



War Scandals

(2nd EDITION)

of the

Borden

Government

as told in the

House of Commons

and sworn to before

The Public Accounts

and other

Committees

1917

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WAR SCANDALS

The Story as Taken From the Records

That page of our history which tells of the outrageous war scandals perpetrated either with the connivance or through the gross negligence of the Borden Government should bring the blush of shame to every true citizen of Canada. When war broke out in August of 1914, and the determination of the German forces became clear, it was evident that no small contest was before the world, but that many years of preparation warranted the belief that a prolonged and desperate struggle would be waged.

The entry of Great Britain into the war appealed to her sons wherever found, and no heartier response to the call of duty was ever given than that of Canada. When in the special Session of the Canadian Parliament held in August, 1914, the great Liberal leader laid before the country the position he and all his followers were prepared to take in rallying to the support of the Government in whatever was found necessary to prosecute the War to a successful conclusion, he touched a chord that awakened a ready response in every Canadian heart. Sir Wilfrid Laurier and his supporters in that Session rendered and ever since have rendered all possible assistance, and throughout the Dominion, the people irrespective of party affiliations have in the most generous manner contributed in men, money and supplies to the cause of the Allies.

The Government was given an absolutely free hand in the conduct of the War. Every facility was afforded to enable Canada to make the most favorable contribution to the Great Cause. The utmost latitude compatible with careful administration was accorded to the Government, and in the hope that every effort would be made with an eye single to the main purpose, the people were inclined to repose the utmost confidence in Sir Robert Borden and his Colleagues.

It was absolutely clear from the outset that the probabilities pointed to a long and expensive contest. It was also known or should have been known to the Government that in this, as in other wars, parasites, profiteers and middlemen would swarm around the Departments to filch from the treasury every dollar they could get, and for which no equivalent would be given. Upon the Government was laid the grave responsibility of exercising the utmost care and vigilance for the protection of Canadian interests and in a particular sense guarding the honor of the

country. How the Government has discharged this responsibility is told in part in the following pages.

A Nation's Disgrace.

The record is an unenviable one for a country such as ours; it is a disgraceful one for any nation situated as we are in relation to the Empire and in connection with the tremendous struggle for human liberty which demanded of us as never before the exercise of those national virtues without which a country is a source of weakness rather than of strength to its allies. While Canada was paying the price of Empire in money and blood the vampires were gathering in the political horizon. All too early did they get full opportunity to gorge themselves at the expense of the harrassed taxpayers of the Dominion, while the national guardians stood idly by, or even aided this shameful situation. A riot of extravagance, graft, profiteering and political maggotty such as Cahada had never seen, and, let us hope, never will see again, followed the announcement of our participation in the War. Not only was the money of Canada wasted but absolutely no protection was afforded representatives of the British administration purchasing goods in this country. The British buyers were permitted to be fleeced by the same crew as was operating in the Dominion under various guises.

Interference, Intriguing, Partizanship by Cabinet Ministers Was Evident Early in the War

In the House of Commons on January 27th, 1917, Sir Sam Hughes read a letter which he had addressed to the Prime Minister, Sir Robert Borden, on May 13th, 1915 and which contained most serious accusations. Sir Sam accused his colleagues of intrigue, partizanship and holding back the Second Contingent for five months. This letter is as follows:—

Price of Goods Enhanced and Quality Inferior, Owing to Colleagues Interfering.

Ottawa, May 13th, 1915.

"Dear Sir Robert,

"Since my return from England last November, I have repeatedly notified you that owing to the interference and plans of the 'so-called' sub-committee and to the repeated hold-ups and needless obstruction

"of some of my colleagues in the affairs of this department, the Contract branch has been very much hampered and practically blockaded; "delays have been very prolonged; the cost has been greatly enhanced "and the goods supplied have been, in many cases, inferior. Indeed, "the MOST ARDENT AGENTS OF THE GERMAN GOVERNMENT "COULD SCARCELY HAVE BEEN MORE SUCCESSFUL IN HOLDING "UP THE PROPER EQUIPMENT OF OUR FORCES, HAD THEY BEEN "IN CONTROL.

Second Division Held in Canada five Months on Account Colleagues Hagging over the Question of Paying Commissions to Agents on the Sale of Motor Trucks.

