time know whether he meant the whole of the money I got or the part I got for myself, and I did not ask him.

By Mr. Taylor :

2335. These accounts are made out for extra work and returns for the House of Commons, are they?—Which accounts, sir?

2336. These accounts which have just been referred to?—These with which Mr. Brough was connected? Two of them are.

2337. Then you and Mr. Brough jointly prepared the returns asked for by the House of Commons?—Yes.

2338. The work was actually done by Mr. Brough and yourself for these amounts?—Yes.

By Mr. Landerkin :

2339. Who is Mr. Nelson—a clerk in the Department?—Yes.

2340. Is he there now?—I don't think so; I think he has been suspended. I might say in relation to that letter of Mr. Brough's, at least the statement that he contradicts in the *Evening Journal*, that that was not my evidence. I did not say I shared \$254 with Mr. Brough, that was wrongly reported, but so far as deducting a portion of those accounts—so far as my getting my usual amount of those accounts, and then sharing half of the remainder with Mr. Brough, that is an arrangement I swear, is not so.

By Mr. Somerville :

2341. Did you give him half in every one of these cases?—Yes.

By Mr. McMullen :

2342. What is your salary in the Department—what do you get?—I am out of the Department now.

2343. What did you get when you were there?—When I was in the Interior Department?

2344. Yes.—\$1.50 per day.

2345. Who got you the appointment?—I got it in the first place from Mr. MacMaster.

2346. Were you promised any extra amount, over \$1.50 per day, for extra work, when you were appointed?—Not when I was appointed.

2347. You had no understanding?—No.

By Mr. Taylor :

2348. You were merely an extra clerk?—Yes.

2349. Mr. Brough was a permanent clerk?—Yes.

2350. And that, as you understand it, Brough's work was done, and the work went in your name as the extra clerk?—Yes.

2351. That is the way it was done. You were extra and he was a permanent clerk, and the account was made out in your name, you having done the work jointly?—We did it together.

By Mr. McMullen :

2352. What was the nature of the work you did with Mr. Brough?—It was comparing official documents in the Department.

2453. Did Mr. Brough do exactly one-half and you the other, or did you do most of the work?—We both worked together.

2354. But the work for which you drew extra pay, did you each do a half of it?—My recollection is this; that I did the regular work that I had been doing, and that Mr. Brough did that during the day, and sometimes after four o'clock in the evening, and we joined in the evenings comparing, and at nights, and after four o'clock in the evening very often.

2355. Comparing the work you did during the day?—Oh, no, comparing other work.

2356. What other work?—Copies of returns for the House of Commons, and copies of files sent to the Commissioner's office in Winnipeg; and then the accounts were made out in my name, and we shared them up. I want to make an explana-

tion with regard to my evidence. I was asked at question 493: "What was the nature of your duties? What work were you employed at?—I was part of the time comparing letters that were sent into the Department with the original drafts." I meant to say letters sent out of the Department, in that case. I might say too, that it has been stated to me by some that I endeavoured to save certain members of the Department, that I tried to save the Department, and it has been stated by others that I was too severe on the Department.

The CHAIRMAN—Never mind that, just refer to your evidence.

WITNESS—The only thing that embarrassed me upon that occasion was the account placed before me certified by Mr. Kinloch. That was something I did not know until that day. I thought on that occasion it would be certified to by Mr. Nelson. I did not know that Mr. Kinloch certified to an account. That was an arrangement done without my knowledge, after the accounts were made out, and I felt it would appear there was some such deal between Mr. Kinloch and myself, which there never was, and I was trying to think what it could possibly be; but afterwards I found Mr. Kinloch certified to one account which was given, but not by myself. I may say further, that if there is any question which any member of the Committee wishes to put to me in regard to anything I did wrong in the Department, other than to allow my name to go in for permanent clerks for extra pay, I would be most happy to give an explanation. When I allowed my name to go in for permanent clerks I did it under the direction of my superior officers, and I never went to a permanent clerk in my life and asked him to share with me. On each occasion I was directed by my superior officer, and I never allowed my name to go in on any of those accounts without the knowledge and direction of my superior officers.

2357. Who were your superior officers?—Mr. Hall is one.—He is the Secretary of the Department.

2358. Who do you mean when you say that you were directed by your superior officers?—When Mr. Brough told me to divide with him, he said it was at the direction of Mr. Hall. When these accounts went through connected with the name of Mr. Palmer and Mr. Henry, I gave it to be understood that I wanted Mr. Hall to know that they were not for me, and when that account went in for \$73.50 for Mr. Nelson, he told me that it was understood that the Deputy Minister had arranged it.

2359. He said the Deputy Minister arranged it?—Yes; he said that he had seen the Deputy Minister and he had decided to allow it.

By Mr. McMullen:

2360. Did you say you did not expect extra pay?—Not at the time the \$73.50 was put it.

2361. Who suggested it to you?—Mr. Nelson.

2362. He suggested that you should ask for extra pay?—No; that I should put in an account for \$73.50.

2363. Who did you share with?—That is the account he shared in.

By Mr. Landerkin:

2364. Have you any knowledge of any other irregularities in the Department? There is one place here in the evidence, No. 511, where I was asked: "I want you to be particular about it and specific as to what you were allowed?—At that time to the best of my knowledge I was drawing extra pay." I thought at the time I was. I was thinking of the previous year. I did not say so for a fact, but I thought I knew it. I say that that winter I was doing a good deal of extra work, and I had expected extra pay for it. I had worked all that summer and all that spring, before I resigned from the Department, and Mr. Nelson was willing to certify to the account for me; but when he spoke to the Deputy Minister about it, it was decided that I should not get extra pay. I spoke to Mr. Hall some time before about getting extra pay or an increase of salary. I said my expenses would be heavy, that I was going away, and that I was taking private lessons, and he said he could not give me any

extra salary : but he said to keep account of the work I was doing and he would see if I could get extra pay. However, I did not get any extra pay.

A. M. BURGESS re-called and further examined :—

By Mr. Somerville :

2365. You were in the room when Mr. Pereira gave evidence as to the extra work he did?—I think so.

2366. That extra work was arranged for by you with the late Minister of the Interior, the Hon. Thomas White?—Up to \$400.

2367. Did you see that the work was given to Mr. Pereira?—I cannot say that I saw the whole of it was given, but I know I saw that a great deal of it was.

2368. In his evidence he swears that he selected the work and took it home, and afterwards when it was done he brought it back and certified to it himself?—He may have certified to it, but I know that a great deal of it was shown to me. What I mean is, that his certifying to it would not prevent me from seeing it.

2369. Would it not be a very unusual thing for a man to perform work and certify that the work was done himself? You would think that a very irregular way of doing business?—Seeing that I was a party to the arrangement, I cannot say that.

2370. Would you not feel bound to see that you got value for the money?—I would and I did.

2371. Did he certify to the account?—He may have done that, but it was always within my power to see the work myself.

2372. Did you in this case see that the work was done?—I did.

2373. In every instance?—It is so long ago that I could not swear that I did in every case, but I know that in many instances I did.

2374. There is an account in the name of Lizzie Evans. That was the name of who?—I said before who I understood that was; but Mr. Pereira has since testified that Lizzie Evans was his own wife.

2375. There is the cheque for that account (filed as Exhibit No. 26). Look at that. The amount is \$49.20. Look at the endorsement on that cheque. How did your name come to be there?—I do not remember. I see that it is paid at the Bank of Montreal, and I must have got the money for it, and sent the money to Richard White in accordance with the arrangement in that letter.

2376. Did you?—I cannot say.

2377. We want positive evidence?—At this date I cannot remember this particular sum being sent, but I know I had to send these sums from time to time as they were earned.

2378. Would it not be a usual thing to sent the cheque to Mr. White?—I cannot really at this time say which I did. I could by looking at my letter books, and by seeing the letter with which the money was enclosed.

2379. There is another account for \$97.30 (filed as Exhibit No. 27). It is dated the 15th September, 1886. Look at that cheque to correspond?—I do not remember it.

2380. Your name is on the back of that?—Yes.

By Mr. Hyman :

2381. Did you get the money?—No; not in the sense of it being for myself.

2382. What is your name on the cheque for?—I have no doubt that Mr. Pereira asked me to put my name on it. I remember having done that for extra clerks who were not known at the bank.

2383. Is your name there simply as to identity?—That only.

2384. Why did you not mark on it "identified"?—I know it was for that purpose alone.

By Mr. Somerville :

2385. And you got the money too?—Yes; it was probably sent to me. Do you mean to me personally? No, no. I do not think so.

2386. The amount is marked paid?—Yes; it was paid to the messenger.

2387. And it was paid to you by him?—Either to me or to Mr. Pereira. This was long ago, and I cannot remember. Generally speaking, I did that for a great many others besides him.

2388. I have looked over most of the accounts since 1884, and I never saw it in another instance?—It is so, nevertheless.

2389. There is another account (filed as Exhibit No. 28) of the 31d of July, 1886. What is the amount of that?—\$47.

2390. Your name is on the back of that cheque, too?—Yes.

2391. Here is another one. What is the date of that?—9th December, 1886.

2392. How much is the amount?—\$87.30. (Account filed as Exhibit No. 29).

2393. Who certifies to that account for the work?—Mr. Chisholm.

2394. Would Mr. Chisholm have anything to do with the giving of the work out?—Very likely. Seeing he was my Secretary at the time, I might have asked him to look over the work when it came back, to satisfy himself that it had been done.

2395. Can you tell us whether you did receive this money?—If I did receive it, I sent it to Mr. Richard White.

By Mr. Hyman :

2396. Well, did you receive it? If you received it, why do you not say so?—I am trying to be as candid with the Committee as I can. I could not certify to each particular account, but, generally speaking, I undertook to send the money to Mr. Richard White, in accordance with the letter which Mr. Somerville has seen, and I did so. Seeing I endorsed these cheques, I must have got the money.

2397. As a matter of fact, then, you got the money and did send it to Mr. White?—So it appears now. But if I had been asked before whether I got cheques or the money I could not have said.

By Mr. Somerville :

2398. You know positively you did send the money to Mr. Richard White?—Oh, yes. I received acknowledgements from him from time to time.

SELECT STANDING COMMITTEE
ON
PUBLIC ACCOUNTS.

REPORT

AND

MINUTES OF EVIDENCE

RESPECTING CERTAIN ITEMS AFFECTING

JOHN R. ARNOLDI.

1891.



OTTAWA:
PRINTED BY BROWN CHAMBERLIN, PRINTER TO THE QUEEN'S MOST
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MINUTES OF EVIDENCE

REPORT.

COMMITTEE ROOM,

TUESDAY, 18th August, 1891.

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

EIGHTEENTH REPORT :

Your Committee have had under consideration certain items affecting John R. Arnoldi and charged under the heading "Dredging—Details of Expenditure" in the Report of the Auditor-General on Appropriation Accounts for the year ended 30th June, 1889-90; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,

Chairman.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, Friday, 24th July, 1891.

Committee met—Mr. Wallace in the Chair.

MR. F. MERRITT, called, sworn and examined :—

By Mr. Lister :

1. Where do you live?—I stay in Aylmer.
2. Do you live in Aylmer now?—Yes.
3. What is your occupation?—I am a clerk in the Bank of Montreal.
4. How long have you been in that position?—About four years, I think, or a little over.
5. Are you any relation to Mr. John R. Arnoldi?—I am.
6. What connection?—A nephew.
7. How long did you say you had been living in Aylmer?—Since the 8th of May last, coming in in the morning and going out in the evening. It is a summer residence.
8. You spend your evenings there and your days here?—Yes.
9. You are employed in the city?—Yes.
10. In a bank in the city?—Yes.
11. What bank?—The Bank of Montreal.
12. And you have been so employed for how long?—In the Bank of Montreal for a little over four years, but not in this branch.
13. Do you know anything about a lot on Vittoria street—you know where Mr. Arnoldi's stable is?—I do.
14. You know the lot?—Yes.
15. Do you own that lot?—No.
16. Did you ever own it?—No.
17. Did you ever have any claim to it?—No.
18. Nothing to do with it?—No.
19. Look at this account, dated 1st May, 1890—it reads thus : “Dredge vessels, repairs, Dr., F. Merritt; P.O. address, Ottawa, 117 Vittoria street”—Do you live there?—I did at that time.
20. Did you?—I boarded.
21. Who with?—I am not very sure. I boarded, but I do not know what number it is on Vittoria Street, opposite Mr. Arnoldi's house. I do not remember what date it was.
22. Mr. Arnoldi's house is 117 Vittoria Street?—I am not sure.
23. Then you were living near Mr. Arnoldi at that time?—I was.
24. This is an account to the Public Works Department : “Dredge vessels repairs, Dr.—F. Merritt, Post Office address 117 Vittoria street, May 1st, to six months rent of shed for storage, &c.” It is certified : “Services

performed, prices fair and just—J. R. Arnoldi.” Is that in your handwriting?—No, it is not.

25. Whose writing is it in?—I do not know.

26. Did you ever authorize anybody to make out such an account—on your oath?—No, I did not.

27. You swear you cannot tell whose hand that writing is?—I cannot.

28. Whose handwriting is this in, the words “Services performed, prices fair and just”?—Mr. Arnoldi.

29. On that account is “Received payment—F. Merritt.” Whose writing is that?—That is mine.

30. How were you paid? Did you ever get the money?—Is that for the one receipt? I got a cheque for that receipt, but the money ultimately went to Mr. Arnoldi.

31. How long did you keep the cheque?—I cannot really say.

32. A minute—long enough to put your name on the back of it?—Oh yes; long enough to put my name on it.

33. That is all the possession you had of it?—I cannot say.

34. Come now, brush up. It is only a year ago. Who took it to you?—Mr. Arnoldi.

35. Where did you sign it?—I cannot say for sure where I endorsed it, in his house or in the bank.

36. Was it payable to you?—It was.

37. And it was endorsed by you?—It was.

38. Mr. Arnoldi took it to you and you put your name on the back of it?—Yes.

39. You never got any of the money?—No.

40. You never saw the money?—I saw the money for one receipt. I do not know which one it was. It was for \$40.

41. Here is another account dated November 1st, 1889?—Which is the one you have been talking about?

42. The last one. That is the last one for the fiscal year 1889-90. I do not know what there is since. Have you signed it for this year too?—Not that I know of.

43. This is a receipt dated May 1st, 1890?—Yes.

44. And then there is this one dated November 1st, 1889. That would be six months before the other. Look at that, it is an account for “six months rent of shed, storage of dredging plant—\$40.” Look at that and say in whose handwriting is the body of the account?—I do not know.

45. Don't you know Mr. Arnoldi's writing?—I know Mr. Arnoldi's writing there (the signature) but I do not know whose handwriting is the body of the account.

46. In that is “services performed, prices fair and just.” Whose signature is that?—Mr. Arnoldi's.

47. After that is “Received payment—F. Merritt.” In whose handwriting is that?—Mine.

48. Then there is a little memorandum in red ink: “H. F. Perley” and something else. What is that?—I do not know.

49. How were you paid that money?—I did not see the money for it. I endorsed the cheque when Mr. Arnoldi gave it to me and I gave it back to him.

50. You knew nothing about the account being made out. He did not ask your permission?—He called me into his office and said he had made out an account in my name for the sum of the rent for the shed; that he did not want to be recognized as the owner of the property, as the settlement was not quite completed as to the purchase of the property. I thought there was no harm at all.

51. Was the stable built on it at that time?—I do not remember whether it was built when the first receipt was made out.

52. You do not remember whether that stable has been there for three or four years?—I do not know.

53. He said he did not want to be identified with it on account of some difficulty about the property?—Yes.

54. That was in 1889—the first one?—Yes.

55. Was that year paid by cheque in your favour?—It was.

56. You must have been mistaken about the account for May 1st, 1890, because I understood you to say you did see the money for one of them?—Yes, the last one. I mean the last receipt made out there—May 1st.

57. Tell us about that. How did you see the money? You were not paid by cheque for that?—Mr. Arnoldi gave me a cheque for \$40—a Government cheque. I took it to the bank and got the money for it and brought it back and gave it to Mr. Arnoldi.

58. Where did he give you that cheque?—I would not like to say for sure, but I think it was in his house.

59. When was it you had it cashed? Right away?—No, I think it was either the day after or the same day.

60. You cashed that cheque and gave him the money?—Yes.

61. You never had any claim to that \$80.?—None whatever.

62. You were merely used for the purpose of having the account made out in your name?—Yes.

JAMES R. WILSON, called, sworn and examined :—

By Mr. Lister :

63. Will you tell the Committee where you live and what your business is?—I live in Montreal and I am in the metal trade.

64. Hardware?—Heavy hardware.

65. Who are you in partnership with?—With my father John Wilson, Member of Parliament for Glasgow.

66. Member of Parliament here?—No, the House of Commons in the old country.

67. You are in partnership with your father and with Thomas Robertson?—No.

68. Were you ever?—The firm is Thomas Robertson and Co.

69. And the members of that firm consist of whom?—John Wilson of Glasgow, and James R. Wilson, the present individual here now.

70. May I ask you how long you have been in that business?—Twenty years.

71. At one time with Thomas Robertson?—For about ten years after I entered the firm he was a member of it, but he ceased to be about ten years ago.

72. You have been about twenty years in business altogether?—Yes.
73. And have been living in Montreal for all that time?—Nearly always.
74. You know Mr. Arnoldi of the City here?—I have known Mr. Arnoldi intimately for a great many years.
75. Your acquaintance has been intimate?—Yes, he has always been an intimate friend of mine.
76. Stays at your house when he goes down?—Yes.
77. And you stay at his house when you come up?—Yes.
78. You are intimate friends?—Intimate social friends.
79. You were the owner, I believe, of the steamer “Joe”?—No, sir.
80. No?—No, sir.
81. You are not the owner of the survey steamer “Joe”?—No.
82. Did you ever own her?—No, sir.
83. She does not stand in your name?—No.
84. Never did?—Never did; but she is registered in my name.
85. There is an account here dated July 31st, 1889: “J. R. Wilson, Post Office address, Montreal, July 31st, To services of survey steamer ‘Joe,’ during the month of July, 1889, \$100.” Will you look at that account and tell me if it is in your handwriting?—No, sir.
86. In whose handwriting is it?—I cannot say.
87. Look at the signature “J. R. Arnoldi,” and tell me if you recognize that signature?—I recognize that signature.
88. There is on this: “Services performed, prices fair and just.” Did you get that money?—Yes, by cheque.
89. Cheque payable to you?—To my order.
90. And what did you do with the cheque?—I endorsed it and handed it back to Mr. Arnoldi.
91. Then you did not see the money?—No, sir.
92. The money was never handed to you?—No, sir.
93. Where was it you got that cheque?—That I cannot positively say. As a matter of course, I should say in my office in Montreal.
94. On some occasion that Mr. Arnoldi would be down there?—Most likely.
95. Did you ever get cheques from him by mail to endorse?—I might have. I would not state positively.
96. Speaking from recollection, you would say that you endorsed them at his request, either here or in Montreal?—In his presence. As I have stated, Mr. Arnoldi was an intimate friend of mine; and some years ago he asked me if I had any objection to allow the steamer “Joe” to be registered in my name as nominal owner. I said, none whatever, provided the steamer was running for the service for which she was chartered by the Government. Mr. Arnoldi told me that she was never in connection with the dredging plant. I saw she was useful in that capacity and capable of earning \$100 a month during the dredging season. I considered there was no harm in doing it in that way. I was quite willing to have the boat registered in my name, and have the transaction go through in my name. I received the cheques for the “Joe” during the dredging season, at the rate of \$100 a month, and endorsed them and handed them over to Mr. Arnoldi.

By Mr. Bowell:

97. Did Mr. Arnoldi give any reason why he desired you to take the course?—I cannot really answer that question. I do not recollect whether he

did or did not, but I rather think he probably gave me some reason at the time.

By Mr. Foster :

98. Did you know at the time that Mr. Arnoldi as owner of the "Joe," could not have her do service for the Government and receive pay therefor?—I think I was probably under that impression.

By Mr. Lister :

99. There are a number of accounts here for this service 1889-90?—I identify those signatures as mine.

100. You signed the receipt and endorsed the cheque?—Yes.

101. And the money, whatever it was, went to Mr. Arnoldi?—Yes.

102. You do not know anything about the purchase of supplies, wages, &c., on the boat?—Nothing whatever.

103. You do not know anything whatever about the running of the boat?—No.

104. How many years is it since the "Joe" was put in your name?—Speaking from recollection I should imagine it is about four years ago.

105. And you do not remember what was said to you at the time by Mr. Arnoldi?—I do not, but as I stated previously most likely I thought it would be a matter of advantage to Mr. Arnoldi to have it in my name.

106. During all these years, and particularly last year, did you furnish supplies to the Government?—We have always furnished supplies to the Government, more or less.

107. More or less?—Yes.

108. Sometimes a good deal more and sometimes a good deal less—thousands of dollars a year?—Sometimes it will amount to that; sometimes not so much.

109. Five or six thousand dollars?—No; I do not think as much as that. I really cannot tell you from memory, how much, but I should say about \$3,000 or \$4,000 a year probably.

110. Mr. Arnoldi has been dealing with your firm for twenty years?—I cannot say as to that exactly. I think he has been dealing with the firm for a long time.

111. Do you furnish the supplies by tender, or does Mr. Arnoldi just order them?—As a general thing they are ordered specially by a letter.

112. You get a letter stating what is wanted?—Yes, and just ship the goods.

113. You do not get a letter in the first place asking you to quote prices?—Mr. Arnoldi often asks what our prices for goods are.

114. But the practice is for you to get a letter from Mr. Arnoldi telling you to send them?—Yes; we generally get telegrams, because any goods that we ship are usually required in a hurry.

115. The business is carried on in the name of Thomas Robertson & Co.?—Yes.

116. You say the practice is to order the goods without asking quotations and then for you to ship them forward to Ottawa?—That is the usual way we do business.

117. And when Mr. Arnoldi happened to be in Montreal he would just order the goods?—As a general rule.

118. During these years have you made Mr. Arnoldi or any member of his family presents of value?—No, I have not; with the exception, I think of two pictures, which, on one occasion I sent to Mrs. Arnoldi.

119. Is that all?—That is all I know of.

120. You swear that is all?—I swear that is all.

121. These are the only presents?—These are the only presents that I recollect.

122. Good, bad or indifferent, that you have any recollection of?—Yes; that I have any recollection of.

123. You swear you never purchased any diamonds for any member of Mr. Arnoldi's family?—Yes

124. You swear it positively?—I swear it positively. To the best of my recollection I do not remember having bought jewellery for anyone.

125. To the best of your recollection?—Yes.

126. And with the exception of two pictures you never made to Mr. Arnoldi, or any member of his family a present during those years of dealing with you?—Yes.

127. You swear that positively?—I swear that positively.

128. Did you ever cause that to be done by others?—No, sir.

129. You never did?—No sir.

130. Do you know Henry Birks, the jeweller of Montreal?—I do.

131. Did you buy any jewellery there last winter?—I did sir.

132. Diamonds?—Yes, I did.

133. For?—For my wife. She wears them too.

134. For nobody else?—For nobody else. I think Mr. Chairman I am being questioned about matters which are beyond the scope of this inquiry.

By Mr. Lister :

134a. I beg your pardon. I withdraw the question. Have you been negotiating at all for the sale of the steamer "Joe"?—No sir, I have not.

135. Has young Mr. Arnoldi?—Not that I am aware of.

136. Young Mr. Arnoldi was in your employ, was he not?—Yes. He has not been there however, for the last 6 or 8 months. At one time he travelled for the firm.

By Mr. White (Cardwell) :

137. You are in a somewhat extensive business in Montreal?—Some people would say so.

138. You are in the habit of selling to the Canadian Pacific Railway Company?—We sell to all the large railway companies.

139. You also sell to the Grand Trunk Railway Company?—Yes.

140. Do you sell to them by tender as a rule?—These large corporations make yearly contracts with us? In the case of the Grand Trunk it is so.

141. Are you often asked for quotations on your goods?—If you take the ordinary rule of trade, say we receive 70 or 80 orders in the morning's mail, I do not suppose there is 10 per cent that we have quoted for. They simply send us the orders to fill for the goods we have to the best of our ability.

142. The prices which you charge the Government for goods purchased from you, how would they compare with the prices you charge to the Canadian Pacific Railway or the Grand Trunk?—We charge the Government a fair and reasonable price.

143. You charge the current market price, the same as to these large corporations?—Yes.

By Mr. Lister :

144. You make a contract with the Grand Trunk Railway Company at the beginning of the year?—Yes.

145. And whether the market goes up or down you have to keep to the contract?—Yes.

146. I see according to the Auditor General's Report that one year you filled orders to the amount of \$5,716?—I said three or four thousand dollars. Of course, I am speaking from memory.

147. That account is for gas, steam and water fittings?—That is in the line of our business.

148. Would those supplies be for the new building?—I do not know where they went. We supply general fittings.

149. They were furnished, how?—The orders were sent to us and the goods were shipped in the usual way.

150. Just an order from Mr. Arnoldi?—I suppose so.

151. And you sent them?—The firm did.

152. Is there any discount allowed on your bills?—The trade discounts are taken off on bills sent in.

153. What would that bill be (pointing to account in Auditor General's Report) \$4,348.99. Would that be the balance after deducting the trade discount?—I suppose that is the net amount payable to us.

154. How much discount do you allow?—In some cases it varies from 10 per cent to as high as 40 per cent.

By Mr. Mulock :

155. Who would get the discounts on what you supply the Government?—The Government. Any other discount went into my pocket.

156. Not the firm's?—It went into the firm's and I got my share.

By Mr. Lister :

157. There was no dividing?—I do not divide with anybody.

By Mr. Somerville :

158. If you do not divide up, it is evident you have not been in the Government's service?—I am not aware that there has been any dividing.

By Mr. Mulock :

159. You never allow any commission to any person in the employ of the Government?—No, sir.

By Mr. Bowell :

160. I see, according to the Auditor General's Report, an account which says, "Injector, \$25.33" "Sheet packing, 17 lbs, at \$1." You would never think of tendering for those?—Not as a general rule; they are small amounts.

161. Then there is another one, "Thomas Robertson & Co., iron plate and gauge glasses, injector, \$25.33; sheet packing, 17 lbs, at \$1, \$42.33." These are orders, I suppose?—These are ordinary orders I get in our business.

By Mr. McMullen :

162. Do you send travellers to take orders?—Yes.

163. All over the country?—We keep two travellers in our business.

164. In sending out these travellers you give them the general line of goods you have, and the prices you quote?—Yes.

165. Was it the same prices you charged the Government that you instructed your travellers to take from those they went to sell goods to?—Certainly.

166. It costs you something to send travellers out to receive those orders?—Yes.

167. Did you not allow any person any commission upon the orders that are sent in, thus saving you travellers' expenses?—No, sir; we never allowed any commission at all.

Mr. JOHN KENNEDY called, sworn and examined :—

By Mr. Taylor :

168. Are you acquainted with the steamer "Joe"?—Yes.

169. You know the steamer?—I do.

170. Do you know her to have been employed on dredging in connection with the Harbour works, or dredging by the Government?—I have understood so.

171. You don't know that she has been?—I hardly know of my own knowledge. I know the boat has been up and down river, and I have always understood that is her service.

By the Chairman :

172. You know that such services are required?—I do.

By Mr. Taylor :

173. You know the necessity to have a steamer engaged in that kind of work?—Yes.

174. Do you know what would be the price of a steamer engaged in such work as you know her to have been engaged in?—Tugs, of about the same value as that boat, are ordinarily chartered for about from \$8 to \$10 a day. I never chartered a boat of precisely that character, but tugs of the same value.

175. Then a charge of \$100 a month would not be considered extravagant, but a reasonable sum?—What does that include?

176. It includes the hire of the steamer herself.

By Mr. Bowell :

177. What do I understand when you say \$8 to \$10 a day?—Nothing but the privilege of using the boat.

178. That would be \$300 a month?—Yes; ordinarily, Sundays are included in the charter. I think a \$100 a month would be a reasonable price for that boat.

By the Chairman :

179. You have had experience in this business of employing boats?—Yes.

By Mr. Taylor :

180. You are Chief Engineer of the Harbour Commission in Montreal, I understand?—Yes.

By Mr. Lister :

181. You have no personal knowledge at all as to the necessity of this boat?—I understand that the Government has some half a dozen dredges scattered over the waters, from Lake Huron to down about Lake St. Peter, and that Mr. Arnoldi has charge of those boats. If that is a fact, and I understand that is so, then I think, such a boat would be needed.

182. Well, Mr. Arnoldi, by his bills put in here, shows that it is principally by railway he gets to the different points. How long would it take to go up to Lake Huron, for example, from Ottawa—the dredging would be at Kincardine, Goderich, Point Edward, and at different points that can be got at by rail? Do you say, as an engineer, it would be the proper thing to hire a boat and paddle round the lakes all summer?—You cannot survey a lake by train.

183. There is no surveying done here. You are taking it for granted he is surveying?—I understood so.

184. That is not the case, sir; he merely has to look at the condition of the dredging, and so on. If Mr. Arnoldi's duty is simply to take charge of the dredges, to see that they are kept in repair, that they are properly manned, or that they are being worked to advantage, do you wish this Committee to understand a vessel of that kind is necessary?—Including the keeping in repair and the plant?

185. Yes.—I think so.

186. What would she be used for?—Going out examining and getting to them, and taking away broken pieces, and sending back other spare parts.

187. If all these dredges are at ports, such as Kincardine, Goderich, and other places, would you say it is necessary to take a boat like that from Ottawa up there for the purpose of doing what you say has to be done?—I don't think it would be necessary to take a tug from here to Lake Huron to do that.

188. I see in the accounts that have been put in that these places where the tugs are working have been visited by Mr. Arnoldi on railway trains. Have you ever seen the boat in operation at all?—I cannot remember; I have seen the boat going up and down the river from Montreal, and see her about the lakes.

Mr. SOMERVILLE.—I object to Mr. Arnoldi standing by the witness.

Mr. ARNOLDI.—I am not prompting.

Mr. SOMERVILLE.—You were speaking to him just now.

By Mr. Lister :

189. Don't you know this boat is used as a pleasure yacht by Mr. Arnoldi and his friends?—I don't know that.

190. You live in Montreal and would not know?—I do.

The further examination into this matter was then postponed until the next meeting.

COMMITTEE ROOM, TUESDAY, 28th July, 1891.

Committee met—Mr. WALLACE in the Chair.

J. R. ARNOLDI, called, sworn and examined :—

By Mr. Lister :

191. What is your position in the Public Service?—My official position is Chief Mechanical Engineer of the Department of Public Works.

192. How long have you occupied that position?—I was mechanical superintendent from 1873 to, I forget the exact date, when I was then made mechanical engineer, and in order to distinguish me from my subordinates, who were nearly all mechanical engineers, the title of “chief” was added to my office—I forget exactly when, probably three, four or five years ago; I cannot state to a certainty. The office was the same exactly, only that the term “chief” was put on to distinguish me from my subordinates.

193. Your duties have always been the same?—Always.

194. Then you have been in the service of the Department or the Government, either as mechanical superintendent, or engineer-in-chief since 1873?—Yes; I have been in the service of the Government, however, since 1859 in various positions.

195. But either as mechanical superintendent or engineer-in-chief since 1873?—Yes; practically so. In 1871 I was mechanical superintendent of the North-West route.

196. What are your particular duties?—That is a very long story.

197. Well, tell it as briefly as you can. You have control of the dredges belonging to the Government, the superintendence of the Parliament Building, &c.?—I have control of all the public buildings of the city of Ottawa—of the mechanical staff, which means charge of ninety men in the winter time. Then I have charge of the dredges, with 50 or 60 or 100 men; last year I had practically charge of the ship channel, between Hochelaga and Quebec, which gave me seven more dredges to look after. For particular reasons the Department made me responsible for them.

198. Then you are in charge of the Government dredges and the public buildings at Ottawa. Anything else?—Practically not; I have the ventilation to look after, and so forth.

199. I suppose you have to look after anything that requires to be done in the way of heating, lighting, or repairing the public buildings?—Yes, sir; and any other matter which my Minister or the Department thinks my services can be made available for. I am sent without hesitation or a moment's delay. For instance a boiler explosion took place in Montreal last year by which two men were killed, and I had to attend to that.

200. Not to look after the two men who were killed, but to repair the building?—No; to investigate the matter.

201. What is your official salary?—I am on my oath now and I cannot tell you exactly. My cheque is \$191.91 per month, but I do not know what they take off for superannuation.

202. Well, that would be about \$2,400 a year?—I suppose so; I could not swear to \$100 myself.

203. Who is your Minister?—Sir Hector Langevin.

204. I observe in the Public Accounts, that J. R. Wilson has sent in an account for \$500, for the months of July, August, September, October and May, 1889-90, at \$100 per month, for the services of the survey steamer "Joe." I suppose you know that that account has been sent in?—Yes, sir, it was made in my office under my directions by one of my clerks.

205. And a cheque I suppose was issued for it?—To the best of my recollection a cheque was sometimes issued; sometimes it was a cash payment by the paymaster if I remember aright.

206. Mr. Wilson does not say that?—I heard him give his evidence, but he is in error in that respect. Probably it escaped his memory. The monthly pay list for each dredge which includes coal, oil and other materials, may be made out in favor of the paymaster in one cheque and he may cash the whole cheque.

207. You have no personal recollection as to how that money was paid?—Well, I have seen it paid in cash. I have seen the paymaster get his cheque cashed in Ottawa.

208. He has received the pay in Ottawa?—The paymaster receives the cheque and he may cash his cheque in Ottawa before he leaves to visit the different dredges. The monthly pay list is made out for each dredge and after it has been properly certified to, the Department makes out a cheque for the amount of such pay-list. The paymaster may cash that cheque either in Montreal or here, and in regard to the payments for the services of the "Joe" he may have paid the money to Mr. Wilson, or the Department have issued a cheque for \$100 and forwarded it to him. I have myself paid the pay-list of the various dredges to save the journey and expenses of the paymaster going there.

209. I suppose then the cheque was made out to you?—Yes.

210. And you got the money?—Yes.

211. Have you ever done this in connection with the survey steamer "Joe"?—I dare say I have.

212. Have you any recollection of having done so?—I have not.

213. You cannot say how the payments were made; whether they were made in cash by you or a cheque issued by the paymaster?—I cannot swear positively to it, except that I am under the impression that I may have done the duty of the paymaster this way, by having taken the money and handed it to Mr. Wilson.

214. And at the time you handed the cash to Mr. Wilson you would get the receipt?—He would hand me the account and I would receipt it.

215. I see there is an account here?—Well, if my name is on it I have signed it.

216. After you had given him the money, how long would it be before he handed it back to you?—Immediately, or he may have done it next day.

217. Are you sure you always paid him the cash? Did you always go through the form of either paying him the cash or giving him a cheque?—If I handed him the cash I certainly went through the form.

218. Well, why did you do that?—I did it purposely so that I could answer any question and state that Mr. Wilson received the money.

219. So that in view of the answer which you might have to give at some time or other, you went through the form of giving him the cash and signing the receipt?—I did so.

220. Always?—Yes.
221. What did you do with the cash after you got it?—Probably spent it.
222. Then the cash was yours?—The cash was mine.
223. You are, I suppose in fact the owner of the steamer “Joe”?—I am.
224. May I ask how long you have been the owner of the “Joe”?—Some years.
225. Be a little more definite than that if you please?—Well, I should think about six or seven years.
226. And during those six or seven years, you had her in the first place put in the name of Mr. Wilson; registered in his name at the Custom House?—No, sir, she was registered in the name of W. A. Allan, in the first place.
227. When she was brought here, was the original certificate taken out out in Mr. Allan’s name?—May I be permitted to give a short explanation? This boat was built for an American gentleman. I saw her building and I said she would be a very suitable boat for the service of the Government of Canada. This gentleman shortly afterwards changed his residence from New York to Nebraska. He has never resided east since. I got the boat brought over to this side and had her registered in Mr. Allan’s name, for reasons which I will explain later on, and afterwards transferred to Mr. Wilson, she is registered in the Ottawa Custom House, and the proper amount of duty was paid on her when she was entered at the port of Ottawa.
228. The duties were paid on her when she was entered here?—Yes, by Mr. Allan. It was my money, but paid by Mr. Allan.
229. Was the vessel imported in Mr. Allan’s name?—The boat came into Canada through the Welland Canal. I brought her there through from the State of New York, and I said to the Customs officers that it was the usual thing in cases of this sort that she should be entered and registered at the place where she would make her headquarters which was the port of Ottawa.
230. And she was?—She was.
231. And the duties were paid?—Yes.
232. Who paid the duties?—Mr. Allan, to the best of my knowledge. I gave the money to him.
233. Mr. Allan was with you?—Yes, sir.
234. He went through the form of paying the duty at the Custom House?—Yes.
235. Mr. Allan is off to the States, is he not?—No, sir, he is in this room now.
236. I thought you said he went to Nebraska?—No, that was the gentleman from whom I got the boat.
237. What is his name?—His name is Meddie.
238. And you brought the boat here?—I brought her here.
239. You did not require a pilot then?—Yes, I did and paid for him out of my own pocket. She was not in the service of the Government at that time.
240. You bought the boat from Meddie, brought her through the Welland Canal to Ottawa, gave the money to Mr. Allan, and he paid the duties on her, and she was registered in his name at Ottawa?—Yes.
241. The certificate was issued simply upon the payment of the duties?—Yes.

242. Well, it is not legal. May I ask you how much the duties were?—Speaking from memory, between \$650 and \$750. I am not sure to \$100.
243. Have you ever seen Mr. Meddie since?—Yes, sir.
244. Where?—In Nebraska.
245. What is his address?—Omaha.
246. And where was Mr. Meddie living at the time you purchased this boat from him?—Living in New York State.
247. Was that where you saw him and negotiated with him?—He is a friend of mine, sir.
248. Of course; I am not questioning that. I merely want to know if that was where you negotiated the purchase of this boat?—I don't remember; it may have been by correspondence.
249. You have not any recollection at all?—I cannot say exactly whether it was by conversation or by correspondence.
250. That is not the question. Where did this negotiation take place?—If it would be by conversation, probably in the the State of New York.
251. Where did you first see the boat?—I saw her about three miles from Lockport.
252. She was down at Lockport?—Yes.
253. That is in the State of New York?—Yes, sir.
254. In what condition was she when you first saw her?—There was just the frame.
255. What business was Mr. Meddie in?—I think he was in a large grain-forwarding business.
256. Had he anything to do with the shipyard at Lockport?—No, sir.
257. Had he nothing to do with the shipyard at all?—No, sir.
258. Had you any dealings with him at all?—With whom, sir?
259. Mr. Meddie, besides the boat deal?—No, sir; none that I know of.
260. No dealings with him?—Not that I know of.
261. And the boat was being built at Lockport?—Mr. Meddie is my brother-in-law, if I did not mention it to you before.
262. And a great friend of yours?—Of course he is a great friend.
263. And he was having this boat built?—The boat was built for him, sir.
264. And she was completely finished for him?—No, sir.
265. And what state was she in when you made the purchase?—Just in a fit state to navigate.
266. Machinery all in?—Yes, sir.
267. Everything ready to navigate?—Yes, sir.
268. And how much did you pay for her?—He and I had other transactions; it was a nominal transaction.
269. It was a nominal transaction, because you and he had other transactions together. I asked you a moment ago if you had other transactions and you seemed to be uncertain?—I have had many transactions, because I have known him for many years.
270. The boat was worth how much money?—Probably about \$6,000 or \$7,000 in the condition in which she was then.
271. Of course, she was then fit to navigate?—She was fit to navigate; she was bare, the same as you go into the house without any furniture; she was without her fittings.

272. But still you know the great value in a boat is the machinery, the hull and upper works?—I have built about 24 of them, and I find that the fitting out is a very heavy item.

273. It depends upon how you fit; I know the “Joe” is very well fitted up?—I beg your pardon; she is very plain.

274. She is a comfortable boat?—I will be very glad to take you out in it.

275. I will be very glad to attend one of your parties?—We will get at the party business later on.

276. You have not told me how much you gave for this boat?—I said, nominally, about \$6,000.

277. That answer requires some explanation. When you say nominally about \$6,000, what do you mean?—I say that Mr. Meddie and I have had a great many transactions together; sometimes we invest money for each other. If I wanted any money I would ask Mr. Meddie for it, and if he wanted any money he would ask me for it.

278. You don't mean to tell us that he gave you the boat?—Practically, he may have done.

279. Did he?—Practically, I said he did.

280. You said practically he did make you a present of his own boat?—In consideration of other private matters, I say he practically made me a present of the boat.

281. He practically made you a present of the boat in consideration of other private matters?—Yes, sir.

282. Well, now, that is——?—It is indefinite.

283. It is indefinite. There is no doubt about it?—But it is true all the same.

284. I would like you to make it a little more definite?—I cannot do it.

285. Well, you and Mr. Meddie had a large number of transactions, involving, I suppose, large amounts of money, and the upshot of the whole thing was that he made you a present of the boat?—Practically.

286. So that you did not buy the boat at all, except in that way?—Except in that way.

287. And then you brought to boat the Ottawa. Now, at the time that this purchase, we will call it, was made, were you, for the Government, having dredges constructed at Lockport?—Yes, sir; I was.

288. And were those dredges being built at the same shipyard that this steamer “Joe” was being built at?—No, sir.

289. At all?—No, sir.

290. But they were being built in Lockport?—Some of the machinery was being got in Lockport, and the two dredges were built at Tonawanda.

291. Then the machinery for the dredges was being made at Lockport, and the dredges themselves were being built at Tonawanda?—As near as I can recollect, at Tonawanda.

292. What are the names of those dredges?—One is the “Ontario,” and the other is the “Mr. John R. Arnoldi.” I built a dredge and scows for Mr. Allan.

293. Then you were building a dredge for Mr. Allan?—Yes.

294. And scows for that dredge?—Yes.

295. And the Government had nothing to do with it?—No, sir. I was superintending the Government dredges right alongside, and the other dredges were being built right alongside, and involved no extra charge or expense.

296. Mr. Allan was having a dredge built under your superintendence, and the Government was having another—that is to say, the machinery was being built at Lockport, and the wooden portions at Tonawanda?—Excuse me; I built one in frame near Lockport, which was taken to Manitoba, called the “Winnipeg.”

297. Is Lockport far from Tonawanda?—I think it must be perhaps some 12 to 17 miles. Tonawanda is on the Niagara River.

298. The machinery for these dredges, I assume, is the principal portion of the cost?—No, sir.

299. What proportion of the cost does it bear?—A dredge hull is worth about \$8,000, and the machinery is worth about probably \$7,000.

300. Did you often see Mr. Meddie down there at Lockport?—I was never there with him.

301. You never saw him at all?—I was not at Lockport with him.

302. Nor at Tonawanda?—I have never been with him at either of those places.

303. What interest had Mr. Meddie in the machine shops?—What machine shops?

304. That the machinery was being built in?—He had no interest in it.

305. What! In whose shipyard was this being built in?—A man named Sutton—he is dead now.

306. Sutton is it?—Yes.

307. And Sutton was building her for Mr. Meddie?—Yes, sir.

308. And Mr. Meddie gave her to you?—Yes.

309. Mr. Meddie was not a go-between?—How do you mean, sir?

310. Between you and the shipyard company, or the machinery company?—No, sir.

311. He was having her honestly built for himself?—Yes; he was very fond of yachting.

312. Well, you saw this boat down at Lockport, and you thought she would be a serviceable, good boat for the service?—Yes, sir; for the reason I had been using a smaller boat and had never been able to go out in the least puff of wind or rough weather.

313. Did you go back and consult with Sir Hector or the Deputy Minister as to the propriety of purchasing this boat?—She was never purchased by the Department.

314. She was purchased?—Not by the Department, sir; therefore I could not consult with them.

315. Did you consult with them as to the propriety of having a boat like that put into service?—Ah, that is another question. I will tell you how I did it. In a building I am head of my branch; in dredging I have acted nominally as assistant engineer to Mr. Perley. Mr. Perley himself has been on that smaller boat that we referred to just now, and in speaking of it he says: “Arnoldi this is too small a boat for this kind of work; you have got to lose too much time pottering about in it. If you ever tackle another boat get a decent-sized boat”

316. Did you tell Mr. Perley you were the owner of her?—I don't think I ever did.

317. He never asked if you owned her?—I don't think he ever did. I answered Mr. Perley, if he did ever ask me, as I answered you, Mr. Lister, when you asked me who was the owner of the boat.

318. No?—I think somebody did; perhaps Mr. Somerville.

319. You never told Mr. Somerville you were the owner of a boat?—Not to my knowledge; I think they all knew it pretty well.

320. You never told any departmental officer that you were the owner of the boat?—Not to my knowledge.

321. Then the Department supposed that Mr. Wilson was the owner of the boat?—They had a right to suppose so.

322. Did you never inform them at all?—No, sir; for one simple reason—that is, that I wished to avoid newspaper notoriety, that is all.

323. There was nothing wrong?—That was my only reason for taking any man's name; the papers have been very attentive towards me since 1874.

324. You said a moment ago that the departmental people all knew you owned the boat?—I said they practically may have assumed so. Sir Hector, I may say, certainly never did, because he asked me within the last week about it. I must exonerate my Minister, and my Deputy too, most thoroughly of any knowledge or cognizance of the boat.

325. Then none of these people knew you owned the boat?—Practically they did not know; they may have assumed it.

326. How did other people assume it, and why should they assume it?—You are asking me a very hard question to answer, there.

327. That should be easy to answer; I want to know why it is?—Seeing I was on the boat and used her myself.

328. For what?—For purely Government work nothing else.

329. That would not show it?—They never saw anybody else using the boat. She was called Arnoldi's boat, therefore they might assume it was my boat.

330. That is the only reason?—That is the only reason I can give you.

331. When you got her from Mr. Wilson, did you tell him that you did not want to make it public?—I told him that I wished to avoid newspaper notoriety.

332. You brought her to Ottawa and fitted her out?—I did. I put in some of her fittings in the west—that is to say, I took the cushions of the old boat and put them into her, and the plate and the knives and forks from my own house.

333. Have you fitted her and repaired her from time to time with Government supplies?—No, sir; the Government have kept her painted, there is very little repair done to her. I think they had a perfect right to do so, just the same as any tug we would hire and use for our own use.

334. The Government has kept her painted?—Yes, sir; every spring.

335. Has her machinery been kept in repair by Government employés?—There have been no repairs that I know of.

336. Any other repairs made to her?—I made an alteration to her this spring. I experiment with my own property for the Government benefit. You may doubt that, but it is a fact. We have to work sometimes in very low water. For instance, at Trenton working over a shoal it does not allow more than 5 feet of water, and a large tug, which draws $8\frac{1}{2}$, breaks her wheel and gets into trouble. The "Joe" has got a certain speed, and I made experiments, I might say, to see whether a given-sized wheel would produce as good results in towing as a larger sized wheel; for this purpose I took the wheel and made the necessary alterations for the purpose, but I found it would not work, so I took it back again and put it into store.

337. Was that taken out of store?—It was paid for by the Department of Public Works and belongs to them now.

338. Why was it bought?—It was a wheel that was bought for the “Sensation;” either of our tugs use the same sized wheel; and it was charged against the “Sensation.”

339. You took the old wheel off and put the new wheel on?—For the purpose of experimenting with it.

340. Only just experimenting with it?—To find out whether the old wheel was as good as one of a larger diameter.

341. You found it was not, and you took it back and put it amongst the stores again?—It can be used on the “Sensation” if she breaks her wheel.