"As one of many specific examples. Take the trucks for the "Second Division. They should have been ready last December, they "are not ready yet. Some of my colleagues constituted themselves "champions of this or that truck and brought about delays whereby "untried trucks would be purchased; high prices would be paid in "commissions to agents, and the Government, and the country, would "be treated practically as a retailer. My policy, as you may remember, "in this and in all other matters, was to force dealers to give the Govern- "ment wholesale, or manufacturers' rates.

Sir Robert Borden permitted Cabinet to Block Requisitions for Equipment until the Quarter- master-General Had Grown Sick.

"At the present time there are upwards of one hundred requisitions "that have long been in. The Quartermaster-General has over and "over and over again, until his heart has grown sick, brought them "before me, they have been promptly passed on to the Director of Con- "tracts, and the great majority of them, when passed on to the Privy "Council, have been held up in Council, or by the Treasury Board, "laid aside or sent back—but always delayed; while the Director of "Contracts and his officers have unceasingly been interfered with, "delayed, and given endless and unnecessary work by the sub- "committee.

A Shortage in Supplies and Equipment.

"I saw, by an article in the Free Press, that it is current everywhere "among the soldiers and officers, that they are short of nearly every "class of equipment and supplies. In fact, three times recently I "have been severely reproached about shortages in supplies and equip- "ment, by outsiders who had learned of these shortages from soldiers "and officers of the force.

"Further, to my surprise, I was spoken to in Montreal this week, "and informed that our Medical units going over were only half "equipped, while many of our combatant units are not properly "outfitted.

"In addition to the serious aspect of the case and from the view- "point of the efficiency of our soldiers, there is the disheartening side. "It is not only unfair to the gallant boys, who are giving and willingly "risking their lives for the cause, and making domestic sacrifices, but "it is absolutely unjust to me and my officers.

Interference Causing Injury and Inefficiency of the Canadian Soldiers.

"Therefore, as Minister of Militia, I must respectfully enter my

"protest, as I have frequently before entered it, at the interference
"and delays caused in all these things. It tends, not only to the injury
"and inefficiency of our soldiers, thus jeopardizing the success of
"British arms, but it must politically reflect seriously upon the Govern-
"ment.

Sub-Committee of Cabinet Given Contracts for Soldiers' Clothing to Manufacturers of Women's Underwear, Women's Blouses and Women's Corset-Makers.

"It is charged that the sub-committee have given contracts for
"soldiers' clothing to be made by jobbers, who sub-let them and never
"entered a stitch themselves. Women's linen underwear, women's
"blouse makers, women's corset makers and truss makers, have all
"been among these contractors.

"We believe, we are in a position in this department to truthfully
"say that there was never such a volume of business so successfully
"and economically transacted, or under such an efficient system of
"purchase and inspection, as had been developed by us up to the time
"when I went to Europe, and when the sub-committee took control."

"I feel very fortunate in having under me officers, both civil and
"military, in all the leading departments, in whom I can place absolute
"trust. They have done nobly, under very adverse surroundings,
"and I can conceive of no plan by which the work could have been
"more honestly, economically and effectively done, than was ours."

"I regret to have to submit these facts once more, but in justice
"both to myself, as well as to the splendid gallant soldiers we are
"endeavouring to equip for the front, I must ask your serious con-
"sideration of these matters."

"I have but one desire, the upbuilding of Canada, the Empire and
"humanity."

"Let me hope that you will regard this letter as written with due
"respect to myself, to my country, to you, as my leader, and in justice
"to our soldiers."

Faithfully,
(Sgd.) Sam Hughes."

Were there ever more serious charges made than those made by the Ex-Minister against his colleagues? A few weeks delay in the supplying of this equipment may have cost our soldiers thousands of lives. Trucks which should have been ready in December, 1914, were not ready on May 13th, 1915, due to the fact that Ministers of the Crown could not determine the sort of truck to purchase or the commission which should be paid to agents. Necessary equipment for the soldiers had been held up for months. In short if German agents had been in control they could not have been more successful in holding up these supplies than this sub-committee of the Council.

We ask if this whole thing is not too horrible to intelligently conceive of, and we also ask if this is an example of the mismanagement that has been going on from the time Canadian soldiers first started to enlist? Surely these accusations are worthy of the most serious and thorough investigation.

It is such conditions as outlined in this letter that we shall expose in these pages. It is a record that should be read

by every Canadian, regardless of party. It is an indictment of our national honor, a charge against our national integrity that we should all resolve shall never again be made possible in this or any generation.

When this story has been unfolded to the people of Canada those who have passed through the trials, sufferings and heart breaking experiences which war entails, will in no uncertain tone express their opinion of an administration so regardless of common decency and honor in the management of public affairs.

At the outbreak of the War Sir Robert Borden was Prime Minister, General Sam Hughes, Minister of Militia and Defence, Hon. J. D. Hazen, Minister of Naval Defence and Hon. Thos. White, Minister of Finance.

On these four ministers devolved chiefly the task of war administration, but at the same time it is clearly understood that the other members of the ministry are not absolved from responsibility. They too must share the heavy burden irksome though it be. Cabinet responsibility in this country is established.

The machinery at the disposal of the Government for careful and honest administration is sufficient if properly utilized, to prevent extravagance, imposition or fraud, and if the safeguards which through many years have been adopted from time to time to protect the treasury had been observed millions of dollars, even though a war was on our hands, would have been saved. It is evident, however, that in the early stages of the war safeguards were cast aside, regulations ignored and statutes forsaken, and the door thrown open to all kinds of adventurers, grafters and middlemen.

The Government Started Wrong.

The first surprising intimation in regard to the war purchases came from the Auditor General the statutory guardian of the treasury who, when writing to the Militia Department on December 4th, 1914, complained that war goods amounting to over \$1,000,000 had been purchased without orders-in-council as required by Law.

Before the Public Accounts Committee on March 17th, 1915, the Auditor General in explanation of this letter, stated, "The Government purchasing system was loose, irregular and illegal, that the practice was contrary to regulations and even more than that they were not in compliance with the Act.

Everything by Patronage.

Subsequently the Director of contracts in the Militia Department appeared before the Public Accounts Committee and

on April 9th, 1915, stated:

"From 1906 to 1911 there was not very much in the way of a patronage list; I was given a pretty free hand and I bought without much reference to any patronage list—There is now a patronage list. We buy from that list—It is a very large list now.—I suppose we have 8,000 names on that list."

This is the statement of the Director of Contracts in the Militia Department whose sworn evidence on this point must be taken as correct.

Notwithstanding this, however, Parliament had presented to it in the dying hours of the Session of 1915 the sorry spectacle of Major General Sir Sam Hughes the then Minister of Militia stating, regardless of this fact and in his bumptious manner that there was no patronage list in his Department.

The evidence produced was overwhelming that there was a very large patronage list in the Department, and that this list was used on all suitable occasions. Not only was it used but in many cases middlemen were employed and each in his respective case drew his blood money. One instance may be cited from the evidence before the Public Accounts Committee given on March 23rd, 1915, by Mr. W. J. Shaver, representative of Bauer & Black, of Chicago, manufacturers of Surgical Dressings, who swore as follows:

"I saw Colonel Jones, an officer of the Militia Department. He said that the Government would not do business direct with our company. We were prepared to do business direct if the Government saw fit to do business with us as we do in other countries. The prices we charged Powell (the middlemen who added \$9,000 profit) are the prices we charge the French, British or Russian Governments for hundreds of carloads of goods."

The facts in regard to scandals as contained in the following pages are taken from the records of the Government or from the sworn evidence of the Public Accounts and other Committees.

Horses

The story of the purchase of horses for the first and subsequent Canadian contingents has oft been referred to in the House of Commons, in the Public Accounts Committee and in the Press. It furnishes a glaring sample of what partisanship and party heelers can accomplish in the way of grafting and misappropriation of public funds.

At the outbreak of war the Government arranged to purchase horses.

8,164 were purchased for the first contingent.

398 were taken from the permanent corps in Canada.

Making a total of 8,562 horses assembled at Valcartier for this

contingent. Before the soldiers left for overseas service which was less than three weeks after these horses were assembled at Valcartier, out of a total of 8,562 horses, only 7,911 were considered fit to ship to England.

Of these misfits 651 horses purchased by "friends of the government" had died at Valcartier or were left behind by the First Contingent as undesirable.

Other horses failed to stand the journey across the ocean.

And others on reaching England were discarded and slaughtered immediately on disembarking.

Of the 7,911 horses which left Canada for England with the first contingent it is known that when the unfit ones in England had been weeded out only 6,700 remained fit for service.