342. If it answered all right would you have left it there?—Yes, sir; left it there for the other boat—for the “Davis.”

343. This boat of yours, I see that the charges are for five months at \$100 a month; then you charge Ottawa to Kingston, Kingston to Brighton and back to Kingston, and then to Chateauguay, and Kingston to Valleyfield. That was in 1890?—Can’t you give the month, sir?

344. I cannot. Ottawa to Brighton and back to Kingston. Tell me, are there any dredges on the Ottawa River?—You must specify dates, sir.

345. I have it just as you have given it?—Give me the date and I will tell you. I have so many. I had twelve last year. Probably that was last year, sir.

346. Yes?—This is a copy of my voucher (producing pass book). It must have been in 1889, sir.

347. It would be for July, August, September, October and November in 1889, and May in 1890?—I will give it to you in a few moments. The total is \$45. I do not know whether that is the Auditor General’s report of that account or not.

348. Did you go to Brighton?—Why, certainly, sir.

349. And back to Kingston?—I have the minute now, sir. Here is my travelling expenses. I left Ottawa on the 12th, and I charged 75 cents for a cab to take down the instruments. Cab at Kingston, 75 cents. On the 14th of October there is a telegram, 45 cents; and on the 15th, telegram, 45 cents; on the 17th there is a cab, 25 cents; on the 25th, railway \$1, Lachine to Montreal and back, 50 cents; 21st there is a cab to Ottawa, 75 cents. Then there is hotel expenses, my allowance for twelve days is \$42, making an account of \$47.

350. But you were on the boat all the time?—I was on the railway, Montreal to Lachine.

351. There is a charge for your board?—When I am absent on duty there is an allowance for every day at \$3.50.

352. And there is a charge for meals?—I furnish meals on the boat.

353. You charge the Government \$3.50 a day and charge for furnishing meals?—No, sir. I furnished the crew with meals at 25 cents a meal, sir.

354. You furnished no food for yourself?—Yes, sir; and my wife, and daughter and servant.

355. You bought what you required for yourselves and did not charge that to the Government?—Certainly not.

356. But you buy and charge to the Government whatever the hands and the engineer and the captain use?—I will put it in another way: Mrs. Arnoldi buys the provisions required for the boat, and there might be a dozen

of beer in it; I do not know. It would be such things as meat and bread and butter. We live as at home. When we leave the table the men come in and take their meals there and then; at the end of the month they are charged for. You take this October account, 9th October to 31st, you will find a hundred and two meals for the engineer and assistants.

357. You bought all the supplies necessary?—Certainly.

358. And you charged the Government for the meals?—Twenty-five cents a meal.

359. While you got \$3.50 a day for yourself?—Yes; that is exactly the state of the case. I might mention that that trip might appear a little long. If there was a little more detail it would be better. That boat at that time towed two scows from Kingston up to the Murray Canal for the dredge on Lake Huron. Her trip was longer than usual.

360. You went from Ottawa to Brighton?—Yes, sir.

361. You went from Ottawa to Kingston first?—Yes, by canal, because the scows were going up the canal ahead of me.

362. You went to Brighton and back to Kingston?—Yes.

363. And then from Kingston to Chateauguay? And then down the St. Lawrence from Kingston to Valleyfield?—You have to go that way to get to Chateauguay.

364. These were all the trips?—This is one trip you are speaking about just now.

365. I am speaking of the year's tripping?—That is only one of the trips I made.

366. That is all there was?—No, there were more than that. The Auditor General's report is wrong if it says that. There were more trips than that sir. I can show you them, sir. If you had all my accounts it would show them.

367. They are all here?—I beg your pardon, sir. There is another book about the winter accounts.

368. There is John O. Smith, eight and a half months caretaker of dredge. That is charged to the dredge "Priestman."—That is not my charge.

369. These are the only items under your charge to the steamer "Joe"?—But there is a mistake in that book. The Auditor General is wrong.

370. Did you get more than \$646 for the steamer "Joe"?—Anything over that amount is charged against my travelling expenses.

371. There is nothing charged here against you for travelling expenses?—I call my trip travelling expenses.

372. But I mean your three items of what you paid out for the boat?—I can give you that, sir.

373. What I want to get at is this.....?—The expenses for the steamer "Joe," \$500 rent, is correct.

374. And \$100 for food?—Meals and pilotage.

375. Not pilotage.—You will find it is charged.

376. Meals for engineer, assistant and pilots, four hundred and four at twenty-five cents—\$101?—I beg your pardon sir. Oh, that is perhaps correct. That is all right. That has been consolidated.

377. Ottawa to Brighton and back, &c., and pilotage—\$45, in all, and making \$646 altogether. That does not mean your expenses. It means meals furnished your assistant and pilots. What I want to know is, does that represent all for these five months of 1889 and 1890; that is, your charges for meals

to engineers, assistants and pilots, \$101?—Without going into all my vouchers and putting them all out, I could not answer that question.

378. You have rendered an account to the Auditor General and there is your account with the vouchers for meals and pilotage. Look at that account?—I never saw that piece of paper before.

379. No; it is taken from the data furnished?—I would have to look at all my figures. I would not swear to his figures. Perhaps it is consolidated, Sir. I could not say without going into it, Sir.

380. \$45 for pilotage, is that right?—Probably it is, Sir. Here are seventy-nine meals in May, 1889, amounting to \$19.75.

381. It is not May, 1889. It is May, 1890?—I beg your pardon, Sir. I may have a bill in my own travelling account, for all I know. Here is July, 1889, one hundred and seventeen meals, \$29.25; August 1st to the 22nd, \$48.75, August to September, \$14. The account altogether is \$146.

382. The Auditor General makes it \$101?—That includes pilotage.

383. Now how many men have you on that boat?—One man as engineer is the crew of that boat. In this I have another, because I had an extra amount of work to do. I took another man along if I required his services on the dredge or in the general service.

384. Is that the crew of the boat?—Unless the dredge foreman accompanies me.

385. Is your engineer employed all the year round?—He has a multitude of duties as myself. He is the man who attends to the electric bells here. He is a fireman and an engineer. When he is away he is on the boat. When he is not away he is working here.

386. He is working on the boat or the buildings all the year round?—Yes.

387. And when you wanted an extra man you took a dredge man?—I took the dredge foreman or a man off the dredges.

388. That is the crew of the boat?—I am the rest of the crew.

389. You do the rest of the work yourself?—Yes. She is not a man-of-war.

390. She is a very comfortable little yacht?—Very nice, sir.

391. During 1889–90—from July 1889 to June 1890—you were paid for meals \$101 altogether?—And pilotage.

392. \$146 for pilotage included?—There may have been some other small incidental contingencies paid out of my own pocket.

393. How many dredges did you visit that year?—I would have to study that out.

394. You went to Brighton and then you want to Kingston?—You have to go to Kingston to get to Brighton.

395. You had no business at Kingston to take you there?—Sometimes a man likes to take a rest after working until twelve or one o'clock at night. On that occasion I had to stop at Kingston because I had to get another little tug to help me to tow past the Cape.

396. You went back to Kingston from Brighton?—I must have.

397. I see the next charge is Kingston to Chateaugay. Did you go there?—Yes.

398. You went to Brighton, returned to Kingston and then to Chateaugay?—Yes, sir.

399. Then you were on the St. Lawrence between Kingston and Valleyfield and it was necessary to have a pilot go down there?—Certainly.

400. Are those the only places you went to that year?—Heavens above, no.

401. That is all I see charged for. Tell me where else you were on that boat. I only see \$101 meals charged for in that year?—I beg your pardon \$101 for meals.

402. Well that would be four hundred meals?—Yes. I was at Chateauguay wharf on the 1st July, 1889.

403. Where were you on the — July?—I was in Ottawa attending to my monthly payments and estimates.

404. Where did you leave the boat?—At Coteau wharf.

405. At Montreal?—No, Lake St. Francis, 87 miles from here.

406. You came back by rail?—Yes sir.

407. When did you go back to Coteau?—On the 4th, I may have left the “Joe” at Valleyfield instead of Coteau, because Valleyfield is just across the river and more sheltered.

408. You went back again?—On the 4th I went to Valleyfield, paying accounts there by the look of my books. On the 5th I left Beauharnois Canal at 9.20 in the morning, and was at the foot of the Canal at 11.53, Lachine Wharf, 1.05, left wharf 1.20 and arrived at the Wellington basin at 2.30.

409. You had dredged at Valleyfield?—I don’t remember.

410. Read this account for travelling expenses?—“Travelling expenses between Ottawa, Valleyfield, Montreal, Charlemagne, St. Placide, Ottawa, Valleyfield, River St. Louis, Montreal and back to Ottawa.” Wherever there is a repetition here I have been there twice.

411. During the month of July you were at those several places and could get to all of them by rail?—No you could not get to Charlemagne by rail. It is round by Point Aux Trembles and you had to go by water.

412. From where?—From Montreal; possibly I could have hired a horse and driven.

413. In the month of July, in which you charged for the services of the “Joe”, you had to be at these places, and you went by rail?—I beg your pardon. When it is charged by boat I went by boat.

414. I see that you charge for cab Ottawa, railway to Valleyfield, horse hire to River St. Louis, cab Montreal, railway to Ottawa, expenses eight days, so that in that month I ask you again if the visits you made to those several places were not made by railway?—I have to speak by facts, I am on my oath just now. The 30th of June is the end of the fiscal year, and that account has probably been subdivided to go into the fiscal year. The boat left before that: I went back at the end of the fiscal year to bring my accounts. On the 4th July my account began as you have it there. I left Ottawa by rail to Valleyfield, I drove to Charlemagne from Montreal and did not lose any time by taking the boat. That was on the 6th July, 1889.

415. Where did you go by the boat?—To Wellington Basin, Montreal, to get coal probably.

416. Again, in the month of July, commencing on the 12th, did you visit Port Hope, Toronto, Kincardine, Windsor and back. You did not go in the ‘Joe’, there? The “Joe” would not go over Lake Huron?—I do not know about that.

417. Did you go to Port Hope, Toronto, Kincardine and back?—(Referring to diary). Between the 12th and 18th July; yes.

418. And you went there by rail?—I will tell you in a minute. I went from Ottawa to Port Hope by rail, Port Hope to Toronto by rail, Toronto to Kincardine by rail. Then I went by rail to Windsor and from Windsor to Ottawa by rail.

419. So that from the 4th to the 18th of July, with the exception of going to Montreal in your boat, you visited all these places by rail? You had dredges at Port Hope, Toronto, Kincardine, Windsor and Point Edward?—No, sir; none in Toronto. At Port Hope and Kincardine I had.

420. None at Windsor?—No, sir. Let me explain the item of that account. When you see an account in reference to places visited where there are no dredges I have had to go to those places on account of the Public Buildings.

421. I see another account here dated July 22nd, "Ottawa to Montreal, Valleyfield, Chateauguay, Montreal, Point aux Anglais and Montreal." You went to those places by rail?—By boat.

422. The boat was at Montreal all this time?—No.

423. Did you bring her again to Ottawa?—I will be able to tell you by my book. Trip No. 4 left Ottawa July 22nd, 10.42.

424. Whom had you with you on that occasion—a little party?—There never was a little pleasure party on that boat. That boat never turned her wheel up except on the Government service.

425. Could you not have found those places,—Montreal, Chateauguay, Valleyfield and Point aux Anglais,—by rail?—I might have, if I had carried a skiff along and had my instruments with me.

426. What instruments?—Measuring line, pickets, sounding rods, to enable me to take my measurements and soundings by.

427. How did you do in Lake Huron?—It is a different service there. Both at Goderich and Kincardine the work lies between two piers. If you had to attempt an experience of that kind you would find it would take you half a day to get a skiff and another half day to get a sounding pole, and mark her off into feet and inches.

428. Well you left Ottawa on the 22nd July and got back, when?—I got back on the 29th at 5 p. m.

429. In September you appear to have travelled by rail to Brockville, Bowmanville, Toronto, Brockville and back?—Yes, sir.

430. Then I see August 31st, Ottawa to Hudson, Chateauguay, Montreal, Chateauguay, Montebello, Montreal and back. Did you do that by rail?—August 13th I commenced the western trip.

431. Where to?—Brockville, Bowmanville, Toronto and elsewhere.

432. I want the 31st not the 13th?—From the 13th to the 22nd I travelled by boat.

433. What you say is that in your judgment it was necessary to have a boat, or else to carry the scows along with you?—To carry my tools in a boat; you cannot get a carpenter to work without tools.

434. What are your tools?—A measuring line, compass, sounding rod, pickets, and buoys sometimes to put down.

435. You carried all these down to Chateauguay?—Carried them on the boat all the time; they were always necessary.

436. Always on the boat?—Yes.

437. And did you require them for the upper lakes?—No, sir; because it is a different service altogether.

438. You only require them, where?—Where you have got a long channel. At Kincardine, Goderich, or any of those places, as I told you, the work is confined to 100 yards square. There is a shoal I am working now, and the surveying steamer has been there three times this week; that is a mile long.

439. Where is that?—It is 55 miles down the Ottawa. I could not walk down the river. There is a gap in the river, too, besides having all my buoys.

440. How was it you came to get Mr. Allan to allow this boat to go in his own name?—He was a friend of mine as well as Mr. Wilson.

441. You had extensive dealings with Mr. Allan?—Well, we had transactions of a private nature. I don't think it would be justice to Mr. Allan—

442. I am not asking whether it is private, but whether your dealings were extensive?—They have been very extensive. I suppose one way or another I have acted for Mr. Allan and Mr. Allan for me to the extent of \$50,000 or \$60,000.

443. You don't say so?—Oh, yes.

444. You were dealing pretty largely?—I am in bigger business than you have any imagination of.

445. I have no doubt it is private business, too?—After office hours, sir.

446. Oh, certainly; after office hours. But private business?—Yes; private business.

447. Mr. Meddie's was also private business, after office hours?—Yes, sir.

448. And \$50,000 or \$60,000 worth of business was done?—No, sir; I don't say that.

449. Mr. Allan being a particular and a private friend, you concluded you would place the boat in his name. Did Mr. Allan go over with you when you got the boat?—No, sir.

450. Did he ever see the boat before you got her to Ottawa?—I could not say.

451. Did you ever see him at Lockport or Tonawanda?—I have seen him at Lockport.

452. What was he doing?—He went with me on my Government business to superintend the construction of the "Ontario." Mr. Allan undertook a contract on the St. Lawrence for certain dredging. He was a new hand at dredging, and came and consulted me about it. He was going to buy a second-hand plant. I said: "Don't touch it; get the very best thing you can." It might be four or five weeks after Mr. Allan came to me and said he could not get such a thing in time to commence work. I said: "There is no trouble about it; don't throw your money away on poor stuff. Mr. Allan, I am building one now to put out for exactly the work you require to do. Put on your hat; I am going up by train to-night to Buffalo and Lockport." He came down with me, and I asked Mr. Allan: "Do you intend to do business or do you not?" He said: "Yes; I am going to do business." That is the way I do my business. I said: "Do you intend to do the talking, or may I?" He said: "You do the talking."

453. So you did the talking?—I did the talking. I telegraphed the man to meet me at Lockport; at the hotel that night we met Mr. Sutton, and I said: "Now, what are you going to charge this gentleman for a dredge the same as the Ontario?" Well, he said: "You know what the Government is paying me; so we cannot do it for a cent less."

454. The Government was getting the cheapest price?—Some of the contractors up there have found that out.

455. Go ahead?—Ultimately I would not talk about those figures. I said, "If you want to do business you must come down to hard pan. He is a private gentleman, and even if you do charge the Government more you must not charge him. I am giving you a certain job, and you have got your patterns and every thing right in the place; it's a job that should be done for less money." They came down I think \$500, and I said: "Go ahead and do the work." That is the way I did my business with Mr. Allan.

456. Was there any contract made?—Not that I recollect—yes, there was a contract made.

457. Did you sign it?—No, sir; Mr. Allan, he was present during this conversation.

458. And did he see this boat at that time?—I presume he did.

459. Did you ever have any talk with him about it?—I may have had a talk.

460. That is the boat you were speaking about at the time you were over to the States?—I presume I did.

461. Did you show the boat to him?—It was two miles from the works and whether at the time of Mr. Allan's visit he stayed long enough to go down to the works I don't know.

462. The first time you spoke of taking the boat in his name was in Ottawa?—It was in Ottawa.

463. Now, Mr. Allan, I see by the Public Accounts, has received money for dredging since this time?—Probably he has.

464. You know it, don't you?—I know it from seeing it in the papers, but I have no connection with the dredging of Mr. Allan. That is what is called contractors' dredging. I only superintended the Government's own dredging. I cannot communicate with Mr. Allan and I gave no work.

465. This business between you and Mr. Allan, what form did it take—was it contracting?—Mr. Allan—I don't want to evade your question—

466. I don't want you to, either?—Not in the slightest degree.

466a. Was it contracting?—Excuse me, I want to put it straight. There was a question asked Mr. Wilson the other day which was retracted, and to pursue this question about Mr. Allan may have the same results. It is a matter entirely and purely private, and away from the Government in any possible form or connection.

467. I want to know was your business with Mr. Allan speculating or contracting?—The building of this dredge for him; I superintended the construction of it.

468. That formed no part of this \$50,000?—There were other transactions besides.

469. I want to know if it was in the contracting line?—No, sir, the others were not; the mining line and many other lines too, Mr. Allan being an intimate friend of mine, if he got in trouble would come to me and say "Jack what do you think about this"? I would say "Don't do it".

470. That did not involve money?—That might have involved five or six thousand dollars more or less.

471. Is that what you mean—he simply spoke of taking your advice?—No, I said I had engaged in different transactions with Mr. Allan which might involve fifty or sixty thousand dollars.

472. That was money invested in some way ; it was not your advice by which he saved it?—Do you think, that if I got a dredge built for him perhaps thirty or forty thousand dollars in the construction of that dredge, I was in connection with him?

473. When you talk about connection with him in business you mean mutual risks?—I beg your pardon, I did not state any such thing at all.

474. What did you state?—That I had transactions with Mr. Allan that involved that amount. It may have been in advice, it may have been in other ways.

475. It was not in cash?—No, sir, not all in cash ; partly in cash, sir. I am supposed to be not exactly a beggar on the street. I may have a little fund of my own that I may wish to invest. Mr. Allan might want a loan of five or ten thousand dollars, and I might want a loan.

476. Nobody says you are a beggar. I know on the contrary you are not ; you live in one of the finest mansions in the city?—I am very proud of it.

477. Mr. Allan never paid you anything for helping him did he?—He did pay me.

478. How much?—When Mr. Allan's dredge was successfully worked, he presented me with a cheque, and said "I am very much obliged for your valuable service."

479. What was the amount of the cheque?—Am I obliged to answer that question?

480. Yes, it is a proper question?—Have I to answer that question or not?

481. Just as the Committee like?—The only thing, Mr. Lister, is this ; it is bringing my private affairs before the Committee.

482. There is nothing private you know?—I beg your pardon, I have nothing to be ashamed of.

Mr. BOWELL objected to the question being put, if it concerned the witness' private affairs.

Mr. LISTER—He is in the employ of the Government, he was engaged with a man who was building dredges for the Government and engaged with a man who was going to or had received contracts from the Government.

Mr. CHAPLEAU—With which he had nothing to do.

WITNESS—No, sir, nor the Department of Public Works either ; it was a Railway Department contract, I will tell you the amount privately, across the table, Mr. Lister, but I don't care to expose it to the whole Committee.

By Mr. Mulock :

483. Either you have a right to tell the whole Committee or not?—I will tell him if he wants to know.

By Mr. Lister :

484. It's a proper question for you to answer, but if you don't want to answer it I don't want to press it.—I don't think it is necessary to divulge Mr. Allan's private affairs ; for my own I don't care one cent.

By Mr. Mulock :

485. Had you not to do with Mr. Allan as a Government contractor?—No, sir.

By Mr. Lister :

486. Mr. Allan was a Government contractor?—Under another Department. Mr. Allan has asked me to get him work several times, and I have answered “I cannot give you assistance in any shape or form.”

487. You say that some of the public money is expended by you directly, that is, you say you get a cheque from the Paymaster, and you pay a portion of the expense, and cheques are issued to others for the accountants?—Well, you have the question rather mixed.

488. Well, tell me what have you paid?—I will tell you exactly how it is. In the fall of the year, towards the close of navigation, it is very uncertain how long I will keep a dredge continually at work, and if a pay-list was made out in blank it would not be known how much to charge to the men. I have said to the Department: “Give me a cheque and I will send you in a pay-list. I have cashed that cheque, paid the men, brought in the balance, and saved the dredge waiting there several days. I understand that has been stopped, and I think very rightly too. I don’t think any officer who certified to an account should pay the money.

489. In paying for goods in Montreal and other places, did you pay these people directly?—No, sir.

490. You gave an order?—That is it, sir.

491. They send in their account, and the money is sent by cheque?—Yes, sir, it goes through the Audit Office from our Department.

492. You were examined last year, I think?—Yes, sir.

493. You were not on oath then?—I don’t think so, sir.

494. But you said then that you had not then or never had any interest in the “Joe”?—Mr. Lister, if my memory serves me right, and I tried this morning to see if there was evidence to try and refresh my memory, and I never, to the best of my recollection, said I had no interest in her. You asked me—

495. I did not ask you, I was not there?—Whoever it was—Mr. Davies I think who did so. Who she belonged to I think that was the question, and I evaded it by saying she was registered in the name of Mr. J. R. Wilson, of Montreal.

496. Did you not say you did not have, and never had any interest in her?—I deny that, to the best of my recollection.

497. You swear you did not make the statement?—I think I can swear I did not make that statement. I won’t be positive. My answer was on enquiry she would be found to be registered under the name “J. R. Wilson,” Montreal. I evaded the question in that way, for the same reason as I said before—that of newspaper notoriety.

498. And that is your answer to that question?—That is my answer to that question.

499. If Mr. Davies says you did deny it, owning the boat or having any interest in her?—Well, if Mr. Davies will make an affidavit that I denied it, I will have to believe him; if he won’t do that, I won’t believe him.

500-1. You have no recollection?—No, sir, I have a recollection of being asked who owned the “Joe”? I think that was the question that was put to me; and that I evaded the question by saying if enquiry was made it would be found she was registered on the Customs’ register under the name of J. R. Wilson.

502. You have accounts here for six months' rent for a shed, storage of dredging plant, 1st May, 1890, and 1st November, 1889?—Yes, sir.

503. Is this the only year that you have such a charge?—No, sir. It is charged this year.

504. 1890-91?—Yes, sir; I will show you the voucher in a minute.

505. 1889-90 was the first year you made such a charge?—I cannot remember the first date.

506. Look at the account?—That account is correct. I admit all that is on the face of that piece of paper. Anything that has my name to it, I admit.

507. But if it has not you would not admit it?—No, sir.

508. That account is made out to F. Merrett?—Yes.

509. F. Merrett is your nephew?—Yes, sir.

510. He never owned this lot?—Never in the world.

511. And he never expects to?—I do not think he will ever have money enough, poor boy. Bank clerks don't generally get a great deal.

512. There are two accounts here for \$40 each; that is \$80 a year. You have two accounts for the past year?—I have them in my pocket.

513. Let me see them?—We will delay that for a moment.

514. How long have you been the owner of this lot?—I think I would have to consult the record to find that. I will tell you the whole story if you like.

515. Never mind that. How long have you owned it?—About two and a-half years.

516. You have built a stable on it?—Yes, and a shed and a storehouse and two or three other sheds—quite a little village.

517. You charge the Government in the name of F. Merrett for storing dredging plant on that lot?—Yes, sir.

518. Why did you make out the account in the name of F. Merrett?—That is what I was going to explain to you, sir.

519. It requires some little explanation?—This lot at one time belonged to a gentleman named Mr. McGillivray. It was sold by tax sale and it was bought by Senator Clemow. Senator Clemow, speaking to me one day, said: "Don't you want to buy that lot?" (Witness drew a diagram of the location of the lot.) I was afraid someone might buy that lot and put a livery stable on it. I said to Mr. Clemow that I would take it, if he would make the figure all right. He is a generous man and wanted to get all he could. I beat him a \$100 or \$200 and got the lot. You know about tax sales better than I do, Mr. Lister, and you know that within a year or so the previous owner can get it back. He said: "You had better say nothing about it." When I became the possessor of the lot I found there was some \$300 or \$400 unpaid taxes upon it. About that time Mr. Perley was chief engineer and I was acting as assistant to him. We had two sheds on the Canal basin which had neither roof nor floor in them, and we had to repair them.

By Mr. Bowell:

520. All Mr. Lister wants to know is whether you own the property and rented it to the Government in another man's name?—It was to avoid my identification as the owner of the lot that it was put in Mr. Merrett's name; but as soon as I had my purchase complete I put the account in my own name, sir. (Producing account.)

By Mr. Lister :

521. This is 1st May, 1891. There was a little fuss about this before 1st May, 1891?—I did not know anything about it.

522. It was known there would be a fuss about it?—I did not know anything about that.

523. Up to November, 1890, the account was put in the name of Mr. Merrett?—Yes.

524. When did you get your deed for the lot?—I cannot tell you without looking it up.

525. It was two and a-half years ago you said?—Some of them can find it, but I can't find the date.

526. Why don't you put it in Mr. Merrett's name still?—I got my taxes all settled.

527. Taxes wouldn't amount to anything to you?—I am trying to get a deed of the rest of the lot—the east half of the lot.

528. You had the original deed?—Yes, I have it. There was some litigation about it.

529. Yes, with the old woman there. You fired her with the hose?—Yes, the first wash she had for some time.

530. That did not effect the title to the lot?—No; the title for that lot is secure.

531. Is it because you had no title to the lot that you put the account in the name of Mr. Merrett?—It was because my titles were not all complete or I was not in a position to know where I stood. I think I only paid my taxes last November or December.

532. Did you get a deed for the lot?—I have the tax sale deed.

533. You got it from Mr. Clemow?—Through the Mayor.

534. You got that two and a half years ago?—Probably about that.

535. And you did put in an account this May in your own name after you knew the Auditor General's accounts would show that you have been charging in Merrett's name while the account really ought to have gone in your own name?—Just for the reasons I have stated.

536. Did you give orders to Chanteloup & Co., of Montreal?—Yes, sir.

537. Do you deal with them?—Yes, sir.

538. Have you dealt with them for many years?—Yes; probably at the time Mr. Mackenzie was in power we began to deal with them.

539. You have been dealing for many years with these people?—Yes.

540. Sending down your orders and they sending up the goods?—Ordering by telegraph and by telephone and in many ways.

541. The account amounting to many thousands of dollars?—I cannot say.

542. Do you know Mr. Hurtubise?—Yes.

543. Was he a partner in the concern?—No.

544. Who carries on the business now?—Mr. Chanteloup's neice. Mr. Hurtubise is Manager.

545. Has he been in the business for many years?—He was book-keeper for many years.

546. During all these years did you get any present from any members of the firm?—I have had a lot of presents.

547. From Chanteloup?—Yes.

548. Lots of presents?—Yes ; I got a pipe in my pocket he gave me.
549. Is that all?—I have had more than that.
550. Have you ever had any valuable presents?—My daughter got a brooch worth \$3.
551. Is that all?—No ; I had a dining table sent me this winter.
552. From whom?—Mr. Hurtubise ; but I expect to have to pay for it yet.
553. Then it is not a present?—I didn't say it was a present. I said I had a table sent me.
554. He is not dealing in tables?—No.
555. Did he send you an account for the dining table? Not yet.
556. He is a hardware man?—Everything in the world.
557. Did you order the table to be sent?—I selected the table and I asked them to have it packed up and sent to me.
558. And they packed it up and sent it to you?—Yes ; and I expect to pay for it—that is more.
559. When was it sent to you?—Somewhere in the winter.
560. You have been dealing with that firm for seventeen or eighteen years?—Probably.
561. During the time that Mr. Chanteloup was living did you, or did you not, receive either for yourself or any members of your family from him, or anybody for him, valuable presents?—There is a chain I have. Mr. Chanteloup gave me that one day. He took off the chain that I had on and he gave me that one.
562. Did you ever get any diamonds?—Not that I know of.
563. Do you swear that Mrs. Arnoldi did not get diamonds?—Not that I know of from Mr. Chanteloup.
564. Or anybody for him?—I am not sure. Couldn't swear that she did. Mrs. Arnoldi has jewellery of her own and I can buy her any jewellery she requires.
565. Do you swear you do not know that members of your family have received diamonds either from or through some person from Mr. Chanteloup?—I swear that I do not know if Mr. Chanteloup ever sent Mrs. Arnoldi or members of my family diamonds.
566. Did he never tell you so?—No ; he never told me so.
567. None of your family ever told you so?—No, sir.
568. And you do not know?—I do not know for a certainty if Mr. Chanteloup or anybody else ever sent anything to my family, except as I told you, a small brooch. My son's wife when she was a child was staying at my house.
569. Were you at the time, or any portion of the time, you were dealing with this firm of Chanteloup & Co. allowed anything on purchases?—No, sir.
570. Or were any payments ever made to you?—No, sir.
571. They were not?—No, sir.
572. Do you swear that the only presents you received were the chain and pipe?—No ; I told you that my son's wife, when she was a child, had received presents when she was sick in bed.
573. But yourself?—I cannot call anything else to mind. I would be glad to tell you if I could think of it.
574. Do you know Samuel Ennis, a hotel-keeper at Lacolle?—Yes.
575. About two years ago did you get a horse from him?—Yes, sir.

576. Did you buy that horse yourself?—I bought the horse. Mr. Wilson paid for it and I owe Mr. Wilson that money yet.

577. Two years ago, was it?—Yes.

578. You bought the horse yourself?—Yes, and fixed the price. I examined the horse with a lantern in the stable.

579. Was Mr. Wilson present?—Yes, and several others.

580. You bought the horse?—Yes, sir.

581. And Mr. Wilson paid for it?—Yes, sir; and I owe him the money yet.

582. This was two years ago?—I think it was. Two years or two and a-half; something like that.

583. Did Mr. Wilson take your promissory note at that time?—No, sir; his word is good to me and mine is to him.

584. It was a case of mutual confidence?—Yes.

585. This is the same Mr. Wilson who is furnishing supplies to the Department?—Yes, sir.

586. You liked the horse?—Yes, sir; I have him yet.

587. You have two or three other good drivers have you not?—They are considered pretty good.

588. Who delivered the horse to you that you got at Lacolle?—Mr. Ennis himself, I paid his expenses here. It cost me \$20 to get the horse here.

589. He says \$10 only?—I think Mr. Ennis is mistaken. The railway fare from Lacolle here and back again would probably be \$5 or \$6. The horse came up in a box car.

590. Did not you pay the freight at the railway station?—Upon my word I could not tell you.

591. Ennis says you made him a present of a \$10 note?—I am under the impression that when Ennis arrived here it was 15 or 20 below zero. I brought him to my house and asked him what I owed him. He said he did not know, and I said call it twenty, and he said it would be all right.

592. All these years you have been getting a cheque from Wilson every time your season's pay fell due and he endorsed it to you?—Or gave me cash.

593. Did not you think it was strange that he did not keep out of those accounts the amount he paid for the horse?—We have a great many transactions of a speculative nature together.

594. He never said anything about the horse?—Yes, he has.

595. Did he when here the other day?—He said that he wished that he had kept the horse himself.

596. You never gave him a due bill?—No.

597. Nor a note?—No.

598. You have not paid any interest?—No; I have not paid any interest. If I wanted \$5,000 and asked Mr. Wilson for it it would be up here this afternoon.

599. Why should you want \$5,000? You have lots of money?—I never said so. I said, I am not a beggar.

600. You have lots of morey?—You say so.

601. Well, have you?—Have I? You will get me into a pickle if I tell you that. I will have all the charitable societies after me.

602. When do you expect to pay Wilson for the horse?—Probably this summer.

603. You buy from New York people?—New York is a pretty big place.

604. Do you know Robert Mitchell connected with the Edison Electric Light Company in Montreal?—I should think I do.

605. You gave them a pretty big job?—The Minister of Public Works did.

606. You were the means of getting them the contract for electric lighting in the public buildings?—The Department of Public Works took in tenders for the lighting of this building. The United States Electric Light Company was the lowest tenderer. Their light, in my opinion, is not as good as the Edison's, and I persuaded the Minister to have a competitive test between the two lights. I still stick to it that the Edison's is the best light in existence.

607. Do you know Mitchell, Vance & Co., New York?—Yes.

608. Were you ever in their place?—Yes, often.

609. Do you know them well?—I do not think they know me.

610. Have you about your place a pair of bronze dogs?—I have.

611. Where did you get them?—They were sent to me.

612. I know they were. By whom were they sent?—I will give you the name of the gentleman in a minute.

613. Did Mitchell, Vance & Co. send the bronze dogs to you?—They did not certainly.

614. Do you say they did not?—I swear it.

615. Who sent them to you?—They may have come from their store, but I say they did not send them.

616. Who was it sent them to you?—Charles —— I will give you the name in a moment.

By the Chairman :

617. Where does he live?—In Detroit.

By Mr. Lister :

618. Do you know what they are worth?—\$100, I suppose.

619. \$500 they cost?—I am very glad to hear it. I am richer than I thought I was.

620. They were worth \$100 in your judgment?—\$100 or \$200.

621. Will you swear they are not worth \$200?—I won't swear anything of the sort, but I am very glad to know it.

622. Who sent them to you?—I cannot remember his name just now, I will remember it in a moment.

623. Were they a present?—I presume they were.

624. Had you been very intimate with this gentleman?—Yes; we have slept in the same bed frequently.

625. And you do not remember his name?—I will give you his name in a minute.

626. Was he in business?—He was the Agent in New York State for the Edison Company.

627. Was he not in Mitchell, Vance & Co.'s place when you went there?—Not that I remember. I know the store very well, and do not remember his being there with me.

628. Will you swear he was not with you?—I am on my oath now; I made the statement.

629. You say you don't remember?—I don't remember that he was.

630. Will you get stronger and swear he was not there with you?—I do not remember.

631. You swear you don't remember his being there with you?—I have said so.

632. Did you intimate to him you would like a present of a pair of bronze dogs?—No, sir

633. You saw those bronze dogs in Mitchell, Vance & Co.'s store?—Yes.

634. They took your eye?—Yes.

635. And you thought that you would like to have them?—I had seen them a good many times and would have liked them to follow me home.

636. You did not feel you were able to buy them?—Well, I offered him \$100 for them and they tried to kick me out of the place.

637. Who was with you when this deed of violence took place?—No one.

638. What was the name of this agent for the Edison Electric Light Company?—I am trying to think of it. I will give it to you in a minute.

639. You recommended the adoption of the Edison Electric Light in this building because you considered it better than the other?—Yes.

640. You had put in the other?—We had both in.

641. And you took out the United States Company's light?—We did.

642. Were those bronze dogs for the house, or the lawn or the steps?—Anywhere where you like.

643. Where did you put them?—In the house.

644. They have been very much admired, I believe?—Yes; a man tried to steal them once.

645. When did you see Charlie —— last?—I have not seen him I think for two years. I may have, but I am not sure.

646. How much was that contract for the Electric Light Company, in dollars?—In this building here? It was about \$500 less than they tendered for.

647. What was their tender? Was it \$10,000?—No, sir.

648. You have been using the one light right along?—Yes.

649. And buying supplies?—We buy them from Barr, of Toronto. The company has been transferred; there is now a general Canadian agency.

650. Can you tell me how much the Government paid to that company for the Edison electric light?—I think the United States Company's offer was \$3,900 and the Edison Company's \$4,200. I had to make three trips to New York before I could get them to come here into competition with the other company.

651. So they knocked off \$500?—No. Sir Hector said "I cannot advance a price, and we cannot give them the tender unless they come down the \$500." I went down to New York and bluffed them into taking it. I told the Edison people that they were afraid to come into competition with the United States Company. The Secretary-Treasurer said to me "If you talk that way to us we will come in", and that is the way they came in.

652. Was that the time you thought you would have liked the pair of dogs?—No, sir; I do not think I had seen the dogs then.

653. When was it—after they had put the lights in?—Two or three years after.

654. In addition to the original plant, did you not buy a large amount necessary for the purpose of carrying on the work of lighting up the Departments and the House of Commons?—Yes.

655. A considerable amount?—I could not say how much.

656. \$4,000 or \$5,000 worth?—More than that.

657. How much more?—I would have to refer to the documents.

658. Would it be \$10,000?—It might be.

659. It might be more?—I think it is about that, approximately.

660. Did you get the bronze dogs before the subsequent expenditure of \$10,000?—Upon my word I could not tell you. I never thought anything about the dogs.

661. But the man was mad enough to kick you out when you offered him \$100 for them?—Jokingly, I meant. I never thought anything about the dogs. I took them as a personal favour from Charles Benton; that is his name.

662. Is he still in the employ of the Edison Light Company?—No, sir.

663. Where is he?—In Detroit.

664. You never intended to pay for them?—No, sir, never the slightest intention.

665. Did you write to him thanking him?—I thanked him personally.

666. Did you have any correspondence with him?—No correspondence on the subject.

By the Chairman :

667. How long have you known Mr. Benton?—Since I first knew the Edison Company; that is the time we made tenders for lighting this building; when I first went down to New York.

By Mr. Lister :

668. Have you only had the electric light in this building about four years?—More than that, sir. The first acquaintance I made with them was after they got lighted in the United States, I went into the office of the Edison Company, a total stranger, to have half a dozen lamps to experiment with. I was told: "We cannot do that; it would invalidate our patent, taking our lamps into Canada." That probably was a couple of years before it was brought in here.

669. What the United States Company states, is, their contract was less, but you threw all sorts of obstruction in the way; that a comparison of the two lights will show theirs is the best, but you got theirs out?—Gentlemen that is an assertion.....

670. Of course that is an assertion made and proved?—That is an assertion that cannot be proved, because you have only got to send for the official report on file in the Public Works Department, of disinterested experts; professor Baker Edwards, of Montreal, the great analyst; Mr. Robb, I think it is, chief engineer of the Boiler Inspection Insurance Association, and there is a third party, I think. I threw the whole the whole thing into their hands, and their report is an unbiassed report, and you can have it any time you like.

By the Chairman :

671. What does that report say?—The reverse exactly of what Mr. Lister says.

By Mr. Lister :

672. Had you anything to do with letting the contracts for wood and coal in the city?—Yes, Sir.

673. Are they let by you?—No, Sir; I write the specifications.

674. And recommend the tenders?—No, Sir; Sir Hector always takes the lowest tender.

675. Mr. Heney tenders for the wood here?—Yes, Sir.

676. Do you get any consideration at all from him?—A good deal of trouble instead of consideration.

677. You get the consideration?—Not in any shape or form.

678. No way at all?—No, Sir; I would not buy a stick of kindling from Mr. Heney.

679. He makes you no presents?—No, Sir.

680. Never has?—Never did.

By Mr. Foster:

681. What about that report. How came you to ask for a report from these experts?—When we got the experiments into the building here and got into operation I told Sir Hector Langevin there was a good deal of antagonism between the two companies.

682. What two companies?—The United States Electric Company, or the Westinghouse Electric Light Company, as it is called, and the Edison Electric Light Company. There was a good deal of antagonism; I am glad of the opportunity to make this explanation, I said: "I will not undertake to make a report on the result of this trial because I said every word would be impugned. That must be done by outside men, I would like to get one from Philadelphia, the most scientific expert I can possibly get. He says "You have got to get Canadians, we are not going to go outside the country for any experts." I went down to Montreal, and arranged with Baker Edwards, and Mr. Robb of the Boiler's Association, to make the needed test, and I had one of my own clerks taking the closest possible minutiae for a report in order that it might be fair and far reaching. I would not have been so particular in measuring, and making the calculations had it not been for a gentleman whose name I did not intend to mention, but whom I will now mention, I refer to Mr. Chanteloup who is a sincere friend of mine. I went into his place one day, he called me by name and he says "Jack, you look out for yourself" I said "Yes what's the matter?" He says: "Well, a gentleman was in here asking what kind of a man you were?" I said: "Yes; what did you tell him; who was he?" "Well," he says "never mind." I said: "I want to know who he is? What would he want?" He said: "He wanted to know how much it would take to fix you." I said then: "Who was he?" He says: "It's Mr. Woods of the United States Electric Light Company." "Well," I said: "Neither Mr. Woods nor his company, have got money enough to buy me." Shortly after this Mr. Woods—he did not know I knew this—came into my office in the West Block and sat down. He was a very gentlemanly fellow, with a bald head like my own, and is still I suppose the lobbyist of the United States Electric Light Company, although he does'nt know any more about electric light than that hat, but he does all the boodling business, and tried to see how far he could reach me. He came into my office and sat down there, he said to me: "Arnoldi we have got the contract." I said: "I believe you have." He said: "I suppose you know the Edison Company is to come in, in the competitive test." I did not mention the Edison Company, but I said: "Yes are you coming in?" He said: "Of course. Mr. Arnoldi, I have a great deal to do in public buildings, and a great deal to do in working these things."

I said: "There is a great deal of difficulty in working these things. You mean me to infer your experience has been, you have got to pay your own way into the front door, and out at the back, is not that it?" He said: "That is about the size of it." "Well," I said: "If you can show me any person on my staff, who would accommodate you in that way, I will have the pleasure of kicking him out of the building in front of you." Afterwards when the experiments were on here, the United States Company tried to burn the Edison company's machine, here in the basement of this building, because it was done in their interest; nobody else had any interest in destroying the machine. That is the reason, you see, no one is allowed in the dynamo rooms; they burned out that machine, and put out the light for one night. So there is the position of the United States Company. I signed the report of the experts, giving the details of the experiment; and I want the committee to understand, that notwithstanding Mr. Wood's kind remarks and kind intentions towards me, that report can be verified right down to every line that is in it, and every figure; and the proof of this is, that neither Mr. Wood nor the United States company never, from that day to this, tried to see a copy of it, nor asked for a copy of it. It contains too many facts and figures for them.

683. Will you see that the report is sent for?—I will, sir.

By Mr. Lister :

684. What did Mr. Chanteloup say to you?—He said, to the best of my recollection: "Jack, there was a gentleman in here to-day making enquiries about you." I said: "What did he say? who was he?" He laughed—he was a very practical old man—and said "He wanted to know what kind of a fellow you were, and how was the best way to get at you."

685. Yes?—"I think," he says, "if I remember right it is some works." He laughed, and said: "You had better let him alone."

686. He put you on your guard anyway?—He did, sir.

687. You were armed for this fellow when he turned up?—You bet; I was "loaded for bear."

688. You were loaded right up. You told him to get out of there, if he offered anything of that kind to you?—Yes, sir.

688a. Did the old gentleman say to you, he thought better to tell you to put you on your guard?—Well, he did not say he thought anything of the kind, he was just in the same position as you would be, if any intimate friend you had a respect for. I happened one day to go into another man's place in Montreal. I saw something that was very suspicious. I saw Mr. Chanteloup, and I told him.

689. You felt very indignant that any member of your Department should be open to approach in that way, or you yourself?—Certainly.

690. And you told him at once if he made any such offer, you would throw him out?—I did not say that. I said his custom was to buy his way into the front of a building and out at the back.

691. He said they had to buy their way right through?—Yes, sir; that was his experience.

692. Did you get angry?—No; what was the use of getting angry; I thought it best to keep in a good humour.

693. Did you find out how much of this business he had been doing?—My business was public works; his was in the United States.

694. You never found out how far he went?—I am satisfied he had a good time.

695. Did you have the dogs at that time?—I think I can swear positively to that.

696. Have you got a bill of the dogs?—No, sir; they were sent to me personally by Charles Benton.

697. Did they come by express?—Faith, and I cannot tell you how they came.

698. Who paid the duty?—Faith, and I cannot tell you that either.

699. Did he pay duty?—I think he bought them himself.

700. You don't know whether they ever paid duty?—Faith, and I cannot tell you.

701. Never gave you any information at all?—No, sir; no information, because I knew more about it than he did.

702. But it was you who expressed the wish for these bronze dogs, and they were sent on?—I did not say so. I never made that statement. I said I admired those dogs very much, and I said: "Charlie, if you know any way of stealing those dogs, just steal them for me and drop them into my yard," and they were dropped in.

703. That was in New York?—Yes. It might have been at Greenwich. We often went down there and spent Sunday.

704. Did Charlie see the dogs, or was he with you?—I do not remember him being with me.

705. You just told him where you saw them?—He had seen them, I think; I am not sure.

706. I want to ask you a question more about Mr. Meddie. You told us before that he made you a present of that boat?—Yes, sir.

707. He was not in business?—I did not say that.

708. In what business was he in?—In a large grain-dealing concern.

709. What were your dealings with him?—He was my brother-in-law.

710. And simply on that account you induced him to make you a present of the boat?—There were some domestic affairs. I was executor of the estate and did several little matters for him.

By Mr. Mulock :

711. Did you hear Mr. Merrett's evidence the other day?—Yes, sir.

712. Was it correct?—Yes, sir.

713. In every particular?—Yes, sir. I took the trouble to go down to Montreal on Saturday and explain to the bank the young man's position.

714. Did you hear Mr. Wilson's evidence?—Yes, sir.

715. Was it correct?—Yes; in every particular.

716. So then it is the case that the boat was registered in another name than your own, and you were certifying to its earnings, and were drawing from the Government the pay which was supposed to be going to other parties?—Yes, sir.

717. And this money came through other parties to you?—Yes, sir.

718. And the same may be said about the account for the stable used by the Government for storage?—Yes, sir. In one of these cases, as I briefly explained just now, the object was on account of not having completed all my payments of the taxes and the ownership of the lot. The other cases was to avoid the newspaper notoriety that they devoted to me. I have a precedent for these

cases, which I think is applicable in my case. I positively state now that I did not know, nor I do not remember ever having known what the sections of the Civil Service Act are. I did not know that I had ever signed it until I went yesterday and looked up the book and saw that I had signed it in 1868. I do not know whether I have signed it since. I mean the register of affirmations in the Privy Council. My precedent is that moneys have been paid to parties—to third parties—on more than one occasion before, and nothing has been said about it; and I consider that this was no different from that case. I did not see that I was committing any venal wrong. I refer in one case to Robert Steed, now of the town of Sarnia, being sent to make a joint report on a dredge at Kincardine, after being given the contract for rebuilding her entirely, and the money was paid to Robert Steed through the name of John King, of the Sarnia Ship-building Company. Mr. Robert Steed is the Hon. Alexander Mackenzie's brother-in-law. That was in 1874, within three weeks of the accession to power of Mr. Mackenzie. It was on the 25th November he was awarded the contract.

719. Was that in the time of the Civil Service Act?—I do not know that it was.

720. Go on, then?—Another instance of money being paid in the same way was thousands of dollars paid to Charles Mackenzie through the name of Cooper, Fairman & Co.

721. Who was Charles Mackenzie?—Brother of the Hon. Alexander Mackenzie.

By Mr. Landerkin :

722. Was he a member of the Civil Service?—I think he would have liked to have been.

723. Who asked you to look up precedents?—My conscience, sir.

By Mr. Lister :

724. Charles Mackenzie was a partner in Cooper, Fairman & Co.?—No.

By Mr. Mulock :

725. In regard to receiving presents of jewellery, have you any precedent for that?—No; and I would accept it to-morrow from any gentleman who held the relation Mr. Chanteloup did to me.

726. Had you any precedent for the dogs?—No more than I would accept another pair to-morrow, and still hold my position.

727. What about the acceptance of furniture?—I do not know that is a present. I have not had any account for it yet.

728. Was there any precedent for accepting a horse?—That I have to pay for yet.

729. Was there any precedent for your accepting presents of jewellery for your family?—I have explained that already.

By Mr. Landerkin :

730. How do you reconcile your conscience to the accepting of bronze dogs without the duty being paid on them?—I did not know that the duty was not paid.