We quote herewith from the official Hansard of the British House of Commons March 10th, 1915, page 1406, the question that was asked in regard to Canadian horses, and also the reply which was made by Mr. Tennant, under-Secretary of State:—

"Mr. Rendall asked the Under-Secretary of State for War whether he is aware that the Remount Department of the War Office have for some time sanctioned a slaughter house for horses in a wooden building alongside the main road from Avonmouth to Shirehampton; whether he is aware that the stench from the carcasses of the dead horses is continuous and penetrates a considerable distance, and makes the use of the road and foot-path impossible without breathing an atmosphere which is dangerous to health; whether he is aware that there has been an epidemic of throat complaints at Avonmouth, especially among the school children who have to pass and repass within a foot or two of the slaughter-house daily; and can he arrange for the removal of the slaughter-house to a spot much further removed from the public foot-path and highway?

"Mr. Tennant: The slaughter-house referred to, which is a temporary structure, had to be erected near a good road with as little delay as possible for the reception of horses destroyed on disembarkation from Canada. It is 150 yards away from the nearest dwelling house, and every effort is being made to keep it sanitary. Arrangements are in progress for building a road to a more suitable situation some distance from the main road."

The achievements of the Borden Government in the purchase of horses must have left a strong odoriferous impression on the British people.

\$302,575.00 Lost in the Purchase of Horses.

The weeding out of these undesirables disposed of 1,862 horses. The Militia Department has informed the Government that horses purchased for this first contingent cost on an average \$162.50. At this rate the country suffered a loss of \$302,575.00.

The Arch-politicians of horse purchasers seem to be Mr. A. Dewitt Foster, ex-M.P., for Kings County, N.S., and Mr. R. J. Fallis, ex-M.P.P. for Peel County, Ontario.

Mr. Foster at the outbreak of war surrounded himself with some American gentlemen and also some close personal political friends of Kings County, N.S. to purchase horses. The Government placed at his disposal a large sum of money for this purpose. Mr. Foster signed the Government cheques in blank and handed them to the Secretary of the Conservative Association of Kings County to fill in amounts and the number of horses purchased. Political friends of Mr. Foster's took advantage of the opportunity, the lame, the halt and the blind horses were accepted. Here are some of the sample purchases:—

A knee sprung horse was sold to the Government for \$150.

A bone spavined horse was sold for \$100.

The Dark Bay Mare too old for the South African War was now sold to the Government for \$130.

A sorrel horse which was knee sprung and which a short time before was traded for a drake and two ducks was sold for \$90.

An eighteen year old horse which was not worth wintering and was going to be killed unless it was grabbed up by these politicians.

The Abner Woodworth horse, 15 years old costing \$50 was now sold for \$130.

At Berwick a horse was sold for \$100 which had two spavins and one hip down.

At Somerset, N.S., a horse that fell down and could not rise without assistance was purchased at \$165.

Another horse, eleven years old and badly puffed was sold for \$160.

Another horse which had been purchased six years before at \$55 was sold for \$180.

They were all purchased through the agency of Mr. Dewitt Foster.

There is evidence that not only were poor horses purchased but exorbitant prices paid and that even at this the Government were charged higher prices than the purchasers got.

Somebody Grafted.

When these horse purchases were being investigated by

Commissioner Sir Charles Davidson he remarked:

"The price paid for the horses did not equal the amounts placed in the hands of the horse buyers."

So outrageous was the conduct of the parties entrusted with the purchase of horses in King's County that the Premier was compelled to state in the House of Commons on April 15th, 1915, that:

"Mr. Foster was appointed as purchasing agent without the knowledge or consent or approval of any member of the Government. I knew nothing of it or I should certainly have absolutely prevented his undertaking any such duties. The Minister of Militia knew nothing of it."

Here the Prime Minister of Canada admits that a Conservative member of Parliament was enabled to take \$72,000 out of a Department to squander, in the pretence of buying horses, and that neither he (the Prime Minister) nor any of his colleagues knew anything about it. Not only was this unheard of liberty permitted, but to this day the Prime Minister has not compelled Mr. Dewitt Foster to file a statement as to how this money was spent. He simply went through the form of reading Mr. Foster out of the House after the glaring exposure could not be overlooked.

The Purchase of Horses in Ontario.