By Mr. Barron :

731. All this time you were in the Civil Service?—Yes.

732. Was Mr. Steed a Civil Servant also?—No.

733. Nor Mr. Charles Mackenzie?—No.

By Mr. Lister :

734. Cooper, Fairman & Co. were hardware merchants in Montreal?
—Yes.

735. And goods were sold to Mackenzie?—Yes.

736. And receipts were given to the Government by Cooper, Fairman & Co.?—I do not know.

737. Did you take the trouble to look that up?—No ; Mr. Mackenzie acknowledged to having received that money.

738. Mr. Charles Mackenzie was a member of the firm of Cooper, Fairman & Co.?—To obtain this money.

739. What money?—This money referred to.

740. Was it for goods supplied by Cooper, Fairman & Co.?—Goods supplied in the name of that firm.

741. Was it wrong to pay them for goods?—If Mr. Mackenzie received money as I did, it was just as wrong in his case as mine ; and I believe he did.

742. Believe what?—I believed that he received money under similar circumstances to what I did.

743. That Cooper, Fairman & Co. entered into a contract to draw money from Mackenzie?—I swear that is my belief.

By the Chairman :

744. You have had a pretty intimate knowledge of transactions in that period?—I saw it from the public records and prints. If I am not mistaken, Mr. Mackenzie acknowledged that this money was paid to the firm that he might receive it.

By Mr. Lister :

745. And you were following that precedent?—I think it was a very good precedent.

746. Was there anything wrong about Cooper, Fairman & Co. being paid for goods supplied to the Government and the Government getting value?—So they did in this case.

747. They got value for all they paid?—So they did here.

748. Cooper, Fairman & Co. signed the receipts?—Yes ; and so did Mr. Wilson.

749. You say that they were merely cloaks for the purpose of getting money for Charles Mackenzie?—If my case is called so, theirs was too.

750. Is that your story : That the name of Cooper, Fairman & Co. was merely used for the purpose of a cloak to enable Charles Mackenzie to get money?—I did not say that. I say the money was paid to Charles Mackenzie through Cooper, Fairman & Co., and I believe that he owned up that the money had come to him.

751. Were you suspended when the Government went out in 1878 —
No, sir.

752. You swear you have not been suspended?—By Mr. Mackenzie, no. In 1874 I was favoured with something similar to this you are trying to bring up now, and I proved in the end that the load was on the other horse. I do not remember being suspended. I remember being suspended by Mr. Langevin once.

753. Were you not suspended in 1874?—I think not. I would have to refresh my memory.

754. Let us understand a little more about Mr. Steed. Mr. Steed made what?—He rebuilt a dredge and two scows.

755. What was wrong about that?—One tender I received and gave to Mr. Mackenzie, which was Steed's tender. Mr. Mackenzie asked me whether he could get another tender. I told him that there was a firm in Chatham, Simpson & Jetsom, or something like that. I got a telegram dated the 20th November, 1873: "We are sending tender direct to Minister of Public Works." I did not see it afterwards until I was in Ottawa, and the contract was let to Steed.

756. Steed got the contract?—Yes.

757. And did the work?—Yes.

758. Well?—Pretty well.

759. And he got paid?—Yes.

760. What was wrong?—It was paid in Mr. King's name. Nobody ever heard of the Sarnia Shipbuilding Company.

761. Didn't you know that the Sarnia Shipbuilding Company, was a well known company?—I did not know that.

762. What is wrong about it?—I say Mr. Robert Steed built the dredge and was paid in Mr. King's name.

763. And he was the head of the Sarnia Shipbuilding Company?—That is news to me.

MR. LISTER—He built the Grand Trunk Railway boats and a great many other vessels, and would no more take money from the Government or anybody else than chop off his hand.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 6th August, 1891.

Committee met—Mr. Wallace in the Chair.

ALEXANDER BOWIE called, sworn and examined:—

By Mr. Denison:

764. What is your occupation?—Captain of the steamer “Empress.”

765. You are on the route between the city of Ottawa and the head of the Grenville Canal, and are in the daytime, at any rate, liable to see any boats passing on the river?—Yes.

766. Did you ever see the steamer “Joe” do any towing in connection with the dredges belonging to the Department of Public Works?—Yes, towing the dredges between Ottawa and Grenville.

767. Did you ever see the “Joe” lying idle at any wharf or locality on the route or under any circumstances by which you could conclude she was used for purposes of pleasure?—Not that I am aware of.

By Mr. Lister:

768. You often saw her hauling the dredges?—I saw her several times, during different seasons.

GEORGE G. ROE called, sworn and examined:—

By Mr. Lister:

769. I believe you are an iron founder and doing business in the city of Ottawa?—I happen to be one of the senior partners in the firm of the Baldwin Iron Works in this city.

770. Can you inform the Committee if at any time you made a wheel for the steamer “Joe”?—No, sir; we made no wheel for the steamer “Joe”.

771. Did you do anything connected with her?—I am not exactly sure about this business, because our foundry was let out to a party who furnished us with castings by the ton. There was a wheel made, but it was not in connection with the steamer “Joe” whatever.

772. There was a wheel made?—I understand that. Under oath I cannot say whether it was for the steamer “Joe” or not.

773. Can you tell me how long ago it was?—It was last fall, I think, or in December. Somewhere thereabouts.

774. On whose order was it made?—I cannot say. We only furnished the propeller wheel on instruction; but the order was given by the gentleman who had rented our foundry to furnish us with castings.

775. Who was that party?—Thomas Lawson.

776. Where is he?—He resides in Ottawa. I cannot give you the street.

777. Did you make out the account?—No, sir.

778. Did your business firm make out the account?—No, sir. Mr. Lawson was paid in connection with the work. It was settled by contra account.

779. Then you had no dealing with Mr. Arnoldi?—None whatever.

780. Your whole dealing in connection with that wheel was in connection with Mr. Thomas Lawson?—Yes, sir.

781. The account was made out to Mr. Thomas Lawson?—Yes, and paid by him.

COMMITTEE ROOM, FRIDAY, 7th August, 1891.

Committee met—Mr. Wallace in the Chair.

J. R. ARNOLDI re-called, and further examined:—

By Mr. Lister :

782. On your examination before you spoke about a wheel which you had had made for the "Joe." You stated that you had got a wheel made and had taken a wheel off the boat and had put in store?—Yes, sir.

783. Had the Government any use for a propeller wheel?—Yes, sir.

784. They kept them in store?—Yes, sir.

785. How many of them?—We generally have two or three for each boat, because you do not know what minute you may require them.

786. By whom was this particular wheel made?—Thomas Lawson.

787. How much did it cost?—It did not cost the Government anything at all, except for the boring of it.

788. How was that?—Mr. Lawson could explain that better than I could. He is a great man at making wheels and says he can make them against any other man. We have frequently got our wheels from Kingston, but when I spoke to him about making a new wheel of 12 inches increased diameter for experimenting on the "Joe," he asked me to let him make it as he wanted to prove that he could make as good a wheel as at Kingston or anywhere else. He said, if you will let me make the wheel I will sweep it out in loam, if you will furnish me with the scrap. You send your broken wheel up and I will cast it for you without any charge to the Government. I want to show you that I can complete as good a wheel as they can in Kingston.

789. Lawson was a founder?—Yes.

790. Do you know a man named Roe?—Yes, sir.

791. What did he do?—He bored the hole.

792. He says he charged the account to Lawson?—He charged the amount of the work of boring to Lawson.

793. How much was that?—12 or 13 hours.

794. How much was the amount of the bill?—I do not know.

795. He charged this time to Lawson?—Yes.

796. And Lawson let you have it for nothing?—I believe he did.

797. Will you swear that?—I am on my oath now.

798. Was an account made out for this wheel to the Government?—No, sir. There was no account made out to the Government for this wheel. I think I have got a memorandum here. In running the accounts for the Government vessels, particularly referring to the dredges and works under my charge I should tell you that there are different appropriations. I would like to explain.

799. Never mind that. All I want to know is was there a bill made out to the Government for that wheel?—I said there was not.

800. Did Mr. Lawson pay Mr. Roe for that wheel?—That is a matter entirely between Lawson and Roe.

801. Roe says Lawson did pay him?—Well, then, that must be true.

802. Then Lawson did it for you for nothing?—He did it for the Government; not for me.

803. There was no charge for iron?—No. We furnished him with the material to make the wheel.

804. You furnished him with the iron?—Yes.

805. Then all the work done was done by Mr. Roe?—I beg your pardon.

806. Well, what did Mr. Lawson do?—Lawson cast the wheel in sand.

807. Roe says he did all the work?—As compared with his, Lawson's work was 99 per cent.

808. How much did Roe charge him?—I have no idea. That is a matter between them.

809. Roe did the boring, Lawson paid for it, Lawson also cast the wheel and he charged nobody for it?—Nobody that I know of.

810. How much is a propeller wheel of that size worth?—I have the account here, "to one propeller wheel 555½ lbs., swept in loam, at 4½ cents per lb., \$25; time boring and facing the above, 13 hours at 35 cents an hour, \$4.55.

811. That is the whole thing?—Yes.

812. And do you say that neither Mr. Lawson nor Mr. Roe made out an account for this particular wheel to the Government?—Not to my knowledge.

813. Did not Roe or Lawson make out an account for the wheel for the "Joe" and bring it to you and you had it charged to the Government in connection with other wheels?—No, sir. Here are copies of two accounts in connection with other wheels.

814. Who made these accounts out?—These are pencil copies of mine.

815. Where are the originals?—In the invoice book, in the Department.

816. Can you produce the book?—I am suspended from the Department just now.

817. In whose handwriting are the originals?—They were written in my office by one of my clerks. It is a common thing to do that.

818. One of your clerks made out an account to the Government for this wheel, \$33.63?—I say no, sir. We did not make out an account for that wheel for the "Joe" at all.

819. Why do you produce these accounts, then?—These are for other wheels.

820. Let us hear your explanation now?—In connection with our public buildings and dredges we have different appropriations. First of all we have "maintenance and repairs, public buildings;" then "heating public buildings;" "general running expenses, dredging, Ontario and Quebec;" then "dredging vessels, repairs;" and finally "new dredging plant." Supposing a man like Mr. Lawson has an account against the Government running over a month or two, he sends it into the office, and there the different items are extracted and charged to their proper appropriations. That is done every day in the office and has to be done, because no accounts can be properly paid unless they are charged to their proper appropriations.

By the Chairman :

821. As I understand you, you sub-divide the accounts, but it does not change the amount?—No, sir.

822. And you say this particular wheel was not paid for by the Government?—No, sir.

823. When was it made?—This past spring.

824. These two accounts are for other wheels?—Yes; for two propeller wheels “swept in loam.” I observe that one of them is charged to the propeller “Queen.”

825. What I want to get at is, there was a wheel manufactured for your boat last winter or last spring?—Yes.

826. By Lawson?—Yes.

827. And what you say is that neither the Government nor you were called upon to pay anything for that wheel except the boring?—I do not know whether Mr. Lawson paid that out of his pocket or not.

828. The Government did not pay it?—Not to my knowledge.

829. You did not?—I did not.

830. Here is a wheel charged for on March 20th : “Propeller wheel, swept in loam, &c.” Do you swear that that is not the wheel that is in your propeller?—I swear it is not, to the best of my knowledge.

831. Was it ever on her?—Never on her yet.

832. Was that the wheel you had manufactured to put on?—No, sir.

833. How many wheels have you in store?—I may have—

834. No “may have.”—I do not carry everything in my mind. My work is pretty extensive.

835. How many wheels have you in store?—I cannot tell.

836. Have you more than one?—Yes.

837. Had you three?—Yes, I think I had. Perhaps four.

838. Will you say you had more?—I cannot tell without referring to my papers, and I cannot get at my papers. I tell you no wheel came down from Kingston to the city.

839. We are talking about this wheel. You say there is one on March 20th that was swept in loam?—Yes.

840. “Time boring and facing 26 hours at thirty-five cents, \$9.10; two chain sheaves and one small stand 22 pounds at 4 cents, 88 cents, and some other items making altogether, \$74.38.” Then he gives you credit for 9,000 pounds of old scrap at sixty cents per hundred?—Yes.

841. Is that the scrap you furnished him?—No, sir.

842. That was not arranged last year?—I know what you are talking about. That is scrap taken up from around the buildings, Rideau Hall and back of the buildings.

843. Did you furnish him in March last or since with more than 9,000 pounds of scrap?—I would have to refer to my books. I am on my oath, and as far as my memory serves me the scrap furnished for the casting of that wheel was over and above that. If there was scrap taken for that wheel it was deducted from that.

844. Mr. Lawson was willing to throw in all his work and charge the Government nothing?—There are plenty of tradesmen who would be willing to do the same thing.

845. These two accounts are dated March 20th of the present year?—I presume they are.

846. Do you undertake to say to the Committee that you had more than three wheels manufactured in this way during last March?—I say without having access to my papers and books that I believe there were four wheels came this spring.

847. Will your books show that?—I cannot tell whether they show that or not until I look at them myself. I saw Mr. Lawson frequently coming in about the office and he heard me talking about this wheel and making calculations on a new sized wheel and said "Let me cast that wheel for you."

848. Were you to see Mr. Roe?—I do not know that I ever saw Mr. Roe until I saw him yesterday.

849. Were you to see Mr. Lawson about this matter?—I saw him last evening, to ask him what was the matter with it.

850. There is one thing more: You told us the other day that you got a couple of bronze dogs from New York?—Yes.

851. How did they come to Canada?—That is what I don't know.

852. Where did you see them first after you saw them in New York?—I cannot tell.

853. Cannot swear?—Cannot swear. I think I saw them in my own house first.

854. How did they come to get there?—That is just the question.

855. You never enquired how they came there?—I receive a great many presents from a great many people, irrespective of the Government, and I want you to understand that any gentleman in the United States sending a present to Canada generally prepays the express on it.

856. Did these dogs come by express?—I do not know.

857. Never enquired?—No, sir.

858. No member of your family ever told you how they got to your house?—No.

859. And you never asked?—No.

860. You see it is a magnificent piece of furniture?—I do not know that they are magnificent.

861. \$100 you said they were worth?—Probably.

862. You never enquired?—It is an old saying that you should never look a gift horse in the mouth.

863. You knew it was a gift horse?—Certainly.

864. Didn't these dogs come along with the electric plant?—Mr. Lister and gentlemen of the Committee—I will swear on all the bibles you could put up that they never came with the electric plant.

865. Were they not put up in some of the boxes?—I say positively and swear solemnly that they were not.

866. How do you know that?—Excuse me. I have passed a great many entries in connection with my position—customs entries—and there has never been so much as a hairpin or a jack-knife come in one of the boxes of Government material. So much so that I pass the entry and one of my clerks goes down and gets the goods through the warehouse. I do not even unpack them.

867. Your electric plant was all done up in boxes?—I looked up that point, as I thought you might make some enquiries. I find the first instal-

lation was put in in the fall of 1884, the next plant was in 1886 and the dogs came in 1885. Therefore there was no shipment from New York at all that year.

868. How, then, in the name of common sense, did they get here; they didn't walk?—It is very funny.

869. Did you ever see your friend afterwards, who was there and gave you them?—Yes.

870. Did you say anything to him about it?—I asked him if he sent them and he said he would be hanged if he could remember.

871. He couldn't remember? How long was it after you got the dogs that you saw this friend?—I cannot tell you.

872. Was it a year?—It might be a couple of years. It was more like a couple of years.

873. You can't remember how he sent them?—No.

874. Did you ever enquire at the Express Office to see if they came that way?—No.

875. But you knew they came from the States?—I had naturally a reason for thinking so. They may have been brought into Canada and sold to somebody in Canada and sent on to me.

876. It was not some other friend, because it was the electric man—the Agent of the Electric Company?—The New York State Agent had no connection with the Canadian work at all.

By Mr. Chapleau :

877. You say he was the New York State Agent and not the Canadian Agent. Could he have any interest in selling in Canada?—He was the Agent for the State of New York solely. He would have no influence or a word to say about the Canadian work sold by the Edison Company.

By Mr. Lister :

878. The New York Company you bought from manufactured in New York?—They manufactured all over—down in Connecticut and different places.

879. Might they not have come over here with the electric light machinery which came from the States?—I cannot say about that. It did not. To protect the Canadian patent, the lamps had to be made in Canada. They are made in Hamilton. The last dynamos, to my knowledge, were made by Mr. Chanteloup in Montreal. The other dynamo was made in Sherbrooke.

880. Did not a part of this machinery come from New York?—I cannot answer that question.

881. You told us a few moments ago you were looking this up?—I was looking up the Customs entries. The time in which we got our installation, I said certain things came from the States.

882. And they came from New York State?—I do not know that, sir.

883. Where were they bought?—One of their Engineers came on here.

884. Where from?—New York. The Head Office is at New York. He laid out all his work and planned all his wires, and I approved of his plan; but where he got the stuff I do not know. I did not go down and buy them. They made their plans and estimates and made up their list of so many hundred feet of wire and so many insulators and lamps. I do not know whether they were made at Bergman's or not.

885. You saw the dogs in Mitchell, Vance & Co.'s?—I had seen them there.

886. You cannot tell whether this stuff came from Mitchell, Vance & Co., or not?—I do not know.

887. Did you pay duty on these dogs?—I paid interim duty. I went to the Customs people and said: "There is a matter of two dogs before the public. Come down and see them. I don't know whether they paid duty or not. Come down and appraise them, and I will pay the duty whatever it is." I have done so. Allow me to say one word to you in regard to Mitchell, Vance & Co., while I am speaking; I do not know where they came from, but I think I can positively say that none of the electric stock in the public buildings here ever came from Mitchell, Vance & Co.

888. Where did they come from?—I said they have a factory in Connecticut, and they have a factory in New York. I rather think that Mitchell, Vance & Co. are competitors with the Edison Co.

889. What were the dogs appraised at?—\$100.

890. You have paid the interim duty?—I paid my duty as a final entry.

891. Your friend told you he did not know how they came into the country, and you did not know; but you did know they came from New York, didn't you?—Yes, sir.

892. You never enquired whether the duty was paid or not?—I received a great many presents and I would not enquire whether the duty was paid or not.

893. Have you not at different times taken the men belonging to the Government and employed them at your own house?—Sometimes I have sent a man down when I have been too busy; when I have been very busy and stayed at my office until six or seven o'clock. I have sent men down to do what I should have done myself; but I do not think it was unusual. It was done at Mr. Alexander Mackenzie's house. Mr. Alexander Mackenzie had men working from the public buildings at his house. I did not think it was any more wrong for me than the Premier.

894. Did you build a new house lately?—I built a house in 1885.

895. Did you have the men from the public service working at that house?—Yes; with the permission of the Deputy Minister. I paid them their wages and deducted it from the pay-list for every hour they worked; and the reason I had them, and the reason I got permission was, that my duties called me away from town so much that I was not at home for four weeks during the whole summer, while my house was in course of construction, and I represented that by having my own men they would watch my interest and make a better job for me.

896. Did you put gas fittings and water pipes in your house?—Yes, sir; and paid for them.

897. Where did you buy those?—I bought the fittings and iron work and things of that sort from Thomas Robertson, of Montreal. I hold their receipted bills paid for, in hard cash.

898. You paid them for those things?—Yes.

899. But the horse still stands?—I rather think that the other day—as you might imagine an unfortunate modest man standing before such a large crowd—that I was rattled. I am not sure that I have not paid for that horse. I said the other day, to be on the safe side, when I was on my oath, that I believed I had not. I am not sure that I have not now.

900. You are not sure but you may have paid for that horse?—I am not sure.

901. I asked you the other day, and I ask you again, whether Mr. Chanteloup ever presented any member or members of your family with a pair of diamond solitaire ear-rings, a gold pen case, pen and pencil, set with catseyes. I ask you again if any members of your family received them from Mr. Chanteloup or anybody for him?—I repeat my evidence of the other day. I deny the diamond ear-rings. Did you name two other presents there?

902. Two.—The pen case I never thought of until you mention it now. I think that Mr. Chanteloup did give that to my wife about four years ago, and I think she gave it to her sister. I never remembered it at all. It was worth about \$3.

903. Well, now, you were examined about the diamond ear-rings the other day; have you spoken to your family since about them?—Have I spoken to them since?

904. Yes, about that particular matter?—Certainly I have.

905. Now, you know that there is a pair of diamond ear-rings?—Now, are the contents of my house, of my wife's boudoir, to be brought before the public?

Question over-ruled.

906. Did any man who furnished supplies to the Government of this country make a present to you or any member of your family, of diamond ear-rings?—No, sir.

907. You say that on your oath?—Yes, sir.

908. Now, how much did those dredges cost that you had from Lockport?—I should have to refer to my books to look up the matter before I can answer.

909. Cannot you give us any idea?—The Public Accounts show.

910. I know the Public Accounts show, but I want you to state to me as near as you can recollect, did they cost \$40,000, or \$50,000, or \$55,000, or more?—They cost \$40,000.

911. Did you ask anybody in Canada to tender for dredges?—Yes; there were Cantin, of Montreal; Calvin & Breck, of Kingston; Davis, of Kingston; Schickluna, St. Catharines; and somebody from Port Dalhousie; Muir, I think, from Port Dalhousie. Mr. Cantin was sorry he could not tender. Mr. Muir, of Port Dalhousie, said he had all the work he could do for the winter without manufacturing the dredges.

912. Who built the dredges?—The Pond Manufacturing Co.

913. Who made the machinery?—Morgan & Sutton, I believe.

914. The men who built the yacht?—Yes.

915. Do you know that the Pond Manufacturing Co. paid for the yacht?—No; I do not know.

916. Do you know anything about who paid for it?—No; I cannot say, particularly, who paid for it.

917. That yacht was brought to Canada along with the dredges?—Yes.

918. At the same time?—Yes.

919. Is this the "Joe"?—Yes.

920. Will you undertake to swear that the Pond Manufacturing Co. did not pay for the yacht?—I won't undertake to swear who paid for the yacht.

921. The Pond Manufacturing Co. built the dredges at all events?—Yes.

922. Do you know G. W. McCullough, who used to be a coal merchant here?—Yes.

923. Did he sell coal to the Government?—Yes. I do not know whether he should be considered fortunate or not, but he has had the contract for 12 or 14 years.

924. Has he got it now?—No.

925. Did you ever get anything from Mr. McCullough?—Specify your charge.

926. While he was a contractor did you receive a present of value from him?—No, sir.

927. Did you ever receive a present from him?—I never received a present from Mr. McCullough.

928. Nor any other person for him?—No.

929. Nor did you get anything from him?—Yes; I have a tandem set of harness, but not a present.

930. What is it?—It is a loan; I will tell you how it happened.

931. When did you borrow it?—A year ago last winter. I had a conversation with Mr. McCullough, we were talking about horses, and after we had been discussing the matter for some time I suggested whether it was possible to get up a driving club in Ottawa; in recent years I had not had much time for driving, I had to take Sundays, it was the only day I had got, but I have horses that I would like to make tandem. He said: "I have got a tandem set that I have no use for, if it is of any use to you, you are perfectly welcome to have the use of it." It is there.

932. And you have had it ever since?—Yes; any person who knows anything about harness will tell you that they will be willing to lend harness to any person who will use it, because it saves the harness.

933. Mr. McCullough just said to you that he would lend it to you?—Yes.

934. Did he not say this: "I have no time to go into that matter"? Did he not say that he knew nothing about a driving club, but he had a set of tandem harness that he would give you?—I don't remember that; I remember just what I have stated.

935. He sent them over?—Yes.

936. That was a year ago last winter?—Yes.

937. Did he ever speak to you about them since?—Yes, he spoke to me about them yesterday.

938. Did he want them back again?—I said: "McCullough, whenever you want them I will send them right back to you."

939. I ask you again, sir, whether McCullough did not make you a present of that harness?—No, sir.

940. Did he not say: "I will give you that harness"?—I don't remember him saying that; I remember distinctly just what I have said as to the use of the harness, and I saw him yesterday and told him he could have them back whenever he wanted them.

By Mr. Daly:

941. Who owns the harness?—Mr. McCullough.

942. You could not dispose of them?—No, I could not dispose of them without Mr. McCullough's consent, and without giving him what I got for them.

943. How much is the harness worth?—I could not tell.

944. \$100?—They are second hand harness.

945. Are they worth \$100?—They are worth from \$80 to \$100.

By Mr. Barron :

946. How did you offer to return them yesterday?—I do not know. Gentlemen do not usually watch each other like that, you know. I maintain, Mr. Lister, that it is quite within your province to bring all these charges against me. I don't deny anything that I know of; but you must know that when Mr. Buckingham was private secretary to Mr. Mackenzie, he received a gold watch, and the Premier knew of it, yet it was not printed or published in the newspapers. When Mr. Kingsford, Mr. Perley's predecessor, received a presentation from the people of Lake Huron, he was not hounded to earth, he was not styled a blackguard for doing it. Mr. Mackenzie was present in both cases.

By Mr. Daly :

947. Have you had any communication with the Edison Electric Light Company?—Yes, sir, I have.

948. Will you produce the letter and just read it?

Letter produced, and marked Exhibit No. 1, was read as follows:

EXHIBIT No. 1.

“ EDISON ELECTRIC LIGHT CO., 44, WALL STREET,
“ NEW YORK, 4th August, 1891.

“ JOHN R. ARNOLDI, Esq.,

“ Department of Public Works.

“ Ottawa, Ont.

“ MY DEAR SIR,—I learn from you that a rumour has gained some currency in Ottawa, or elsewhere in Canada, affecting the integrity of your relations to this company, or some of its affiliated connections, and that, at least the suggestion, and perhaps charge, has been made in some quarters, that in consideration of your installing an Edison plant in the Dominion building at Ottawa some consideration was made to you personally for your action in this matter. In bringing the subject to the attention of this company, you have made the inquiry as to what the exact facts are in respect to the same, and have asked me to state, in writing, whether there is any fact within the knowledge of the persons managing this company and its properties which tends in the slightest degree to give colour to such a rumour or suggestion.

“ It gives me pleasure to respond promptly to your inquiry, and to say that there is no fact within my possession, nor, so far as I can learn, within the possession of any other person connected with our business, which in the least degree bears out the promoters of this accusation. The contract for supplying the Dominion Buildings with an electric plant was awarded to the Edison Company after a competitive test, in which the United States Electric Lighting Company participated. The results of that test were plainly sufficient, in themselves, to justify your action in awarding the contract to the Edison Company. I have not seen the report which you made, as the result of the tests which were submitted to you, but I have no doubt that your finding upon all substantial points was strictly consonant with the facts proved. It would certainly

be a surprise to any one familiar with the merits of the two competitors to learn that any different conclusion was ever meditated by you for a moment.

“ In the preliminary negotiation leading up to your decision I was personally in communication with you, and had conferences and correspondence with you. The negotiation was under my charge ; no one else representing this company actively participated in it. It was doubtless my purpose throughout to produce as favourable an impression upon your mind as I could do, both socially and in a business way. I certainly made it a point to be agreeable, rather than to be disagreeable to you, and to acquire your good opinion of my affability and of my qualities as a social companion. But beyond the efforts which I made in this direction, together with those which I made to convince you of the truth of the proposition which I was asserting as to the value and quality of the wares which I had to sell, I brought to bear no inducement whatever upon you which might in the slightest degree be of personal advantage or benefit to yourself. I never paid, nor promised to pay, to you or to any other Government official, either directly or indirectly, one penny as an inducement to, or which might even tend to induce, a decision on your part in favour of the Edison Company ; nor have I ever learned of a single penny being paid or promised by any person connected with any of our companies, to you or any other Government official in Canada, for the purpose aforesaid, or for any purpose whatever ; nor have I ever paid or promised to pay to you anything of value, of any description whatsoever, for the purpose of influencing your decision in this or in any other matter.

“ I have tried in this letter to make a comprehensive statement upon this subject. If it is possible for you, or any one else, to frame a communication in which the denials of any corrupt influence can be made more explicit and convincing, I stand equally ready to attach my name, and the name of this company, to it, and to forward it to you.

“ Yours very truly,

“ F. J. HASTINGS,

“ *Treasurer.*”

By Mr. Lister :

949. When you were here the other day, Mr. Arnoldi, you stated that Mr. Robert Steed, of Sarnia, brother-in-law of the Hon. Alexander Mackenzie, had made a contract with the Government and that the money had been paid to James King for the purpose of covering it up?—You had better read my evidence.

950. I have read it, I see that you say Mr. Robert Steed built the dredge and he was paid by the Sarnia Shipbuilding Co.; is this the contract?—Yes, Sir; I presume it is.

Contract produced and the following section read :

EXHIBIT No. 2.

“ Articles of Agreement entered into on the sixteenth day of December, in the year of Our Lord one thousand eight hundred and seventy-three, and made in duplicate between ‘The Sarnia Shipbuilding Company,’ hereinafter throughout called the ‘parties of the first part,’ hereto represented and acting by

James King, Esquire, of the Town of Sarnia, in the County of Lambton, in the Province of Ontario, President of the said Company, of the first part, and Her Majesty Queen Victoria, represented herein by the Minister of Public Works of the Dominion of Canada, of the second part: Witness that the parties of the first part hereby bind and oblige themselves to and in favour of Her said Majesty, Her heirs and successors, for and in consideration of the covenants, conditions and agreements hereinafter mentioned, to find all necessary tools, implements and materials whatsoever, and to perform, construct, complete and finish, in every respect, to the satisfaction of the said Minister, in a good, substantial and workman-like manner, agreeably to the true intent and meaning of the specification hereunto annexed, a new hull for the Dominion steam-dredge now lying at Sarnia, in the County of Lambton and Province of Ontario, said hull to be complete, with new crane, &c., as specified, to transfer to the said new hull the old engine bed, boiler, machinery, bedding, &c., as specified, and to build and complete for the same two dumping-scows complete, and a new dipper or scoop as specified."

951. The contract is with the Sarnia Shipbuilding Co. is it not?—Yes.

952. And signed by Mr. King as president of the Company?—Yes; but Mr. Steed's tender was sent to Mr. Mackenzie, and I have no doubt it was the lowest.

953. Is it the contract you had reference to?—Yes.

954. So you see that the Sarnia Shipbuilding Company had the contract and the money was paid to them?—Mr. Steed did all the work.

955. The money was paid to them?—Yes.

By Mr. Daly :

956. Mr. Charles Mackenzie is a nephew of Mr. Steed?—Yes; I did not know anybody else belonging to the company.

By Mr. Lister :

957. It was known as the Sarnia Shipbuilding Co.?—Yes; but Mr. Steed was the only man I ever saw.

958. He was a man who used to do work in the yard?—Yes; he was the lock, stock and barrel of the concern.

959. Don't be so flippant, sir?—I am not flippant.

960. Mr. Steed was a hired workman?—He was managing the concern.

961. He was a practical shipbuilder?—I presume he was.

By Mr. Daly :

962. Had you occasion to go to Sarnia when the Mackenzie Government was in power, in connection with the shipbuilding yard?—Not in connection with the shipbuilding. I had occasion to go there and report upon some dredging plant. There was a report presented to the Department that the plant was in danger of being wrecked; I went up there and found the tug stuck up on the wharf, she was resting on her side, not under water, she was in danger.

By Mr. Paterson (Brant) :

963. At the last investigation you said you did not know whether the duty on the dogs was paid; is it paid now?—Yes.

964. How did you come to pay it?—Because I went straight to the Department and said: “I don’t know that the duty was ever paid on the dogs and I would like to pay it.

965. Did they take the duty without examining the books?—They came down one day about the dogs and I paid the money.

966. Did they examine the books to see whether you had paid the duty?—I cannot say.

967. Did they examine, in the office, to find out whether it was paid?—I believe they did.

968. You paid it?—Yes.

969. When the officers of the Department found that there was smuggled goods in your possession why did not they seize them?—That is in the administration of the Customs Department. I cannot answer that question.

970. That is the rule, is it not?—I do not know, I never asked; it is foreign to my business.

971. Did they not speak to you about that?—No; I immediately took steps to have the duty paid.

972. Are they at liberty to allow any man in that way to make an entry in a proper sheet regarding property that has been brought into the country in this manner?—Now, you are asking me a technical question concerning the laws of the Custom house. I cannot answer that.

973. I want to ascertain whether the Customs Department acted in the same way with you as it did with other persons, you say these dogs were brought in—literally smuggled—and the officer found that there was no entry of these dogs?—It is possible they may have been entered at Sarnia, or Montreal, or anywhere else.

974. Then you need not have paid the duty?—I did not know that the duty was ever paid. I simply said, you must have the dogs appraised. I want no favors and no friendship. I said to the appraiser, Mr. Paterson, come down and appraise these dogs, and Mr. Paterson is the last man that will give any favour to anybody.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 11th AUGUST, 1891.

Committee met—Mr. WALLACE in the chair.

THOMAS LAWSON, called, sworn and examined :—

By Mr. Lister :

975. I believe, Mr. Lawson, you are a founder in this city?—Yes, sir.

976. Were you in business in March of this year?—Yes, sir.

977. What are the relations between you and Mr. Roe?—I had Mr. Roe's moulding department leased.

978. You did the casting for Mr. Roe, being lessee?—Yes.

979. Will you tell the committee whether in the month of March last you did any work in the way of casting a propeller for Mr. Arnoldi?—I cast several wheels for nearly all the offices.

980. Have you cast any wheel for Mr. Arnoldi's yacht?—Yes, sir.

981. How many did you cast?—I cast one wheel particularly for the yacht.

982. Who did the rest of the work—the sweeping it is called I think—the boring?—I did the sweeping.

983. Is that the casting?—That is the casting.

984. Who did the boring?—Mr. Roe.

985. Who paid Mr. Roe for his work?—I did.

986. You did?—Yes.

987. Where did you get the iron used in the wheel?—It was sent to me.

988. By whom?—I do not know by whom.

989. It was sent to you to make the wheel?—Yes.

990. And you don't know who sent it?—No.

991. Were you never told?—No.

992. Did Mr. Arnoldi have any conversation with you about it?—No further than one day I met him and he asked me to make a particular wheel, and he furnished me with stuff to make it.

993. Did he furnish the stuff?—Yes, I suppose he did.

994. Who took the stuff to you?—I cannot tell. Mr. Arnoldi, I suppose sent it.

995. How many thousand pounds of iron did the wheel contain?—About 350 pounds.

996. How much iron did you get altogether from him?—I bought iron from him.

997. How much did you buy from him?—I cannot exactly remember the amount. I bought a lot of iron and paid for it for the wheels I had been making.

998. You paid for iron for other wheels that you bought from Mr. Arnoldi?—Yes.

999. Can you not tell how much you bought?—About 9,000 pounds I suppose.

1000. What is the value of it, according to this bill it would be \$54?—Somewhere about that.

1001. That iron was credited to your charge for making the wheels?—Yes, sir.

1002. You say you cast one wheel for the steam yacht “Joe” last spring and that Mr. Roe bored it out while you did the casting?—Yes.

1003. And you paid Mr. Roe?—Yes.

1004. How much did you pay him?—It might be \$4 or \$5.

1005. Did you charge for making the casting of the wheel?—No.

1006. It was to be a present?—No, it was not a present, I had been in the habit always of having wheels made from patterns. These patterns would not suit the “Joe” and I said to Mr. Arnoldi that I thought I understood what he wanted but I was afraid, in fact I did not think that he would be pleased after having examined it, but I wanted to show him what we could do here. There was none could do it in Ottawa and I had seen examples of the kind which is technically known as Liberty and as I have said I wanted to show him I could do it in Ottawa as well as it could be done in other places.

1007. You never made any charge for it?—No.

1008. And you never intend to make any charge?—No.

1009. What became of the wheel?—It is in the “Joe”, I guess.

1010. It is in the “Joe” now?—I guess so.

1011. Are these your accounts?—Yes.

1012. Now, tell me how many wheels you made in March last altogether?—I think, about three wheels, about that time.

1013. Including that one?—No, I did not charge for that one at all.

1014. So that you would have made two besides that?—No, I made three besides that.

1015. Will you swear to that?—I think so.

1016. You have never made any charge for this wheel?—No.

1017. And you still say you never intend to make any?—No, sir.

WILLIAM SMITH called, sworn and examined :—

By Mr. Taylor :

1018. What is your occupation?—I am foreman of the shipyard and dredges.

1019. Have you ever made any trips on the steamer “Joe”?—I have occasionally, when necessary for me to go.

1020. When?—When Mr. Arnoldi would take me with him.

1021. When were you with him?—I have been with him several times.

1022. Last year or the year before?—Last year and the year before; this year.

1023. You made trips this year, last year and the year before?—Yes, sir, and before that too.

1024. In your opinion, knowing the work that Mr. Arnoldi had to do, was it necessary for him to have the steamer “Joe” or some other steamer in order to do his work as advantageously as he has done it?—It would in different cases. The way the dredges are situated, sometimes, renders it very necessary to have some vessel, the more so because some of the tugs are very small and hardly able to tow the dredges. In a case of that kind we would join in and give her a hand coming up the current.

1025. With the steamer "Joe"?—Yes. We would generally give a hand up the current and in places where we thought it was necessary.

1026. Has Mr. Arnoldi a set of implements that he requires to carry with him in looking after the work of surveying and dredging?—Yes, I believe he has pickets, sounding rods and such like as that, to lay out the work for the dredges.

1027. And you required to have all these on the steamer?—Yes, sir.

1028. So that you think it is necessary to enable the work to be properly performed, to have the "Joe" or some other steamer?—In my opinion it is.

1029. Did you ever know Mr. Arnoldi to make pleasure trips with the "Joe," that is, with excursion parties?—Not to my knowledge. I never got excursions on her. While I was on her, I always got lots of work to do.

1030. You say that she has been used frequently assisting to tow the dredges?—Yes, sir, and attending to them. The more so when we were from home. She would take a good many things to the dredges sometimes. If we had not, it would have been difficult to have got them to the dredges.

1031. That is articles required on the dredges?—Yes.

1032. And the only way to get them to the dredges was either by the "Joe" or some other steamer?—Yes; either the "Joe" or some other steamer to take them there.

1033. Do you consider the charge of \$100 a month for the steamer "Joe" a moderate or an extravagant charge?—I would consider it a very moderate charge, considering the size of the boat and the way she is built.

By Mr. Lister:

1034. You say you are foreman of the shipyard?—Yes.

1035. For how long?—About three years.

1036. You say that you were on the boat this year, last year and the year before?—Yes, sir.

1037. In what capacity?—In every way that was necessary.

1038. As the engineer or captain?—Captain, pilot or anything else.

1039. Where has the boat gone to this year on business?—This year we started from here in the spring. We went down to Yamaska where the dredge "Queen" was working at the time. Our next trip was to help the dredge "St. Louis" from here to Kingston. From there we went up to Brighton, Bowmanville, Newcastle and Port Hope and sounded the harbour there. From there we went to Toronto.

1040. That was this summer?—This spring. In June, I guess.

1041. Did you do anything in the month of May?—We went down to Yamaska in the month of May.

1042. How long were you there?—We were not there over two days.

1043. And how long in the month of June were you at Toronto, Port Hope, Newcastle, and the other places you spoke of?—About four weeks we were away to the best of my knowledge.

1044. What is the capacity of this tug; how many horse-power?—I do not know exactly her horse-power. I never figured it out.

1045. Have you any idea?—She has 12 squares. You can judge by that what she can do.

1046. How many men had she on board?—There was the engineer, myself and Mr. Arnoldi.

1047. Three of you?—Yes.

1048. Had the dredges tugs of their own?—They had.

1049. These tugs I understand are used for the purpose of towing out the scows and dumping the dirt?—Yes.

1050. Are they not powerful?—No.

1051. Do you know what capacity they are?—One is nine squares and another I think is 10 squares.

1052. Do you know what horse-power they are?—No, I never figured it up.

1053. You have been in the shipyard you say?—Yes, sir.

1054. Do you know anything about a couple of scows built there two years ago?—I do.

1055. What has become of them? Where are they?—They are at Meaford at the present time.

1056. At what work are they engaged?—They are with the dredge “Challenge” up there.

1057. Do you know of two other scows built, say a year ago?—There was one a year ago.

1058. Do you know whether one was sold to the Lachine Yacht Club?—I do not know I am sure.

1059. Do you know of any scow being sold at all?—I know the old “St. Louis” and the boarding house was sold. To whom I do not know.

1060. Do you know how much you got for it?—I do not.

1061. Do you know what she was valued at?—No.

1062. Or who valued it?—I do not know.

1063. You refer to certain instruments which the “Joe” carried. What instruments are those?—Sounding rods, pickets, &c.

1064. How many sounding rods did she carry?—Two.

1065. And how many pickets?—Six or eight.

1066. What else?—Then there is a sounding apparatus with a pipe having an indicator on it.

1067. These are all the implements?—Except the measuring lines and things like that.

By Mr. McMullen:

1068. Do you say he was the only person but yourself and the Engineer on that boat?—Only Mr. Thompson, myself and Mr. Arnoldi.

1069. You have mentioned three. Now do you swear that there were none but these three on any occasion on that boat?—I mean in the capacity of handling the boat.

1070. We want you to state how many were on that boat on any occasion?—Mr. Arnoldi, and probably his wife and sister-in-law and daughter, may be, occasionally.

1071. And who else?—Sometimes there might be an odd gentleman come down with us as far as Montreal. That is all I know.

1072. In the first place, you swore she was not used as a pleasure boat?—I do not know that that was for pleasure.

1073. Were these people engaged in the service?—They got on board and went down to Montreal. That is all I know.

1074. Did they have anything to do with the boat?—I cannot say.

1075. It is quite customary to take a friend whenever he got one?—As a general rule, if he caught one along the road he generally asked him to go on to where he was going.

1076. Have you been out with her on the different occasions when she was out this spring?—Yes.

1077. All the time?—All the time that she was out this spring.

1078. Has she made any other tour this spring?—Not to my recollection.

1079. Are you prepared to swear she did not?—No pleasure trips that I know of.

WILLIAM THOMPSON called, sworn and examined :—

By Mr. Taylor :

1080. What is your occupation?—Bell-hanger.

1081. Have you been employed on the steamer “Joe” more or less during the last two or three years?—Yes; I have been on her six years.

1082. For the last two or three years you have been employed more or less on the steamer “Joe”?—Yes.

1083. Have you been out on her all the trips she has been out on surveys?—Everyone.

1084. Did you know her ever to be used as an excursion or pleasure yacht?—Never.

1085. Always been used in the employ of the survey and attending the dredges?—Always.

By Mr. Lister :

1086. You are under Mr. Arnoldi?—Yes.

By Mr. Taylor :

1087. What are the running powers of the steamer?—Very variable. I have run twenty-two hours at a stretch, towing.

1088. Did Mr. Arnoldi carry a set of instruments necessary for doing the survey, on board the steamer?—Yes; buoys, pickets, sounding rods and measuring lines.

1089. Was it necessary to have these on board in order to do the work?—Could not do without them.

1090. The other witness did not say anything with reference to the buoys. What are they?—Little sticks of wood, about 4 by 4 and 4 feet long—to attach the weights used in putting down the lines.

1091. Was the steamer all the time she was away with yourself and Captain Smith kept busily employed in the Government work?—Too much so.

1092. Was any time wasted?—Hardly time to sleep.

1093. Was it necessary to have a steamer of this kind to do the work that Mr. Arnoldi was doing?—I should think so. Of course, I am not positive. There was no spare time on her.

1094. Do you know that the steamer “Joe” was used in towing the dredges?—Almost every trip we did some towing. The tugs were small—too small. Very often we couldn't get a tug to go a distance like from Montreal to the head of Grenville. There are no tugs passing there to help you along.

1095. You consider it necessary to have this boat, or some other boat, to do the work efficiently?—Yes.

By Mr. McMullen :

1096. What is the largest number you have had on board the "Joe" at any one time?—Mr. Arnoldi's family, himself and Captain Smith and I and a man to attend the lines when towing. That would be four men and three ladies.

1097. Have you never had more than that?—There has been occasionally a man carried as Captain Smith has said.

1098. Have you had nine on board?—I do not know.

1099. Have you had ten?—I would not swear to it. I could not swear positively.

1100. Have you had any but Mr. Arnoldi and his family and those in his employ?—Yes.

1101. How many?—Only one at a time.

1102. Never more?—Never more than one at a time.

1103. Besides Mr. Arnoldi's family and those in charge of the boat?—Besides those in charge of the boat.

1104. You have been with her all the time?—Yes, all the time except during the time I am employed here during the session.

1105. And you swear that there were not on the boat more than nine?—I could not confine myself to an exact number.

By Mr. Taylor :

1106. I presume you have often seen Mr. Arnoldi surveying and laying out the work for the dredges to do?—Yes, and helping too.

1107. You have assisted him in doing it?—Yes.

1108. And that had to be done with this steamer or some other steamer?—Yes; it was done with a skiff—the one on top.

By Mr. Lister :

1109. How is it done?—With a skiff generally, unless going through the cut.

1110. You got into the skiff when you got to your destination, put your tools into it and did your measuring?—Yes. That is in shallow water, where the tug could not go.

W. A. ALLAN called, sworn and examined :—

By Mr. Lister :

1111. You reside in Ottawa, I believe?—Yes, sir.

1112. And you are acquainted with Mr. Arnoldi?—Yes.

1113. You were present the other day when Mr. Arnoldi was giving his evidence?—The first day—yes.

1114. You heard him state that you and he were very intimate friends, that you had had business transactions to the extent of \$50,000 or \$60,000?—Yes.

1115. Is there any truth in that?—I think he was rather drawing upon his imagination. I have endeavoured to tax my memory with reference to any transactions between Mr. Arnoldi and myself in years gone by, and after hunting the thing up, I find that about 10 years ago there was a transaction of a private character, which I have no objection to state, but it is quite private,

amounting to \$6,000. From that day to this I have never had any transaction with Mr. Arnoldi that I am aware of, with the exception he referred to, namely, the building of my dredging plant.

1116. Was not his yacht "Joe" entered in your name?—I did that from friendship to him at the time. He asked me if I would have her entered at the Customs in my name. I asked his reason for that and he told me it was to avoid notoriety or something of the kind, but soon after that I asked to be relieved, when he told me it would be transferred to Mr. Wilson.

1117. You saw the boat building at Lockport?—I saw the boat being built when I went up there, to visit the works where they were building my dredge.

1118. Was it in a shipyard?—No, not in a shipyard.

1119. Pond & Co., were the ones who were building it?—I do not know who were building it. I remember seeing the boat on the stocks, I think about 2 miles out from Lockport.

1120. Do you know if that was the boat that came up with the dredges?—I do not. I took no interest in it at all.

1121. Did you come up with the dredges from Lockport?—No, sir. My dredge was delivered to me at Port Dalhousie.

By Mr. Daly :

1122. Do you know why Mr. Arnoldi should say that you had had transactions together amounting to fifty thousand or sixty thousand dollars?—I cannot conceive why Mr. Arnoldi made such a statement. We have not had any transaction in any shape or form with the exception of the money he gave me to enter the "Joe," and also this other transaction amounting to six or seven thousand dollars.

1123. Have you been on speaking terms with Mr. Arnoldi of late years?—Yes.

1124. Was there not difficulty between you in reference to a boundary between your houses?—We had a lawsuit six or seven years ago.

1125. Have you been on as friendly terms since?—We have not been on the same terms of intimacy since.

The Committee then adjourned.

COMMITTEE ROOM, THURSDAY, 13th August, 1891.

Committee met—Mr. WALLACE in the Chair.

The CHAIRMAN—I have received from the Minister of Justice the following letter :—

127 STEWART ST., OTTAWA, 8th August, 1891.

SIR,—I beg leave to address you as Minister of Justice, owing to the paragraph in last night's *Free Press* (Friday, 7th of August, vol. XXII., No. 6616) which reports that Mr. J. R. Arnoldi, of the Public Works, during his examination made the following statement :—

"Mr. Kingsford, Mr. Perley's predecessor, also received numbers of presents, but was not hounded to earth for it!"

Mr. Arnoldi never knew anything of my private affairs ; for the last seventeen years, including the time I was in the department, I never spoke or even looked at him. The statement attributed to Mr. Arnoldi that I received presents from contractors I declare to be a disregard of all truth ; moreover that there is not the slightest ground for the supposition.

I beg leave to request that this letter be read to the Committee and my demand be submitted that I be examined upon oath regarding this impertinent and calumnious assertion.

I am, Sir, your very obedient servant,

WILLIAM KINGSFORD,
M. S. C. E. (Can.)

Hon. Sir JOHN THOMPSON,
Minister of Justice.

Mr. Kingsford is here, and wishes to make a statement.

WILLIAM KINGSFORD called and sworn.—I will make, sir and gentlemen, a very brief statement. The assertion, I suppose I must call it so, made by Mr. Arnoldi is utterly untrue. I beg further to add that there is not the slightest ground for its being made. I never gave, as a disciplined engineer, any order to any contractor except through an assistant. That expression would seem to convey that I was seeking to rid myself of blame for work improperly performed and putting it on my assistant. I refer to the documents before you and it will be seen that in regard to dredging a statement is given setting forth the dredging done every day in every spot on any particular work and under what circumstances, and if anything extraordinary. This can be referred to. As to myself I can refer you to my immediate superior, Mr. Trudeau, a man without taint or blot in his professional or private life ; I can refer to my old chief, Mr. Mackenzie, and previous to my dismissal, to Sir Hector Langevin. I can also refer to the members of my staff whose names can be got by reference to the Department. I feel it my duty to myself to make this statement in reference to Mr. Arnoldi's charge. I wish to add that this charge is impudent in the extreme, and I do not know the slightest occurrence which warrants it being made. I never heard of such a thing, and I think any member of my staff would come forward and say that they never did hear of such a thing. That is all I wish to say, and I am open to be examined as to that statement.

Mr. FOSTER—The letter produced is yours?—The letter I produce I wrote to the Minister of Justice, for I suppose he occupies a position not merely in name. He was courteous enough to answer me that he was not a member of the Committee, but in his official capacity he enclosed it to the Chairman of the Committee. I respectfully addressed a letter to the Chairman, which he did not think was necessary to read, asking that I might occupy this position and here I am. I thank you for allowing me to make my statement. Every man of the world knows "*littera scripta manet* ;" you put on record when you are attacked by a blackguard.

WILLIAM KING, called, sworn and examined :—

By Mr. Lister :

1126. Do you occupy any position in the public service ?—Yes.

1127. What position do you occupy?—I am a draughtsman on the mechanical engineer's staff.

1128. You are under Mr. Arnoldi?—Yes.

1129. In his office?—Yes.

1130. How long have you been there?—Since the beginning of 1879.

1131. Do you know that Mr. Arnoldi is the owner of the survey steamer "Joe"?—There is such a boat.

1132. Do you know that he has such a boat?—I know that he uses such a boat.

1133. You are a draughtsman, you say?—Yes.

1134. Did you draught the plan of that boat?—I drew the lines. I took the lines off a model on paper.

1135. For that boat?—Well, I think so.

1136. When was that?—I think it was about five years ago.

1137. Do you know where it was built?—No.

1138. Did Mr. Arnoldi tell you?—No.

1139. Did he tell you he was going to have one built?—I do not know that he directly told me he was going to have one built. But of course having taken the lines of this model I supposed there might be some boat fitted out.

1140. A yacht?—Yes, a yacht or tug.

1141. Was it built on the lines you took from the model?—I do not know.

1142. Did you ever see it?—I have seen the steamer "Joe."

1143. Well what is your judgment as to her being built from the model?—Well, I cannot say.

1144. How long was it before the boat appeared here after you drew those lines?—I do not know.

1145. You remember the dredges coming up?—Yes.

1146. Did the yacht come along with the dredges?—I do not know, I am sure.

1147. How long was it before the dredges came here after you took those lines? Any time speaking generally, you need not be particular as to a month or two? Would it be about a year or so?—I could not say, I don't remember.

1148. Now do you say, Mr. King, that Mr. Arnoldi when you took the lines off the model did not tell you anything about what he wanted it for?—No. He did not tell me.

1149. Nothing about having a boat built?—No. You see I have taken lines off other models for the Government.

1150. For boats?—For tugs.

1151. I suppose he would tell you if it were for a tug?—Yes.

1152. Did he say anything about a steamer for survey purposes being built?—No, not so far as I remember.

1153. Did he say anything about the necessity for getting such a boat?—I don't remember his saying anything.

1154. Did he not tell you he was going to have one built?—I cannot remember.

1155. You cannot remember anything about that?—No.

1156. But you do know that you drew the lines from a model?—I took the lines from a model.

1157. What model?—A model that was there.

1158. Who brought it there?—Mr. Arnoldi.

1159. Where did he got that model?—I don't know.

1160. Didn't he say?—I suppose he made it himself, he is accustomed to that sort of thing.

1161. Now, you tell me that you have seen the steamer "Joe," will you undertake to swear that the lines that you drew were not used for that boat?—I could not do so.

1162. Does it generally appear to be according to the model?—Well, the general appearance might be about the same.

1163. Is it or is it not?—The general appearance is about the same.

WILLIAM WATERS called, sworn and examined :—

By Mr. Lister :

1164. Have you been working for the Government in any capacity?—Yes, sir.

1165. What?—I was foreman there for my father.

1166. Where?—In the Government yard.

1167. Where is that?—Down in the canal basin.

1168. Is your father's name P. G. Waters?—Yes, sir.

1169. Do you remember a couple of scows that were there within the last two years and that were sold?—What do you mean, that were being built?

1170. No, that had been built and sold to the Lachine Boat Club?—No. I know of scows being there, but so far as the transaction of selling goes I do not know anything about it.

1171. Do you know what became of them?—No, I do not know where they went, nobody told me anything about them.

1172. Is your father here?—No.

1173. Where is he?—He is over in Hull.

1174. Was he not ordered to be here?—Yes.

1175. Why is he not here?—He was here, but he was turned out of the room here this morning. He has gone to Hull now to get his dinner. But he was here all the forenoon and they put him outside and he went away saying he would be not here again.

1176. Do you know anything of a yacht built in Mr. Arnoldi's yard, anything about the building of a yacht?—It was my father that was the builder. I worked at it.

1177. How long is it since it was built?—Two or three years ago.

1178. Where was it built?—It was built in the lot opposite his residence.

1179. What size of a yacht was it?—I think as near as I can remember the measurement of the yacht was about 45 feet long.

1180. Was she a steam yacht?—I could not tell you.

1181. Was she a steamer or was she intended for that?—I cannot say.

1182. What beam had she?—Seven feet.

1183. Was she intended to have machinery put into her?—I think so.

1184. How many men were working at it?—There were two men besides my father and myself.

1185. How long were you working on her?—About two weeks myself, we finished her up, my brother—not my brother but my uncle.

1186. Then there were two men besides you?—Yes.
1187. Was your father working on her?—Yes, some time.
1188. Your father worked occasionally?—Yes.
1189. Then you say you finished her up?—Me and my uncle.
1190. Were you in the public service at that time?—Yes.
1191. Getting your pay from the Government?—No, sir, we got our pay from P. G. Waters.
1192. Where did he get it?—
1193. Were you in the Government employ at the time?—We were working at the yacht.
1194. Were you not in the Government employ?—We could not be at the time.
1195. Had you been dismissed?—Our work was done for the Government at the time.
1196. Where did the material come from?—I do not know.
1197. You do not know much about it?—I will tell you so far as I know, but what I don't know I cannot tell you. There was a lot of material brought there, I cannot tell from where. There was a quantity of logs brought up, in fact it was planks that we could not do anything with, other than put with the rubbish down in the yard.
1198. Who brought it to Mr. Arnoldi's yard?—I could not say who brought it except a carter. I was not there when the stuff was brought.
1199. Your father, you say, paid you your wages?—Always.
1200. When you were working for the Government?—When we were working for the Government. Whether I was working for the Government or for himself, he paid me just the same.
1201. Did your father pay you when you were not working for the Government?—Yes, sir.
1202. He was the head of the shipyard?—Yes, sir, on this side.
1203. And he paid all the men working in the shipyard?—Yes, sir.
1204. And when you were changed to Arnoldi's yard he paid you in the same way?—Yes.
1205. You say that the material for the boat came from the Government shipyard?—No, I did not say that. I said the planking in his own yard was not fit for fencing, but I said the oak that was used for ribs, a very small quantity for a yacht of that kind, was taken out of the cuttings in the yard.
1206. Where was the rest of the material got?—As far as the construction of the yacht was concerned, if you do not know, I shall tell you, there is only pine and oak used in a small yacht like that. He had the pine in his own yard and the oak came out of the lower yard.
1207. What yard is that?—The Government yard.
1208. Do you know where the nails and hardware came from?—I could not tell you that. When I wanted anything, all I had to do was to ask for it, and he sent an order down with his man to get it.
1209. Where to?—I could not say. I do not like to pry into a man's business so close as that; it would not be becoming.
1210. When you wanted anything, he gave the order?—Yes.
1211. You did not ask where the supplies came from?—No.
1212. You did not care about it?—No, sir.

By Mr. Bergeron :

1213. You are not a policeman?—No, sir, I never hope to be.

By Mr. Lister :

1214. What became of the yacht?—I do not know.

1215. Was there a name to her?—Oh, no.

1216. MR FOSTER—Is this the “Joe” you are referring to?—

MR. LISTER—No, this is another yacht.

By Mr. Daly :

1217. He did not build it with Government labour?—No, because the contractor paid for the labour himself.

1218. You were not working for the Government at the time?—No, sir; I was working for my father.

1219. Your father was not working for the Government at the time?—No, sir; he had no Government contracts at that time.

By Mr. Denison :

1220. Had Mr. Arnoldi two yachts, the “Joe” and another?—He has a small yacht on the top of his big one.

1221. Had he the “Joe” in addition to the one you built?—Yes.

By Mr. Cochrane :

1222. Is it in the yard yet?—I do not know that.

By Mr. Bowell :

1223. Was the yacht on which you worked ever launched?—Not that I am aware of; she was not launched when I left her.

1224. How long is that ago?—This was about two or three years ago.

1225. She is not on the ways now?—No, sir. You see these small vessels, we built them generally as dry as we could, in order to preserve them; you can keep them two or three years without any trouble, provided you give them a coat of paint inside and out every year.

By Mr. Lister :

1226. You say you were not working for the Government?—No, sir.

1227. But you had been?—Yes.

1228. You had been working under your father for the Government?—Yes.

1229. You worked on this small yacht, and your father continued to pay you as he had always done?—Yes.

1230. You do not know what his agreement with Mr. Arnoldi was?—I cannot say.

By Mr. Coatsworth :

1231. You did not explain you were working on Government work at that time?—I knew I was not working on Government work.

1232. Nor your father either?—Nor my father either. This job we knew about, and we could not touch it until we were through with the Government work.

By Mr. Landerkin :

1233. How many years were you working for the Government?—Four or five years.

1234. By contract?—No, by the job.

1235. Is your father a permanent employee?—No, a contractor.

1236. With the Government?—With anybody in fact.

By Mr. Bowell :

1237. Do you know a yacht called the “Joe” belonging to Mr. Arnoldi?—I have seen her.

1238. Is that the yacht, or have you any reasons for believing that is the yacht, you built?—No.

By Mr. Coatsworth :

1239. Do you know whether your father had a contract with Mr. Arnoldi to build this yacht?—He told me that he had a small yacht to build for Mr. Arnoldi and that he had to fix up his stables.

By Mr. Denison :

1240. Was all the work you did under contract for the Government?—Yes. You could not get much of a job out of the Government without contract.

By Mr. McMullen :

1241. Did your father ever do anything for the Government by day work?—Yes; and was paid for it.

1242. But he did nothing by the day during the last year?—Not to my recollection.

1243. Did he do anything the year before?—I think two years ago he did a couple of days work or something like that.

1244. Are you quite certain you are fully cognizant of the days work he did for the Government?—No.

1245. He might be working for the Government by the day and you receiving your pay and you not be aware of it?—Not at all, my friend. I will explain that in two words: When a man takes a contract for the construction of a new vessel and there is a job on an old vessel, you know perfectly well that when you are working on the old vessel you are not working at the new; and when you are working on the new that is contract work, and on the old that is day work. That is the best difference I can give you.

By Mr. Landerkin :

1246. What year was this?—About three years ago.

1247. What year would that be?—1889, I think.

1248. What month in the year?—I cannot tell you; I am a man who works only by the day's work, and I do not carry my book. I get my day's work the same as any other labouring man.

By Mr. Lister :

1249. Your father was foreman of the Government Ship yard?—He was the contractor; I was foreman under him.

1250. Is there a Government Ship yard?—There is.

1251. Is that the place where you work? That is where the construction is done, except one steamer under the bridge.

COMMITTEE ROOM, FRIDAY, 14th August, 1891.

Committee met—Mr. Wallace in the chair.

Mr. P. G. WATERS called, sworn and examined :—

By Mr. Lister :

1252. What is your business?—I am a shipbuilder by trade.

1253. Have you ever built scows for the Government?—Yes, sir.

1254. Under contract or otherwise?—Under contract.

1255. Always?—Always.

1256. Have you ever worked for the Government as foreman?—Never, sir, although I have looked after work for the Government, but I was under contract at the same time ; but I have looked after work being done to see that it was done in a proper way.

1257. That is to say, you inspected work being done for the Government, while, at the same time, you had a contract with the Government to do it?—Yes, sir.

1258. And for this additional work or inspection were you paid by the Government?—I was.

1259. By the day?—By the day.

1260. May I ask how much per day?—Well, I could not tell you now ; it is only a minor matter.

1261. It is a small matter?—A small matter.

1262. Probably \$2 or \$3?—About \$3.50 a day.

1263. Do you remember two years ago building a couple of scows for the Government?—I do, sir.

1264. Were those scows built under contract?—They were.

1265. May I enquire what was the price?—\$700 each.

1266. So that the contract would be for \$1400?—\$1400.

1267. Where were those scows built?—They were built down in the Government shipyard.

1268. With Government material, or with Government material provided by you?—Government material.

1269. So that when you took a contract for the construction of those dredges from the Government you received a sum for the work?—For the work.

1270. The material all being furnished by the Government?—The material all being furnished by the Government.

1271. Were you the inspector of that work?—Well, I was the builder and inspector as far as that is concerned. But then there were others that inspected after me, subject to their approval.

1272. May I ask you how you were paid for that work?—I was paid by cheque on the Montreal Bank.

1273. At a fixed price?—At a fixed price.

1274. With a per day allowance?—With a per day allowance.

1275. Who paid the men that were working on it?—I did.

1276. With money paid to you by the Government?—Yes, sir.

1277. Do you remember, this spring, having valued those two scows at the request of Mr. Arnoldi, or anybody else?—I recollect there was something said about the scows, but now I could not bring it to mind.

1278. Before going on with that part of the question, I will ask you to say what, in your judgment, was the value of the scows. You were to get \$1400, the material was to be furnished by the Government, and when completed what were the scows worth?—The material that they were built of was extra material and those scows would be worth from \$2100 to \$2200 a piece.

1279. When completed?—Yes, sir.

1280. They were built two years ago?—Yes, sir.

1281. At what season of the year?—They were built between May and July.

1282. So that it would be two years last July since they were finished?—Yes, sir. I think it was about the month of July we finished them, but I won't be certain.

1283. Do you know where the scows are now?—No, sir.

1284. Do you know they were taken away from Ottawa and sold?—No, sir, I don't know anything about that. I know the scows were taken away from Ottawa, but I could not say where they went to.

1285. I asked you to bring your memory to bear, and to say whether, during the past spring, you were not called upon to go and look at the scows and say what, in your opinion, they were worth?—Not in relation to those scows, sir.

1286. What scows then?—The scows I was asked to pass my opinion as to their value, one had been a dredge at one time, and the other one had been what they call a board vessel, to board hands.

1287. Did you value those this spring?—I was asked something about it.

1288. Who asked you?—I think it was Mr. Arnoldi; I won't be certain.

1289. And what value did you put on them?—I don't recollect now; I recollect I made an offer for one of them.

1290. Do you remember what value you put on them; was it not \$50 a piece?—I know I offered \$50 for one of them, I could not say whether I offered for the two of them or not.

1291. You don't remember whether you offered for the two of them or not?—I could not say now.

1292. You told me you thought Mr. Arnoldi was the person who told you to go and look at them?—Yes, sir.

1293. Do you know those two scows were taken away?—Well, I know they were away before I got through the work there this spring.

1294. Do you know they were taken down to Lachine?—I could not say where they were taken to.

1295. At what time was it you were being paid \$3.50 a day by the Government?—I have done a little work like that on two or three occasions, but I do not remember the times.

1296. Do you remember building a yacht for Mr. Arnoldi?—Yes, sir.

1297. I believe it was built in his own yard?—Yes, sir.

1298. What was the dimensions of the yacht, her length and breadth of beam?—Well, I would have to refer to my memorandum.

1299. Your son said 45 feet?—It was thereabouts, somewheres between 6½ and 7 feet beam.

1300. It was intended for a steam yacht?—Yes, sir.

1301. Will you tell the Committee when it was that you built that boat?
—It would be, I think, two years since I built that boat.

1302. That would be then about the time you were building the scows?
—Well, I did not do anything to that yacht not until after the scows were completed, or nearly completed.

1303. After the scows were completed, or nearly completed, you commenced work on the yacht?—Yes, sir.

1304. You told me the material put into the scows was material of extra quality?—Yes, sir.

1305. Really very good material?—Yes, sir.

1306. Then after you got through with the scows you commenced building the yacht?—About that time.

1307. And that would be about the month of July, you think?—It would be about the month of August or pretty near that—it was into July pretty well, I think, when I launched those two scows.

1308. Then in your judgment it would be in the month of August that you commenced work on the yacht?—About that.

1309. How long did you continue working on her?—That yacht?

1310. Yes?—Oh, I could not tell without referring to the time-book.

1311. Give us a rough guess?—Somewhere about four weeks.

1312. And you think you commenced work on her in the month of August?—Yes.

1313. The latter part of July or the beginning of August?—Exactly.

1314. Your recollection is you worked about four weeks on the scows?
—Yes, sir.

1315. How many men were working on her?—Sometimes there would be quite a number and at other times very few, as I had work outside and I only ran that job to suit my own convenience.

1316. When you say “quite a number,” will you tell me how many that would be?—Five, some portion of the time.

1317. And at other portions of the time, how many?—Not more than one. I would go there once a day perhaps and see how they were getting along.

1318. You remember that the workmen would be from 1 to 5?—Yes.

1319. And they worked for about a month?—About that.

1320. Where was the lumber taken from to build her?—As far as the planking was concerned, I believe it came from Montreal. I was told that, but I found the planking in the yard.

1321. In the Government shipyard?—No; in Mr. Arnoldi’s yard.

1322. Mr. Arnoldi told you it came from Montreal?—I was told it came from there. I do not know whether it was Mr. Arnoldi or somebody else told me.

1323. Was it ship planking?—No, inch boards.

1324. What kind of wood?—Pine.

1325. And Mr. Arnoldi told you this lumber came from Montreal?—I think it was Mr. Arnoldi, but I would not be positive.

1326. You found the lumber in Mr. Arnoldi’s yard?—Yes.

1327. Where did you get the rest of the wood material?—The oak came from the shipyard.

1328. Who told you to take it from the shipyard?—The stuff I took from the shipyard, was the refuse of the stuff with which I had built the scows.

1329. Who told you to take it from there?—Mr. Arnoldi.

1330. Where did you get the hardware that was used in the construction of the boat?—Mr. Arnoldi gave me his order on Mr. Birkett for it.

1331. Do you remember how the order was signed?—It was signed by himself.

1332. To Birkett?—By himself—John R. Arnoldi.

1333. It was Birkett of this city?—Yes.

1334. That would be in the month of August, 1889?—Yes.

1335. What men worked on her under your supervision?—There was one of my sons who worked there. He was here yesterday.

1336. What is his name?—William.

1337. Who else?—There was one Charles Waters, but he is not here. He is in the United States.

1338. He was your brother?—Yes. And there was one Charles Seymour.

1339. Where is he?—Over in Hull. And there was my grandson.

1340. What was his name?—Peter Joseph Waters.

1341. Who else?—Then there was my own son, Joseph Peter. They were about of an age and they were christened as near alike as possible.

1342. Where does he live?—In Montreal.

1343. Were those all?—No; there was another one, his name was Tremblay.

1344. What is his first name?—I do not know that I can translate it.

1345. Now, how much did Mr. Arnoldi give you for building the boat?—That job was included in a piece of work I done for him on his stable.

1346. What did you do on his stable?—I lined it all for him.

1347. What did you get for this job?—I got —

1348. \$25?—More than that.

1349. \$100?—Somewhere about that. The cheque will show.

1350. Do you think it was \$100?—It was near that. It might be that or might be over. It is a good while ago, and I never expected that there was ever anything to be asked about it.

1351. It might be over?—Yes.

1352. You took that job with the lining of this stable, and it amounted to over \$100. How long were you engaged in lining this stable?—About a week or so.

1353. How many men had you engaged on it?—I think there were three.

1354. Who furnished the material?—I did.

1355. And you supplied all the labour?—Yes.

1356. You were to build this yacht in addition to this work, which would take you a month?—Yes.

1357. At the time you built these scows, was there not an arrangement made with you to go on and build the yacht after you got through?—Yes, there was an arrangement made to build a yacht. He wanted me to build that yacht. It had been talked of for six months before that.

1358. At the time you made the contract to build the scows the matter had been talked of and you at that time agreed to build the yacht?—No.

1359. What did you say about it then?—He was talking to me about building this yacht. He said he wanted something to experiment on. We had different talks about the lines, and he told me he was going to build it.

1360. And immediately after getting through with the scows you went on and built this yacht?—Yes.

1361. How was it you were to do all this work on the stable and build the yacht for \$100?—I cannot say how that was. I do not know how much time there was on both of them. I did not finish this job. I only framed the yacht and planked her up.

1362. The work for the month was with from one to five men. Would that be worth \$100?—Take the mean of that, and it would be like $2\frac{1}{2}$ men for a month. I think that the \$100 would cover the wages easily enough.

1363. How much was the work on the stable worth?—I lost money on that job.

1364. What job?—In that job on the stable and yacht.

1365. How much was the stable worth?—The stable must have been worth somewhere in the neighbourhood of between \$60 and \$70 in labour and material.

SELECT STANDING COMMITTEE
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PUBLIC ACCOUNTS.

REPORTS,
MINUTES OF EVIDENCE
AND
EXHIBITS
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1891.



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REPORTS.

COMMITTEE ROOM,

MONDAY, 10th August, 1891.

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

THIRTEENTH REPORT :

Your Committee have had under consideration the item "Langevin Block, Ottawa, \$96,665.32," set out on pages B—348—9 of the Auditor General's Report on Appropriation Accounts for the year ended 30th June, 1890; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the Evidence given by such witnesses, the Exhibits filed and the Minutes of Proceedings of the Committee in regard to the said item.

All which is respectfully submitted,

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,

MONDAY, 17th August, 1891.

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

SEVENTEENTH REPORT :

Your Committee have had under further consideration the item "Langevin Block, Ottawa, \$96,665.32," set out on pages B—348—9 of the Auditor General's Report on Appropriation Accounts for the year ended 30th June, 1890; and in connection therewith have again examined witnesses under oath, and for the information of the House report herewith the additional Evidence given by such witnesses in regard to the said item, and Your Committee recommend that this Evidence be added to that submitted by them to the House with their Thirteenth Report.

All which is respectfully submitted,

N. CLARKE WALLACE,
Chairman.

REPORTS

REPORT OF THE

COMMISSIONERS OF THE

LAND OFFICE

FOR THE YEAR

1880-81

ALBANY:

1881

ALBANY:

1881

ALBANY:

1881

ALBANY:

1881

ALBANY:

1881

ALBANY:

1881

MINUTES OF EVIDENCE.

COMMITTEE ROOM, MONDAY, 22nd June, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. THOMAS FULLER called and examined :—

By Mr. Mulock :

1. What position do you occupy with the Government?—I am Chief Architect.
2. In what Department?—The Department of Public Works.
3. How long have you filled that position?—Nearly ten years.
4. At all events, at least nine years?—Yes, Sir.
5. What official duties have you to discharge in connection with the construction of what is known in Ottawa as the "Langevin Block"?—Preparing the plans and superintending the construction.
6. And the specifications?—Yes.
7. And the conditions?—Yes. The contract was prepared by the Department.
8. But the conditions generally?—Yes; the general conditions.
9. You had to do with preparing the plans, the specifications for the contractors and afterwards superintending the work?—Yes.
10. Did you superintend the work?—Yes.
11. From the issuing of the first contract to the present time?—Yes.
12. You have been the architect in charge of the work on behalf of the Government?—Yes.
13. To whom was the first contract let in connection with the work?—Mr. Charlebois.
14. The contract is here, but perhaps you could tell the Committee briefly the work Mr. Charlebois undertook by this first contract?—He undertook to build all the walls and the brick work, prepared it for the roof; the whole of it.
15. Anything else?—Of course all the woodwork in connection with it; everything with the exception of the iron.
16. Then, your original specifications showed a complete building?—Yes, with the exception of the roof and the iron joists.
17. So that his original contract embraced everything for a complete building, except the roof and iron joists?—Yes, and the heating apparatus.
18. Those are the only exceptions?—Those are the only exceptions.

By Mr. Bowell :

19. The contract did not include the roof?—No, sir, it did not.

By Mr. Mulock :

20. What was the amount of his contract?—\$295,000.
21. Do you happen to remember the date of his contract?—Yes, it was signed 20th September, 1883.
22. Do you happen to remember when his work was to be completed?—Yes, 1st of May, 1886.
23. I believe it was originally intended before the tenders were let that the contract should be completed by the 1st September, 1885?—The contract shows that the work was to be completed by the 1st of May, 1886. I do not remember anything about an earlier date.

24. When was the next contract issued?—That was for the iron; it was the 8th September, 1885.
25. Was that let after advertisement for public tenders?—Yes.
26. Who was the lowest tender for that?—Carrier, Lainé & Co.
27. Was a contract made for the iron joists with Carrier, Lainé & Company?—
Yes.
28. Did they fully complete their contract?—They completed it with the exception of putting them in place.
29. Was there no other exception?—Not that I remember.
30. Were they not required by their contract to supply the material and put them in place?—Yes, sir.
31. Would not that involve bringing them from the station to the building?—
Oh, yes.
32. Did they bring them from the station to the premises?—I really forget.
33. Perhaps it will refresh your memory if you peruse the papers relating to their contract. As near as I can discover when the supplies were at the Canada Atlantic Station, in the City of Ottawa, the Government undertook the expense of carting?—I think I can explain that. The walls were not ready for the joists when they first came, and they were deposited on the Government ground of the Canada Atlantic station.
34. When did the next advertisement issue for other tenders?—The iron roof contract was signed the 1st September, 1886.
35. As the result of public competition?—Yes.
36. Who obtained that contract?—Charlebois.
37. What was the next advertisement issued?—For the heating.
38. When was it issued?—On the 16th August, 1888.
39. The tenders were issued?—The contract was signed.
40. As a result of public tender for heating, a contract was signed?—Yes.
41. Now the next tender?—The iron staircases; that I should have spoken of in connection with the iron work.
42. That was also let by public tender?—Yes, on the 7th September, 1888.
43. What other contract was let by public tender?—The elevators. That was on the 10th October, 1888.
44. What else?—Nothing else.
45. You have enumerated then all the works that were let by public tender?—
Yes.
46. Namely, the original work covered by Charlebois' contract?—Yes.
47. Next the iron girders?—The joists; yes.
48. Next the heating?—No; the roof next.
49. The next?—The heating.
50. And last the staircases?—And the elevators.
51. Have you brought a statement showing certain figures that I asked you for?—Yes; of all the claims paid and unpaid.
52. We will first take up Mr. Charlebois' claim. How much has been paid to Mr. Charlebois for his main contract of \$295,000?—The whole of that sum has been paid to him, except that there are some deductions from the original contract.
53. How much has been paid to him for extras on the original contract?—The total amount paid on the contract and extras to the 16th January, this year, was \$490,084.
54. You are speaking now of the original contract?—The original contract is paid, and this amount is for all extra work and the contract.
55. Has anything been paid since on that account?—Not that I am aware of.
56. So that the total of \$490,084 shows the payments made to Mr. Charlebois on the contract of the 20th September, 1883, which was originally for \$295,000?—That includes all the iron roofing and everything of that kind.

By the Chairman:

57. Does that include all the other contracts?—Yes, sir.

By Mr. Mulock :

58. That is not my question. First of all I would ask, has that \$295,000, the amount of the original contract been paid?—The whole amount has been paid of course.

By Mr. Adams :

59. Did you say there were some deductions?—I deducted from that amount for work not done, \$22,113.64.

By Mr. Mulock :

60. How much has been paid to Mr. Charlebois on the main contract?—That amount.

61. The face amount of the contract, less \$22,000?—Yes, sir.

62. How much has been paid to Mr. Charlebois for extras outside of the other works that were let by contract; that is, for extras on the main contract. By the the main contract, I mean the first contract let to him on the 20th September, 1883. Do not your books show on what account payments were made by the Department?—We have statements of everything pertaining to the contracts, but I have not got it separate here.

63. But the information in the Department would show on what account payments were made?—Yes.

64. I would ask you to prepare a statement of these amounts for presentation at the next meeting of the Committee?—I think I understand you.

65. I want a statement showing on what accounts you made various payments. For example the contracts which you have referred to were let?—Yes.

66. If the amounts specified in the contracts were earned by the contractor and paid, I would like your statement to show that?—Yes.

67. If they were not earned in all, and deductions were made, I would like that also to be shown?—Yes.

68. And in regard to the other payments that have been made, I would like you to bring a statement showing why they were paid, that is on what account. Do you understand?—Yes, Sir. I have a statement here but it does not cover every item that you asked for.

69. I am about to read from a paper that has been produced here by the Department. It is inside of a backing No. 106,322. Inside of this is a letter from Mr. Charlebois directed to Mr. A. Gobeil, Secretary of the Public Works Department, Ottawa. It is dated 28th February, 1890, and reads as follows—"Sir, I have the honor to enclose herewith a recapitulation of all the different claims filed and the amounts received on same. (Signed) A. Charlebois." (Exhibit 1, filed.)

70. You recognize that as in Mr. Charlebois' handwriting, I presume?—Yes, Sir.

71. That letter is in his handwriting?—I think so. That is, not the letter but the signature.

72. You observe the stamp of the Department upon it?—Yes.

73. Did you ever see this statement before?—Yes. (Exhibit No. 2, filed.)

74. Where did you see the statement, marked Exhibit No. 2, before?—In our own Department. It was referred to me.

75. It came to the Department in the regular course?—Yes, Sir.

76. On the first page of Exhibit 2, which is Charlebois' account against the Department, is the following entry:—

To amount of contract dated 20th September, 1883.	\$295,000 00
To amount of extra claims on above contract as per details filed, 21st February, 1891.....	213,858 22
	213,858 22
Total amount of contract and claims.....	\$508,858 22

Cr.	
By cash, received on account of contract.....	\$246,591 95
By cash, received on drawback.....	166,000 00
By cash, received on claims.....	47,593 37
	<hr/>
Making a total of credits.....	310,785 32
	<hr/>
Balance claimed.....	\$198,072 90
	<hr/>

Is that statement correct?—I do not know about the payments at all. This is not his final claim.

77. Where is the final claim?—It must be in the Department.

78. It is not produced amongst the papers? I do not find any later statement than this?—If it is not produced here, I think it must be in the office.

79. You say, this account has been changed since February, 1890?—I do not know that it has been changed, but this is not his whole claim. That one is dated February, and I do not think we got the final claim until November.

80. You think it is superseded by one of November, 1890?—I think it is, but I will not be sure.

81. What was the value of all deductions from the main contract with Charlebois?—Deduct for work included in contract, 20th September, 1883, but not executed, \$22,113.64.

82. The next contract that was let, as you have mentioned, was that for the iron joists with Carrier, Lainé & Co.?—Yes.

83. Do you remember the amounts of the various tenders offered for that work?—I did not bring the statement with me.

84. The lowest tender was that of Carrier, Lainé & Co.?—Yes.

85. Speaking from memory, do you remember accurately what Carrier, Lainé & Co. were to do for the sum of \$15,241.12?—They had to put the joists in.

86. They had to supply the joists, deliver them on the ground, and put them in position in the building?—Yes, sir.

87. That was the original contract?—Yes.

88. Did they put them in position in the building?—No.

89. Did the Government relieve them of that portion of their work?—Yes.

90. Where is the correspondence showing what passed between Carrier, Lainé & Co. and the Department on that point?—I suppose it is with the secretary of the Department.

91. Who is the secretary?—Mr. Roy, but the present Deputy Minister, Mr. Gobeil, was secretary at that time.

92. Why is that correspondence not produced here?—I do not know.

93. You are aware that there is some correspondence?—I think there was, I do not remember.

94. There are a few fragmentary letters here, but there is not the completed correspondence. All the letters have not been produced?—I do not know whether there was any official correspondence.

95. Will you make a search and produce all the correspondence between the Department and Carrier, Lainé & Co. in regard to their contract with the Government?—Yes.

96. I might state again that there are here a few letters between the Government and Carrier, Lainé & Co., but the correspondence breaks off abruptly, and we do not know from the correspondence how their negotiations to be relieved of part of the work turned out. What portion of the contract were they relieved from?—Placing them in position. I am not sure about the cartage.

97. Do you know what deduction was made from the amount to be paid for the portion of the contract the Government relieved them of?—I do not remember the exact amount.

98. Will you, at the next meeting, bring a statement showing exactly what portion of their contract they were relieved of, and what deduction was made from the contract by reason of being so relieved?—Yes, sir.

99. You are not able to tell me whether the Government gave the whole work that they were relieved of to anyone else or not?—Yes, they gave it to Mr. Charlebois.

100. Mr. Charlebois obtained a contract for completing all the unfinished part of their work?—No, no; simply placing the joists in position.

101. I think you are in error on one point. I cannot expect you to remember the details accurately, but from the perusal of these papers which I have made, I think that Charlebois contract to finish Carrier, Lainé & Co.'s, did not include hauling and cartage?—I do not remember; I do not think it did.

102. Then it is necessary for you to tell us about that?—I have already taken a memorandum to that effect.

103. So that perhaps you were a little in error when you said Charlebois undertook to complete all the unfinished work?—I did not say that; I said to place them in position.

104. Then can you tell me from memory, or from anything you have in your possession, what amount was paid to Charlebois & Co. for completing whatever they had to complete of the original contract of Carrier, Lainé & Co.?—I have not got the amount here, but I can give it to you later.

105. You are not able to say then whether this statement of Charlebois' is correct? Wherein he credits you with a payment on that account of \$6,080?—I do not remember; I will bring you all that information.

106. Do you happen to know what was the reason that Carrier, Lainé & Co. did not complete their contract, that is, putting the joists in position?—I believe they could not make any arrangements with Charlebois for implements for placing the joists in position. I suppose that was it.

By Mr. Adams :

107. What do you know of yourself?—I have no personal knowledge of what transpired between Charlebois and them.

By Mr. Mulock :

108. There is a correspondence here, which explains why they did not complete the work. I presume a perusal of it would enable you to speak positively on that point?—Yes.

109. There was a written contract, I believe, entered into with Charlebois for the completion of Carrier, Lainé & Co.'s contract?—There was an agreement made; I do not believe it was a contract. It amounts to the same thing.

110. I put in the original contract (Exhibit 3, fyled)?—This is a copy; it is "signed." It is not Carrier, Lainé & Co.'s signature I think.

111. Where would the original be?—In the Department.

112. Will you bring the original?—It is not in my possession. It is in the hands of the Record Room.

113. Can you tell me from memory the date of the agreement mentioned by you as having been made with Charlebois, whereby he agreed to do part of Carrier, Lainé & Co.'s contract?—I do not remember the date.

114. I have the document here. Do you recognize the signature to that document, "A. Charlebois"?—Yes, sir.

115. Do you recognize the document as a whole?—Yes, sir.

116. What is that document?—It is the agreement with Charlebois to place the joists in position.

117. And dated 22nd April, 1886?—Yes.

118. That is the agreement you have referred to?—Yes (Exhibit 4 fyled).

By Mr. Adams :

119. What is the amount of the contract?—He was to put them up at so much per pound.

By Mr. Mulock :

120. This is the agreement with Charlebois, who had part of the contract of Carrier, Lainé & Co.?—Yes.

121. I presume you have made an estimate of the amount earned under Exhibit 4?—Yes; I will bring it at the next meeting.

122. Are you aware of any difficulties which prevented Carrier, Lainé & Co. from performing their contract?—I believe they had no machinery for hoisting.

123. Do you not remember this, Mr. Fuller—I have got my information from an examination of these papers, and I find from the papers, as near as I can remember it,—I may be in error—that when Carrier, Lainé & Co. had part of their material, perhaps all of it, at the station at Ottawa,—I do not know when—but, at all events, whenever they had it, they were refused access to the building by Charlebois & Co.?—I believe that is correct.

124. And they were also refused permission to use any of his plant to complete their works?—I believe so.

125. And thus they were unable to complete their contract?—They did not complete it.

126. Do you know why they did not?—On that account, I suppose.

127. Were they then, in consequence of that difficulty, relieved of that part of their contract?—It appears so. I think you asked that question before, and I told you I would look up the correspondence.

128. Part of the correspondence is here; only a small portion, but enough to tell us that there is a much larger quantity not here. It may be necessary for you to read what is here as a beginning?—Very well.

129. Can you tell us how the Government settled with Carrier, Lainé & Co.; on what basis they settle?—Carrier, Lainé & Co. offered to make a deduction. I do not remember the amount.

130. How much did you pay Carrier, Lainé & Co.?—I do not remember.

131. That would involve a knowledge of the amount of the deduction?—Yes.

132. Did they make any claim afterwards for damages?—I do not remember to the best of my recollection.

133. I would like you to refresh your memory on that point too. Can you say what it cost the Government to have the joists and the girders and all the works originally mentioned in Carrier, Lainé & Co's contract performed.—I can tell you sir, but I have not got it in detail.

134. Was there any intention at first including the iron roofing in the original contract? (Mr. Adams objected to the question being put, and the objection was sustained).—It was never included in the contract.

135. Do you recollect whether in the original instructions, to prepare specifications you were directed in the beginning to omit the iron roof from the contract?—I did so.

136. Your instructions were to that effect?—I did so on my own responsibility.

137. As an expert?—As an expert.

138. It was not intended to be included in the first contract?—No sir, nor the joists.—You see what a time elapsed from the signing of the contract to the roof being required.

139. When the Government were about to advertise for tenders for the iron roof, do you remember the correspondence passing between Charlebois and the Department?—I remember there was some correspondence.

140. Is the whole of that correspondence produced?—I do not know sir.

141. Do you happen to remember his asking that there should be a condition inserted requiring tenderers to make arrangements with him first for access to the building and the premises.—I do not remember that, but I remember we did so.

142. You did that?—We made it a condition in the specifications that any person tendering was to make all arrangements with Mr. Charlebois for placing the roof in position.

143. I will ask you to produce the advertisement and condition showing that. I hand you a letter dated the 23rd June 1886, from A. Charlebois to Sir Hector Langevin. Did you ever see that letter before?—It is in French, I think.

144. Do you recognize the signature?—Yes, it is Mr. Charlebois' signature.

145. What official stamp is there on that letter?—The stamp of the Department of Public Works.

146. What is the date?—25th June, 1886.

147. What does that stamp indicate?—That it was received by the Department on that date.

148. I will read it to you. It is in French, but of course if the Committee are not satisfied with my translation, we can get some one else to translate it.

“HONOURABLE SIR,—As you have had the kindness to tell me some days ago, that you were satisfied with the execution of the works, that I have undertaken for the Government and that you would be satisfied if I could say at the conclusion of the works that the whole of it had been completed, even to the iron work, roofing, &c., which ought to be given after tender had been made by me. I believe that considering that I have been obliged to make arrangements with the corporation for the use of the street, &c., and to incur other expenses for tools, and besides that under my contract I am responsible for all damage to the building until the date of delivery and that you have not inserted a clause permitting others except officers of the Department to have the right of admission on the works while under my control, the Government might avoid all misunderstanding and protect me by inserting a clause requiring tenderers before sending in their tenders to make arrangement with the contractor for the use of his land and scaffold and plant, tools, &c., which might be necessary to put the roof in position.

I have the honor to be, Sir,

Your obedient servant,

(Sgd.) A. CHARLEBOIS.

I file this letter (Exhibit 5, filed).

148a. Do you remember seeing that letter?—Yes.

149. What action was taken by the Department in consequence of that letter?—It was not so much in consequence of that letter as trouble we have had previously.

150. What about the suggestion? Did you think it was a good one?—I thought it was a good one.

151. Did you act on it?—I acted on it.

152. That is in advertising for tenders for the roof?—Yes.

153. What tenders came in for the roof?—I remember there were three.

154. There were three tenders put in for the iron roof? Can you tell me the amounts of those tenders?—I do not remember the amount of them.

155. Do you remember the names?—Yes, there was the Hamilton Bridge Co.

156. But which was the lowest?—Rousseau & Mather of Montreal.

157. Do you remember the amount of their tender?—I do not remember exactly, but it was under \$41,000.

158. Do you recognize the document which I now hand to you?—Yes, it is my report on the tenders.

159. The document produced is the report of Mr. Fuller, dated 20th of August, 1886, upon the various tenders for the iron roof. (Exhibit 6 filed).—Yes.

160. Have you the original tender of Rousseau, Mather & Co.?—No, it is not in my possession?

161. Where is it?—It is in the Department. There is an Order in Council also respecting it.

162. I think I can find it here. Is this the tender of Rousseau & Mather for the iron roof?—(Having examined document) Yes, sir.

163. And annexed to it is what?—Nothing more than the outside of the envelope. (Exhibit 7 filed.)

164. I now put in the tender of the Hamilton Bridge Company as exhibit No. 8. You remember that?—Yes, sir.

165. And this document which will be exhibit No. 9?—That is Charlebois' tender.

166. Were these all the tenders received in answer to the advertisement?—I believe so.

167. That is for the iron roofing?—Yes.

168. They were then, Rousseau & Mather, \$42,975; Hamilton Bridge Co., \$46,000; A. Charlebois, \$77,500. Do you remember those figures?—Yes.

169. And the tender was awarded to Rousseau & Mather?—It was not awarded, it was offered.

170. Was it let to Rousseau & Mather?—No.

171. Why not?

Mr. Adams objected to the question being answered as the reasons had been reduced to writing by Mr. Fuller, and were already filed as exhibit No. 6. Objection sustained.

172. When the contract was awarded to Rousseau & Mather did you notify them?—It is not my duty to notify them.

173. Was a notification sent to them?—They were offered the contract.

By Mr. Adams:

174. It was not awarded to them?—No; it was simply offered.

By Mr. Mulock:

175. Do you remember a telegram of August 14th, the year is not mentioned, but suppose it is 1886, being received at the Department from Rousseau & Mather?—Yes; I remember it.

176. This is the telegram (Exhibit No. 10 filed):

“MONTREAL, August 14.

“We are prepared to sign contract. Give orders to send us blue prints. Wire us acceptance so we may cable to England to fill order. No time to lose.

“(Signed) ROUSSEAU & MATHER.”

Do you remember a letter dated 12th August from Rousseau & Mather?—Yes, sir.

177. I will read it.

“MONTREAL, August 12, 1886.

“A. GOBELL, Esq.,

“Secretary of the Public Works Department,

“Ottawa.

“DEAR SIR,—We beg to inform you that if the Government favour us with the contract for Departmental Buildings roof, we are prepared to carry out the conditions of our tender and deliver works on November 1st, as called for. As the time presses we would feel obliged to you for an early answer.

“Yours truly,

“ROUSSEAU & MATHER,

(Exhibit No. 11 filed.)

“Per A. Rousseau, A. A. Mather.”

178. What answer did you send to that letter?—It is not addressed to me.

179. What answer was sent?—I do not know.

180. I would like copies of the answers produced at the next meeting. I want you to produce all the correspondence with Rousseau & Mather touching their tender and any settlements made with them except, of course, such documents as we have here. For your information, Mr. Fuller, I may state that you will find a list of the documents that apparently bear upon this question in No. 75193, which is a synopsis of correspondence *re* Rousseau & Mather's claim in connection with the Departmental buildings, Ottawa.—Does that include all the documents here?

181. Some are here and some are not. The contract then, was not let to Rousseau & Mather?—No.

182. Does the memorandum signed by you, of the 20th September 1886, show how the tenders were adjudicated upon?—Yes.

183. And the reasons for the lowest tender not having been accepted?—Yes.

184. Who did get the contract for the roof?—Charlebois.

185. At what price?—\$60,000.

186. After the contract was let to Charlebois, did you receive any letter from Rousseau & Mather upon the subject?—This is a letter to the Secretary of the Department, not to me.

187. What is the date of that letter?—13th October, 1886.

188. Will you read it please?

“ MONTREAL, October 13th 1886.

“ A. Gobeil, Esq.,

“ Dear Sir,

“ Please find enclosed our account for expense and damages *in re* roof tender, Departmental Building, which we hope will be looked upon favorably. We need not tell you that, if the Government had not the right of way, it has not the right to call for tenders to put on roof.

“ Not wishing to be exacting, we charge only half the profit we would have realized. This claim is a just one, when we consider that the Government is paying \$17,000 to Mr. Charlebois over and above our tender, and for that reason, we feel very sore about this, and we will maintain our claim.

“ Yours truly,

“ (Signed),

ROUSSEAU & MATHER

“ Per G. B.”

189. What is the amount of the claim?—\$3,898.50 (Exhibit 12 filed.)

190. I see according to the statement of claim they put down “ half of profit,” that would be realized had the contract been awarded to us as we were entitled to \$3,500?—Yes.

191. You remember having a conversation with Mr. Charlebois in regard to his tendering for the roof?—I had several conversations with him.

192. But before you adjudicated upon Rousseau and Mather's tender?—I am not aware.

193. You do not remember?—No.

194. When did you decide to report in favor of Charlebois second tender of \$60,000 for the roof?—About the date of the Report.

195. Then prior to making the Report of 20th September 1886, you had the three original tenders I have spoken of and also the subsequent tender from Charlebois?—No, the subsequent tender was dated 19th August, 1886. (Exhibit 13 filed.)

By Mr. Adams :

196. What is the amount of that tender?—\$60,000. The tender is as follows:—

OTTAWA, 19th August, 1886.

SIR,—I will be prepared to undertake the construction and erection of the iron work of the roof of the new Departmental building, Wellington street, according to the terms and specifications for the sum of \$60,000.

Having the certainty that the main walls of the building will be completed for the first November, it is of the greatest interest to me that the work on the roof should be enough advanced during this present season, so as to enable me to proceed with my other works in the interior of the building during the coming winter. Hoping to receive a favourable answer at an as early a date as possible.

I have the honor to be, Sir,

Yours obedient servant,

(Signed) A. CHARLEBOIS.

THOS. FULLER, Esq.,
Chief Architect, Public Works, Ottawa.

Mr. ADAMS.—I think we should now have Mr. Fuller's report read.

The CHAIRMAN (reading exhibit No. 6).

Memorandum.

Re Tenders for iron roofs, New Department Buildings, Ottawa.