The purchase of horses in Peel County was little better. Mr. R. J. Fallis M.P.P. by some means, probably Mr. Richard Blain, M.P. for Peel can say, was placed in a position by the Government whereby all horses for sale in that locality had to pass through his hands. The evidence is convincing that poor horses in this case were also accepted, but evidence just as strong establishes that the middleman, Mr. Fallis, demanded his pound of flesh for every horse purchased. So much in fact was this the case that Sir Charles Davidson was constrained to remark **"So the farmer got less and the Government paid more for horses as a result of your intervention."** Fallis admitted that such was correct. When the electors of Peel County had an opportunity shortly after to deal with Mr. Fallis they lost no time in rejecting him.

Quebec Horses.

The only other horse transaction, investigated was in connection with the purchase of horses at Sherbrooke, Quebec where Major Fletcher, one of the horse buyers, purchased three splendidly bred Clydesdale mares in foal, for \$250, \$225, and \$190 respectively and when he had brought these mares to his farm he exchanged them and gave to the Government three

geldings instead. The exchange was certainly worth hundreds of dollars to Major Fletcher and for which the Government did not get a cent, and so far as known have done nothing to recover the amount lost.

Taking these purchases as a sample of the way the Government were handling the purchase of horses through the Dominion it would appear that the half has not yet been told and that the losses to the country as between the prices paid to the farmer and the prices charged by the Government are enormous.

Oliver Equipment

Every soldier before going into the trenches is supplied with an equipment which can best be described as a sort of harness which is so made as to go over his shoulders and strapped around his body. This equipment contains pockets and pouches, a water bottle, cups etc., a place for his blankets, in fact a soldier's full marching equipment, and is fitted in such a manner as to not interfere with his movements when marching and firing his rifle.

The Canadian soldiers have been supplied with what is known as the Oliver Equipment which is a sort of hybrid equipment parts of which are made of canvas and other parts of leather. The British War Office early in the War selected as their standard equipment what is known as the Webb, and all of the British, Belgian and Russian soldiers are supplied with this Webb equipment.

When war was declared the manufacture of this Webb equipment who resides in Worcester, Mass., met General Sir Sam Hughes and some officials of the Militia Department and pointed out to them that as the British Government had adopted the Webb the Canadian Government should adopt the same equipment. This manufacturing Company from Worcester, Mass., gave full details of what they were prepared to do and went so far as to say that if they were given a substantial order they would come to Canada, establish a plant and manufacture this Webb equipment in Canada. They were informed by General Sir Sam Hughes that the matter would be given consideration.

The manufacturer returned to Worcester, and later received word to proceed to New York to discuss an order for Webb equipment for the Canadian Government. Much to his surprise on reaching New York he found that negotiations were to be carried on by the J. Wesley Allison combination. Being anxious to secure this business the manufacturer consented, and after details had been gone into they were given a small order for this Webb equipment. The price to be paid was \$4.40 per set

the manufacturers were instructed to ship the goods direct to Ottawa, but to send the bills to the office of J. Wesley Allison, the Manhattan Hotel, New York.

Allison Crowd Were to Get Commission of \$1.10 Per Set.

The work was proceeded with and in a short time a shipment of these Webb equipments were made and the bills sent as directed. In due time the second shipment was ready, but the manufacturer not having been paid for his first shipment and not feeling any too secure in looking to the Allison crowd for payment had a representative come to Ottawa to look into the matter. This representative on reaching Ottawa discovered, much to his surprise, that the Government was being charged \$5.50 for this Webb Equipment and not \$4.40 the price the manufacturer was charging Allison and his crowd.

Cabinet Ministers Powerless.

The representative of this manufacturing company protested. The matter was eventually brought to the attention of Sir Thomas White, Minister of Finance, Hon. Mr. Doherty, Minister of Justice and Hon. Arthur Meighen, Solicitor General, but without success, as these gentlemen stated they were powerless to act in the matter. The representative then informed the Government that in view of this exorbitant Middleman's price which was being charged the Government, his Company would be compelled to in future either deal direct with the Government or cancel the order. They were then informed that there did not appear any other way to proceed except in the way already outlined. The manufacturers, at once, told the Government they could not deliver the goods under these conditions and immediately cancelled the order.