TENDERS :

Rousseau & Mather	\$42,975
Hamilton Bridge Works.....	46,000
A. Charlebois.....	77,500
Estimate by Department.	\$58,800

The tender of Messrs Rousseau & Mather being so much under what was considered by the Department to be the fair value of the work, there appeared to have been some mistake or omission. Therefore, by direction of the Honorable the Minister, Messrs. Rousseau & Mather were telegraphed on the 31st ultimo to come to Ottawa, in order that explanations might be obtained as to what arrangements they had made to execute the works if the contract were awarded them.

Messrs. Rousseau & Mather arrived here on the 2nd instant, and stated that they had not made any arrangements with the contractor for the building, either as regards the hoisting and erection of the roofs, or for providing a "piling ground" for the delivery of all material ready for placing in position, all of which were required by the conditions of the specifications. Before deciding to accept the contract they asked to be allowed a short time in order to see what arrangements they could make. This was granted. At this interview, Messrs. Rousseau and Mather stated that there was a mistake of several thousands of dollars in their tender; but, of course, they did not expect that to be allowed then.

On the 12th instant, they wrote (No. 69833) that they were not able to make satisfactory arrangements, and preferred, under the circumstances, to withdraw their tender and accepted cheque.

The second tender, that of the Hamilton Bridge Company, was informal, as it contained conditions not called for by the specifications and which would materially alter the amount of the tender. The third tender, that of A. Charlebois, was considered unreasonably in excess of what the Department estimated a fair value of the work. To call for new tenders would have caused great delay, and have given the contractor for the building a claim for damages, as he had notified the Department that the walls would be sufficiently advanced, by the 1st November next, to allow the erection of the iron roof to be commenced. It was considered advisable to ascertain from the second tenderer if any terms could be made, by which the work might be progressed without delay. The manager of the Hamilton Bridge Company was, therefore, summoned here by telegraph and arrived here on the 13th instant.

In the meantime, Messrs. Rousseau & Mather wrote (No. 69879) that they had had another interview with Mr. Charlebois, and asked to be allowed two or three days before giving a definite answer. This was granted. On the 14th instant they wired (No. 69914) that they were prepared to sign the contract and asked that

acceptance be at once telegraphed them so that they might cable England to fill the order for iron. The reply telegraphed was that no authority could be given until the contract was signed, and that it would be ready for signature on or before noon the 17th instant.

On the 16th instant, Messrs. Rousseau and Mather wrote (No. 69928) in confirmation of their telegram of the 14th.

Owing to pressure of business the contract was not ready for signature until the 18th instant, after perusing it, Messrs. Rousseau & Mather objected to the clause making them responsible for the arrangements to be made with the contractor for the building, so that there might be no disputes or delays hereafter in the prosecution of the work of hoisting and erecting in place the various portions of the iron roof, and asked that the clause be expunged. This could not be allowed, as the clause was necessary, and also covered the purpose for which the application of Messrs. Rousseau & Mather for the re-consideration of the withdrawal of their tender was granted, and, when the matter was submitted to the Honourable the Minister they positively declined the contract. At the interview of the 14th instant with the manager of the Hamilton Bridge Company, he stated that, in making up their tender, no arrangements had been made with the contractor for the building for hoisting or erecting the iron work of the roof, nor had any provision been made for a "piling ground," that the tender submitted was made low under the supposition that an extension of time for the delivery of the material until April 1st as stipulated by the Company would be granted; that under ordinary circumstances, all the work might be delivered by the 1st of November, as called for by the conditions and specifications, but that they could not undertake it without a considerable addition to their tender owing to the large amount of work they had on hand, though he was not then prepared to state the terms upon which the Company could be induced to assume the work.

As the prosecution of the work is very urgent, and, as before stated, to call for new tenders would entail delay of probably at least one year in the completion of the building, it was considered advisable to ascertain what terms could be made with Mr. Charlebois so that he should assume all responsibility of every description and guarantee that the work would proceed without delay.

After a full explanation and discussion of the whole matter, Mr. Charlebois stated that the delay which had been granted Messrs. Rousseau & Mather would oblige him to pay an increased amount to induce reliable parties to undertake to deliver the work on time, still, as it was of great importance to him as well as to the Government that the building should be completed as speedily as possible, he would undertake the whole work, assuming the entire responsibility, for the sum of \$60,000, and guaranteed to have sufficient portions of the iron principals erected in position to enable him to have the whole covered in so as to form a thorough protection and thereby enable him to proceed with interior work during the winter, which would materially hasten the completion of the building.

Unless arrangements could have been made between the respective contractors it is believed that both parties would have caused endless disputes, involving delays, and thereby claims for heavy damages, which would have entailed large legal and other expenses, besides a delay of probably another year in the completion of the building.

Therefore, under all the circumstances, and with the view to as early occupation of the building as possible, I consider it would be in the public interest to accept the offer of Mr. Charlebois to undertake the whole of the work and assume all the responsibility for the sum of \$60,000, which amount is only \$2,000 in excess of the Departmental estimate.

I would further recommend that the cheques of the other tenderers be returned.

(Signed) THOMAS FULLER,
Chief Architect.

By Mr. Mulock :

197. Did that report, as far as you know, go before the Council?—I believe so.

198. What action did they take on it?—They accepted Mr. Charlebois' offer.

199. They acted on the Report?—Yes.

200. Is that the Order in Council?—Yes. (Exhibit 14 filed.)

201. You recollect that Report of Council allowing the contract to Charlebois for \$60,000?—Yes, Sir.

202. Had you a tender from Charlebois for \$60,000 at the time you made a report?—I believe so.

203. Exhibit No. 13, is Charlebois' amended tender?—Yes.

204. How did Charlebois know that none of the original tenders were accepted?—I do not know exactly how he came to know it. The cheques were returned of course.

205. The tenders sent in had all been rejected?—Yes.

206. Prior to the 19th August?—Yes.

207. Who had rejected them?—The Department of Public Works.

208. By what form, or in what way, did they show they had rejected the three tenders?—There was no action upon them that I know of. Rousseau and Mather had withdrawn their tender, the Hamilton Bridge Co., declined to take the work, and Charlebois' tender was considered too high.

209. Do you say that Rousseau and Mather withdrew their tender?—Yes.

210. Did they not find it impossible to get the consent of Charlebois?—I do not know how that was, but they withdrew their tender.

211. You inserted a condition that they were to make terms with Charlebois to gain access to the building?—Yes.

212. Are you aware it caused difficulties to Rousseau & Mather?—I believed it did.

213. And compel them to withdraw their tender?—In conversation with them they said they had been unable to make any arrangement with the contractor whatever.

214. Which rendered it impossible for them to do the work?—That was after their tender was in.

215. So that they could not get on the premises to fill the contract?—Yes.

216. By reason of not having made arrangements with Charlebois?—Yes.

217. And in that way, they were unable to satisfy you that they could carry out the contract?—They declined to carry it out.

218. What reason did they give for declining?—They said they could not carry it out.

219. For what reason?—Because they could not make any arrangement with Charlebois.

220. For what purpose?—For getting into the building.

221. When did Charlebois learn that the tenders that had been put in had been rejected?—Just before he put in his second tender.

222. From whom did he learn that?—I do not know whether he learned it from the Secretary of the Department or not. I remember I spoke to him about it.

223. You spoke to Charlebois?—Yes.

224. Where?—In my office.

225. When?—I do not know the time, but it was after the rejection of all the tenders.

226. I want you to produce at the next meeting whatever memo. or minute there is in the Department referring to the rejection of the tenders?—I do not think there is any; they would be in the Secretary's charge if there were any.

227. You believe all the tenders were rejected on or before a certain date?—The only one that was rejected was Charlebois'; the others were withdrawn.

228. Whatever you have to say on the subject, I want the record produced here on which you base that statement. Does the report on which the Order in Council

was based set forth truly the circumstances under which those various tenders were disposed of?—Yes.

229. When you say they were rejected or withdrawn, or how dealt with, all you say then is to be controlled by the report that you made to the Department?—That is all I have to say.

230. That memorandum sets forth the fate of those various tenders?—Yes; it sets forth everything.

231. How did you come to have a conversation with Charlebois, one of the tenderers?—He was contractor for the building, and it was only natural that I should tell him about the tenders.

232. Did you ask him to tender?—No.

233. Did he offer to tender?—He offered to tender.

234. Did you tell him the amount for which the others had tendered?—No.

235. Did he have access to those tenders?—I cannot tell you; they were not in my possession.

236. Who had possession of them?—The Secretary, Mr. Gobeil.

237. Was this tender of his of the 19th August, 1886, delivered to you or to the Secretary of the Department?—It was delivered to me. It is directed to me.

238. At the Department?—Yes.

239. In whose handwriting is the body of the tender?—I do not know. The signature is Charlebois'. The body of the tender is probably his clerk's.

240. The contract was let to Charlebois, I believe?—Yes.

241. Is this the contract?—Yes.

(Exhibit 15 filed.)

242. What is the date of it?—3rd of September, 1886.

243. I believe in your report you mention that Charlebois will be ready with the walls to receive the principals of the roof by the 1st November, 1886?—I say that he said so.

244. Did you believe him?—I do not know. I do not think he was quite ready, but he was very nearly ready.

245. Were the principals erected in 1886?—I think not.

246. When were they erected?—I forget, sir.

247. In that winter?—No; I think not.

248. When was it? How soon after?—It was early in the following spring.

249. When was the building roofed over, either temporarily or otherwise?—There was a temporary roof put on for the winter.

250. In what year?—In 1886.

251. When was it put on?—In the fall.

252. You had contemplated in September that Charlebois would have made sufficient advance to enable the roof to be put on?—A portion of it, with a temporary covering over it. I thought the principals would be in place to enable the temporary roof to go on.

253. What do you mean by "principals"?—The main trestles.

254. In August, 1886, you thought if you let the contract for the roof to Charlebois that the walls would be sufficiently advanced to enable him to have the main trestles in permanent position in the fall, so as to admit of a temporary roof being erected over the building for the winter?—Yes.

255. You were disappointed in that, I understand?—I was.

256. As it turned out, the walls were not in position?—Not in some places.

257. So that the principals or trestles were not put on until the spring?—No.

258. At the time you made the report you were very anxious to get the work completed?—I was anxious, but at the same time I desired to avoid any claim he might have against the Government if he had been ready.

259. At all events, you were influenced by his undertaking that he would have it ready by the time specified?—By his official notice that he would be ready.

260. Did Charlebois erect the roof according to contract?—I believe so.

261. I think the contract called for an iron roof?—It does. Are you speaking of the covering now?

262. Yes?—The covering was changed from iron to copper.

263. How was it that you changed from iron to copper?—Because copper was better.

264. Why did you not indicate that in your specification?—Because at that time iron was cheaper.

265. Are you able to tell me now how much has been paid to Charlebois on his roofing contract?—I can tell you what the amount was that he claimed and what we allowed him.

266. Have you adjudicated upon his claim for the roof?—Yes.

267. Finally?—Yes.

268. In your capacity as architect?—Yes.

269. What have you awarded him?—I can tell you what we awarded him above his contract. It was \$3,857.85—in all, \$63,857.85.

270. That is for all the changes to the roof?—Exclusive of the copper.

By Mr. Adams :

271. What is this \$3,857.85 for? Was it for changing from iron to copper?—No; it is for additional work.

By Mr. Skinner :

272. Was the cover included in the \$60,000 contract as iron or not?—The iron covering was included in the first contract of \$295,000.

By Mr. Mulock :

273. The iron cover for what?—For the roof.

274. The tender for that says "iron work excepted"?—Yes; but that refers to the iron joists.

275. So that the original contract of \$295,000 included the iron roof?—No; the covering for the roof.

276. So that, when we are talking about the contract for the roof we are speaking merely of the framework?—Yes.

277. Not the covering?—Not the covering.

278. So that the \$60,000 contract to Charlebois was for the roof, with the exception of the covering?—Everything, except the covering.

279. That he was obliged to do under his original contract?—Yes; in galvanized iron. I say he was bound to do it, but he says not. That is a disputed point between us.

280. You say it was included in the original contract. Has it been adjudicated upon?—So far as I am concerned, it has.

281. Have you made a report upon it?—No; I have merely made out the final estimate.

282. But you are the arbiter?—That is my award.

283. And whatever is necessary to be done as arbiter, you have done?—Yes, except what I have stated. It is now a question of law as to whether the contract includes the covering of the roof.

284. You say there is still a dispute between Charlebois and the Government?—He has not accepted the award.

285. But you, as arbiter, say it is included in the contract of \$295,000?—Yes.

286. That is your opinion as arbiter?—Yes.

By Mr. Davies :

287. Charlebois contends to the contrary?—Yes.

By Mr. Mulock :

288. How was it that you changed from iron to copper?—I thought it was better.

289. Who was it made the suggestion?—I did.

290. It originated with you?—Yes.

291. Then all the changes in the covering from iron to copper were extras—in the main contract that were in your subsequent figures?—Yes; but the amount for iron was deducted.

292. What was the cost to the Government of changing from iron to copper?—I do not remember the exact amount—about \$7,000. No, that is not correct. I will have to give you the amount later.

293. You recognize that paper, perhaps?—Yes.

294. This paper, I understand, is the report of some of the officers as to the three tenders for the roof?—Yes. This is the report of Mr. Baillaigé and myself. The tenders were opened by us.

295. And the schedules are annexed. This is Mr. Baillaigé's analysis?—Yes.

(Exhibit 16 filed.)

296. I want you to tell me all the departures from the main contract at the next meeting?—What do you mean by departures?

297. Changes in the specifications?—There was a copper roof.

298. You changed from galvanized iron to copper?—Yes.

299. What did that cost?—I cannot answer that now.

300. What other changes were there?—The stone staircase from the ground to the first floor was put in in iron and slate.

301. What cost did that change involve?—I can give that information to you afterwards. I cannot give it now.

The Committee then adjourned.

MONDAY, 6th July, 1891.

Committee met—Mr. Wallace in the Chair.

Mr. THOMAS FULLER recalled and further examined:—

By Mr. Mulock:

302. Do you produce any papers, Mr. Fuller?—Yes.

303. What have you with you?—This is a statement of the claims of the contractor and the amount allowed. It is a full statement of account.

304. In connection with the Langevin Block?—Yes. (Exhibit 17 filed).

305. What other papers have you?—This is the abstract of additional work in connection with main contract allowed, and the reasons for allowing it. (Exhibit 18 filed). This one is the abstract of additional work not immediately connected with the main contract, but allowed. (Exhibit 19 filed). This is an abstract of claims for iron roof, showing the amount claimed and what was allowed, and the reasons therefor. (Exhibit 20 filed.) This is an abstract of claims in connection with the contract for iron staircases, showing the amount claimed, the amount allowed, and reasons therefor. (Exhibit 21 filed). This is an abstract showing the amounts deducted, and the amounts allowed where changes in the work have been made. (Exhibit 22 filed). This is an abstract, final estimate for heating. (Exhibit 23 filed). This is an abstract for final estimate for the elevators. (Exhibit 24 filed). This is an abstract, final estimate for iron joists and girders. (Exhibit 25 filed).

306. Are those all the papers you produce to-day?—Yes.

307. Speaking of the iron joists, Mr. Fuller, I asked you on the last occasion who paid for the cost of the hauling the iron joists from the station to the building?—The Department.

308. What was the amount of that cost?—I will give it to you—\$207.50.

The Committee then adjourned.

COMMITTEE ROOM, TUESDAY, 21st July, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. JOHN FENSOM called, sworn and examined :—

By Mr. Mulock :

309. You live in Toronto, I believe?—Yes.

310. What is your business?—Elevator builder.

311. Did you see the advertisement for tenders for supplying elevators for the Langevin Block?—I did.

312. The block on Wellington street erected two or three years ago?—Yes.

313. Did you take any steps to tender for the elevators?—Yes.

314. You came to Ottawa in connection with that?—I came to Ottawa.

315. Did you visit the premises?—Yes.

316. Did you prepare a tender?—I prepared a tender.

317. What was the amount of your tender?—My tender was \$39,800 and something. I do not remember the figures exactly.

318. Some \$39,000?—Yes.

319. Did you see Mr. Charlebois, or any person on his behalf, when you were making up the tender?—I saw Mr. Charlebois at his office when I came down here.

320. How did you come to go to see him?—His office was in the building.

321. You went in the building?—Yes.

322. For what purpose did you go to his office?—Mr. Charlebois asked me into his office. I met him on the building; I had done work for him before.

323. Did he consent to your going on with the work there without any consideration to himself, if you should get the contract?—No; he did not. There was to be a consideration.

324. What was to be the amount of the consideration?—The consideration was to be 25 per cent.

325. Of what?—Of the contract. At first I thought it was on the gross amount, but it was the 25 per cent, added to the amount of my contract.

326. Will you explain that, please; I do not quite understand it?—Should my contract be \$32,000, there was \$8,000 to be added, making \$40,000. It was made \$8,000 in the way I speak of. In the first place, I thought it was on the gross amount, and my tender was put in rather higher; when I found it was 25 per cent on the net amount of my contract then my tender was made lower, just about in proportion.

327. Do I understand you to say that your tender would have been about \$32,000 but for work you had to pay Mr. Charlebois?—I put in two prices. The first price under that consideration was something over \$40,000.

328. That is, including the amount to be paid to Mr. Charlebois?—Including the amount to Mr. Charlebois.

329. Without that what was it?—Without that it would be about \$32,000 or \$33,000. I could not tell the figures exactly.

330. That was the principle?—That was the principle.

331. Do I understand you to say if you had not had to pay Mr. Charlebois anything your tender would have been \$32,000, whereas it was \$40,000 under the circumstances?—No, that would not have been the difference, because you see there were all the appliances in the building—everything in the building and the building taken charge of. He explained to me that he had the responsibility of the whole building. He had to keep a watchman, there were insurances of all sorts, all the tackle and plant. That is all I know. He told me he had charge of the building, the respon-

sibility of the insurance, and keeping a watchman, and he made the arrangements with these people to supply planking and tackle, and things of that kind. It is stated, as far as the appliances are concerned, in the agreement that I had with him, that he is to fit me up a shoproom and allow me the use of all tackle and material not otherwise in use.

332. Were all these services rendered to you in this way worth \$8,000?—I do not think so.

333. Did you see any notice in the building in regard to any such demand being made on the contractors?—There was a notice in Mr. Charlebois, office, but I do not remember the wording of it exactly, but it was to the effect that contractors would have to pay him 25 per cent. on the amount of their contracts.

334. For what purpose?—He did not state the purpose, I believe. Anyway, I do not remember.

335. But there was a notice in his office that contractors on the building would have to pay to him 25 per cent on what?—On the amount of their contract. That is what it turned out to be.

336. Was it in compliance with that notice that you paid the \$8,000?—Yes.

337. After securing your permission to go into the building to perform your contract and the use of his appliances that were there?—Yes.

338. Can you give the Committee any idea as to the rent you would have been willing to pay for the services he rendered you?—It would be very hard to say how much they were worth. There was so much to consider. If he had the right to charge at all it must be worth a good deal—perhaps \$2,000 or \$3,000.

339. These things that he supplied you, were they there to begin with or had they to be put in?—Most of them were there, but some had to be brought.

340. Most of them were there in connection with his own work, were they?—Yes.

341. Such as what?—Such as planking, and light tackle, heavy tackle, and heavy planking.

342. Did you tell Mr. Fuller that Mr. Charlebois was wishing to charge you this sum of money for permission to go on with this work?—There was a clause in the specification stating that each contractor had to make a satisfactory arrangement with Mr. Charlebois. I saw Mr. Charlebois, as I stated and learned it was 25 per cent. I asked Mr. Fuller what that clause meant. He said I should not come there with any complaints, but that I had better see Mr. Charlebois and make arrangements with him.

By Mr. Foster :

343. He told you what?—He told me it was necessary for me to make arrangements with Mr. Charlebois, so as to avoid any trouble with him after my contract commenced. I did not know that he knew what the amount was. I could not say when I went to see him, but he said he did not want to know.

By Mr. Mulock :

344. Did not want to know what?—This 25 per cent.

345. He told you he did not wish to know?—Yes.

By Mr. Foster :

346. Where did you see the specifications for that work first?—I saw it in the architect's office.

347. Where?—At the West Block.

348. You came to Ottawa in answer to an advertisement, did you?—Yes.

349. The specification was not in Toronto?—No; there were no specifications in Toronto.

350. You came and saw the specification, and then did you put in the tender?—Yes.

351. Before you had seen Mr. Charlebois?—No; not before I had seen Mr. Charlebois.

352. Why did you not?—Well, because of this notice.

353. Which notice?—The notice in the room and the clause in the specification.

354. When you got the specification did you find a clause in it which stated in reality that an arrangement had to be made with Mr. Charlebois, or what did you understand by that?—Well, I understood that I had to make arrangements with Mr. Charlebois.

355. What reason would suggest itself to you why you should make arrangements with Mr. Charlebois?—Well, it is very hard to say, because I heard around that he had the privilege of charging 25 per cent. It was talked around then, and you know it was known all over. I could not say exactly how it came, but Mr. Charlebois told me at any rate that I had to pay 25 per cent to him.

356. And he gave what reason for that—I just want to bring that out clearly?—He told me several things. He told me, for instance, that he had a contract for that building, for the whole of the building, and certain portions were taken out, leaving him the part of the building with the least profit and taking away his percentage on the sub-contracts, and for that reason he was losing on his own work, and thought he was entitled to have a percentage on those of the sub-contractors. He stated also that I should have the right of entrance to the building and the use of all those appliances and conveniences. That was what was explained to me.

357. So the idea, I suppose, from that was, that he must have that percentage for the use of the appliances, shop-room, tackle, and so forth?—Yes.

358. And the right to work in the building, insurance, and every thing of that kind?—Yes.

359. The 25 per cent was a consideration to be paid to him in view of those conveniences, appliances, and the like, that he had?—Yes.

360. But was it made plain to you that over and above the cost of those conveniences Mr. Charlebois wanted something to make up for his loss of profits on the main building?—That was what Mr. Charlebois explained to me.

361. He told you that, did he?—Yes; he told me that.

362. He did not put it simply on the ground of those conveniences?—No; it was put almost entirely on the other ground.

363. That he lost on the main contract; and was bound to make it up on those others?—Yes; that is what he told me.

364. After you had seen Mr. Charlebois, you put in your tender did you?—Yes.

365. That was your first tender, was it?—Yes.

366. What was the amount of it?—Something about \$41,000, I think.

367. You put in your tender, supposing you had not been charged anything by Mr. Charlebois, at about what?—Thirty-two or thirty-three thousand. I am speaking from memory now.

368. And the nine thousand was to make up?—Yes; the 25 per cent. of the gross amount, as I understood them.

369. Then you put in a second tender, did you?—Yes.

370. In the same name?—Yes; in the same name.

371. You put in two tenders, did you, with your first?—My first tender was withdrawn. I found that the percentage was on the net amount—the amount of my contract.

372. You found that out from Mr. Charlebois?—Yes.

373. You had not understood it at first?—No; I thought it was on the gross amount.

374-5 Then you withdrew your \$41,000 tender and put in a tender for——in which you calculated that the cost to you and your profits would be about \$32,000?—Yes; somewhere about that. In the statement between Mr. Charlebois and myself it was put in as a square eight thousand. I wanted to be comfortable with him during the time.

376. Were there any other tenderers besides yourself, do you know?—Yes; I think there were two other tenderers; I know there was one.

377. You got it as the lowest tenderer, did you?—Yes; I suppose so.

By Mr. Adams:

378. You were the lowest tenderer?—I think so; I don't know.

By Mr. Foster:

379. You know you got the contract?—Certainly.

380. And you know there were other tenderers?—I know there was one other tenderer, and I think there were two.

381. Those must have made similar arrangements with Mr. Charlebois?—Yes; I know one did.

382. If they had not, they would have under-cut you, I suppose?—Yes.

By Mr. Mills (Annapolis):

383. I would like you to re-state why it was Mr. Charlebois would lose on the general contract?—The way he explained it to me was, that he had the whole contract—the roofing, and stairs, and elevators, and all the other parts were in his contract—and they were taken out. He had made his tender up with his profits in for those portions of the sub-contracts and they were taken out.

384. They were taken out of his original contract?—Taken out of his original contract. He explained that to me; so he would lose all the profits he would make on these sub-contracts.

By Mr. Foster:

385. How long were you at work putting in your own elevators?—Four or five months.

386. During that time was Mr. Charlebois' work proceeding on the main building?—Yes; they were working.

387. Can you give me any idea of the cost that your operations, if carried on in conjunction with this work, would put him to, that is, in the way of retarding his work?—Well, we did interfere with one another a good deal in that work. There were two or three contractors working on the stairways at the same time.

388. You were there about four months?—Yes.

389. That would necessarily retard Mr. Charlebois' work?—Yes; it would necessarily.

390. When you spoke about the two or three thousand dollars that the privilege was worth, did you take into consideration the amount of cost to him from the retardation of his work?—No; I did not.

391. What you meant by the two or three thousand dollars was, that if you had to provide your own room, put on your own insurance, get your own tackle, and the like of that, you would have had to put in a tender two or three thousand dollars higher in order to recoup yourself?—Some amount higher.

392. That did not at all include the cost Mr. Charlebois would be put to by the retardation of his work through your operations?—No.

393. How much would you calculate that would be—have you any idea?—I could not say. It is a large building, and there was so much going on that I do not know that I could.

394. Only you know, as you say, your workmen being there at the same time, would retard his work?—It would retard each other.

395. Considerably?—Yes; considerably. It was very troublesome, so many working at the same time.

By Mr. Mulock :

396. I think you mentioned that one of your tenders was some \$32,000?—Yes ; it was \$32,000 or \$33,000. It was \$41,000, or somewhere about that, with a 25 per cent.

397. Had you prepared a tender before you saw Mr. Charlebois at all?—No ; only I figured on it.

398. You figured on it?—Yes.

399. Had you figured on it before you saw Mr. Charlebois?—Well, no because I figured it up there. I was in and out some days, you know, figuring at this work there.

400. And the \$8,000 that you gave him was intended to be 25 per cent of what otherwise would have been your contract?—Yes ; except some addition for the want of these conveniences.

By Mr. Somerville :

401. That surely could not have been worth two or three thousand dollars for the use of all these appliances?—I don't know. You have to consider that all over the walls and all around there was this planking. There was temporary stairs put up, which we had to use, and tackling all over. I don't know it would be possible for anyone to estimate it unless they went into detail and made it up. I have had great experience in the work, and I could not tell within 50 per cent now of what it would cost I would not like to do it.

By Mr. Bowell :

402. Had you been in Mr. Charlebois place, would you have allowed every contractor to come in and do the work without a consideration?—I would not ; not for the way he had control of the building. I certainly think Mr. Charlebois was right in charging some percentage on the contract.

By Mr. McGregor :

403. It is not usual for contractors to have control of a building, as in this case?—Well, it does occur, but I don't think it is usual. I think there is some provision made in the beginning.

404. And you don't usually pay 25 per cent to ordinary contractors when you go into the building?—No ; I have never done that before. I only came across one case, and then I tendered to the architect, but not to the contractor, the same as I did here.

405. I suppose if Mr. Charlebois had not been there contracting, your tender would not have been more than a thousand or two thousand more, would it?—No. Then I would look more closely into it, just the same as an original contractor would.

By Mr. McMullen :

406. Could Mr. Charlebois have done the work for \$32,000?—I do not think he could.

407. What additional amount to your contract would have enabled him to perform the work you did?—He could have done it for the same amount if he had a mind to do it without profit.

By Sir Richard Cartwright :

408. You would have had some profit on your work?—Yes, I had ; but not so much as I expected.

By Mr. Bowell :

409. This business with you is a specialty?—Yes ; it is my particular business.

410. And a man who is not in the business, as you are, would not be likely to do it as cheap as you could?—I do not think he could.

Mr. THOMAS FULLER recalled, sworn and further examined:—

By Mr. Bowell:

411. Mr. Fensom, the contractor for the placing of the elevators in what is termed the Langevin Block, has just given evidence, in which he says he put in his tender for elevators at \$39,800 and something, included in which was \$8,000 to be paid to Mr. Charlebois, the contractor for the building. Could you give us any reasons why that amount should be paid to Mr. Charlebois?—No; I know nothing of what was paid.

412. Do you know of any reason why Mr. Charlebois should make a charge of that kind?—It is not customary. I do not know any case where it has occurred any more.

413. Are you aware of any inconvenience to which Mr. Charlebois would have been put by allowing the contractors to go into the building to place the elevators in position?—Of course it would take up his room in which he was working himself.

414. To what extent would he be inconvenienced?—I have no idea; I cannot give you any idea of that.

415. Could you tell the Committee why there was not a provision in the contract which, I suppose, was prepared by yourself, for permitting persons who would have to take sub-contracts to enable them to enter on the work?—I never knew a contractor to make any objection of this kind before.

By Mr. Foster:

416. Was there not a clause in the specifications which stated that the tenderer for the elevators, for instance, would have to make arrangements with Mr. Charlebois, and generally, in fact, that every tenderer for the elevators must first see Mr. Charlebois to find out how much they would have to pay him?—They had to make terms with him.

417. What terms?—I do not know.

418. What was considered the terms when such a clause was put in the specification?—That the Department should not have any trouble at all. Looking at the previous contracts, we had so much trouble that we desired to prevent it in future.

419. You guaranteed no right of way?—No.

420. And that had to be arranged with Mr. Charlebois?—Yes.

By Mr. Bowell:

421. Why were the contracts given out separately?—It was usual for us to do so.

422. Is it not usual, when they were given out separately, that there should be a proviso to permit the sub-contractors on the building to do the work?—As I said before, I never knew one, before this contract, where they had been refused access to the building.

423. In the specification or contract I think you told us the last time you were here, that the parties who had to put the roof on the building also had to make arrangements with the contractor?—I will show you what the clause in my specification is: "Each party or firm must furnish with tender a guarantee to have the contract completed within a specific period, after it is awarded him or them; and that he or they will make arrangement with the contractor for the building for space required for workshops, storage and material, &c., and will hold himself or themselves responsible for any damage that may occur to any portion of the building during the progress and up to the completion of his or their contract." That is the reading of the contract.

By the Chairman :

424. Is that the specification or the contract?—The specification and the contract.

By Mr. Mulock :

425. The general conditions under which they tendered?—Yes. The clause in the heating contract read: "Contractors for heating apparatus must make arrangements with the contractor for the building for space required for workshops, storage of material, &c., and will be held responsible for any damage that may occur to any portion of the building during the progress and up to the entire completion of the work appertaining to heating apparatus."

By Mr. Bowell :

426. Why was that clause placed in the specifications and not in the others? Because we had so much trouble.

427. With Charlebois?—Between Charlebois and Carrier & Lainé, and Rouseau & Mather.

428. And it was to relieve the Department of further responsibility?—Yes.

By Mr. Foster :

429. In how many sub-contracts did this clause appear?—Just the two—the elevator and heating. There was a clause in the specification for the iron roof that the contractor must find his own piling ground and be responsible for any damage that might occur.

430. How many sub-contractors were there in that building?—There was one for the iron joists, one for the roof, one for the elevators, and one for the heating.

431. Four?—Four, and one for the stairway; but that was not a sub-contract; it was a separate contract.

By the Chairman :

432. Were the conditions in the original contract with Charlebois for the construction of the main building the same in the specifications as is usual in your several contracts for public buildings?—They were exactly the same, but since this difficulty has occurred we have always put it in the contracts that they are to allow people to go in.

By Mr. Mulock :

433. You have added a clause to the specification?—Yes.

434. The contract with Charlebois was for the completion of the building, with the exception of the iron work?—Yes.

435. And that first contract to Charlebois is referred to as the main contract?—The main contract.

436. Then, the next contract that was entered into was with Carrier & Lainé, for the supply of iron joists, and putting them in position?—Yes; and putting them in position.

437. And about the time they were ready to put them into position the Department learned there was a dispute between Carrier & Lainé, and Charlebois?—Yes.

438. Charlebois contending they were not entitled to enter the building without his permission?—Yes.

439. And that dispute ended in the Department relieving Carrier & Lainé of that portion of their contract which required them to put the joists into position? When that objection was made by Charlebois the matter was referred to the Department of Justice, and they stated that it was within his rights to refuse.

440. And the Department of Public Works, acting upon that advice, relieved Carrier & Lainé?—Not at that time.

441. At some time afterwards?—Yes.

442. Did you wish to add anything to the report of the Department of Justice?—The report of the Department of Justice was to the effect that they had a right to enter, but they were liable for all damages.

443. Well, the result of whatever advice you had was that you relieved Carrière & Lainé of that part of their contract which required them to put up joists in the building?—Yes.

444. And you gave that part of the contract to Charlebois, of course?—Yes.

445. And subsequently, about the time you were going to advertise for tenders for the roof, Charlebois wrote the Department a letter advising the Department that in regard to further contracts, for instance the roofing, to avoid any further misunderstanding you should put in a condition in which the tenderer was required to show that he had made his arrangements with Charlebois?—Yes.

446. He must show you he had got Charlebois' consent to tender for the roof?—He had to find his own piling ground.

447. And to get Charlebois' consent?—No.

448. You swore so the last time, I think?—If I did I made a mistake then.

449. Then you next advertised for tenders for the iron stairway?—The iron stairway, I think.

450. And what did you put in the conditions about the iron stairway?—Something of the same idea.

451. Let us hear what it was: "The contractors will be responsible for any damage to the building consequent upon the erection of staircases, and will have to make good such damage to the satisfaction of the Department of Public Works."

By the Chairman :

452. That is a copy of the specifications that were issued in asking for tenders?—In asking for tenders,—yes.

By Mr. Mulock :

453. And the next contract was with whom?—Garth Company, of Montreal, I think.

454. Did Garth Company have to pay Charlebois any money?—Yes; they notified the Department they had to do so.

455. You did not know yourself?—I remember hearing it from them.

456. And the last contract was with John Fensom?—Yes; with John Fensom.

457. These represent the contracts?—Yes.

By Mr. Gordon :

458. Do you recollect the legitimate amount of the various contracts?—I don't remember them now, sir, but I gave them to you the other day.

The Committee then adjourned.

COMMITTEE ROOM, FRIDAY, July 24th, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. HENRY GARTH, of Montreal, called, sworn and examined :—

By Mr. Mulock :

459. I believe you had a contract for performing certain work in what is known as the Langevin Block in Ottawa?—Yes.

460. What part of the work did you perform?—Heating apparatus.

461. Did you yourself prepare a tender?—Yes, sir.

462. Did you come to Ottawa in regard to it?—No; I made it down in Montreal.

463. Were you in Ottawa before you prepared it?—No, sir.

464. Did you have any conversation with Mr. Charlebois in regard to your work before you put in your tender?—No, sir.

465. Did anyone for you?—No, sir.

466. I understand that you had to pay him a sum of money?—Yes, sir.

467. What was that for?—For permission to get into the building.

468. How much was that?—\$3,750 I think it was.

469. To do your work?—For permission to get into the building to do the work.

470. And you paid that amount to Charlebois?—Yes, sir.

By Mr. Foster :

471. What was the amount of your contract?—\$15,500.

By Mr. Mulock :

472. That would be 25 per cent which you had to pay him, then?—Yes.

By Mr. Foster :

473. Did you use any of Charlebois' appliances?—I got the use of his different things to enable me to go on with my work.

474. Then this \$3,750, which you paid as a consideration, was for something more than the mere permission to enter the building?—Oh, yes.

475. Please state what it was. You say you paid \$3,750. That was not simply to let your body into the building?—Oh, no; it was to cover insurance;—different things, night watchman, appliances, use of room, &c.

476. Insurance, watchman and appliances?—Yes.

477. What appliances would they be?—Blocks, tackle and different things. Lots of things which I could not mention.

478. Suppose you had not paid this money to Mr. Charlebois and got the use of his room, insurance, watchman, appliances, and the like of that, how much would they have cost you?—That is pretty hard to tell.

479. It would have cost you considerable?—Yes; it would. I guess it would have come pretty near to what I paid him.

By Mr. Mulock :

480. Then you were quite satisfied to make the payment?—Yes, sir.

481. Quite satisfied?—Quite satisfied.

482. Did you get it paid back?—No, sir.

483. Did you consider it in your tender?—No, sir.

484. It was an unexpected payment?—It was a payment I did not expect to make at all, because I had not come to see about it.

485. You did not expect it beforehand?—No, sir.

486. To that extent it reduced your profits?—Yes.

487. And although it reduced your profits you were not surprised?—Surprised at what?

488. At having to make this payment of 25 per cent.?—I was a little surprised.

489. Why?—Because I did not think when I made out the estimate that I would have to pay this money.

490. Why did you not expect this?—Because it is not a thing I had ever done before. I have never had to ask permission before to get into a building.

By Mr. McMullen :

491. You admit you got ample value for it?—Yes.

492. And then you had nothing to complain of?—Not in that sense of the word.

493. Why did not you anticipate something of that kind? You surely expected to supply the necessary plant and appliances for doing the work?—If he had not done it, I would have had to do it.

494. To that extent?—Yes, sir.

495. What amount of profit did you anticipate on your tender when you put it in?—That is pretty hard to tell.

496. You surely formed some idea?—I wanted to get the job, and I took it low enough.

497. How do you explain you did it low enough, when you were called upon to pay 25 per cent which you never anticipated to pay at all, and afterwards finished the work and made money out of it?—No, sir; I lost money out of it.

498. You made no objections to paying the 25 per cent?—I did at the time.

By Mr. Mulock:

499. You say, in a sense you were not surprised. Had you had any such payments to make before?—No, sir.

500. And in that sense you were surprised?—Yes.

501. Then you were, in a sense, surprised at the payment?—Yes, sir.

502. Why?—As I told you, I had never had to do this before, and I did not come up to Ottawa to see about it.

503. You have been in that line of business for some years?—Yes sir.

504. You are doing a large business, I presume?—Yes.

505. Putting in heating apparatus in public buildings?—Yes.

506. What is the usual provision for enabling your line of trade to get into a building?—We never had anything to do but to walk into the building and do the work.

507. When did you commence to do your work there?—I cannot say, sir. I have not got the dates with me.

508. How long were you there?—In the building?

509. Yes.—About nine months altogether.

510. Had you made a business examination to see that this was a reasonable charge?—Yes; I think so.

511. Have you got it here?—No, sir. I just looked over the building to see what I was paying. I have no particular details.

512. I am speaking of the \$3,750?—Yes.

512a. You have made no business examination of the services rendered you for that?—No, sir.

513. So it is a mere guess as to whether or not you got value for this payment?—Pretty well so.

514. You could not therefore apportion the expenditure to the different services rendered?—No, sir.

515. You could not say how much would be for the night-watchman?—No, sir.

516. Nor for insurance?—No, sir.

517. Nor for the use of the tackle?—No, sir.

518. Nor for his room?—No.

519. You simply guessed that you got service for the money?—Yes.

520. Did not you have some little difficulty with Charlebois about paying it?—No, sir.

521. Had you no word with him about paying it?—No, sir. At the beginning I told him,—I spoke plainly to him—that I did not think that I should pay it. When he explained the causes and reasons I could not help myself.

522. What causes and reasons?—That we had a right to pay the different expenses incurred by him, such as insurance, risk of fire, watchmen—all those things I have mentioned.

523. Did he tell you he expected to have 25 per cent on all the contracts?—No, sir. He told me that was what I would have to pay him.

524. 25 per cent on the amount of your contract?—Yes.

525. The amount you paid him was based on the amount of your contract?—Yes, sir.

526. Not on the service to be rendered to you?—No.

By Mr. Somerville :

527. When Mr. Charlebois made this demand on you did you go and see the Minister of Public Works, or any officer of the Government, as regards your liability to pay the money?—No, sir.

528. You did not consult anyone?—No, sir.

529. You took it for granted you had to do it?—I took it for granted I had to do it when I saw other contractors doing it.

530. You made the contract with the Government?—Yes.

531. Why did you not go to the Government and ascertain why this demand was made on you?—I think I did notify the Government that it was a proceeding that I never had to do before. I wrote a letter stating that I expected to be refunded the amount.

532. Did you get any answer?—I do not think so.

533. Did not you go to the Department to remonstrate?—No, sir.

By Mr. Barron :

534. When you put in your tender did you include insurance?—No, sir.

535. Did you include watchmen?—I did not include anything.

536. Nor anything in regard to tackle, &c.?—No, sir.

By Mr. Lister :

537. I suppose that is not usual?—No, sir; it is never done.

By Mr. McMullen :

538. Did you put in a bill of extras on your contract?—Yes, sir; there are extras on the contract.

539. How much was it?—I think it was \$9,000, if I remember right.

540. You got \$9,000 more than your tender, for performing the work?—Yes, sir.

By Mr. Foster :

541. What is that—\$9,000 for extra work?—For extra work in connection with the contract.

By Mr. Somerville :

542. How was the price regulated for that extra work?—It was the usual price that I charged for extra work.

543. There was no schedule of prices arranged?—No, sir.

544. And you got \$9,000 for extra work?—Yes.

545. In connection with the same contract for which you got \$15,000, and got \$9,000 for extras?—Yes.

By the Chairman :

546. But you performed work for that \$9,000, in addition to the \$15,000?—

By Mr. Foster :

547. It was work not included in the contract?—It was work not included.

By Mr. Lister :

548. And you just charged your ordinary prices?—Yes.

By the Chairman :

549. What was the nature of the work?—It was a change in the rooms. The rooms were divided, and we had to put different apparatus in those rooms, after they were divided, taking down and lifting up again all through the building.

By Mr. Lister :

550. You did not lose on the extra work, of course?—Not on the extra work, but on anything else I did not get.

By Mr. Mulock :

551. But the extra work helped to make up the loss on the original contract?—I suppose it did.

By Mr. Scriver :

552. Do I understand you to say you had the insurance included?—No, sir; I had no insurance.

553. I understand that, but you were protected by insurance?—Yes.

554. Was there any distinct understanding between you and him as to the amount of that insurance?—No, sir.

555. Well, did you consider the property you had there wholly covered by that insurance?—I considered it covered everything in his insurance.

By Mr. McGregor :

556. Did you consider that if your apparatus had been burned down you would have received compensation from Charlebois for the loss?—I think I would.

557. In other contracts that you had, were payments asked by the contractor?—There may be one or two cases in which we have to do it, but taking the general run I never did it before.

558. Do I understand you never did it before?—Not in Government contracts.

559. Well, did you ever pay the contractor that had charge of the main building anything for insurance before?—No, sir.

560. Or for apparatus?—No, sir.

561. Well, did you not consider it very strange you had this \$3,700 to pay when here?—At first I did; when I got explanations I was satisfied.

562. Did you not consider \$3,700 was an overcharge, for the convenience you received at the hands of the contractor?—No.

By Mr. McMullen :

563. About this matter of extras. You handed in your bill for extras when you were through the work?—Yes.

564. Who received it from you?—The Department.

565. Was there any reduction made upon the extras you charged?—The account was sent back to look over again, and some alterations were made.

566. I asked you if there was any reduction made?—There was.

567. What was your entire bill of extras in the first place?—I cannot tell you that, because I have got no bill that would show it.

568. What percentage of extras was struck?—I suppose about 10 per cent.

569. You got the balance?—Yes.

By Mr. Lister :

570. You have been doing this kind of work for some years past?—Yes.

571. You say in your experience in Government work you have never been subjected to a charge of this kind before?—Never before.

572. You say that in your tenders you never contemplated any such charge?—No.

573. And that the first intimation you had that such a charge was to be made was after your tender had been accepted?—Yes.

574. And you had commenced to do the work?—Yes.

575. In your private contracts have you ever been subjected to such a charge?—Never, sir, with the exception of one case of insurance only.

576. Then, so far as the insurances are concerned, you understood from Mr. Charlebois that the building had been insured by himself?—Yes, sir.

577. For his own protection?—Yes.

578. Was there any arrangement, reduced to writing, between you, whereby, if a loss occurred, you would be entitled to receive any amount of the insurance?—There was not, sir.

579. There was nothing of the kind?—No, sir.

580. Was it necessary that watchmen should be employed continually?—Yes.

581. There were watchmen before you came?—Yes.

582. There were watchmen when you were there?—Yes.

583. They would have been there under any circumstances?—Yes, sir; I suppose so.

584. Has it, or has it not, been customary for a contractor, such as you were, to use the appliances of the main contractor for the purposes of going on with the work, if it were necessary?—Well, no matter what work I got, I would go to the contractor and get permission to use his material.

585. Has it been granted to you?—Yes, sir.

586. Free of charge?—Free of charge in other contracts, yes, sir.

587. So that, as a matter of fact, and this I repeat again, this is the only contract in which you have been compelled to pay a percentage to the principal contractor?

By Mr. Haggart :

588. Was there any notice given in your tender, or by the Department, that you would have to arrange with the contractor?—Well, it was in the specification, sir.

By Mr. Lister :

589. Now, let us understand that. Your contract was to be commenced at a certain period of the other work?—Yes, sir.

590. And is it not usual in all contracts that the principal contractor shall allow the other contractor in when he is ready for them?—Yes, sir.

591. You cannot go in before the work has proceeded a certain distance?—Certainly not.

592. Is that what you understood from the specification?—Which specification?

593. That Mr. Haggart has asked you?—I did not pay any attention to the clause in the specification at all. It was only when I came to Ottawa that I noticed the clause.

594-5. Then had you, or had you not, any paper indicating to you that you must first get permission from the contractor before you tendered?—Only the specification.

596. Did you see it in the specification?—I paid no attention to it.

By Mr. Foster :

597. You were there nine months?—About that, sir.

598. And your work went on at the same time the contractor's work was going on?—Yes, sir.

599. Did your operations impede or retard him to any extent?—We always do our best to keep it so that there will be no trouble between the contractors.

600. Was there any retardation caused by your work?—No, sir.

601. You think it would not incommode him?—Yes, sir.

602. Have you seen Mr. Fuller since?—Yes.

603. Talked this matter over with him?—I never spoke a word to him about this matter.

ALEXANDER MATHER called, sworn and examined:—

By Mr. Mulock :

604. You are a member of the firm of Rousseau & Mather?—Yes, sir.

605. What is the business of your firm?—Bridge-building.

606. Carrying on business in Montreal?—Yes, sir.

607. I believe your firm put in a tender for the construction and erection of the iron roof of the Langevin Block?—Yes, sir, the Departmental building.

608. Do you remember the amount of your tender—was it \$42,975?—I think that is correct.

609. The tender, I see, is dated 29th July, 1886?—Yes, sir.

610. After the tender was sent to Ottawa did you get a communication from the Department?—Yes, sir; some time afterwards.

611. I have a report here which mentions that they sent you a telegram to come to Ottawa?—Yes, sir.

612. You got that telegram, I suppose, and came to Ottawa?—Yes, sir.

By Mr. Chapleau :

613. Telegram from whom?—From the Department.

By Mr. Mulock :

614. You came to Ottawa?—Yes, sir.

615. And saw, I suppose, Mr. Fuller?—Saw Mr. Fuller and saw Sir Hector Langevin.

616. What did they tell you?—Well, we were told that we had to make arrangements, I think, with Mr. Charlebois.

617. What arrangements did they say you would have to make with Mr. Charlebois?—Well, I understood we were to get permission to get on to the building, and get on the grounds—that he had full control of the grounds, and would not allow any other one to go on there without his consent.

618. Did you make that arrangement with Mr. Charlebois?—We tried to, but could not come to any settlement.

619. It is stated in a report or memorandum of Mr. Fuller's, marked Exhibit "6," "That Messrs. Rousseau & Mather arrived here"—that is Ottawa, "2nd instant"—that would be the 2nd of August, as this is dated 20th August, "and stated that they had not made any arrangement with the contractor for the building, neither as regards the hoisting and erection of the roof or by providing piling grounds for delivery," and so on. That was correct—you had not made arrangements?—We had not made arrangements.

620. I believe that at a certain stage in the negotiations you withdrew your tender?—Yes.

621. Why was that?—Because we could not come to any arrangement with Mr. Charlebois.

622. You say that at a certain stage you withdrew. Did you afterward get your withdrawal withdrawn and get your tender again under the consideration of the Department?—What does that mean?

623. You observe that your tender was dated July, and at some stage you withdrew it. I find a letter from you dated the 12th of August. Is that your letter?—That is in my handwriting.

624. Whose signature is that?—Mr. Rousseau's.

625. The letter reads as follows:—

(EXHIBIT No. 11.)

"MONTREAL, 12th August, 1886.

"A. GOBELL, Esq.,
"Secretary of P.W.,
"Ottawa.

"DEAR SIR,—We beg to inform you that if the Government favours us with contract of Departmental Building's roof at Ottawa that we are prepared to carry out

the conditions of our tender and deliver the works on November the 1st, as called for. As the time presses, we would feel obliged to you for an early answer.

"Yours truly,

"ROUSSEAU & MATHER,

"Per A. ROUSSEAU,

"A. C. MATHER."

You recognize that letter as one from your firm?—Yes.

626. I believe you had anticipated that letter or sent a telegram of the same character. I find a telegram of August 14th as follows:—

(EXHIBIT No. 10.)

"MONTREAL, August 14th, 1886.

"To Sir HECTOR LANGEVIN,

"Ottawa.

"We are prepared to sign contract. Give orders to send us blue prints. Wire us acceptance, so we may cable to England to fill order. No time to lose.

(Sgd.) "ROUSSEAU & MATHER."

Is that before this letter?

627. It is dated the 14th?—Was that not in answer to the first telegram received?

628. No; the first telegram received was asking you to come to Ottawa. I will read you this report (Exhibit No. 6), which will bring it to your memory better. Do you remember that?—Yes.

629. Would you look at that letter and tell me what it is?—I cannot read it; it is in French.

630. Do you know whose signature that is?—Yes; it is Mr. Rousseau's (Exhibit No. 26).

631. Do you know if two or three days time was given?—Yes.

632. The report goes on to say: "On the 14th inst. they" that is your firm "telegraphed that they were prepared to sign the contract." Do you remember sending that telegram?—Yes.

633. Did you get an answer to that telegram?—I do not remember.

634. We have your withdrawal that you have referred to already. Do you recognize this paper?—Yes.

635. In whose handwriting is it?—Mine.

636. Signed by whom?—Me, in the name of the firm.

637. You wrote it from Ottawa?—Yes.

637a. During the negotiations with Charlebois?—Yes.

638. And having failed to negotiate you wrote this letter?—Yes.

639. The letter, filed as Exhibit No. 27, reads as follows:—

(EXHIBIT No. 27.)

"OTTAWA, 11th August, 1886.

"A. GOBEIL, Esq.,

"Secretary of Public Works.

"SIR,—By reference to the specification, and after seeing Mr. Charlebois, the contractor for the new Departmental Building, we have come to the conclusion that we cannot execute the work tendered for by us without interference with Mr. Charlebois, and that we should have to pay such a remuneration as would prevent us from fulfilling satisfactorily the contract; and under these circumstances we prefer, before any decision is arrived at by the Government, to beg leave to withdraw our tender and the accepted cheque accompanying the same.

"Your obedient servants,

"ROUSSEAU & MATHER."

Are those the reasons for your withdrawal?—Our reasons were that we could not make arrangements with Mr. Charlebois. That letter was written in the pre-

sence of Mr. Charlebois, and it was through Mr. Charlebois' agent that that letter was written. It was in trying to make arrangements with Mr. Charlebois that that letter was written.

640. Who was his agent?—He had a notary or somebody along with him at the time, and the notary wrote out that letter and got me to copy it. We were trying to make arrangements with Mr. Charlebois, and it was a condition that if we withdrew our tender, Mr. Charlebois made promises in another letter that he gave to me, that he would give us the contract under him.

641. He induced you to withdraw?—To get the contract themselves, and he would give us the contract at our own price.

642. Did you get the contract under him?—We did not.

643. Were you able to make any arrangement to enable you to carry it on yourselves with Charlebois?—No.

644. Then, are the statements in that letter correct?—Yes.

645. Then you remember that you had again opened negotiations with the Department. Mr. Fuller goes on to say in this report: "In the meantime, Messrs. Rousseau & Mather wrote that they had had another interview with Mr. Charlebois, and asked to be allowed two or three days before giving a definite answer. This was granted"?—Yes.

646. So you had another chance to make arrangements with Mr. Charlebois?—Yes.

647. On the 14th you appeared to be willing to risk it, having sent that telegram?—Yes.

648. Mr. Fuller says that: "the reply telegraphed by the Department was that no authority could be given until the contract was signed, and it would be ready for signature on or before the 17th inst." Did you ever receive a telegram to that effect?—I do not remember.

649. On the 16th inst. you are said to have written a letter to the Department confirming your telegram. Do you remember coming to Ottawa to sign the contract?—I think we were only once in Ottawa in connection with that.

650. The letter I refer to (Exhibit No. 28) is as follows:—

"624 CRAIG STREET, MONTREAL, 16th August, 1886.

"A. GOBEIL, Esq.

"SIR,—We telegraphed on Saturday about 10 a.m. to Sir Hector that we are ready to sign the contract for the roof of the public building at Ottawa, and asking a reply and the blue prints. We to-day confirm our telegram.

"Yours truly,

"ROUSSEAU & MATHER,

"Per A. R."

Whose handwriting is that?—Mr. Rousseau's.

651. Mr. Fuller says that owing to the pressure of business the contract was not ready for signature until the 18th inst. Was it you or Mr. Rousseau that came up to see the contract?—I think we were both here.

652. Was the contract prepared for signature?—The contract was prepared, as far as I remember.

652a. Where was the draft contract submitted to you for signature?—In one of the Parliament buildings.

653. Who were present?—I cannot tell. As far as I remember, there was some clause in it which we objected to. I think it is clause 7, if I remember aright.

654. What was the point that you objected to in that clause?—It was about making arrangements with the present contractor, Charlebois.

655. Why did you object to that clause?—Because we did not think it was necessary for us to make any arrangement with any contractor—that the Government was entitled to give us free access to the building.

656. Did you appeal to the Minister or to anyone?—We appealed to the Minister.

657. Who did? You or Mr. Rousseau?—Both together. Mr. Rousseau was twice in the presence of Sir Hector Langevin. I was with him one time.

658. Did you ask him to relieve you from that clause? What occurred between you and the Minister?—I forget what was said in the presence of the Minister at the time.

659. Do you remember what he said?—He said we were required to make arrangements with Mr. Charlebois. As far as I remember, that was the sum and substance of it.

660. What Minister was that?—Sir Hector Langevin.

661. Did you succeed in making arrangements with Mr. Charlebois?—No; we failed to make arrangements with Mr. Charlebois.

662. Was that the reason, then, you refused to sign the contract?—Yes.

By Mr. Lister:

663. On 11th August you signed this letter?—In reference to the withdrawal from the contract? Yes.

664. Did you know at the time that you signed this withdrawal that Charlebois himself had a tender in for the work?—Yes.

665. Who told you so?—I could not tell you.

666. You knew it, at all events?—We knew it.

667. Do you remember whether Charlebois' tender was higher than yours, or lower?—We understood it was higher—very much.

668. Can you, speaking from recollection, say how much higher it was?—Somewhere about \$20,000. I could not say exactly.

669. You are speaking of the tender then in?—The original tenders.

670. Your recollection of it is that his tender was \$20,000, at least, higher than yours?—Yes.

671. You said this letter was written in Charlebois' office?—Yes.

672. In the building?—Not in the building; in the office opposite the building.

673. But in his office, at all events?—Yes.

674. In whose handwriting was it?—It is my handwriting.

675. Who dictated the letter?—I cannot tell. There was a notary along with Mr. Charlebois—a notary or a lawyer in the office at the time.

676. Was it the notary or lawyer who dictated the letter to you?—He wrote out the letter and I copied it, but whether in the office or at the hotel I could not say.

677. This is a copy of the letter written by the notary?—Yes; written by the notary.

678. You knew at that time that Charlebois had a tender in for this same work?—Yes.

679. You were a rival tenderer?—Yes.

680. How was it, and why was it, that this withdrawal came to take place in the way that you speak of? Who suggested that you should withdraw?—It was Mr. Charlebois, as far as I remember, who suggested that we should withdraw our tender.

681-2. He suggested you should withdraw your tender and —?—And that if he got the contract he would give the work to us at the price we had quoted.

683. The price at which you had tendered?—Yes; the price at which we had tendered.

684. Was Charlebois' tender next to yours?—I could not say.

685. Did he give you any assurance at all that he would receive the contract?—No; he did not give us any assurance that he would receive the contract.

686. Did he say there was a probability of him getting the contract?—He said he was most likely to receive the contract.

687. And if he did receive the contract, then you were to do the work at the prices mentioned in your tender?—I think, that was it.

688. That satisfied you?—That satisfied us.

689. Then, the letter was written and sent in to the Department?—The letter was written and sent in to the Department.

690. As I understand you, after this letter was written you had communication with the Department, whereby you evinced a willingness to go on with your contract?—Yes.

691. And that was a few days after you had sent this letter?—It was the following day.

692. How did you come to send it—had you got a letter from Charlebois?—I had a letter from Charlebois, containing the agreement between him and I, that if he did not receive the contract we would get the contract.

693. That is, if he did not receive the contract you would get the work?—Yes.

694. Well now, the next day you appear to have been willing to carry out your contract with the Department?—Yes.

695. Had anything taken place between you and Charlebois in the meantime, because you seem to have had a regular agreement?—The first day I came up here I was alone, and made this arrangement with Mr. Charlebois through some mistake with my partner. My partner appeared on the scene that night or early next morning. He was against this, and he cancelled it with my consent, and the further agreement was made with the Government.

696. Then, your partner objected to the arrangement you had made, and in consequence of his objection you withdrew from your arrangements with Mr. Charlebois?—Yes.

697. And you announced to the Government you were willing to carry out the tender you had sent in to them?—Yes.

698. Before this took place at all, what communication had taken place between you and Charlebois as to going upon the premises?—Before the writing of that letter?

699. Yes.—None whatever.

700. Then, Charlebois said nothing to you about commission previous to the writing of this letter?—Not that I know of.

701. You have no recollection?—Not to me, at all events.

702. Was your partner here with you?—Not when I wrote that letter.

703. But was he here before?—No; I don't think he was.

704. Then, any communication would be between you and Charlebois?—Yes.

705. And you say Charlebois never intimated to you his intention to charge commission if you got the contract?—Not that I remember.

706. Did you let Charlebois know afterwards that you repudiated the arrangement that had been entered into with him?—Yes.

707. Before writing the letter to the Department expressing your willingness to go on?—Yes; I think so.

708. Did Charlebois say anything to you about commission then?—Not that I remember.

709. Well, was there any conversation between you and Charlebois about commission?—None.

710. Or about charging you for going on the works?—When that letter was written I understood we had to make an arrangement with him for getting on the premises, but as for the conversation I don't remember.

711. Who did you understand that from?—I could not say.

712. Was it Charlebois?—Mr. Charlebois said in his contract that he had the absolute control of the grounds, and no one could go on the grounds, or bring in plant or anything there, without his consent.

713. Was that conversation before you saw the contract in the Department containing the objectionable clause?—Yes.

714. Then Charlebois had told you that under his contract nobody could go on to the work without his consent?—Yes.

715. How did you regard that, because you appeared to have gone and telegraphed to the Department?—This letter was written after that.

716. Well, then you went and saw Sir Hector Langevin?—We saw Sir Hector Langevin.

717. And you objected to the clause in the contract?—We objected to the clause in the contract.

718. And you refused to sign the contract unless that was eliminated?—Yes.

719. And did he say anything about it—did he give you any time to arrange with Charlebois?—Yes; he gave us time to arrange with Charlebois.

720. How much time?—I cannot tell; there were two or three weeks passed.

721. Did you ever try to arrange with Charlebois?—I think Mr. Rousseau did, but he did not come to any settlement. I was not present.

722. Well, as a matter of fact, Mr. Charlebois got the contract?—He did.

723. It would have been better, apparently, for you to have stuck to the agreement?—Yes; I think so.

724. You have been for a good many years in this business of roofing?—Yes, sir.

725. Had you ever any contract in which you have been called upon to pay anything to the principal contractor for allowing you to go on and do your work?—We never paid anything to contractors for insurance or anything else.

726. Did you include anything of that kind in your own tender.—No.

727. You mentioned that you thought that the Government had allowed you two or three weeks to negotiate with Charlebois. I have in my hand a report to the Government of the 20th August, by Mr. Fuller, recommending the acceptance of Mr. Charlebois' tender. (To Mr. Fuller): What is the date of Charlebois' tender that you accepted.

Mr. FULLER.—The second offer?

Yes.—I don't remember, sir.

728. You have not got it here?—No.

729. (To witness). At all events, this report alleges that on the 18th of August, you and Mr. Rousseau were in Ottawa, and that the contract was submitted to you, and you objected to it on account of certain of the provisions, and on the 20th we have the report of Mr. Fuller reporting against your tender and in favour of the second tender of Mr. Charlebois. So that on the 20th of August you were out of the field—you never had any further negotiations with him?—I could not say.

By Mr. Lister:

730. Can you tell me how much Charlebois' original tender was?—I could not say. I understood it was a good deal higher than ours, at any rate.

731. I see from Exhibit No. 16 that the tenders were The Hamilton Bridge Company, \$46,000; Rousseau & Mather, \$42,975; and A. Charlebois, \$77,500, and that Charlebois got the contract?—Yes, sir.

By Mr. Barron:

732. And you did work under him?—No; we did not, we withdrew.

By the Chairman:

733. Did Charlebois get the contract for \$77,500?—That I cannot say.

By Mr. Haggart:

734. What reason did the Minister assign for you to go to Mr. Charlebois and make an arrangement?—That was a clause in the contract giving to him full control of the ground on which the building was placed, and that he would not allow any one to go on it without coming to some agreement with him.

735. He said that Mr. Charlebois would not?—Yes.

By Mr. Foster:

736. What did you understand by ground?—The plot on which the building was situated.

By Mr. Chapleau :

737. Did the Minister speak to you about the specification—you had read the specification for your tender?—Yes.

738. You know there was a clause in that specification which said an arrangement had to be made with the main contractor?—Yes.

739. And did the Minister tell you it was in your specification, and you were obliged to do it?—Yes.

740. That is what he said?—Yes.

741. When you made arrangements with Mr. Charlebois, were you to be returned your cheque that you had deposited with your tender?—Yes; I think he said he would see our cheque would be returned.

742. You agreed to that?—Yes.

743. And you withdrew your tender on that condition?—Yes.

744. And you would have had the Government pay more than your contract besides?—Yes.

745. And your partner would not do that?—He refused to do it.

By Mr. Mulock :

746. Charlebois promised to return the cheque, did he not?—So far as I remember.

747. What did he say about getting the cheque back?—He would use his influence to get our cheque returned.

By Mr. Taylor :

748. What were the conditions on which you tendered for this work? Was there a clause that the parties tendering would have to arrange with the contractor for the use of appliances and permission to occupy the ground?—None that I remember of; there was no clause to that effect that I remember of.

749. In the specification calling for the work to be done?—In the specification.

750. You say there was a clause in the contract?—Yes.

751. Then you went to see Mr. Charlebois?—Yes.

752. Had you plant of your own for hoisting, or did you expect to use Mr. Charlebois' plant?—We had appliances of our own for hoisting, and if Mr. Charlebois charged too high we intended to use our own. If his charge was a reasonable one we would use his.

753. Did you expect, when you tendered, to use his?—If we had got it at a reasonable figure; but we would have used our own if we could not have used his.

754. Had you been to him to see what arrangement you could make with him before tendering?—No.

755. You did not think you were obliged to go to him?—No.

By the Chairman :

756. Did you read the specification stating that an arrangement had to be made with the contractor?—There was no such clause in the specification.

By Mr. Taylor :

757. Will you look at the specification marked "Exhibit No. 29," and see if it was the one you tendered on, and then read the third clause from the bottom?—There is a clause to the following effect: "The contractor shall find at his own expense the piling ground which may be required for storing the roofing materials, from their delivery until such time as he will be notified to begin the work of erection, and during the progress of the contract." We understood that all right.

By Mr. Lister :

758. And that is the clause they pretended to act under?—I don't know.

By Mr. Taylor :

759. There is another clause here : "Great care must be taken in placing the iron work in position. The contractor will be held responsible, &c." These are the same specifications on which you tendered ?—I understand they are.

760. Then previous to your putting in your tender you did not go to consult with Mr. Charlebois at all ?—No.

761. You took it for granted you had the right of way without consulting with him ?—Yes.

762. That is as you looked upon it ?—Yes.

By Mr. Lister :

763.—You have seen this specification ?—Yes.

764. Under this specification had you or had you not the right to go on that property ?—We understood we had the right.

By Mr. Mulock :

765. You found in the contract offered to you for signature a condition that was not in the original specification ?—Yes.

766. And in that way you were jockeyed out of the contract ?—Yes.

By Mr. Taylor :

767. Did you make any arrangement for a piling ground ?—We had not made any arrangement. There was piling ground there. We tried to make arrangements, but we required to do it outside of the ground on which the building was placed.

768. With whom did you try to arrange ?—With some wood merchant down here.

By Mr. Lister :

769. You would have had to get a piling ground outside ?—Yes; outside altogether.

770. There is nothing in this specification that you should pay Mr. Charlebois a royalty or a commission ?—No.

771. And you are unwilling to do it ?—Yes.

ANTOINE ROUSSEAU, called, sworn and examined:—

By Mr. Mulock :

772. You are a member of the firm of Rousseau & Mather ?—Yes.

773. You have heard his evidence ?—Part of it. I only came in here at twenty-five minutes to eleven.

774. Did you hear me questioning him in regard to your tender ?—I heard part of it.

775. Did you and your partner jointly arrange the sending of letters and making of tenders and negotiations for this contract ?—We did.

776. You remember then the putting in of a tender to do the work ?—I do.

777. For what amount ?—\$42,975.

778. You did not get the contract ?—We did not.

779. Your partner, Mr. Mather, produced a letter, or identified a letter, written by him in the name of the firm to the Department, setting forth the reasons for your having withdrawn your tender. Did you hear my examination of him on that point ?—Yes.

780. You heard everything from that time forward ?—Yes.

781. Did you hear his answers ?—I heard his answers.

782. Do you confirm his answer ?—He has made some slight mistake from lack of memory. I was in Chateauguay finishing a bridge, and sent a telegram to Mr.

Mather to close with the Government. I took the night train on the Canadian Pacific Railway and arrived here at midnight. I went to Mr. Mather's room at the Windsor Hotel and knocked at his door. I was admitted, and asked him if he had closed with the Government. He looked discouraged. I said: "What is the matter?" He said: "I think I have done wrong." I said: "What have you done?" He said: "I have cancelled our tender." I said: "What was that for?" From one word to another he gave me to understand that Mr. Charlebois took him to his office with Mr. Duval, Clerk of the Supreme Court, and, as we say, "scared him out of his pants," and that he made him write a letter. He told me: "I saw from his talk that we would have a lot of trouble and I thought it better to cancel the contract." I said: "Mr. Mather, you had no right to cancel the contract." I says: "You have not the right, and it is not valid until it has my signature." I went with Mr. Mather in the morning to see Sir Hector Langevin, and I told him that the letter was not valid. He said: "You come in the right time, because I was going to grant the contract to Mr. Charlebois." So I said to him there and then that we were ready to sign the contract.

783. Were you allowed to sign it?—No; we were not.

784. Why?—There is, if I remember right, two drafts of the contract made. The first was, as we say in French, a *brouillon*, that was presented to me by an Englishman there who has large whiskers, and he showed me that by clause 7 the right of way was not inserted. The second draft, which took some two or three days, had clause 7 inserted. I went to Sir Hector Langevin, and I said: "It is not according to specification. We are not prepared to buy the right of way from Mr. Charlebois."

By Mr. Foster :

785. You mean clause 7 of the contract?—Yes; which reads that way: "The contractors will agree to bind themselves to buy the right of way from the contractor, Mr. Charlebois."

By Mr. Chapleau :

786. Those are not the words?—I am positive in these things, and I told you about it before, you remember. I was here two or three days, and I went to Sir Hector and said: "We did not provide for this clause. We put in our tender," says I, "that we were going to tender like anybody else, and that we would have the privilege of putting on the roof, as anybody else; but that we would not put on the roof until after the masonry work was done. We were not going to interfere with Mr. Charlebois." I said: "If the building belongs to you, you had the right to call for tenders. If it does not belong to you, you had no right to call for tenders."

By Mr. Lister :

787. What did he say?—I saw that Sir Hector was held by the throat by Mr. Charlebois.

By Mr. Mulock :

788. On the second occasion you went to see the contract you found it had in it a clause that was not in the first?—It had a clause that was not in the first.

789. Was that the reason you did not execute it?—Of course; I could not consent to purchase the right of way.

790. Did you ask Sir Hector to give you further time to negotiate with Mr. Charlebois?—He told me to ascertain how much it would cost from Charlebois.

791. How much did he say?—I think I went to Charlebois, and he said it would cost \$10,000. I asked Sir Hector to raise my tender by so much, as we had not provided for that. He said he had nothing to do with that.

792. On the second occasion you went there you saw the contract engrossed, as we call it in English—ready to be signed—and you found this strange condition in

it—clause 7. You then objected to sign it with that condition in it. Did you ask Sir Hector to give you further time to try and arrange with Mr. Charlebois?—No. I tell you candidly I did not want to have anything to do with Charlebois. I told Sir Hector: “There is that one clause. If you are owner of this building you had the right to call for tenders; but if the building belongs to Charlebois you had no right to call for tenders.” Charlebois had scared my partner at first.

793. Do you know Exhibit No. 26?—That is my writing.

794. Will you read that letter?—(Reads the letter in French.) That is: “After an interview with Mr. Charlebois we have decided to go down and consult on this subject, and we beg you to please wait two or three days for a definite answer.” That is what I wrote.

795. That is dated at Ottawa?—Yes.

796. Where were you when you wrote that?—In one of the Public Works Departments.

797. Was this the occasion you saw Sir Hector and asked him to allow you to countermand the withdrawal your partner had made, on the ground that it was not legal?—I cannot say.

798. You remember that you met your partner at the hotel?—Yes.

799. He had withdrawn your tender on the 12th inst. Mr. Fuller, in the report says: “On the 12th inst., they, Rousseau & Mather, wrote.” You recognize the handwriting there (Exhibit No. 27)?—Yes. That is the handwriting of Mr. Mather.

800. That is the letter of withdrawal that your partner referred to?—Yes.

801. I see the departmental stamp is on it “August 11th, 1886.” How long was it after that letter before you came down on your partner and had that interview with him?—I understand that letter was written in the afternoon, about four o’clock, and I arrived here at the Windsor hotel by the midnight train. I met my partner there and the next morning the first thing I was on hand to meet Sir Hector and tell him that this letter was of no value.

802. You called next morning?—Yes, sir.

803. On the 12th of August you were in Ottawa?—Yes, sir.

804. You wrote to Sir Hector then, asking for two or three days?—Yes.

805. I presume this letter followed the interview with Sir Hector? During the interview he probably asked you to put it in writing?—I wrote that letter after Sir Hector told me to see Charlebois and try to come to arrangements with him.

806. It was then he said you had just come in time to cancel the withdrawal?—Yes.

807. That he was just about to let the contract to Mr. Charlebois for the roof?—Yes.

808. I understand he gave you very few minutes to complete the arrangements with Charlebois?—Fifteen minutes.

By Mr. Lister :

809. He gave you fifteen minutes to complete the arrangement with Charlebois?—That was in the presence of Mr. Gobeil and Mr. Fuller. It was fifteen minutes to decide. I said: “This is not treating us fairly. If you are the owner of the building you had the right to call for tenders.” I told him what I repeated a short time ago. He said in French: “I will give you fifteen minutes to decide.”

By Mr. Foster :

810. To decide what?—To decide whether we would take the contract or not. We went into the corridor to consider the matter.

By Mr. Lister :

811. To make up your mind?—Yes: whether we would sign the contract or not.

812. You felt a little injured?—I felt so a little.

813. And you saw Mr. Chapleau about it?—Yes.

814. Was it long afterwards?—About a year afterwards in the St. Lawrence Hall, Montreal.

815. You complained to him?—I complained to the Department a good many times. They had got letters from me.

816. Mr. Chapleau told you that you were badly used?—He told me that the Minister of Justice said they had no right to put in such a clause.

817. The Minister of Justice was right. That is the specification, is it not, for this work?—Yes.

817a. "The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work." You understood what that meant?—Oh, yes; we understood what that meant perfectly well. We went to look for piling ground elsewhere, as there was no room there.

818. You understood you had to obtain a piling ground elsewhere?—Well, we could not hold it in the air; it must be placed somewhere.

819. And there was nothing in the specifications requiring you to pay anything to Mr. Charlebois?—Nothing at all. That is why I did not want to have anything to do with Mr. Charlebois. I said he is not mentioned in the specifications.

820. You have been in business a good many years, I suppose?—Well, I am a man of fifty-six years of age; I have been in business since I was eighteen.

821. Did you ever, in all your experience in public or private contracts—in all those years in any contract you have had—have to pay the principal contractor for the right to go on the premises and do your work?—Never.

822. You never heard of such a clause as this before?—I never heard of such a clause until that day.

823. To buy your right to go in?—Yes.

By Mr. Sproule :

824. What construction do you put on this clause: "The contractor will be required to sign a contract containing the usual and ordinary conditions as now issued by the Department of Public Works." Was that one of the conditions then issued?—We were perfectly ready to sign the usual conditions about such contracts.

825. And that was a condition?—That was not a usual condition, to buy the right of way.

By Mr. Lister :

826. You say that in the draft contract there was no clause requiring you to arrange with Charlebois?—There were two drafts prepared. In the first draft there was no such clause, but in the second draft there was. When the second one was presented to me I made the remark: "You did not insert that clause in the first draft; who has put that in?" I made that remark at the time.

827. To whom?—To the gentleman who brought me the papers. I do not know his name. He is a man with big whiskers—an Englishman. I would know him if he was here.

828. Was it Mr. Ewart?—No.

829. And you say there was no such clause in the first contract?—No.

830. What did he say to you?—Well, I got no satisfaction from him.

By Mr. Mulock :

831. I believe you have put in a claim for damages?—I have.

832. What do you consider your profits would have been if you had got the contract?—We calculated on from \$8,000 to \$9,000 profit.

833. On a contract for \$42,975?—Yes.

By Mr. Haggart :

834. Did the Minister assign any reason for the change in the specifications?—No. I asked him why the clause was inserted. He said: "You have to sign the contract in the present shape or else your deposit will be forfeited."

835. He never assigned the reason at all?—No. He gave me to understand that, when I found the clause which required me to make arrangements with Charlebois was there, somehow he looked embarrassed. When we were out in the corridor my partner said to me: "I think we had better give it up. They will make it so hot for us we will not make anything out of it." I considered the position of Sir Hector; I did not tell him at the time, but I thought I would render him a service. As a matter of fact, I thought Charlebois held Sir Hector by the throat. That is the reason I was induced to withdraw—to get him out of difficulties.

By Mr. Lister :

836. You are his friend?—I am his friend yet.

837. And you thought Charlebois had him by the throat?—Oh, yes; I think he had.

838. You did not think you could get him by the throat?—No; it is not my habit to get hold of anybody by the throat.

839. I wish we had a few more contractors like you?—Well, perhaps, it would be several thousand dollars saved to the Government.

By Mr. Mulock :

840. What do you mean when you say that he had Sir Hector by the throat?—I mean that there was a certain clause in this contract by which he could compel the Government to do just as he pleased. Mr. Fuller gave me to understand that they had had a good deal of bother with Charlebois, and that that was the reason why they put the clause in.

By Mr. Chapleau :

841. You understood by the conversation you had in the Department that Mr. Charlebois pretended he had full control of the building—that he could impose any conditions on the sub-contractors?—He gave me to understand that I could not go on the building, and he said I would lose money on my contract. I said: "Mr. Charlebois, if I sign the contract I will go on the building." He said: "There will be a row." I said: "Let there be a row; I will go on the building." That is what I told him at the time, but he over-reached me.

By Mr. Lister :

842. You did not go on the building?—No; except as a visitor.

The further examination in this matter was then postponed until another meeting.

COMMITTEE ROOM, FRIDAY, 31st July, 1891.

Committee met at 10 a.m.; Mr. WALLACE in the Chair.

Mr. D. O'CONNOR called, sworn and examined:—

By Mr. Mulock:

843. You are a member of the legal profession?—Yes.

844. Practising law in Ottawa?—Yes.

645. You have been practising here for a great many years?—Yes; a great many years.

846. You have been engaged professionally for the Government for a great many years?—Yes.

847. How many years?—Since 1879.

848. Every year having professional duties in connection with the Government?—Yes.

849. In various Departments?—In the various Departments.

850. Including the Department of Public Works?—Yes.

850a. Had you any professional duties in connection with what is known as the Langevin Block?—I had in the purchase of the property.

851. You acted for the Government in that matter?—I did not act for the Department. I was instructed by the Hon. Mr. Pope.

852. Was he the head of the Department?—No; he was not the head of the Department.

853. How did you come to get instructions from the Minister of one Department to attend to work belonging to another Department?—It arose in this way: I met Mr. Pope one day in 1882 as he was going into the Eastern Block; he was then going to Council. He spoke to me, and said he wished to see me and asked me to call at his office. The next day I went to see him, and he said the Government desired to put up a new building for departmental service, and they wanted to secure a site. He said there was a considerable difference of opinion as to where the site should be selected. Some spoke of Major's Hill Park, others spoke of Cartier Square and Nepean Point, but he said as far as he was concerned he was strongly of the opinion that all the buildings should be together, and he had made up his mind that the Government should acquire the property between Elgin and Metcalfe streets, as it would be a great convenience to have the buildings together. He then instructed me to make a proper search and find out who owned the property, and give him an idea what it would cost.

854. At all events you have been professionally engaged with the Government and the various departments, including the Department of Public Works, for many years?—Yes, sir.

855. Were you present in the Langevin Block on the presentation of a testimonial of plate to Sir Hector Langevin?—I was, sir.

856. What year was that?—That was the year the building was completed. I think it was about two and a half years ago.

857. Will you state what plate was presented to Sir Hector Langevin on that occasion?—There was a very fine box of silver spoons, cutlery and all that kind of thing. Then there were some sterling side dishes, vegetable dishes and things of that kind. There were just two packages, one a fine large box containing silver ware and the other was silver plated dishes.

858. What was the total cost?—I can give it accurately. The box of silver ware I spoke of, cost in New York \$732, and there was duty paid on it \$174.10. The

other silver cost \$776, and \$155.20 duty, the whole amounting to \$1,837. I got copies of the entries.

859. Have you got the list of subscribers to that fund?

Mr. Foster objected to the question.

Objection sustained.

860. Did any of the contractors for building the Langevin Block contribute to the Langevin Testimonial Fund?

Mr. DENISON objected.

The CHAIRMAN—I have already ruled on that question, that the witness is not bound to answer that question. If you wish to know whether Mr. Charlebois contributed, it would be better to ask him to attend before the committee.

By Mr. Mulock :

861. You took some interest in getting up the Testimonial?—I was one of the gentlemen who took some interest.

862. You made the selection, didn't you? Were you one of the contributors to the fund?

Mr. WOOD (Brockville) objected.

The CHAIRMAN—I have already ruled upon that point: That we are travelling outside the reference on that question. The question, generally, of the Langevin Testimonial Fund has not been referred to this Committee, and therefore we should not take it up.

Mr. MULOCK—All questions applicable to that you rule out.

The CHAIRMAN—Yes.

COMMITTEE ROOM, THURSDAY, 13th August, 1891.

Committee met—Mr. WALLACE in the Chair.

Mr. THOS. FULLER re-called and further examined:—

By Mr. Bowell:

863. I believe you desire to make some slight corrections in the evidence as printed; but before referring to the different items, will you kindly read the different tenders for the Langevin Block.—The schedule of tenders is as follows: A. Charlebois, \$295,000; John Askwith and J. Kavanagh, \$389,000; W. Davis & Son, \$413,000; J. B. St. Louis & Bro., \$444,000; J. P. Whelan, \$474,000; John Stewart, \$525,000; Alex. Manning, \$575,000; W. J. Baskerville, Jas. O'Connor and P. Cassidy, \$597,000.

864. To whom was the contract awarded?—To A. Charlebois.

865. Now, will you kindly read the tenders for iron joists?—The schedule of tenders is as follows: John McDougal, \$16,546.72 (cheque not an accepted one, as called for); Carrière, Lainé & Co., \$16,627.13; William James Campbell, \$16,660.89; Dominion Bridge Co. (Limited), Belgian makers, \$17,624; Steel or German ditto, \$19,311, add \$3,500 for hoisting, &c.; Robert Weddill, \$19,254; A. Charlebois, \$20,595; the Hamilton Bridge and Tool Co., \$23,668; E. Chanteloup, \$23,300; Stewart & Fleck, \$24,975.

866. I see that the Dominion Bridge Company added to their tender of \$19,311 the sum of \$3,500 for hoisting?—Yes, sir.

867. That would increase it to \$22,000?—Yes, sir.

868. To whom was the contract given?—To Carrière, Lainé & Co.

869. Now, would you kindly read the tenders for the iron roofs?—My object in doing this is to have them put in succinctly.—The schedule of tenders is as follows: Rousseau & Mather, \$42,975; the Hamilton Bridge and Tool Company, \$46,000; A. Charlebois, \$77,500.

870. To whom was that contract given?—It was given to Charlebois on an amended tender of \$60,000.

By Mr. Chapleau:

871. Upon whose report?—My report.

872. Has it been filed here?—Yes, sir.

873. That amended tender has been filed with the other papers?—Yes, sir.

By Mr. Mulock:

874. Do you remember the date that Charlebois' amended tender was put in?—My report was on the 20th, and it was put in on the 19th, I think.

By Mr. Bowell:

875. Will you now kindly read the tenders for the heating apparatus?—The schedule of tenders is as follows: Messrs. Garth & Co., \$15,500; E. Chanteloup, \$22,000; Messrs. Andrews Bros., \$37,500; Messrs. Robert Mitchell & Co., \$39,792.50.

876. And to whom was the contract given?—Garth & Co.

877. Now, will you kindly read the schedule of tenders for the elevators?—They are as follows: John Fensom, \$39,877; Hale Elevator Co., \$39,877; Crane Elevator Co., \$46,543.

878. I believe that tender was given to Fensom & Co. by Order in Council?—By Order in Council—yes, sir.

879. Have you got that Order in Council?—I have it here.

880. Will you kindly read it, please?—It is as follows:—

“Certified copy of a report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 25th September, 1888.

“On a memorandum dated 25th September, 1888, from the Minister of Public Works, submitting, in answer to public advertisement, three tenders which were received on the 17th September instant, for the construction of elevators in the new Departmental Building, Ottawa.

“The Minister represents that the tender of the Crane Elevator Co., of Chicago, amounting to \$46,543, was not accompanied by the necessary security cheque, and was therefore informal.

“That the tender of the Hale Elevator Company, of Chicago, U. S., a foreign firm, amounted to \$39,877.

“That the tender of John Fensom, Toronto, was for \$41,972, and was accompanied by a cheque for it, five per cent. security.

“That Mr. Fensom was since offered to execute all the works require in the construction of the elevators, according to the terms of the specification, for the sum of \$39,877.

“The Minister recommends that the tender of John Fensom, amounting to \$39,877 for all construction of elevators in the new Departmental Building be accepted. The committee submit the same for Your Excellency's approval.

“(Sgd.) JOHN J. McGEE,
C. P. C.”

“To the Honorable

“The Minister of Public Works.”

881. Now, would you refer to question 54. Have you any explanation to make in regard to it?—The word “additional” should be added to the word extra, making it read “extra and additional.”

By Mr. Mulock:

882. What does question 54 refer to?—Payments on the original contract.

883. You are speaking now of the original contract—the original contract as paid—and this amount is for extra work on the contract?—And “additional” has to be inserted.

884. Now, look at 141 and 142. Will you give your explanation with regard to that?—There was no mention made in the specification concerning access to the building.

885. Then there are questions 151 and 152. What change do you desire to make there?—The answer should be, that I acted on it so far as stated in the above clauses.

886. But the clauses to which you refer are not in?—The contract is in.

887. How do you wish that to read?—As far as the following clauses in the specification are concerned:

“The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials, from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work.

“The contractor must have all the work herein specified ready to be placed in position on the building on or before the 1st November, 1886, and will begin the work of erection upon such portions of the walls of the building as may be ready to receive the iron roofs, upon receipt from the chief architect of a notice that the same are sufficiently completed to admit of the work being proceeded with, and will complete all the work herein specified with _____ months from the receipt of such notice.

“As regards the delivery and placing in position of all the iron and other work, scaffolding, &c., any damage that may occur thereby and also any damage from

whatever cause during the progress of the erection to any portions of the brickwork, cut stone or masonry, or other work, or any material that may be on the site, must be made good at the expense of the contractor to the satisfaction of the Minister of Public Works or any person delegated by him.

"Great care must be taken in placing the iron work in position, as the contractor will be held responsible for any damage whatsoever or interference with other contractors consequent upon its erection, and will have to make good all damage to the satisfaction of the Minister of Public Works or any person delegated by him."

888. The next is 152, with relation to the advertisement?—The same answer applies.

889. Do you want to put that advertisement in?—Yes. (Exhibit No. 30.)

890. Then the next is question 211, with respect to inserting a condition that the contractors for the iron roof were to make terms with Charlebois?—My former answer was not correct. There is no clause in that specification calling upon the parties to make terms for access to the building with the contractors; but it was proper for me to ascertain from the parties whose tenders were under consideration what provision had been made for a piling ground, for hoisting, scaffolding, steam-power, &c. Rousseau & Mather stated they had made no arrangements, and could not give any intelligible explanation as to how they would proceed with the placing of the roof in position.

891. Would you look at 215, and say what answer you desired to make?—I am referring to those clauses again.

892. Put your answer in such a way that the explanation will be intelligible to the readers?—I want that "yes" to be taken out, and I want substituted those clauses where there is no mention made about access.

893. With relation to question 307, with respect to the hauling of iron joists from the station, what explanation do you desire to give?—I think, in my previous evidence, I said something about the Canada Atlantic station.

894. That was in reference to piling ground?—No; hauling. The joists were to be hauled to the Government ground, on Nepean Point, and carried from that point by the Government.

895. Did the contract provide for the delivery of the joists by the contractor?—Yes.

896. Why did you take them to Nepean Point?—When it was decided to take the placing of them out of Carrier's hands, it was necessary, before the men could be paid, that the joists should be delivered on Government ground, and, therefore, he hauled them to Nepean Point instead of to the building. That was a longer distance than to the building and the Government paid for their delivery.

897. Did you pay the contractors anything extra for taking them from Nepean Point to the building?—No.

898. Why did you send them to Nepean Point instead of the building here?—There was no room here.

899. Was the building ready for them when they were delivered?—No.

900. Consequently, you had to send them to some other place in the building?—Certainly.

901. And the Government paid afterwards for hauling from Nepean Point to the building?—Yes.

By Mr. Foster :

902. But nothing for hauling from the station to Nepean Point?—No.

By Mr. Bowell :

903. Now, with reference to question 356. Mr. Fensom's statement was that Charlebois told him he had to contract for the whole of the building and certain portions were taken out, leaving him (Charlebois) the part of the building with the least profit and taking away the percentage on the sub-contracts?—Mr. Charlebois had no right to say such a thing, because it was never the intention to include in the main contract the iron joists, iron roof, iron stairs, elevators and heating apparatus.

904. Then, with reference to questions 369, 370 and 371?—They have reference to the Order in Council which has been read. (See question 880.)

905. Turn now to question 412?—Mr. Fuller is asked if he knows of any reason why Mr. Fensom had to include \$8,000 in the amount of his tender to be paid to Mr. Charlebois. I want to say that I merely referred to access to the building. I considered Charlebois would have the right to charge for the use of his engines, derricks, tackle, scaffolding and other appliances which he might furnish to the contractor.

906. Turn now to question 419?—There was no need to guarantee right of way, as Charlebois, under his contract, had no power to prevent access.

907. Question 420 is put to show that he had to arrange with Charlebois?—That only applies to carrying on the work, and not to access.

908. With respect to question 432, were the conditions in the original contract with Charlebois the same as the usual specification?—I want to add to that some instances. In 1870 the finishing of the Parliamentary Library was by separate contracts under precisely the same conditions. The contract for the masonry, iron roof and putting on the roof were separate. The Western Block extension in 1875, the contract for the foundation was let to one person, the masonry and brickwork to another, the carpenter and joinerwork to another, and the iron joists and iron roof to another. The Hamilton Post Office, in 1882, is another instance. The contracts for the main building, heating and elevators were all separate. We had no trouble of any kind whatever. In 1883, the contract for the Montreal Drill Hall included separate contracts for the masonry and iron roof, and there was no trouble of any kind. These were all under the same conditions. In 1885, there were the Montreal armouries. The contracts for the masonry, iron girders and the iron roof were separate. The iron roof was put on by Rousseau & Mather under the same conditions precisely. The sub-contractors were always allowed access.

909. From which we learn, that although the contracts in the past, from 1870 to the present time, until you had this difficulty, have never had a provision in the contract to compel the contractor for the masonry work to permit access, there has been no trouble?—We always took it for granted that they had the right.

910. And that was subsequently decided by the Minister of Justice?—Yes.

911. Turn now to question 445?—The same answer as previously, with respect to the specification.

912. Then turn to questions 615, 616 and 617?—The same answer again.

913. Then with respect to 698, 699, 700 and 701, and also all questions to 710?—By their letter of the 11th of August, they withdrew their tender. They had from the 2nd of August to the 11th to make their arrangements for hoisting, but they said they had made no arrangement whatever.

914. Then look at questions 782 to 807?—Rousseau states that Sir Hector told him: "You have come in the right time, because I was going to give the contract to Charlebois." This must have been on the 12th of August, as the letter of withdrawal was dated the 11th, and Rousseau states he arrived in Ottawa at midnight on that date and waited on the Minister next morning. This remark could hardly have been made at that time, because the next tender was from the Hamilton Bridge Company and they had not then been asked if they were prepared to enter into the contract.

915. Then with respect to question 832?—I refer to my memorandum, where at page 10 I state that at an interview Messrs. Rousseau & Mather said there was a mistake of several thousand dollars in their tender, but of course they did not expect that to be allowed them.

916. Can you state the price paid for the iron—the rate per pound as compared with those used in other roofs of a similar character?—This was 6 $\frac{3}{4}$ cents per pound.

917. We have had this before, but it is not what I mean. Can you tell us the rate per pound as compared with other roofs? Was it dearer or cheaper—about the average, or what?—It was rather higher; but I do not know. I have no doubt Mr. Ewart can state that.

918. Can you give me any idea as to the price of the heating apparatus?—No; Mr. Ewart will be able to tell you that.

By Mr Mulock:

919. You appear to have a more intimate acquaintance with the legal effects of these specifications than formerly?—No; I do not think there was anything wrong in the form.

920. When you were examined before you placed an erroneous construction on some of the conditions?—Yes.

921. You have been studying them up since?—Yes; I have read them over.

922. To really discover their true meaning?—Yes.

923. You have reason to think that your former opinion was erroneous?—Yes; so far as some of the things went.

924. And the result of your general deliberation is that you were in error before?—Yes.

925. I observe that you gave verbal instructions to Charlebois from time to time. By what authority did you give them?—I was obliged to do it, because he claimed everything as extras.

926. I observe that many extras performed by him were done on verbal instructions from you. Had you authority to give those verbal directions?—Nothing further than matters of privilege in little things like.

927. Little things, you say?—Anything in reason.

928. Are you aware that Mr. Charlebois had any instructions to act on verbal instructions from you?—No.

929. Do you know whether or not he had?—I do not think that he had.

930. I observe that you have give verbal orders for changes, for additions and extras, and they were acted upon by Mr. Charlebois?—Yes.

931. Did you adjust any accounts with him? Did he recognize the verbal instructions given by you?—Yes.

932. Did the Department recognize verbal instructions given by you?—I suppose so.

933. Have you disallowed any extras claimed by Mr. Charlebois on the ground that they were not covered by the original contract which was under seal?—Yes.

934. Did you disallow any before because they only rested on your verbal authority?—No.

935. Did you consider that your verbal instructions were the same as if they were embodied in the conditions under seal?—Yes.

936. Did the Department so regard them?—They must have done so.

937. They never did repudiate any of your verbal instructions?—No.

938. Did you keep a memorandum of them?—I gave them to the clerk of the works.

939. You gave them instructions, verbally, regarding the change, and a note was made of them?—Yes.

940. Did he do it?—Generally speaking, he did.

941. But not always?—No; not always.

942. Did you have any dealing with Mr. Charlebois personally, being in communication with him, except in connection with this building?—No.

943. There was no work performed by him for you?—No.

944. You have not received any brass dogs, or any testimonials, or anything of that kind?—No.

By Mr. Bergeron:

945. Were you not rather quarrelling with him?—Sometimes we had some angry words.

By Mr. Bowell:

946. Was Mr. Charlebois paid all the extras he demanded?—No.

947. Can you tell how much he claimed in extras?—It is already in the evidence.

DAVID EWART, called, sworn and examined:—

By Mr. Bowell :

948. Can you state how the price of the iron roof compared with that of other roofs of a similar character?—Yes; we considered it a fair rate— $6\frac{3}{4}$ cents.

949. Is that about the general thing?—The general thing for that class of work is from 6 to 7 cents.

950. Can you give us an idea of the price of the heating apparatus compared with the price paid in other cases?—As regards heating apparatus, the general rule is this: We rate them so much a cubic foot for the extent of the building. Quite a number have been put in recently at $1\frac{1}{4}$; I think they nearly always cost 2. In the North West we have paid more than that.

951. Of course it would be scarcely fair between the Langevin Block and the North-West?—No.

952. You are an architect, Mr. Ewart, are you not?—Yes.

953. And generally make estimates of the cost of public buildings?—Yes; as a general rule.

954. You are accustomed to making calculations?—Yes. When any buildings are complete we take out the cubic contents.

955. Can you inform the Committee how the cost of the Langevin Block would compare with other public buildings—such, for instance, as the Western Block?—The Western Block cost 32 cents per cubic foot, and some buildings cost a great deal more than that. The Langevin Block cost $26\frac{1}{2}$ cents, as against 32 cents for the Western Block. Of course, it depends a great deal upon the building. The Hamilton Post Office, for instance, cost 24 cents per cubic foot. A plain brick building generally runs from 13 to 16 cents; stone and brick from 16 to 20. Buildings all stone generally run from 20 to 24.

956. The Langevin Block you consider as cheap as any of the public buildings that you have referred to?—I consider it the cheapest building that has been erected since I was in the Department, over twenty years ago.

By Mr. Mulock :

957. Can you or Mr. Fuller tell me the number of cubic feet in the Langevin Block?

MR. FULLER—I think it was 125,000.

958. What is the proportion of the value of the cost of the labour on the stone?—It depends a great deal on how you do it—whether it is moulding work or plain work or what class of work it is. The Credit Valley stone cost 75 per cent less than the Ohio stone.