The Government not being willing to buy this Webb equipment except through Allison and his gang in New York, proceeded to purchase from other manufacturers who were making what is known as the Oliver Equipment. Thousands and thousands of these Oliver Equipments have been thus manufactured and purchased by the Canadian Government. The price charged for the first year of the war was \$6.75 and \$7.25 a set. Why such an exorbitant price was paid nobody knows. On leaving Canada the soldiers were equipped with this Oliver equipment. They used it in England for training purposes, but before the Canadian soldiers left England for France the Oliver equipment was discarded and the Webb equipment supplied by the British Government was given to the Canadian soldiers instead.

The Price of Every Oliver Equipment Lost.

Thus the summing up of the whole story is that the Canadian

Government refuses to purchase the Webb Equipment because the manufacturers would not permit J. Wesley Allison to take his blood toll of \$1.10 per set. The Canadian Government went ahead and supplied the soldiers with an equipment which costs not \$4.40, but \$6.75 and \$7.25 a set. The soldiers are sent to England. The Oliver equipment changed for the Webb, and when the British Government renders their bill to the Canadian Government for the care, maintenance and equipment of our soldiers in Great Britain the price for these Webb equipments will be included. Thus through the stupidity of our Canadian Government and their endeavor to play into Allison's hands, a double equipment has been purchased and will have to be paid for.

There is Evidence of Graft.

To-day there is in the hands of the Liberal leaders affidavits showing that commissions have been paid by one of the manufacturers of this Oliver equipment to a person closely associated with a Member of the Conservative Party. This may explain why thousands and thousands of dollars have been squandered on this Oliver Equipment.

Boots

The story of supplying boots to the Canadian soldiers at the commencement of the War is a disgraceful one, but quite in keeping with the other scandals of the Borden Government.

8,000 or more "good boys" had to be placed on the patronage list of the Militia Department and naturally out of this number some were boot manufacturers. When the Government wanted boots for the soldiers they applied to these manufacturers and also to middlemen. The boots were made and sold to the Government, but at the investigation which followed it was proven that not only was the leather bad, but in some cases **cardboard was substituted for leather for these boots**. All sorts of tricks were resorted to in connection with the soles and heels. Pieces were glued together and covered up with varnish and a hundred other means of deceiving the inspectors, with the result that when the Department were compelled to appoint a Commission to investigate these shoes, the Commission reported that:

"That the boot was of unsuitable shape and make and that the leather contained no water-resisting medium:

"That the heels and soles are unprotected and sole-fitting is often poor quality:

"That the boot was unsuitable for the soldiers and for that particular work for which they were provided, because:

"(a) "The shape is such that the average foot has not room for the free movement of the toes and is thus not suitable for marching:

(b) "The leather is dry, containing no grease, and consequently quickly absorbs the waters:

(c) "Soles and heels not being re-inforced with metal, soon wear down, especially when wet."

The middlemen also got their innings. In Winnipeg a senior ordnance officer purchased 3,798 pairs of boots. They had been manufactured in Ontario and Quebec at from \$3.40 to \$3.60 per pair who sold to the Government for \$4.00 per pair.

What has Sir Herbert Ames to Say About This?

Quarter-Master Sergeant Wainwright of the 31st Battalion Calgary, before the Special Boot Committee describes the boots as too light and flimsy. Out of the 1,093 pairs of boots that came under his inspection not one dozen pairs were good. All the pairs that he examined and found defective he said that the largest percentage were made by the **Gauthier Company of Quebec, and Ames, Holden and McCready Co., of Montreal.** The boots were so bad that in some cases the soldiers discarded them and tied shingles to their feet. At Halifax the soldiers tied canvas bags to the soles of their boots so as to prevent their feet from coming through to the ground. Evidence proved that the health of the men had been effected on account of the poor quality of the boots supplied them and some had contracted heavy colds and had become tubercular.

When this was all proven and the facts shown to the Country, the Conservative members on the Boot Commission had the boldness to force through by brute majority a whitewashing report.

Binoculars

In the purchase of binoculars the full effect of the Tory patronage system with its ever present middlemen was proven most conclusively.

The Government could not or would not go direct to the manufacturer. Their friends had to be soothed. With the unfortunate middleman and his enormous profits, binoculars which originally sold for \$9.00, \$15.00, \$25.00 and \$28.00 cost the Government from \$41.00 to \$58.00. The channell for pur-

chasing binoculars was narrow but the profits big. The story is a sad one.