OFFICE OF THE CHIEF ARCHITECT,
DEPARTMENT OF PUBLIC WORKS,
OTTAWA, 13th August, 1891.

E. P. HARTNEY, Esq.,
Clerk Public Accounts Committee.

Re LANGEVIN BLOCK.

In reply to Mr. Mulock's question, No. 957, as to the quantity in cubic feet of sandstone in the building, I find on reference to the quantities taken out after the contract was let that there would be required 130,000 cubic feet.

D. EWART,
For Chief Architect.

EXHIBITS *RE* LANGEVIN BLOCK.

(Exhibits No. 1, No. 2 and No. 3 are not printed.)

EXHIBIT No. 4.

MEMORANDUM OF AN AGREEMENT entered into this twenty-second day of the month of April in the year of Our Lord one thousand eight hundred and eighty-six.

BETWEEN Alphonse Charlebois, of the City, District and Province of Quebec, of the first part, and Her Majesty Queen Victoria, represented by the Minister of Public Works of Canada, of the second part :

WHEREAS the said Alphonse Charlebois has entered into and is now proceeding with a contract with Her said Majesty for the erection of a new Departmental Building on the south side of Wellington street, in the City of Ottawa, Province of Ontario.

AND WHEREAS it is expedient and necessary, for the proper construction of the said building, that the iron joists and girders for the support of the various floors of the said building be placed in position by the said Alphonse Charlebois as the work progresses.

NOW IT IS AGREED between the parties hereto as follows, that is to say :—

1st. Her Majesty shall cause the said girders and joists to be delivered on the site of the said Departmental Building upon the requisition of the said Alphonse Charlebois, and shall pay all the expense of the hauling and delivering of the said girders and joists on the said site.

2nd. The said Alphonse Charlebois will furnish all the plant, apparatus, machinery, labour and power of any kind whatsoever, necessary for the placing in position upon the walls of the building the said girders and joists, in the manner and at the points indicated on the drawings made for that purpose, and will, for the placing and fitting of the same, follow and abide by all the directions of the Chief Architect of the Department of Public Works of Canada having control over the work, or his representative.

3rd. That the said Alphonse Charlebois shall assume and bear all the risk of placing the said girders and joists in their proper position, and shall at his own expense repair and make good all damages which may occur to the said girders and joists, or to the walls or interior work of the said building, and generally to any part or portion of the building, or to any adjoining private property or persons during the course and progress of the work.

AND IN CONSIDERATION of the premises, Her Majesty shall cause to be paid to the said Alphonse Charlebois, within a reasonable time after the work herein agreed for shall have been fully completed to the satisfaction of the Chief Architect aforesaid, the sums following, that is to say :—

For the placing of the girders and joists on the first floor, the sum of one-half of a cent per pound weight of said girders and joists ;

For the placing of the girders and joists on the second floor, the sum of five-eighths of a cent per pound weight of said girders and joists ;

For the placing of the girders and joists on the third floor, the sum of three-quarters of a cent per pound weight of said girders and joists.

IN WITNESS WHEREOF, the party of the first part hath hereto set his hand and seal, and the Minister of Public Works hath sealed and signed these presents on behalf of Her Majesty, and the Secretary of the Department of Public

Works hath countersigned the same on the day, month and year first above written.

Signed by the party of the first }
 part, in the presence of }
 TH. FORTIER.

A. CHARLEBOIS. [L. S.]

Signed by the Minister and the }
 Secretary of the Department }
 of Public Works, in the }
 presence of }
 F. M. SAUCIER.

HECTOR L. LANGEVIN,
Minister of Public Works.

A. GOBEIL,
Secretary of the Dept. of Public Works.

Seal of the
 Department of
 Public Works,
 Canada.

(Exhibit No. 5 is printed on page 7 of the Minutes of Evidence.)

(Exhibit No. 6 is printed on page 10 of the Minutes of Evidence.)

EXHIBIT No. 7.

IRON ROOFS, &C., FOR THE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET, OTTAWA.

Form of Tender.

The undersigned hereby offers to the Honourable the Minister of Public Works to furnish all necessary tools, implements, materials and labour, and execute and complete, in the best and most workmanlike manner, all the works required in erecting and completing the above, according to the requisite conditions, and to the drawings and specifications, prepared under instructions of the Honourable the Minister of Public Works, for the sum named as under, viz. :—

Tender for the whole of the works as shewn on the drawings and described in the specifications for the sum of forty-two thousand nine hundred and seventy-five dollars..... \$42,975 00

Names in full and residences of parties tendering }
 } ROUSSEAU & MATHER,
 } Hochelaga, Montreal.
 } per ANTOINE ROUSSEAU,
 } " ALEXANDER CRAIG MATHER.

Dated at Hochelaga, this 29th day of July, 1886.

Tender for iron roof, Departmental Building.

A. GOBEIL, Esq.,
Secretary Public Works Department,
Ottawa.

ROUSSEAU & MATHER.

(Exhibits No. 8 and No. 9 are not printed.)

(Exhibit No. 10 is printed on page 8 of the Minutes of Evidence.)

(Exhibit No. 11 is printed on page 8 of the Minutes of Evidence.)

(Exhibit No. 12 is printed on page 9 of the Minutes of Evidence.)

(Exhibit No. 13 is printed on page 9 of the Minutes of Evidence.)

EXHIBIT No. 14.

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency, the Administrator in Council, on the 24th August, 1886.

On a memo. dated 20th August, 1886, from the Minister of Public Works, representing that in answer to public advertisement three tenders were received for the construction and placing in position of the iron roof for the new Departmental Building, Wellington street, Ottawa, at prices ranging from \$42,975 to \$75,500, the lowest tender being that of Messrs. Rousseau & Mather, of Montreal, which was so much below the estimate made by the Chief Architect, (\$58,800), that it was apparent they had made some mistake or omission: Messrs. Rousseau & Mather were telegraphed to come to Ottawa, and on their doing so explained that in their tender they had not made any provision for making arrangements with the present contractor for the stone work of the building, either as regards hoisting and erection of the roof or for providing a "piling ground" for the delivery of all material ready for placing in position, all of which were required by the specification, and asked to be allowed a few days to consider what arrangements could be made. This was granted, but on the 12th inst. they wrote that they had been unable to make satisfactory arrangements, and asked leave to withdraw their tender and have their security cheque returned to them. Subsequently, Messrs. Rousseau & Mather asked leave to reconsider this determination, and after consultation with Mr. Charlebois, the contractor for the stone work, expressed their willingness to sign the contract, but on its being submitted to them, they objected to the clause making them responsible for all arrangements with the present contractor, and as this clause was considered essential, and could not be expunged, they declined to sign the contract and renew their application to be allowed to withdraw their tender.

Meanwhile the second lowest tenderers—the Hamilton Bridge Company—at \$46,000, were communicated with. This tender was informal, as it contained conditions not called for by the specifications, and which would materially alter the amount of the tender. The manager of the company visited Ottawa and stated that in making up his tender no provision had been made for arrangements with the present contractor for hoisting or erecting the iron-work of the roof, nor for a piling ground, and that the tender was made low under the impression that there would be no difficulty about getting the time for delivery extended to 1st April, as stipulated in the tender. He stated that under ordinary circumstances his company might deliver the roof by the 1st November, but they had so much work on hand at present that they could not undertake to do so, except at a very considerable increase on the price named in their tender, and what that increase would be he was not prepared to state.

The third tender, that of Mr. A. Charlebois, \$75,500, was considered altogether too high, but as the prosecution of the work is urgent and, calling for new tenders would cause great delay and throw back the completion of

the building at least one year, Mr. Charlebois was asked on what terms he would assume all responsibility of every description and guarantee that the work should proceed without delay. After full discussion, Mr. Charlebois offered to undertake the whole work, assume the entire responsibility and guarantee to have sufficient portions of the iron principals erected in position to enable him to have the whole covered in, to enable him to proceed with the interior work during the winter, for the sum of \$60,000. The Chief Architect reports that unless amicable arrangements could have been made between the different contractors disputes would have arisen, which would not only have given rise to claims for heavy damages and involved large legal expenses, but have delayed for another year the completion of the building. He therefore suggests that as the offer now made by Mr. Charlebois is only \$1,200 in excess of the Departmental estimate, it be accepted, and that the cheques of the other tenderers be returned.

The Minister agreeing with his Chief Architect, recommends that the offer of Mr. A. Charlebois to assume all responsibility and erect the roof for \$60,000 be accepted, and that the cheques of the other tenderers be returned to them.

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

JOHN J. McGEE,
Clerk Privy Council.

To the Hon. the Minister of Public Works.

EXHIBIT No. 15.

"A."

Specification for Iron Roofs, &c. of New Departmental Building, Ottawa.

Works to be executed in a workmanlike manner, with the best materials of their several kinds, in accordance with the drawings, specifications and instructions given from time to time, and said works to be carried out and completed under inspection of the Architect, or Clerk of Works, to the full and entire satisfaction of the Honourable the Minister of Public Works, or any person delegated by him.

No deviations to be made from the drawings and specifications without written authority from the Minister of Public Works, and should any part of the work be altered without this authority, or executed in a slight and unsatisfactory manner, the same shall be made good at the expense of the contractor.

Should anything be shown upon the drawings, but not mentioned in the specification or *vice versa*, but nevertheless necessary for the due performance of the work, the same to be considered and included in the contract price as if it had been especially set forth and shown on both.

No defective, unsound or improper materials, worked or otherwise, shall be brought to the premises or used in the building; and should the contractor, in case such materials are brought, refuse to remove and replace the same with fit and proper materials, then the Minister of Public Works may cause the same to be removed and replaced at the cost and charge of the contractor, and deduct the expense from the amount due or accruing due on the contract sum.

Contractor will be required to sign a contract containing the usual and ordinary conditions, as now issued by the Department of Public Works.

The contractor shall furnish and erect in place, all the iron trusses, purlins, hip and valley rafters, ceiling beams, diagonal bracing, dormer window frames, lanterns, bed plates, anchor bolts, lattice angles to support wire netting, &c., in number and position as shown on the plans herewith or required, and also all purlins, boarding, &c., which are shown and specified to be of wood.

The contractor for the ironwork and woodwork, &c., connected therewith, must, on completion of the same, remove, as directed, all scaffolding erected by him, and also all useless or waste material or rubbish which may have accumulated in the building or upon its site, owing to the execution of his portion of the work.

The contractor, before commencing the construction of any part of the work, must take accurate measurements from the building, as he will be held responsible and have to make good, at his own expense, any parts of the work which on delivery may be found not to accurately fit their positions.

The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials, from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work.

The contractor must have all the work herein specified ready to be placed in position on the building on or before the 1st November, 1886, and will complete all the work herein specified on or before the first day of the month of June, in the year of Our Lord one thousand eight hundred and eighty-seven.

As regards the delivery and placing in position all the iron and other work, scaffolding &c., any damage that may occur thereby and also any damage from whatever cause during the progress of the erection to any portions of the brickwork, cut stone or masonry, or other work, or any material that may be on the site, must be made good at the expense of the Contractor to the satisfaction of the Minister of Public Works or any person delegated by him.

Great care must be taken in placing the iron work in position, as the contractor will be held responsible for any damage whatsoever or interference with other contractors consequent upon its erection, and will have to make good all damage to the satisfaction of the Minister of Public Works or any person delegated by him.

DETAILS OF CONSTRUCTION.

All parts of the roof structure shall be of wrought iron, except the columns, plates and window frames in the skylights over trusses "A," which shall be of best soft grey cast iron, and also all purlins, boarding, &c., which are shown and specified to be of wood.

All details must be accessible for inspection, cleaning and painting.

All members must be free from twists or bends, and all portions exposed to view must be neatly finished. The footings of posts shall be accurately fitted and all abutting surfaces carefully planed.

The connecting surfaces between the posts and horizontal members shall be planed to the proper angle, to insure a true bearing throughout the entire width of the member.

No inaccuracy in fitting the connections will be permitted.

All abutting joints shall be spliced by plates of the same sectional area as that of the members they serve to unite, and be secured by a sufficient number

of rivets to transmit the entire strain, without relying upon the abutting surfaces.

All trusses shall be secured at one end to the masonry, and at the other end shall be free to move upon planed surfaces.

All shoe plates or bed plates for truss posts, jack rafters, hip and valley rafters, must be of wrought iron, and of such a size that the pressure from the structure and its maximum load shall not exceed 250 lbs. per square inch on the masonry; sheet lead shall be placed between the bottom of the bed plates and the masonry, and the bed plates shall be securely anchored to the masonry by Lewis bolts.

All bed plates and shoe plates of the trusses must be planed smooth.

In punching plates and other iron the diameter of the die shall in no case exceed the diameter of the punch by more than one-sixteenth ($\frac{1}{16}$) of an inch, and all holes must be clean cuts, without torn or ragged edges.

The open sides of all compression members shall be stayed by tie plates at the ends and diagonal lattice work at intermediate points. The tie plates shall be placed as near the ends as practicable, and the size of the lattice bars shall be duly proportioned to the size of the member. All pin holes shall be reinforced by additional material, so as not to exceed the allowed pressure on pins. These reinforced plates must contain enough rivets to transfer the proportion of pressure which comes upon them.

Pin holes shall be bored exactly perpendicular to a vertical plane passing through the centre line of each member when placed in a position similar to that it is to occupy in the finished structure.

All eye bars must be free from flaws and of full thickness in the necks. They shall be perfectly straight before boring. The holes shall be in the centre of the head and on the centre line of the bar. The bars must be of exact lengths, and the pin hole $\frac{1}{30}$ inch larger than the diameter of the pin. The pins shall be turned straight and smooth, and shall fit pin holes within $\frac{1}{30}$ of an inch.

The several members attaching to the pin shall be so packed as to produce the least bending moment upon the pin.

The counters of trusses "A" shall be formed of square bar iron with loop eye and sleeve nut adjustment; the loops must fit perfectly around the pin throughout their semi-circumference, and the screw ends must be upset so that the effective area at the bottom of the threads shall exceed the area of the bar by at least fifteen per cent. In riveted work surfaces coming in contact shall be painted before being riveted together with one good coat of pure oxide of iron paint and boiled linseed oil.

Bed plates, the inside of closed sections, and all parts of the work which will not be accessible for painting after erection shall have two coats of paint.

The maximum shearing strain on all pins, rivets and bolts shall not exceed 7,500 lbs. per square inch, nor the pressure upon the bearing surface exceed 12,500 lbs. per square inch of the projected semi-intrados (diameter by thickness of piece) of the pin, rivet or bolt. Rivets must be so spaced that the shearing strain per square inch shall not exceed the above allowance, and no account shall be taken of the friction between the riveted plates. For members in compression the distance between centres of rivets in the line of strain shall not exceed sixteen times the thickness of the plate. No shearing strain

shall be allowed in the direction parallel to the fibres, nor any compressive strain perpendicular to the fibres.

Rivet work shall be done with great care and in the most substantial manner.

Rivet holes must be accurately punched and truly spaced so that when the various parts are assembled a rivet one-sixteenth less in diameter than the rivet holes can be entered hot without the use of drifts.

All rivets must completely fill the holes and when possible should be riveted by machinery.

The heads of rivets must be hemispherical and of uniform size for the different kinds of rivets.

All rivets found loose or with heads cocked off the centre of the shank shall be cut out and replaced with new ones.

The pitch of rivets shall never exceed six inches nor sixteen times the thinnest outside plate nor be less than three diameters of the rivet.

The distance from edge of any plate or flange to the centre of the rivet hole shall not be less than $1\frac{1}{2}$ inches; in all cases where the width of plates or flanges admit it, when practicable it shall be at least 2 diameters of the rivet.

The pitch of rivets in compression members shall not be over four times the diameter of the rivet at the ends of the members for a length equal to one and one-half diameters of the members. All sizes of material and particularly the weight per foot shall be strictly in accordance with those given on the drawings.

All wrought iron used must be tough, fibrous and uniform in character. It must have a limit of elasticity of not less than 26,000 lbs. per square inch, and have an ultimate strength of not less than 50,000 lbs. per square inch.

The elongation of the bar before rupture shall not be less than 15 per cent in 12 diameters, and the reduction of area at the breaking point shall not be less than 20 per cent of the original section. Specimens of one square inch area shall bend through 90 degrees around a cylinder $1\frac{1}{2}$ inches in diameter without shewing signs of fracture.

All rolled iron shall be thoroughly welded during the rolling, and must be straight, of full section at all points, free from injurious and unsightly seams blisters, buckles, slivers, cinder spots and imperfect or crooked edges.

All facilities for inspection of iron and workmanship shall be furnished by the contractor. He shall furnish free of charge such specimens of the several kinds of iron to be used as may be required to determine their character.

Full sized parts of the structure may be tested at the option of the Chief Architect, but if tested to destruction, such material shall be paid for at cost, less its scrap value to the contractor, if it proves satisfactory. If it does not stand the specified tests it will be considered rejected material, and be solely at the cost of the contractor

All workmanship must be strictly first class. Finished pieces shall be true to size, section and line, straight and out of wind at all points, and all machine, rivet or smith work, shall be of the best character.

After the whole structure is erected, all the iron work shall be thoroughly and evenly painted with two coats of pure oxide of iron paint ground in pure linseed oil.

WOODWORK.

The Contractor to provide all plant, derricks, tackle and scaffolding required.

Purlins, hips and valley pieces to be provided for all decks, slopes, dormer window roofs and saddles. Those for decks to be 3 in. by 4 in. and for slopes 6 in. by 6 in. in long lengths, all placed and secured as shown on the drawings.

Roof throughout including all skylights, dormer windows, saddles, &c., to be covered with 2-in. grooved and tongued flooring, not more than 6 inches in width, nailed with 4-in. nails to every purlin. Boarding to conform to all curved surfaces, &c., and have tilting pieces, &c., where required. All lumber throughout to be worked and applied in the best manner, to be best quality, kiln dried, well seasoned, white pine, free from sap, shakes, and large, loose or unsound knots.

All dimensions specified herein or figured on drawings to hold full size when finished. Moulded portion of cornice of skylight to be of 18 guage galvanized iron, top of cornice being 18 guage iron, rivetted and soldered, and supported upon strong iron brackets placed at 3 feet centres, properly secured to skylight. Rivets to be at $1\frac{1}{4}$ in. centres.

Flat, sloping and curved ceilings throughout to be covered with corrugated wire lathing, No. 18 gauge and $\frac{3}{8}$ -in. mesh, which is to be firmly and rigidly secured to angle irons with malleable iron wire or other suitable material.

THOS. FULLER,
Chief Architect.

DEPARTMENT OF PUBLIC WORKS,
28th June, 1886.

Signed by the Contractor }
in the presence of }
F. M. SAUCIER.

A. CHARLEBOIS. [L.S.]

Signed by the Minister and }
Secretary of the Depart- }
ment of Public Works in }
the presence of }

F. M. SAUCIER.

HECTOR L. LANGEVIN,
Minister of Public Works.
A. GOBEIL,
Secretary.

Seal of the
Dept. of Public
Works, Canada.

THIS INDENTURE made in duplicate on the third day of September in the year of Our Lord, one thousand eight hundred and eighty-six.

Between Alphonse Charlebois, Contractor, of the City of Ottawa, and in the Province of Ontario, hereinafter throughout designated as "the Contractor," of the first part; and Her Majesty, Queen Victoria, represented by the Honourable the Minister of Public Works of Canada, hereinafter throughout designated as "the Minister," of the second part:

Witnesseth that for and in consideration of the sum of sixty thousand dollars of lawful money of Canada, to be paid to the Contractor or to his executors, administrators or assigns, by Her Majesty, Her heirs and successors, in manner hereinafter mentioned, the Contractor does hereby for himself his

heirs, executors, administrators and assigns, covenant, promise and agree to and with Her Majesty, the Queen, Her heirs and successors, in the manner following, that is to say :—

1. In this contract the word “work” or “works” shall, unless the context require a different meaning, mean the whole of the work and materials, matters and things required to be done, furnished and performed by the Contractor under this contract. The word “Architect” shall mean the Chief Architect for the time being having control over the work, and shall extend to and include any of his assistants acting under his instructions, and all instructions or directions or certificates given, or decisions made by any one acting for the Chief Architect, shall be subject to his approval, and may be cancelled, altered, modified and changed, as to him may seem fit.

2. That the contractor shall furnish and provide all such machinery, apparatus, tools, plant, materials, effects and things requisite and necessary as are mentioned or intended so to be in the annexed specification, marked A, and shall well, truly and faithfully build, erect, construct, perform, complete, fit up and finish in the best and most workmanlike manner in every respect, and of the best materials of their several kinds, and to the satisfaction of the Minister, and in accordance with the true intent and meaning of the said annexed specification, and agreeably to the plans remaining deposited of record in the Department of Public Works of Canada, (which plans and specification are to be construed and read as part hereof, and as embodied herein and forming part of this contract), that is to say :

All the works mentioned and contemplated in the said specification or shown on the said plans which are requisite and necessary in, about and for the purpose of supplying all the materials required and doing all that work necessary for placing in position in the manner specified, the iron roofs, &c., on the new Departmental Buildings on Wellington street, in the city of Ottawa, in the County of Carleton, Province of Ontario.

3. That all such materials of the said work are to be unexceptionable in quality, and any rejected by the Architect, or the officer in charge shall not be used in the works, and if not removed by the contractor when directed by the Architect or officer in charge, as aforesaid, then the same shall be removed by the Architect or officer in charge, as aforesaid, to such place as he may deem proper, at the cost and charge and risk of the contractor ; but any inspections, and any approval of materials shall not in anywise subject, or make liable, Her Majesty to pay the contractor for the said materials so approved, or any portion thereof, or prevent the rejection afterwards of any portion thereof, which may prove or turn out at any time before the final completion of this contract, to be unsound or unfit or improper, to be or to have been used in the work, nor shall such inspection be considered as a waiver of objection to the work, or any part thereof, on the account of unsoundness or imperfection of the material used.

4. The contractor shall and will perform and execute the said work under the superintendence of the Architect or officer in charge, and to the satisfaction of the Minister, as set forth in the said specification, and the contractor shall commence and proceed with the same in such order and with such rate of progress, from time to time, as the Minister or the Architect or officer in charge may direct. The contractor must have all the work herein specified ready to be placed in position on the building on or before the 1st November,

1886, and the whole of the said works, respectively, shall be fully, thoroughly and entirely completed in their several particulars, and to the satisfaction in all respects of the Minister and of the Architect or officer in charge thereof, on or before the first day of the month of June in the year of our Lord one thousand eight hundred and eighty-seven, time being of the essence of the contract, and, further, that in failure of completion as aforesaid at the period hereinbefore especially limited for the completion thereof the contractor shall forfeit all right, claim or demand to the money or percentage hereinafter agreed to be retained by the Minister, and any and every part thereof, as also to any moneys, whatever, which may be, at the time of the failure of the completion as aforesaid, due or owing to the contractor or which may have been deposited by the contractor with Her Majesty as security for the due fulfilment of this contract, and the contractor shall also pay or cause to be paid to Her Majesty, as liquidated damages and not by way of fine or penalty, the sum of fifty dollars for each and every day for which the work within this contract or any portion thereof may remain incomplete, or for which the certificate of the Architect in charge of the completion of the said work or any part thereof may be withheld and the Minister may deduct and retain in his hands such sum as may become due as liquidated damages from any sum of money then due or payable or to fall or become due or payable thereafter to the contractor. And further, that notwithstanding the superintendence of the Architect or officer in charge and the necessity for the approval of the minister or architect or officer in charge of the materials, workmanship and work, and any approval or disapproval, the same shall not at any time relieve or discharge the contractor from his liability to perform this contract according to the terms thereof, and in all respects in the most proper and efficient manner.

5. All damage which may at any time, and from time to time, during the existence of this contract be done by the contractor (party hereto of the first part) or which may through him arise or happen, and from whatever cause, to any portion of the works, included in any contract other than this present one, in the premises under construction, also any damage from whatever cause during the progress of the erection to any portions of the brick work, cut stone or masonry or other work or any material that may be on the site shall be rectified at the cost of, and the claim for damage or delay (if any) shall be at the charge of the contractor (party hereto of the first part).

6. All arrangements for entry in or access to the building for the performance of the work herein contracted for, and all agreements of any nature whatsoever, shall be made by the contractor, and at his own risk and cost.

7. The contractor, before commencing the construction of any part of the work, must take accurate measurements from the building, as he will be held responsible and have to make good, at his own expense, any parts of the work which, on delivery, may be found not to accurately fit their positions.

8. The contractor shall find, at his own expense, the piling ground which may be required for storing the roof materials from their delivery until such time as he will be notified to begin the work of erection and during the progress of the work.

9. The care of the works, included under this contract, together with whatever material appertains or belongs thereto, shall be entirely at the charge and risk of the contractor, who shall be liable and responsible for any and all loss, damage, detriment and injury that may arise, or be sustained both on this

contract and the other contracts respectively, in so far as they may be affected by the execution of this contract during the progress of the works, and until the same shall be completed and certified as such by the Architect or officer in charge, and be received and taken by the Minister as complete; and the contractor shall also repair, replace and amend any work or materials, whether under this contract or the other contracts, and that all percentage, drawbacks, reserves, deductions or other funds retained by the Minister on behalf of Her Majesty, shall, in the event of any such loss, damage, detriment or injury, be applied by the Minister so far as may be necessary for the reconstruction, amendment, restoration and repairs of the work, materials or machinery.

10. It is hereby agreed that in addition to the liquidated damages to be recovered by Her Majesty as provided for in the fourth clause hereof, on the failure of the contractor to complete the work herein contracted for, at the period of time hereinbefore mentioned, the contractor shall be liable for and shall pay or cause to be paid to Her Majesty all percentage, salaries and wages which shall be or become due to the Architect or officer in charge, or subordinate person, or persons superintending the work on behalf of the Minister from the period so hereinbefore named for the completion of the works, up to and until the said works shall actually, be completed and received, and the Minister may deduct and retain in his hands out of the percentage hereinafter mentioned, or out of any moneys which may otherwise at any time become or fall due to the contractor all such sum and sums of money as shall have been so incurred, defrayed or expended by the Minister for such purpose, or the Minister may recover the same from the contractor in an action in the name of Her Majesty as moneys paid for and on account of the contractor.

11. If it shall at any time appear to the Minister that the establishment or the rate of progress at, in and upon the said work embraced in this contract, or of any part thereof, or of any work or matter incident to the same, or in any way connected therewith, are not satisfactory (having due reference to the sufficiently advanced state of the works under other contractors to enable the contractor to proceed with his work), or such as to ensure the completion of the same within the time hereinbefore mentioned, or on failure or breach by the contractor of any matter or thing herein contained, on the part of the contractor to be done or performed, or if the contractor shall at any time or times neglect or refuse to carry on this contract, or any part of it, or to supply requisite or proper tools, implements or plant and materials, or be unable to carry on the same, then, and in any of such cases, the Minister may forthwith, after having given six days' notice to the contractor of his intention to do so, and without any process or suit at law, or other legal proceeding of any kind whatever, or without its being necessary to place the contractor *en demeure*, either absolutely take the work, or any part thereof, out of the hands of the contractor and re-let the same without the necessity of previous advertisement, or employ additional workmen and provide materials, tools, implements and all other things requisite for the completion and performance of the contract at the expense of the contractor, and the contractor shall, in either case, be liable for all damages and extra costs and expenditure which may be incurred by reason thereof, and if such damages, extra costs and expenditure exceed in the whole the sum of sixty thousand dollars, then Her Majesty may recover of and from the contractor the balance or excess over and beyond the last mentioned sum, provided the contractor herein shall have the right to carry on the work of the contract at all times and periods, so that the same

does not interfere with or impede the contractor or his officers, workmen or servants under contracts for other portions of work in the premises.

12. If any overseer, mechanic or workman employed on or about the work, or any portion thereof, be incompetent to perform the work or duties required of him, or give just cause of complaint, the contractor shall immediately, upon the application of the Architect or officer in charge, dismiss such person or persons forthwith from the works, and he shall not again be employed thereon without the written consent of the Architect or officer in charge, and should the contractor continue to employ such overseer, mechanic or workman, the contractor shall pay to Her Majesty, Her heirs and successors, the sum of twenty dollars as liquidated damages, and not of fine or penalty, for each and every day during which such overseer, mechanic or workman shall be employed on the works, after such application for his dismissal as aforesaid, and the Minister shall have the same power of retaining such sums as may become due to Her Majesty under this clause, or of enforcing payment thereof, as are given and expressed in the eleventh clause of this contract.

13. Whenever and wherever it shall be deemed necessary by the Minister the contractor shall give, at any time during working hours, to the Architect or officer in charge, or person designated by the Minister, free access to the workshop or factory, or grounds wherein the work herein contracted for is to be manufactured, fitted and placed together before being put in position on the building.

14. That the contractor shall not in any way, directly or indirectly, sell, dispose of or re-let, assign, transfer or sub-let to any person or persons whomsoever, either entirely or partially and jointly with them, or in any other manner or way howsoever, this contract or any part thereof, or any portion of the work embraced herein or to be performed hereunder, or which without being distinctly and specially mentioned herein, may yet be rendered necessary for the full and proper completion of the contract.

15. In all cases of defective description or delineation in either the drawings hereinbefore referred to, or the specification hereunto annexed, the explanation and interpretation given by the Minister shall be received and shall be final, binding and conclusive upon the contractor, and wherever neither the drawings, plans or specifications contain any notice of minor parts, the intention to include which is nevertheless clearly to be inferred, and which minor and detail parts are common, usual and proper in workmanship of this character, and which are obviously necessary to the due completion or stability of the work, all such works are to be found provided and fixed by the contractor at his own expense and cost, and are to be considered to be included in the contract, it being the intention of this contract that all such work of every kind as may be necessary for completely finishing the work proposed, in the best and most workmanlike manner, and for the rectification of any failure from whatever cause arising, and the well maintaining, sustaining and supporting the whole of the works, as well as any and whatever change, alteration and addition that may be made thereon, so that the whole may remain sound and firm, and that all such minor parts and details are implied in the plans, drawings and specifications and in this contract, although the same are not therein and herein specifically expressed.

16. That if any change, alteration or addition, either in the position or details of the works embraced in this contract, or in any of the materials therefor, shall be required by the Minister, other than those mentioned in the specification, the contractor will make such change, alteration or addition; and

if such change, alteration or addition shall entail extra expense on the contractor, either in labour or materials, the same shall be allowed to the contractor; or should it be a saving to the contractor in either labour or materials, the same shall be deducted from the amount of this contract, and in either case the amount is to be determined by the estimate made by the Minister, his Architect or officer in charge, but no such change or alteration, whatever may be the extent or quality thereof, or at whatever time the same may be required to be made pending this contract, shall in any wise have the effect of suspending, superseding, annulling or rescinding this contract, which shall continue to subsist, notwithstanding any such change, alteration or addition, and that every such change, alteration or addition shall be performed and made by the contractor under and subject to the conditions, stipulations and covenants herein expressed, as if such change, alteration or addition had been expressed and specified in the terms of this contract; and should the contractor be required by the Minister to do any work or furnish any materials for which there is not any price specified in this contract, the same shall be paid for at the estimated value thereof of the Minister, but no change, alteration or addition as aforesaid, whatever, and no extra work whatever, shall be done without written authority given prior to the execution of the work, nor will any allowance or payment whatever be made for the same in case it should be done without authority.

17. That any notice, or other paper connected with this contract, which may be required or desirable on the part of Her Majesty, may be served on the contractor either at his usual domicile, or at his usual place of business, by being left at the post office there, and any notice or other paper so addressed and left at such post office shall, to all intents and purposes, be considered legally served.

18. If any difference of opinion between the Contractor and the Architect or officer in charge, arise as to the construction to be put upon any part of the specifications or plans, the same shall be determined by the Minister alone, and such determination shall be final and conclusive, and binding upon the contractor.

19. In the event of any difference or dispute between the contractor and the Architect or Officer in charge, in respect to the performance by the contractor of the duties required by this contract, or connected therewith, the same shall be referred to the Minister of Public Works, Canada, for final arbitration and award, subject, however, to the approval thereof of the Minister.

20. If the contractor fails at any time in paying the salaries or wages of any person employed by him upon or in respect of said works, or any of them, and any part of such salary be one month in arrear, or if there be due to any such person one month's wages or salary, the architect may notify the contractor to pay such salary or wages, and if two days elapse and the same be not paid in full up to the date of payment or to such other date as may be in accordance with the terms of employment of such person, then Her Majesty may pay to such person such salary or wages from any date to any date and to any amount which may be payable, and may charge the same to the contractor, and the contractor covenants with Her Majesty to re-pay at once any and every sum so paid.

And the contractor and Her Majesty the Queen do, and each of them both hereby further mutually covenant, promise and agree the one with the other, the contractor for himself, his heirs, executors, administrators and

assigns, and Her Majesty for Herself, Her heirs and successors, in manner following, that is to say:—

1. Payment of any sums of money which may be made to the contractor by Her Majesty under this contract, will be so made according to the provisions of the Statutes of Canada, thirty-first Victoria, chapter twelve, and within ten days after an estimate of the architect, or officer in charge, shall have been received by the Minister, specifying the amount of work done during the month or period then ending; but nevertheless the Minister, on behalf of Her Majesty, may with hold and retain from the contractor ten per cent, out of the estimates, until the perfect completion of the work, and the acceptance of the same by the Minister; provided that the Minister may at any time, and from time to time, advance and pay to the contractor any portion of the percentage hereinbefore mentioned.

2. That the Minister on behalf of Her Majesty may make payments or advances on materials, procured for the works or used, or intended to be used about the same, in such cases and upon such terms and conditions as to the Minister may seem proper, and that whenever any advance or payment shall be made to the contractor upon any tools, implements or materials of any description, the same, or such as upon which such advance or payment shall be made, shall thenceforward be vested in and held as collateral security by Her Majesty, Her heirs and successors, for the due fulfilment by the contractor of this contract, it being, however, well understood, that all such materials of any kind are to remain at the risk of the contractor who shall be responsible for the same, unless and until the same are, upon the completion of the contract, finally accepted as part of the work, by the Minister, but the contractor shall not exercise any act of ownership, or control whatever, over any materials, upon which any advance or payment has been so made, without the permission in writing of the Minister.

3. That in case the amount heretofore voted by the Parliament of Canada, for the construction of the work be at any time expended, previously to the completion of the work embraced in this contract, the contractor may or may not, at his option, on receipt of a notice in writing from the Minister of such expenditure having occurred, stop the work; but in such case, the contractor shall not be entitled to any further payment for work done, or materials supplied after the service of such notice, unless and until the necessary funds shall be voted by Parliament, nor shall the contractor have any claim for compensation or damages, for the suspension of work accruing on such notice aforesaid, or suspension of payment.

IN WITNESS WHEREOF, the said contractor has hereunto set his hand and affixed his seal, and the Minister of Public Works of the Dominion of Canada, acting herein on behalf of Her Majesty, has set his hand and seal the day and year first above written.

Signed, sealed and delivered by the }
contractor in the presence of }

F. M SAUCIER.

A. CHARLEBOIS. [L.S.]

Signed, sealed and delivered by the }
Minister and countersigned by }
the Secretary of Public Works, in }
the presence of }

F. M. SAUCIER.

HECTOR L. LANGEVIN,
Minister of Public Works.

A. GOBEIL,
Secretary.

(Exhibit No. 16 is not printed.)

EXHIBIT No. 17.

RE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET, OTTAWA.

		LIST OF ACCOUNTS RENDERED FOR ADDITIONAL WORK BY A. CHARLEBOIS, CONTRACTOR.		Additional work, Amount Allowed.	Additional work, Amount Disallowed.	MEMORANDA ON VARIOUS ITEMS IN THE ACCOUNTS.	
	\$ cts.	\$ cts.		\$ cts.	\$ cts.		\$ cts.
Amount of contract for new Departmental building, Wellington St		295,000 00	A Earth and rock excavation per Mr. K. Arnoldi's estimate	4,548 00		4,548 00	
Deduct for work included in the contract but not performed, as follows:-			B Drain in Wellington St., &c., &c	3,000 00		3,000 00	
Tiles in 3 corridors, floors and entrances	4,929 75		C Expenses in opening a quarry at St. Simon	4,500 00		4,500 00	
Ground floor stair, entrances, steps and landings	1,591 62		D Extra cost of Newcastle stone (amended account)	38,360 00		38,360 00	
Roof covering as per contract	4,731 45		E Extra cost of large dimension stone	28,611 00		28,611 00	
Louvres in the two ventilation shafts	624 00		F Loss of time, &c., from delays in furnishing details	45,000 00		45,000 00	
Cut cornice and rock faced work of back wall	274 58		G Additional depth of building, &c.	37,000 00	4,130 48	32,869 52	Granolithic sidewalk (this item charged twice). In account R, item R it is charged at the sum of.....
Cut stone angle balls of pediment windows	225 00		H Labour done and materials furnished as per account, excavation, masonry, brickwork, &c., &c	4,206 12	3,622 12	584 00	And the same work is again charged in account T, at the sum of.....
Cedar pavings of gateways, yard, &c.	551 25		J Labour done and materials furnished as per account, excavation, concrete, masonry, brickwork, &c., &c.	3,837 69	3,310 44	527 25	Tar and pitch. This item is charged in account R, item K; the account for tar and pitch for the Wellington St. pavement was rendered by the Ottawa Gas Co., and has been paid by Department of Public Works.
Sashes of attic ceilings (circular) as per contract	710 87		K Labour done and materials furnished as per account, extra sandstone, cutting, brickwork in cement, &c.	25,332 08	8,605 81	16,726 27	Making and setting posts for electric lamps (this item charged twice). This item is charged in account R, item K; also in account U, item S.
Plaster caps, bases, &c., in corridors of ground, first and second floors	480 38		L Labour done and materials furnished as per account	18,918 33	8,565 13	10,353 20	Crushed granite (this item charged twice). This item is charged in account R; also in account T, item B.
Plaster of attic	276 31		M Wall of Mr. Porter's stone house	545 00	545 00		The amounts disallowed in accounts P, Q, S, T, V and P, include 25 per cent. profit charged on additional work done by sub-contractors.
One double door, 1st floor, opposite main stair-case	56 25		N Temporary roof over building for winter, 1885-86, as per agreement, Ref. 72663	1,780 00	1,780 00		Total amount of percentage charged is \$16,231 which has not been allowed.
Nine single doors from end rooms to stairs	270 00		O Placing in position iron girders and joists as per agreement, 22nd April, 1886, Ref. 105071	7,656 37	5,774 87	1,881 50	
Water and gas pipes	405 00		P Additional on plastering, &c., Ref. 104053	7,411 98	4,020 44	3,391 54	
Fire-places, hearth and chimney pieces	2,784 75		Q Copper roofing as per agreement	19,814 00	19,814 00		
Ballusters and coping of area wall, Wellington St.	158 13		R Wellington St. pavement, labour, Ref. 104320	11,572 90	5,066 70	6,506 20	
Canadian cement was specified for concrete (Portland cement was used instead)	2,670 30		S Coal cellar, rear of building	15,666 94	10,566 85	5,100 09	
(Paintings iron stairs, &c., allowed in painters account, letter T, Ref. 105337)	884 50		T Granolithic work	1,005 04	990 24	14 80	
Carving not executed	529 50		U Painter's work, Ref. 105337	17,465 89	8,772 32	8,693 57	
Total to be deducted for work included in the above contract but not executed	22,113 64	22,113 64	T Iron work	17,800 58	5,939 04	11,861 54	
			T Painter's work, Ref. 105337	24,069 37	21,031 21	3,038 16	
			U Labour and materials from 1st January, 1888, to 1st November, 1889	30,989 02	17,343 64	13,645 38	
			V Plumbing and gas-fitting to 12th October, 1889	16,292 33	7,594 78	8,697 55	
			Y Corridor tiles	4,624 00		4,624 00	
		272,886 36		390,006 64	137,413 07	252,593 57	
Amount of contract for iron roof		60,000 00	W Additional work to iron roof	19,671 84	3,857 85	15,813 99	
Amount of contract for iron staircases		11,040 90	X Additional work, iron stairs, from ground to first floor, and from attic to roof	10,598 19	6,743 61	3,854 58	

Claimed by the Contractor.		\$ cts.	Allowed by Chief Architect.		\$ cts.
Amount of contract for main building		295,000 00	Amount of contract, main building		295,000 00
Additional work in connection with main building, including sidewalks, &c.		390,006 64	Additional work in connection with main building, including sidewalks, &c.		137,413 07
Amount of contract for iron roof		60,000 00	Amount of contract for iron roof		60,000 00
Additional work in connection with iron roof		19,671 84	Additional work in connection with iron roof		3,858 33
Amount of contract for iron stairs		11,040 90	Amount of contract for iron stairs		11,040 00
Additional work in connection with iron stairs		10,598 19	Additional work in connection with iron staircases		6,823 61
Amount paid on account		786,317 57			514,135 91
Amount claimed to be due		490,060 00	Deduct for work included in contracts but not executed		22,113 64
		296,257 57	Amount paid on account to 16th January, 1891		492,022 27
			Balance		490,060 00
					1,962 27

EXHIBIT No. 18.

A.—*RE* NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.

ABSTRACT of Additional Work in connection with Main Contract Allowed.

		\$	cts.	
H J	Extra depth of foundation walls, including excavation and masonry.	6,932	50	Before the plans were prepared a number of test pits were made on the site for the purpose of learning the required depth of foundation walls, and the plans were prepared accordingly; when the excavation had been done according to contract it was found, owing to inequalities and unsoundness of rock in some places, in order to secure a good foundation, it was necessary to go much deeper.
K	Changes and alterations of entrances on Wellington and Elgin Streets, alterations of window heads first floor, Portland cement in lieu of Hull cement specified, red granite in lieu of grey for columns at windows, &c. (For further details see item K final estimate.)	8,605	81	The various changes were considered necessary, and added to the durability, strength and appearance of the building.
L	Granite chimney caps, Portland cement in lieu of Hull cement, pointing cornices, &c., with lead, temporary sidewalks, &c. (For further details see item L final estimate.)	8,565	13	do do
N	Temporary roof over building	1,780	00	The contract called for the contractor to protect the building during construction, and the usual means of protection used by contractors is merely the covering of the walls. During the past season, 1884-85, some portions owing to the slow setting of the native cement were much damaged and had to be taken down and rebuilt. It was considered advisable to have the whole of the building covered so as to protect the whole of the work; this was more than the contractor considered he was bound to do, so he offered to place a tight temporary roof in the fall of 1885 and to take it down and replace it next season for \$1,780, and the offer was accepted.
O	Placing in position iron girders and joists.	4,376	82	See letter ref. 63,711 and 63,912 of Department of Justice <i>re</i> allowing other contractors access to the building.
O	Brick in cement piers to carry girders, &c. (For further details see item O final estimate.)	1,398	05	
P B	Changes in plasterers' work	1,986	47	The ceilings in the attics were according to contract, to be semi-circular, but in order to give more wall-space for cases in the model room, the ceilings were constructed thus 
				From the amount allowed, \$1,986.47, there is a deduction of \$756.69 for plaster work not executed.

EXHIBIT No. 18.

A.—RE NEW DEPARTMENTAL BUILDINGS, WELLINGTON
STRET—Continued.

ABSTRACT of Additional Work in connection with Main Contract Allowed.

		\$	cts.	
G	Additional depth of building.....	4,130	75	The contractor claimed the sum of \$37,000, for the additional depth of building. According to the specification the contractor had to pay all corporation fees, licenses and permits, and furnish all street lines and levels, the latter to be obtained from the city surveyor, and to conform to city by-law, as also "the setting out of all work shall rest solely with the contractor, who shall be responsible for the same and if any discrepancies should be found he will have to alter and make good the same." By the plan of the site at the time the contract drawings were prepared the rear line of the property was shown to be parallel to the line of Wellington street, but according to the lines as set out and built by the contractor the Elgin street wing is 2' 9" deeper than shown on the contract drawings. As the Government has got the benefit of the additional size of the building an allowance of \$4,130.75 has been made the contractor, this sum being fair value for the additional work done. The attention of the Department was not called to the additional size of the building until the walls were ready to receive the first floor joists.
Q	Copper roofing as per tender.....	19,814	00	According to contract the flat part of the roofs was to be covered with Sparham cement and the sloping parts with galvanized iron. The amount of \$4,731.45 is deducted from the final estimate for Sparham cement and galvanized iron work included in the contract.
Q1	Copper moulding band around the lower part of mansard roof, covering parapet walls with copper, and 3 additional skylights (for further detail see Q1 final estimate).....	3,323	02	Work not included in contract but considered necessary to increase the drip at the eaves and also to greatly improve the appearance. When the roofs were partially covered it was found that additional light was required, therefore the skylights were constructed.
Q2	Flashing around skylights.....	506	40	Allowed skylights required to be flashed.
Q3	Copper balls at dormer windows in lieu of stone as called for by contract	497	28	According to contract balls were to be of stone, but as the sandstone absorbs water and was to be placed in a very exposed position it was decided advisable to construct them of copper, and the amount of \$225 has been deducted from the final estimate for stone balls.
Q4	Extra copper roofing over rear wall of building, owing to change of stone cornice.....	680	00	A deduction of \$274 is made from final estimate for stone work.
T	Granolithic steps at entrance, and granolithic floors in corridors in lieu of tiles	3,941	12	A deduction of \$4,929.75 is made for the tiles which were omitted in corridors, &c., granolithic being used instead.
T	Granolithic outside areas. Basement floor, corridor, boiler house and yard in rear (for detail see T final estimate).....	4,831	20	Not included in contract. Wood block paving of yard was deducted.
T	Finishing hardwood with the finest quality of hardwood oil finish, as per verbal agreement.....	1,750	00	According to contract the hardwood finish was to be two coats of oil stopped with patent wood filler and finished with white wax. In lieu of the white wax finish the woodwork was finished with hard oil finish and rubbed down with pumice.
		\$73,118	63	

EXHIBIT No. 19.

B.—*RE* NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.

ABSTRACT of Additional Works not immediately connected with Main Contract Allowed.

		\$	cts.	
M	Building Porter's wall in rear of site.	545	00	Amount as per agreement.
PB	Additional plastering in partitions, &c., dividing offices to suit the various departments that occupy the building.	2,033	97	Original instructions were to make all the offices in the building as large as possible.
R	Granolithic sidewalks on Wellington, Elgin and Metcalfe streets, curb stone for sidewalks on same, paving Wellington street, man holes in streets, street crossings, &c., for detail <i>see</i> R, final estimate.	10,566	85	This work is outside of contract.
S	Making coal cellar in yard.	990	24	do do
T	Vault doors.	2,580	21	do do
T	Metallic lathing on ground, first and second floors; bolts, plates, nuts, straps, &c., for detail <i>see</i> T, final estimate.	1,144	42	After the building was nearly completed the offices had to be divided to suit requirement of the departments which were to occupy same.
T2	Copper gutter and conductor pipes on south side.	1,309	00	As per agreement.
T3	Fenders to protect gates and cast iron louvers for ventilating shafts, &c., for detail <i>see</i> T3, final estimate.	905	41	<i>See</i> abstract sheet item D for explanation <i>re</i> louvers.
T1	Painting and bronzing of offices, preparing all walls and ceilings, painting and tinting same in different colours, bronzing mouldings and iron joists, for detail <i>see</i> T1, final estimate.	14,451	00	Work done as per measurement.
T2	Painting iron roof, roof timbers, brick walls, &c., in roof, white (to improve the light in attics) water pipes and covering same with granulated cork; painting gas pipes, smoke shafts and painting and bronzing stairs, for detail <i>see</i> T2, final estimate.	4,830	21	
U	Rounding corners of stone work at doors and window jambs, &c., basement windows, dividing rooms, changing front area walls, increasing height of rear boundary wall, platforms around tanks and gangways, in attics, boxes for electric bell wire, patterns for granolithic steps, pointing curb stone front of building, for detail <i>see</i> U, final estimate.	17,343	44	Not in contract.
V	Placing large gas meter, gas pipes and fittings, cutting holes for gas pipes and making good same, &c., for detail <i>see</i> V, final estimate.	2,342	41	The gas fittings could not be arranged before the allotment of the offices to the various departments.
V	Additional urinals, sinks, ventilation mouldings, &c., for detail <i>see</i> V, final estimate.	904	48	
V	Difference between W.C. specified and W.C. put in.	662	49	From the date of the contract until the time the building was ready for fitting up W.C., the construction and style of W.C.'s had been so improved that the best W.C. in the market was introduced, hence the additional cost.
V	Additional on water pipes.	525	95	In connection with wash basins, &c.
V	Wash basins, including marble slabs, &c.	3,159	36	No wash basins were included in the contract as they could not be located until it was finally decided which departments were to occupy the offices, and the offices had been properly arranged.
		\$	64,294	44

EXHIBIT No. 21.

D.—RE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.

ABSTRACT of Claim in connection with the Contract for Iron Staircases.

2*—7

Exhibit.	Contractor, A. Charlebois.	Amount Claimed.	Amount Allowed.	Amount Disallowed.	Remarks.
		\$ cts.	\$ cts.	\$ cts.	
A B F	To amount of contract..... Main stair from ground to first floor and stairs from attic to roof.	11,040 90 3,887 15	11,040 90 3,366 20	..... 520 95	Allowed. Stair from ground to first floor was originally intended to be of stone, and was included in the main contract for the the building. (For detail see B.) A deduction has been made for the stone stair included in the main contract.
C D E G H I J K L N	Brick arches and piers to support basement and other stairs, lowering stair landings on first and second floors to suit elevators, including iron joists, brackets for newals, &c.	478 93	478 93	.....	Work necessary for stairs and elevators.
M A B H I K L M	Cutting and making good doorways in walls of attic.... Hand-rail from upper basement to ground floor. Hand-rail and ballusters across windows, newals, &c. (For detail see final estimate.)	114 25 997 73	114 25 653 73	..... 344 00	Work necessary to get to water tanks, pipes, &c. Not included in contract.
B C D E F	Iron and slate stairs from second floor to W.C., from attics to W.C., and from attic to roof, and from roof to dormer windows.	3,032 55	2,210 50	822 05	Not included in contract.
N	Cutting slates, planing posts, repairing scroll work on carved rails. Commission claimed.	856 20 1,221 62	.....	856 20 1,221 62	Not allowed. Included in contract. Not allowed.
	Amount claimed by Contractor.	21,629 09			
	Amount allowed by Chief Architect.....		17,864 51		
	Amount disallowed.....			3,764 82	

EXHIBIT No. 22.—ABSTRACT showing amounts deducted and amounts allowed where changes in the works have been made.

	Deductions for work included in contract but not executed.		Allowed for work done in lieu of the work deducted for.		Additional cost of work done over that deducted for.		Less cost of work done than that deducted for.	
		\$ cts.		\$ cts.		\$ cts.		\$ cts.
A, T	Tiles for corridors, &c. (For details see deduction final Est.).	4,929 75	Granolithic work done in lieu of tiles.	2,872 13	.....	.....	Less than contract price.	2,057 62
B	Ground floor, stairs and entrance steps.	1,591 62	Granolithic steps at entrances and iron and slate stairs, ground floor.	3,576 25	Additional cost over contract.	1,984 63		
C	Roof covering, Sparham cement and galvanized iron.	4,731 45	Roof covering in copper in lieu of Sparham cement and galvanized iron.	19,814 00	do do ..	15,082 55		
D	Louvres in ventilating shafts slate.	624 00	Louvres in ventilating shafts. Iron.	555 59	.....	.....	do ..	68 41
E	Carving not executed.	529 50						
F	Cut stone main cornice rear wall of building.	274 58	Copper covering owing to change of stone cornice.	680 00	Additional cost over contract.	405 42		
G	Cut stone angle balls at Pediment windows.	225 00	Copper angle balls in lieu of stone.	379 04	do do ..	154 04		
Ga	Cedar block pavement in yard, &c.	551 25	Granolithic paving in lieu of cedar blocks.	1,349 50	do do ..	798 25		
H	Deduct for sashes, being straight, in lieu of circular, in attic ceilings.	710 87						
I, J	Plaster caps bases in corridors and plaster work in circular ceilings attic.	756 69						
K	One double door, first floor. . . .	56 25						
L	Nine single doors.	270 00						
M	Water and gas pipes.	405 00						
N	Fireplaces, hearths and chimney pieces.	2,784 75						
O	Balluster and coping of area walls, Wellington street.	158 13						
P	Canadian cement—Portland cement was used in lieu of Canadian.	2,670 30	Portland cement in lieu of Canadian cement specified.	10,984 00	Additional cost for Portland cement.	8,313 70		
Q	Painting and bronzing stairs. . .	844 50						
		22,113 64						

At the date the works were ready for the facing stone for the walls of the area in rear of the building, the sandstone had not been delivered, and, in order not to delay the work another season, the contractor was allowed to use block limestone in lieu of sandstone, and for same reason the stairs to the basement.

EXHIBIT No. 23.

RE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.
 ABSTRACT of Final Estimate for Heating.

Exhibit.	Contractors : Messrs. Garth & Co.	Amount of Contract.	Amount of Additional Work.	Remarks.
		\$ cts.	\$ cts.	
	Amount of contract..	15,500 00		
	Taking down, altering and resetting mains on top flat; taking down, altering and refitting up extra mains for division of rooms on 1st and 2nd flats; taking down, resetting and altering radiators on ground floor, &c. ; fitting up self-feeding tanks, &c. (For details <i>see</i> final estimate.)		4,774 02	The additional work was princi- pally caused by changes required to the heating apparatus, owing to the division of a number of the offices, as it was not finally decided what departments were to occupy the building until the work was partially done.
	For cutting and making good through arches, walls, ceilings, floors, cor- nices, &c. (For detail <i>see</i> final estimate.)		4,459 38	This work being both difficult and particular, it was considered ad- visable that it should be done as day's work.

EXHIBIT No. 24.

RE NEW DEPARTMENTAL BUILDING, WELLINGTON STREET.
 ABSTRACT of Final Estimate for Elevators.

Exhibit.	Contractor : John Fensom.	Amount of Contract.	Amount of Additional Work.	Remarks.
		\$ cts.	\$ cts.	
	To amount of contract..	39,877 50		
	Iron smokestack...		700 00	Allowed. Iron smokestack was not included in the contract.
A	Albany steam trap, Bostwick folding gates, wire guards, and additional iron piping and iron joisting. (For detail <i>see</i> A, final estimate.)		2,455 16	Allowed. Work named not in- cluded in the contract.
B	Foundations for water tanks, cutting and making good for pipes, joists, floors, walls, and repairs to plaster.		2,067 68	Allowed. Work was necessary, and not included in contract.
	Amount of contract.		39,877 50	
	Amount paid contractor.		45,099 84	

(Exhibit No. 25 is not printed.)

EXHIBIT No. 26.

(Translation.)

OTTAWA, 12th August, 1886.

To Sir HECTOR LANGEVIN,

SIR,—After an interview with Mr. Charlebois, we have decided to go down home, in order to consult together on this matter; and we beg that you will be good enough to wait two or three days longer for our final answer.

Your humble servants,

ROUSSEAU & MATHER.

(Exhibit No. 27 is printed on page 30 of the Minutes of Evidence.)

(Exhibit No. 28 is printed on page 31 of the Minutes of Evidence.)

(Exhibit No. 29 is not printed.)

(Exhibit No. 30 is not printed.)

(The Proceedings of the Committee *in re* the Langevin Block Enquiry are not printed.)

SELECT STANDING COMMITTEE
ON
PUBLIC ACCOUNTS.

REPORT
AND
MINUTES OF EVIDENCE
IN CONNECTION WITH THE
KINGSTON GRAVING DOCK.

1891.



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

1891.

SELECT STANDING COMMITTEE

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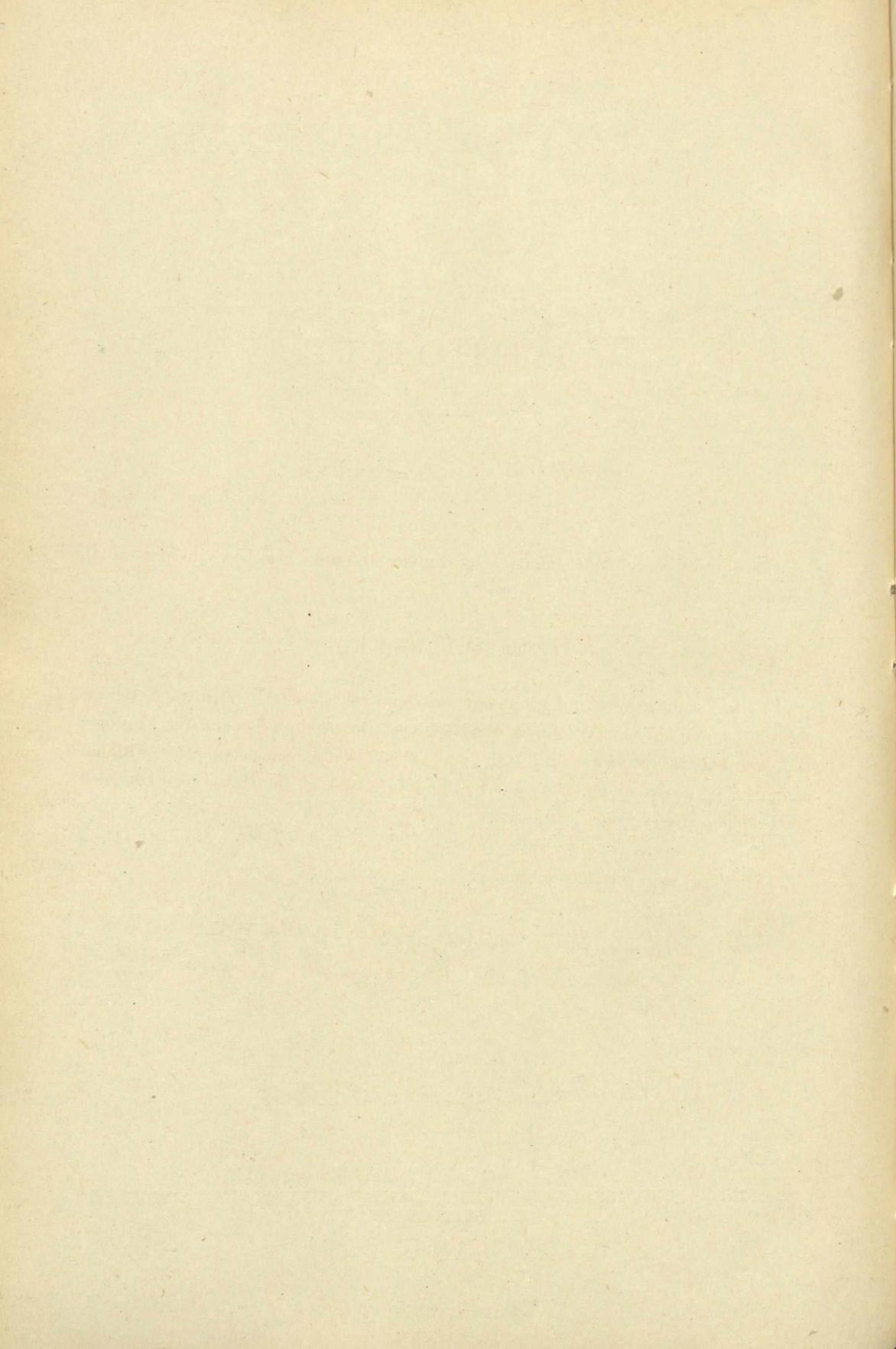
KINGSTON GRAVING DOCK.

1891.



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

1891.



REPORT.

COMMITTEE ROOM,

THURSDAY, 13th August, 1891.

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

FIFTEENTH REPORT :

Your Committee have had under consideration the item "Kingston Graving Dock" set out on page B-349 of the Report of the Auditor-General on Appropriation Accounts for the year ending 30th June, 1889-90; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,

Chairman.

MINUTES OF EVIDENCE.

COMMITTEE ROOM, Tuesday, 21st July, 1891.

Committee met—MR. WALLACE in the Chair.

F. X. SAUCIER, of the Department of Public Works, called, sworn and examined:—

By Mr. Amyot:

1. You are employed in the Department of Public Works?—I am.
2. Since how long are you employed there?—Since the 3rd of September, 1879.
3. Before that you used to belong to Quebec?—Yes.
4. What was your occupation there?—I was Secretary Treasurer of the Municipal Corporation.
5. Being employed in the Department of Public Works, you have sometimes to act as witness to the signature of parties taking contracts with the Department?—I am in charge of the contract branch; I prepare all contracts.
6. You have signed as a witness the contract relating to the Kingston Dry Dock?—I did.
7. Do you remember the signature which you attested then as a witness?—I would know the signature if I saw the papers. I would certainly know my own, anyway.
8. Do you remember what occurred then?—Yes; perfectly. Mr. Gobeil, then Secretary of the Department, came to my office and asked me if the contract for the Kingston Dry Dock was ready? I said: "Yes." He said: "Here are the contractors." Three gentlemen came into my room, and they signed the contract in my presence.
9. You would recognize them?—I would recognize one of the Messrs. Connolly.
10. Was that in your office?—It was signed in our Department. The plans being so large, I took the contractors up to Mr. Taché's room, there being a large table there.
11. The parties present were the two Messrs. Connolly?—I could not swear. I was told by the Secretary that they were the contractors.
12. Who was the Secretary then?—Mr. Gobeil.
13. You had written out the blanks?—I filled out everything.
14. You signed them all at the same time?—The three of them signed in my presence at the same time. It was about three o'clock in the afternoon.
15. Who were the other parties who were present besides the three contractors and Mr. Gobeil?—Mr. Gobeil was not present. He simply introduced the three gentlemen.
16. Did you sign the whole together, after they had signed, or did you sign as each signed?—After the three had signed I put my signature as witness.

17. To each of their signatures?—No; one for the three. That is the rule in Ontario.

18. You signed once for the three of them?—Yes.

19. Was Mr. Gobeil present when you signed?—No.

20. Was the Minister of Public Works present?—Will you allow me to see the papers.

21. I asked you first by remembrance?—I think so; but if you let me see the papers I can tell. From my memory, I think the Minister was present.

22. Looking at the papers now exhibited to you, do you see if that is the contract?—I saw that. I was present when the Minister signed, and Mr. Gobeil.

23. Were the five of them present when you signed?—The three of them were present first, and then the Minister signed afterward. Mr. Connolly and Mr. Bancroft were not present when the Minister signed.

24. Was it the same day?—No; it was not the same day. We always get the contractors in our Department to sign when they come, and we take the best chance to reach the Minister and get him to sign, or the Deputy Minister. Sometimes it takes two days, sometimes three, sometimes five. It was not signed the same day by the Minister.

25. These seals in red colour which are affixed to the contract—were they put on before the parties signed or afterward?—Before.

26. They were there when the parties came to sign?—Yes.

27. Could you recognize that Bancroft if you saw him?—I would not be ready to swear I could. Still, I think I might; but I am not sure.

28. Was he brown or fair?—He had dark complexion.

29. A tall man?—Pretty tall and stout. He was about four or five inches taller than I am, although I am of very small size.

30. When there are some marginal notes you sign only once?—Yes; as witness.

31. You are positive that Mr. Gobeil did introduce you to these three contractors?—He told me: "These are the contractors for the Dock, and they have come to sign their contract."

32. Had you seen the Messrs. Connolly before?—I had seen one.

33. Which one?—I cannot tell whether it was Mr. Michael or Mr. N. K. Connolly.

34. Was it the younger or the elder?—He was here the other day; that is the one I know.

35. You knew it was the same Connollys who had contracted for the Esquimalt Dock?—I am not prepared to say that, because they did not sign the Esquimalt Dock contract in my presence. I was not in that branch of the service when the Esquimalt contract was signed.

36. These three sets of papers—the contract, the specification and the indenture in duplicate—were signed on the very same day and under the same circumstances?—Yes; by the three contractors, in my presence.

37. In the morning or afternoon?—About 4 o'clock in the afternoon. I remember the circumstance well, because one of the Messrs. Connolly wanted to go to Quebec, and he asked that we hurry up the contract in order that he might get away on the train at 4:30.

38. That was on the 23rd of April—the date that appears on the papers?—Yes.

39. You saw Mr. Gobeil signing, too?—Yes.

40. And Sir Hector, too?—Yes; Sir Hector signed in my presence.

By Mr. Barron :

41. You say you went to another room to have the contract signed?—Yes, sir.

42. And you were introduced to the contractors?—I was introduced to the contractors by Mr. Gobeil.

43. You and the contractors went into another room together?—Yes, sir.

44. You were there alone with them?—No; there were some other parties in the room.

45. But you were the only one that went into the room for that specific purpose?—Yes; because, as I explained, my table was too small in my office.

46. Did you hear Mr. Connolly speak to Mr. Bancroft?—Yes; because when it came his turn to sign I did not know which was Mr. Bancroft; I only knew one of the Connollys. I said, Mr. Bancroft is the first person to sign, and one of the Mr. Connollys said: “Bancroft, it is your turn.”

47. The other two were both Messrs. Connolly?—I knew one of them.

48. Did not one of them sign for both?—Oh, no; each signed individually.

49. Separately?—Separately.

50. Were the three of them present at the time of signing?—Three of them were present, and they signed separately.

By Mr. Chapleau :

51. You stated that you were the officer specially charged with the preparation of contracts for the Department?—Yes.

52. You are the special officer for that work?—Yes.

53. Was the method pursued the ordinary way you deal with contracts?—The usual way, since I have been in the Department.

54. A responsible officer of the Department is introduced to the contractors, who sign the contract, and the Minister signs if he is present?—Yes, sir.

55. There was nothing unusual in this case?—Nothing unusual. This has been done according to the usual rules of the Department.

56. You did not know this Mr. Bancroft otherwise than hearing his name mentioned there that day?—No.

57. In speaking to Bancroft, did the Connollys address him by his christian name, or, as Bancroft?—As Bancroft. “Bancroft it is your turn.” Those are the words that were used.

COMMITTEE ROOM, TUESDAY, 28th July, 1891.

Committee met—MR. WALLACE in the Chair.

A. GOBEIL called, sworn and examined :—

By Mr. Amyot :

58. You are actually the Deputy Minister of Public Works?—Yes sir.

59. Since?—The first of January this year.

60. Before that you were?—I was appointed Secretary of the Department on the 20th January, 1885.

61. You remember the contract given to Bancroft and Connolly for the construction of the Kingston Graving Dock?—Yes, sir.

62. Do you remember the signing of the same contract?—I do sir.

63. Do you remember who had prepared the contract?—The contract was prepared by a clerk named Saucier, who was preparing the contracts under my direction in the Department.

64. Do you remember the parties who came to sign the contract?—Of course, there are a large number of people coming to my office every day, but as far as my recollection goes three gentlemen came in connection with this contract, shortly after the Order in Council was passed awarding the contract. Two of these gentlemen I knew, but the other one I did not know. The two gentlemen whom I knew were the Messrs Connolly—Nicholas and Michael; the other gentleman I did not know.

65. You had never seen him before?—No.

66. Nor have ever seen him since?—No.

67. Who introduced him to you?—So far as my recollection goes, he was introduced by one of the Messrs. Connolly. My recollection is not very clear on the point, but as far as my memory serves, it was either of the two Messrs. Connolly.

68. You had got the contract prepared first?—As is usual, after the Order in Council is passed, or after the order is given awarding the contract to one or more persons. All the contracts are prepared in this way. This one was prepared the same as others.

69. You introduced the three gentlemen to Mr. Saucier?—I either called him to my office or went down to his office. I am speaking of my usual custom. In regard to this particular matter, I would not be clear on that, but I did take the contractors to him.

70. Had you told the Connollys, before, when the contract would be ready for signature?—I cannot recollect that. My recollection is not distinct as to what occurred before.

71. Do you remember when the tenders were received for that work?—Yes.

72. Was that on the 20th March?—The papers will show the date.

73. At all events, it is the date mentioned in the advertisement?—Yes.

74. The date fixed for the receiving of the tenders was the 20th. Let us assume that is so. On that date some tenders reached the Department?—Yes.

75. Do you remember the number?—I think there were 20, so far as I remember.

76. At what hour on the 20th did you ascertain that there were 20 tenders?—I did not find out on that day; the tenders were not opened until the next morning.

77. I am not speaking of the opening; I mean the receiving of the tenders?—My recollection of the number of tenders is based on the fact that I opened them and counted them.

78. Who receives the tenders when they come into the Department?—The Secretary of the Department. They are addressed to him.

79. And you were receiving the tenders for the Kingston work?—I was receiving them.

80. At what hour on the 20th March were all the tenders in?—By the afternoon mail of that day. The eastern mail would bring the last tenders.

81. What hour would that be?—Well, the train comes in at 1 or 1:30 p.m., I do not remember exactly.

82. And the tenders remained in your office, under your charge, until the next morning, when they were opened?—Until the time they were opened—yes.

83. Between that time, the arrival of the eastern mail that afternoon and the next morning, did any other tender for the Kingston Graving Dock reach the Department?—I believe one came; if I had the schedule of tenders I could readily tell you.

84. Was it one from Montreal?—Speaking from memory, I think the schedule of tenders will show that one tender was received too late.

85. What do you mean by too late?—It came after the last day that the tenders would be received.

86. That is not the Bancroft & Connolly tender?—Oh, no; that is another one altogether.

87. And you made a special note of that?—Yes; on the schedule of tenders. The schedule is here.

88. The point I want to find out is this: Besides the one mentioned in the schedule of tenders, did any other tender reach the Department after 1 or 1:30 p.m., the time of the arrival of the eastern mail?—No.

89. When you opened all the envelopes were they in the same condition as the day previous?—They were.

90. You opened every one of them?—I opened them, I think, with Mr. Baillairgé, but the schedule will show that. My recollection is that Mr. Baillairgé was with me.

91. Did every one contain an accepted cheque for \$20,000?—Of course, the schedule will show that. So far as my recollection goes, they all contained a cheque.

92. Were the cheques in the ordinary form—printed cheques?—They were cheques made to the order of the Minister of Public Works.

93. On printed forms?—Yes.

94. And accepted?—Yes.

95. You do not remember one being not on the usual form of the ordinary bank cheque?—I do not.

96. If there had been one on an extraordinary form you would have remembered it?—I do not say I would remember it now, but I would have noticed it.

97. Do you remember the names of any of the other tenderers besides Bancroft & Connolly?—Well, there was Larkin, Connolly & Co.; then, I believe, Goodwin had a tender in; Randolph Macdonald had one in; but they are all mentioned in the schedule.

98. Do you remember that Larkin had a tender?—I cannot say exactly.

99. None of the cheques were by telegram?—No.

100. You are positive as to that?—We would not receive one by telegram.

101. And none were received by telegraph on that day?—Will you show me the schedule of tenders, please? That is my guide.

102. If it had been a cheque by telegram you would have noticed it?—Oh, yes.

103. So that if in your papers there are no marks to indicate that a cheque was sent by telegram it is conclusive evidence that the cheques were sent in the ordinary form?—I think so—yes.

104. If any cheque had been put in an envelope after you had received them in the Department you would surely have noticed it on the morning when you examined the tenders?—The envelopes were in the same state the next morning as when they were handed to me or came by post. They were not touched, except by Mr. Baillaigé and myself.

105. When you received them, did you place them in the vault?—In a little safe in my office.

106. Of which you keep the key until the next morning?—Of which I keep the key all the time.

107. So that it was a physical impossibility that a substitution of papers could take place?—I believe so.

108. You are positive of it?—Of course, in the ordinary run of things.

109. So that, if cheques accompanying tenders were otherwise than in the ordinary form you would have remembered it—you would have remarked it?—I suppose so.

110. And the cheque of the parties who furnished it on behalf of Bancroft & Connolly was sent to the Department of Finance?—Yes, sir.

111. The very same cheque?—Yes; that is the cheque attached to the tender which bore the name of A. C. Bancroft.

112. Since that time you have not seen that cheque, of course?—Oh, no.

COMMITTEE ROOM, THURSDAY, 6th August, 1891.

Committee met—Mr. WALLACE in the Chair.

MONTAGUE ANDERSON called, sworn and examined:—

By Mr. Amyot:

113. What is your position in the Union Bank?—Manager of the Ottawa Branch.

114. And you were such on the 28th of March, 1889?—Yes.

115. At that date you had received instruction from the Quebec Union Bank to keep a certain amount of money at the disposal of Mr. Connolly?—To place \$20,000 at his disposal.

116. Do you remember the first name of the Mr. Connolly?—Mr. N. K. Connolly.

117. And you did so, of course?—Yes.

118. On that date you were presented with a cheque for that amount by Mr. Connolly?—Yes.

119. N. K. Connolly?—Yes.

120. Will you look at this cheque, and see if it was the cheque?—Yes; that is the cheque.

121. Have you any hesitation in leaving it for the Committee until this *enquête* is through?—I would sooner not. It is the voucher for the bank, and the rules of the bank are that we only hand over cheques to the drawer on receipt.

122. You will be satisfied with the receipt of the Government and country?—If the Committee insist I would not refuse; but I would prefer not to do it.

123. The bank accepted this cheque on the 28th March?—Yes.

124. It was then endorsed by Mr. Baillairgé, Deputy Minister of Public Works, to the order of the Minister of Finance and Receiver General who then endorsed it to the credit of the Montreal Bank?—Yes.

125. You paid the amount to the Bank of Montreal?—Yes; it came in in the usual morning exchange on their deposit. We gave them a certificate for it.

126. The entry in your ledger is in what?—It is in the current account ledger.

127. "March 28th, 1889, Bancroft Dr. \$20,000." That is a credit of \$20,000?—Yes. I never had an account with Bancroft or Connolly either. This is a sundry account for isolated transactions. This is the only transaction I had in connection with that matter.

128. Have you ever seen Bancroft?—No.

129. Neither then, nor before nor after?—Never.

130. The only thing you know is, that Mr. N. K. Connolly came in with this cheque, and then you did what you have stated a moment ago?—Yes.

131. And the bank having paid the amount does not require the cheque any more?—Except as a voucher, until we get a certificate that the voucher is correct.

132. Do you not give back those cheques when you have paid them?—We give all customers back their cheques, but they invariably give us a receipt for the cheques, and a certificate that the payment is correct.

133. Will you kindly state whether you have yet returned that cheque?—Mr. Bancroft never asked for it.

134. The only thing you are waiting for now, to return the cheque, is the appearance of Mr. Bancroft?—That is all.

135. How could you identify him?—I should not return it unless he was identified.

136. But if he never appears you will keep the cheque?—We will hold on to the cheque until he does appear.

By Sir Richard Cartwright :

137. I see this cheque is signed by Andrew C. Bancroft. How do you know that the signature was Andrew C. Bancroft?—I don't know, I never saw Bancroft.

138. How did you know?—The \$20,000 was placed at Mr. Connolly's disposal by our head office, and Mr. Connolly requested me to place it at the credit of Andrew C. Bancroft, and place against it the cheque which he had in his possession. I took that as identification of the signature. As it was placed at his disposal, he might have drawn it himself, and I thought that this identification of his signature was sufficient.

139. Do you know Connolly's handwriting?—I am not familiar with it at all; he never kept an account with us.

COMMITTEE ROOM, FRIDAY, 7th August, 1891.

Committee met Mr. WALLACE in the Chair.

MICHAEL CONNOLLY called, sworn and examined :—

By Mr. Amyot :

140. Do you belong to the firm of Bancroft, Connolly & Connolly?—Yes.

141. Your brother swore before the Committee of Privileges and Elections that the firm consisted only of you and your brother. That is correct, I suppose?—Yes.

142. Bancroft does not exist as a member of the firm?—No.

143. Would you kindly tell me who wrote this cheque which has been produced by the Union Bank for \$20,000, dated 28th March, 1889?—I did.

144. In that cheque, which reads as follows : “ Ottawa, March 28, 1889. Union Bank of Canada pay Hon. the Minister of Public Works or order \$20,000—Andrew C. Bancroft.” The words written are in your handwriting?—Yes; every letter of them.

145. Would you kindly state at what hour you furnished or sent to the Department your own tender, because you and your brother were tenderers also for this work, and you prepared the Bancroft tender?—I did.

146. You and your brother?—I think I prepared it alone.

147. With his consent?—I think he knew something of it in Ottawa here, not before.

148. You told him all about it; you have been going on with the tender since.

149. Do you remember at what hour these two tenders were put into the Department?—About the same time. As regards hours, the Department will show what time they were received.

150. They were both sent, I suppose, on the same day?—Yes.

151. At what hour—was it in the afternoon?—In the afternoon, I think.

152. About what time?—Well, it was in the afternoon some time, that is close enough.

153. Do you remember whether it was left before 4 o'clock or after 4?—I remember it was before the office hours closed.

154. Mr. Gobeil says that the whole of the tenders were in by half-past one?—These came in within the regulation hours, I think.

155. You don't remember whether it was near 4 or near 1 o'clock?—No.

156. Then there was a letter which reached the Department on the 4th April, 1889?—Yes.

157. Was the letter which is now exhibited to you and forms part of the original reference before the House, in your handwriting?—Yes.

Letter produced and read, as follows :—

“ OTTAWA, 4th April, 1889.

“ A. GOBEIL, Esq.,

“ Secretary Department Public Works,

“ Ottawa, Ont.

“ DEAR SIR—I beg to inform you that since tendering for the construction of the Graving Dock at Kingston, Ont., I have entered into an agreement with

Messrs. N. K. & M. Connolly, of Quebec, to join with me, should my tender be accepted in the construction of the same.

“As the Messrs. Connolly are well known to the Department, and have all the necessary plant and implements for an immediate commencement of the work, I trust my tender will receive the favourable consideration of the Department.

“I have the honour to be,

“Your obedient servant,

“ANDREW C. BANCROFT.”

158. It forms part of the record?—Yes.

159. There is another little piece of paper in typewriting, signed N. K. & M. Connolly. Was that written to your order?—Yes; it was written under my supervision.

160. And signed by you?—Yes.

161. With your brother's consent?—I don't know that I can say that; it is the name of the firm.

By Mr. Daly :

162. You had authority to sign in the name of the firm?—Yes.

By Mr. Amyot :

163. Will you read this, please?

Letter produced, and read as follows :—

“OTTAWA, 4th April, 1889.

“A. GOBELL, Esq.,

“Secretary, Department Public Works,
“Ottawa, Ont.

“DEAR SIR,—We desire to inform the Department of Public Works that, in the event of Mr. A. C. Bancroft's tender being accepted for the building of the Kingston Dry Dock, we have agreed to enter into contract with him, and will use our best endeavours to complete the work in as short time as possible.

“Very respectfully yours,

“N. K. & M. CONNOLLY.”

164. These are the two letters to which reference was made a moment ago?—Yes.

165. Will you kindly refer to the tender which is now exhibited to you, and say whether the part marked in blue pencil is in your handwriting?—Yes.

166. It is your handwriting?—Yes.

167. And so is the schedule of figures?—Yes.

168. That is, the part which is not printed?—Yes.

169. Is the paper annexed, as having been wrapped round it, written by you?—Yes; that is my handwriting.

170. This has not passed through the post office; it has been sent direct to the Department?—Yes.

171. It has been handed in?—Yes.

172. By whom?—It may be that I handed it in, or it may be Mr. Hughes, our engineer, handed it in.

173. Will you kindly refer to this document, marked in blue pencil, page 54, and go on from page 54 to page 64, inclusive, and say whether you signed this document where your name and the initials appear?—Yes; I signed those.

174. Will you kindly state the circumstances under which that was signed?—It was, if I understand rightly, in one of the rooms of the Department.

175. Who were the parties present?—I do not know; some of the clerks of the Department—the law clerks, I think, and some others.

176. Your brother was present?—Yes.

177. And you were present?—Yes.

178. There was a third party signed the name Bancroft. Who introduced him to the clerks of the Department?—He was introduced to Mr. Gobeil, who introduced him in turn to some of the clerks.

179. Who introduced him to Mr. Gobeil?—I forget whether it was my brother or myself?

180. What was the name of the person?—I don't care about giving his name. He was one of the foremen of the works. I do not care about giving his name, except the Committee insist upon it.

181. I think the Committee will insist in knowing who he was?—I have no desire to withhold his name. It was W. R. Hughes.

182. Do you know where your brother Nicholas is at the present time? Is he engaged at Kingston now?—I could not say whether he is at Kingston or Quebec.

183. But you are going on with the works at Kingston?—All the work was finished there in June, with the exception of the removal of the cofferdam. We have not been allowed to proceed with that, on account of the machinery not being placed in position. The machinery was not in our contract; it is separate and distinct.

184. And you say you cannot finish because the machinery has not been placed?—We cannot proceed with the removal of the cofferdam until the machinery is placed in position. If we did, possibly it might be flooded.

185. I suppose that will lead to a claim for damages from you?—It is a cause of damage.

186. Is it injurious to you?—To some extent. We tendered on the machinery and were not awarded the contract. We tendered on the caisson, and were not awarded the contract for that. We tendered on the engine house, and did not get that.

187. Did you take a post office box at Kingston in the name of "Bancroft"?—I did, sir.

188. You paid for it yourself?—I did.

189. Was it a separate box from your own?—I never had a post office box of my own there.

190. Was the box belonging to the firm of Larkin, Connolloy & Co.?—We never had a post office box there.

191. Had you a person at box?—No; our mail came to office by carrier.

192. The only post office box was for that contract, and it was put in the name of—?—You know all about it.

193. "Bancroft," I suppose. You gave instructions that letters addressed to Bancroft would be delivered to you?—Nothing of the kind. If any letters came to Bancroft I usually got them, or I sent to the office to get them.

194. You had the key?—I had the key.

REPORT.

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

TWENTY-EIGHTH REPORT:

Your Committee have had under consideration certain accounts, cheques and vouchers for payments made from 1st June, 1883, to 1st July, 1884, and from 1st July, 1884, to 31st January, 1885, inclusive, to W. Inglis Bradley, an extra clerk in the Department of Railways and Canals; and in connection therewith have examined witnesses under oath, and for the information of the House report herewith the evidence given by such witnesses.

All which is respectfully submitted.

N. CLARKE WALLACE,
Chairman.

COMMITTEE ROOM,
TUESDAY, 22nd September, 1891.

MINUTES OF EVIDENCE.

COMMITTEE ROOM,
TUESDAY, 21st September, 1891.

Committee met—Mr. WALLACE in the Chair

A. P. BRADLEY called, sworn and examined :—

By Mr. Somerville :

1. What is your position in the public service?—At present I am Secretary of the Department of Railways and Canals.
2. How long have you held that position?—I have been about twenty years in the Department. I think I have filled that position for between nine and ten years.
3. You have held the position of Secretary of the Department of Railways and Canals for ten years?—About ten years; it may be a little less perhaps.
4. What is your salary?—My present salary is \$2,800.
5. I see by the Public Accounts that in 1883, 1884, a man named W. Inglis Bradley, was employed in the Department. Who is he?—He is my son.
6. What were his duties?—The ordinary work of an extra clerk. He was employed in copying and such things of that kind.
7. He was employed in the Department?—He was in the Department a portion of the time.
8. Do you remember when he first entered upon his duties in the Department?—I think, June, 1882. He was there for four months.
9. Look at these accounts? I think there is a cheque dated June, 1883?—Yes, June, 1883.
10. Was he in the Department at that time?—He was.
11. You see those cheques for \$60 for each month's service run from 23rd June, 1884? Was he in the Department during the whole of that time?—Not the whole of that time.
12. When did he leave the Department?—About the 1st of October, 1883.
13. He left the Department then?—He left the Department at that time and up to the end of June, 1884.
14. Here is another lot of cheques?—Yes, he was in the Department in the month of June. He was in the Department four months comprising June, July, August and September, 1884.
15. Then where was he?—He was absent on leave.
16. Can you tell us where he was?—He was at Montreal those four months.
17. During what months was he at Montreal?—October, November, December and January.
18. Of what years?—1884-85.
19. He was in Montreal?—He was in Montreal on leave of absence.
20. What was he doing in Montreal?—He was going to school.
21. At a Medical College?—Yes.
22. At McGill College?—At McGill College.
23. Was he not at Toronto too?—He was at Toronto at this time.
24. How many months was he at Toronto?—Eight months. All this time from the 1st October, 1883, to 1st June, 1884.
25. Was he attending the University at Toronto?—He was.
26. As a medical student?—No.

27. What then?—In the Art School.

28. How does it come that he drew his pay from the Department during the twelve months that he was away?—He was on special leave of absence from the Hon. Mr. Pope.

29. He was on special leave of absence from the Hon. Mr. Pope?—Yes, on each occasion.

30. Is that customary?—No, I don't think it is.

31. For a Minister to give leave of absence to a clerk in the Department?—I cannot say about that. He had it in this case, and it was known to the other chief officers in the Department.

32. What were the peculiar circumstances that induced the Minister to grant this leave of absence?—I don't know any special reason for it.

33. Did you apply to the Minister yourself?—I think so.

34. To obtain leave of absence for your son?—I did.

35. And for his pay to run on?—Yes, sir.

36. And Mr. Pope consented to his being paid while he was not in the Department and when of no service?—He did, and it was known to the other chief officers of the Department.

37. Were you in the habit, when he was in Montreal or Toronto, of sending the cheques to him?—I think so. I would not be quite sure of that, but I think the cheques were sent by myself.

38. Here are the accounts. I see you make them out, or at least you certify, to them?—Yes.

39. Whose signature is that?—It is my son's.

40. What did you do when your son was in Montreal or Toronto. Did you forward the account to him for signature?—Either I or someone else did—it is most likely myself—for signature, with the cheque.

41. And it was returned then to the Department?—It was returned then to the Department.

42. How could you certify to an account for services as extra clerk during the month of October at \$2 per day, being \$62, as being correct, when you knew your son was away studying medicine either in Montreal or Toronto?—Because I had authority from the Minister.

43. That would not relieve you from responsibility as Secretary of the Department of Railways and Canals?—Well, I had his authority. I considered that quite sufficient.

44. But his authority would not allow you to certify to the account as being correct when you knew it was not correct?—I had his authority and I thought that was quite sufficient.

45. You knew this account was not correct?—I knew it was correct, because the Minister authorized it to be paid.

46. You go on the principle that whatever the Minister authorizes is correct?—I cannot go behind his words.

47. You solicited the Minister to do this?—I solicited the Minister for leave of absence.

48. And for his pay too?—Yes.

By Mr. Fraser :

49. Did you tell the Minister that he was going to college?—I did not tell him. I know he knew it.

50. How do you know if you did not speak to him?—I told him he was going to school. I took it for granted so.

51. Do you remember that you told him?—Yes.

52. The Minister is dead?—Yes.

53. Tell me whether or not you told the Minister he was going to college?—I can tell you this: I know the Minister was aware of his absence.

54. How do you know?—If you will turn to the debates in the House of Commons when a return was asked for on this question, he there says himself that he knew.

55. That he knew he was attending college?—He knew he was not attending in the Department.

56. I want you to say whether the Minister knew that he was attending college, getting his degree?—I fully believe he did.

57. What are the grounds of your belief?—One ground is, he knew he was not in the office, and the statement he made in Parliament some five or six years ago on this very matter.

58. What was the statement?—I do not remember the words.

59. During all the time this money was paid was Mr. Pope in charge?—He was.

60. It is customary to give leave of absence when one is sick?—Yes, certainly.

61. You say you would not swear that you mentioned to Mr. Pope that your son was attending college?—I believe I told the Minister, and I am satisfied he knew of it; but I cannot call to mind the very exact words he used.

62. What makes you satisfied he knew of it?—One thing is the remarks he made in the House of Commons when that return was asked for.

63. He did not say the son was in college?—No, he did not.

By Mr. Somerville:

64. At all events, you told Mr. Pope when you asked leave of absence for your son that you wanted to get the pay to go on while he was away?—That was clearly understood, that the pay was to go on while he was away, and he knew he was out of the city too. He knew that much, at all events.

65. You, as one of the principal officers of the Department, did you not have any compunction about asking for your son's pay to go on while he was not working for the country?—I had no compunction. I thought it was all right if the Minister approved of it, not otherwise. I would not do it on my own responsibility.

Mr. FOSTER—The explanation by Mr. Pope, as it appears in *Hansard*, was as follows: "The hon. member will find Bradley's name registered in the book on every day he worked in the Department, but he will not find his name registered there for every day when he worked for the Department outside."

66. Did your son work for the Department outside?—Not much, but some.

67. What did he do?—Copied some papers.

68. I mean at a distance from the Department?—No.

69. He never had any outside work from the Department?—No, except when he was home at Christmas time, when he worked some.

70. Your son was paid for one whole year—eight months at one time and four months at another—for services he never rendered?—Yes; but I say he had the permission of the Minister to be absent.

71. But there were no services rendered for this money?—There were for a portion of the time, when he was home at vacation time.

72. What services did he render for these cheques?—Of course he rendered service for some of these cheques.

73. You except some of them?—There were the Christmas holidays.

74. There was a cheque for the Christmas holidays?—Yes.

By Mr. Fraser:

75. Is there any method by which absences are entered in the books of the Department?—Well, for a time there were attendance books, but they were not kept regularly at all. For the last four or five years, however, all the attendances have been accurately recorded.

76. But the attendance book was not kept faithfully at this time?—No, it was not. There are several cases where the parties did not sign the book.

77. That was not by design to cover this particular case, was it?—By no means.

78. From that time is there anything in the books to show that this man was absent by consent of the Minister?—Nothing, except what the other chief clerks know, of their knowledge.

79. Was anything written to show that?—No, I do not think so. The only written statement that exists to my knowledge is that statement by the Minister.

80. Did the Deputy Minister know?—Yes, he did, and the Accountant.

By Mr. Somerville :

81. Here are the attendance books, you say that there are others absent, can you show me them?—(No answer.)

82. Did you sign the pay sheets in the Department during that time?—No. I find in these attendance books that there are several gaps there.

83. You did not think there was anything wrong about taking this money?—I had the consent of the Minister.

84. If the Minister had consented to allow your son to draw \$10,000, would that have been all right?—My son could not have earned that.

85. \$60 a month for a whole year?—My son could earn that.

86. But he did not earn it. He did not earn that any more than the other?—He had the permission of the Minister to draw the pay.

87. When did Mr. Pope become Minister of Railways?—He became acting Minister about the time Sir Charles Tupper left? I think in May, 1884.

88. And he was acting Minister then for about a year?—Yes.

89. That is before he became permanent Minister?—Yes.

90. Your son was paid at the rate of \$2 per day for 12 months?—Yes.

91. And he was away all that time?—Yes, in those two periods.

92. The amount would be about \$720?—Yes.

T. TRUDEAU called, sworn and examined :—

By Mr. Somerville :

93. What is your position in the Department?—Deputy Minister.

94. You were not present when Mr. Bradley gave his evidence a little while ago?—No, sir.

95. Mr. Bradley was giving evidence in regard to the payment to his son of \$60 a month for twelve months. He admitted that his son had been paid while he was not in the Department, but when he was in Montreal and Toronto at school, studying medicine and going through the arts course, and he stated that you, as Deputy, were aware of the fact that his son was drawing pay while he was rendering no services to the Government. Is that a fact?—No, sir.

96. It is not so?—No, sir.

97. You were not aware of that?—No, sir; I do not recollect it.

98. You know nothing about it?—No, sir.

99. Did Mr. Bradley not tell you at the time?—I have no recollection of that sort at all.

100. Did the Minister, the late Mr. Pope, tell you?—No, sir.

101. He did not?—No, sir.

102. Then you say distinctly you have no recollection of having had any conversation with Mr. Bradley in regard to this matter, or with the late Mr. Pope?—I have no recollection.

By the Chairman :

103. Nor with Sir Charles Tupper?—Nor with Sir Charles Tupper.

By Mr. Somerville :

104. You know nothing about it then?—No, sir.

By Mr. Skinner :

105. I did not understand Mr. Bradley to put it as strongly as Mr. Somerville has just put it in the question—that the matter had been talked over between you and Mr. Bradley or anyone else ; but what I understood him to say, was that you had a knowledge that the young man was away, and that his pay was going on all this time ?—That he was away ?

106. That he was away on leave ?—I did not follow the movements of the young man at all, sir. When those accounts were paid I thought they were right.

107. The question is whether you knew that—whether it was talked over—because there is no evidence of that kind ?—I cannot pretend to recollect that, sir.

By Mr. Somerville :

108. You say when these accounts were paid you thought they were correct ?—Yes, sir.

109. That services had been rendered for them ?—Yes, sir, not necessarily in the office, you know.

110. Whose duty was it to certify to these accounts ? Was it properly Mr. Bradley's duty ?—Mr. Bradley and the book-keeper.

111. I see every one of these accounts were certified to by Mr. Bradley. He was the proper officer to certify to them, was he ?—Yes, sir.

112. As Deputy had you any supervision over the work ?—No sir, I am responsible for the mechanism of the Department. There are a great many accounts presented before the Department and I have arranged all the machinery which leads up to their payment ; of course I am responsible for that, sir.

113. But you could not take account of every month ?—I do not go into every account ; it would be impossible.

114. You trust your officers to do their duty ?—Yes, sir. I am responsible for the mechanism—the arrangement.

By Mr. Foster :

115. Have you any recollection of knowing that this young Mr. Bradley was employed in the Department ?—Yes, sir, I recollect that.

116. You recollect he was employed ?—I do, sir.

117. Do you recollect that he was granted leave of absence ?—No, sir, I do not.

118. You do not recollect that he was granted leave of absence ?—No, sir.

119. Do you recollect any conversation between yourself and Mr. A. P. Bradley about the matter ?—No, sir, I cannot ; it is some five or six years ago.

120. Nor between yourself and the Minister ?—I am pretty sure the Minister never spoke, or it would have struck me.

By Mr. Somerville :

121. Do you recollect having your attention called to this matter when a motion was made in the House asking for a return ?—I knew of the return, sir, but I did not know there was anything irregular then.

122. When did you first learn there was anything irregular ?—This summer.

123. Since the House met ?—Yes, sir.

124. Whom did you learn it from ?—I learned it in the air, sir ; I heard it everywhere.

By Mr. Skinner :

125. Mr Bradley has been a long time in the Department, has he not ?—He has, sir.

126. You always found him a reliable, trustworthy man ?—Yes, sir.

127. You would have no hesitation in taking his word for anything ?—No, sir, not at all. I would take it now, sir. He is a valuable officer and trustworthy, and I found him up to the mark in everything.

By Mr. Somerville :

128. Still you do not endorse this transaction, do you?—No, sir, of course not.
 129. You think it would be wrong for Mr. Bradley to pay his son for one year when he was not in the Department at all?—I do, sir, yes.
 130. That would be decidedly wrong?—Yes, sir.
 131. Are you aware that has been done now?—Now?
 132. Are you aware his son was paid for a year's services which he did not perform, of your own knowledge?—No, sir, I do not; simply because Mr. Bradley says that it was so.
 133. You believe Mr. Bradley when he says that?—Yes, sir.

—o—

1st Session, 7th Parliament, 54 Victoria, 1891.

PUBLIC ACCOUNTS COMMITTEE.

REPORT and MINUTES of EVIDENCE *in re* certain payments made to W. Inglis Bradley by the Department of Railways and Canals.

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