Six Middlemen.

Bausch & Lomb of New York the original makers and importers sold to Milton Harris a New York broker. Mr. Harris sold to Mr. Bilsky a reputable Ottawa jeweller. Bilsky offered to sell to the Government all the binoculars they wanted of standard make, at \$45.00 each, but he had no chance to do business with the Government because he was a Liberal. Mr. Bilsky sold to Mr. T. M. Birkett a son of a former Conservative M.P. from Ottawa.

Mr. Birkett sold to Sam Hughes' "Good Boys" namely P. W. Ellis & Co of Toronto who sold to the Government after charging a 10% commission for handling the goods and Sir Sam said that he was very sorry that he had not allowed these "Good Boys" P. W. Ellis Co., a 20% profit.

Thus it will be seen that from the manufacturer to the dealer **six middlemen received their blood toll.**

But that is not the worst feature. The binoculars were not of a stipulated quality. They were for the use of Canadian officers and on the accuracy and power of the glasses might easily depend the lives of whole companies of Canadian soldiers. If an officer is furnished a poor binoculars, which is worse than nothing, the soldier suffers. **In this case however, the soldier was given the second consideration and the middleman had the preference.**

Read the report which was passed by the Public Accounts Committee and presented to the House of Commons which is as follows:

"From the evidence it appears a number of binocular glasses were of poor quality, low range and inferior efficiency, but passed inspection and were paid for at excessive prices; and this was due to misrepresentation and inadequate inspection."

Motor Trucks

The purchase of motor trucks for the various contingents of the Overseas Forces reeks with graft, middlemen's profits, commissions and delays which were in evidence even before the war broke out. The channels for corrupt practice seemed to be well opened in the Militia Department, where we find that a gentleman by the name of Mr. J. H. McQuarrie **had been selling his influence** with Sir Sam Hughes in order that the might get an order from the Militia Department for motor

trucks. Here is a copy of the receipt which Mr. McQuarrie gave when selling his influence:

"Received from Wylie Limited on April 22nd, 1912, \$1,200, for my influence with Col. Sam. Hughes, Minister of Department of Militia and Defence in securing from the Department an order for three Gramm Motor Trucks. This is in accordance with agreement with your company, February 19th, 1912.

(Signed) J. H. McQuarrie."

And it will be noted that when War broke out and the Government wanted to purchase a great number of motor trucks for the army this same **Mr. McQuarrie who was the protege and political henchman** of Sir Sam Hughes was called to the Department and practically given control of the purchase of these motor trucks.

Read the letter which Sir Sam Hughes gave to McQuarrie and his partner on that occasion:

"Dear Sirs:—I have pleasure in commissioning you to select for me, for the Department of Militia and Defence, using your best judgment, as many motor trucks as you can conveniently secure, up to twenty-five (25) to be delivered at Valcartier, Quebec, by the end of two weeks from to-day—the 28th instant.

I shall be obliged if you will also supply us with chauffeurs for these trucks.

Faithfully,

(Signed) Sam Hughes."

But the worst was yet to come.

The Liberal Members in the House of Commons in the Public Accounts Committee exposed this man McQuarrie and the selling of his influence, and it must be fairly admitted that the amount of money to be expended on motor trucks for the War was too large to permit Sir Sam and his close friends to have full say as to who should, and who should not get commissions when purchasing these motor trucks. The other Members of the Borden Government evidently interfered with this to such an extent as to annoy Sir Sam with the result that on May 13th, 1915, Sir Sam wrote Sir Robert Borden as follows:

"Take the trucks for the Second Division. They should have been ready last December, they are not ready yet. Some of my colleagues constituted themselves champions of this or that truck and brought about delays whereby untried trucks would be purchased; high prices would be paid in commissions to agents, and the Government, and the country, would be treated practically as a retailer."

And to this day no member of the Government has attempted to deny what Sir Sam stated on that occasion. We know, according to statements of Sir Robert Borden and Sir Sam

Hughes in the House of Commons that these motor trucks have been discarded on reaching England and not permitted to go across into France, a loss to the country of hundreds of thousands of dollars.

Ross Rifle

Much has been written and stated in regard to the Ross Rifle. No better summing up of the whole situation can be given than the statement which was made by the Hon. Frank Oliver in the House of Commons on Monday, February 5th, 1917 in the following words:

"After we, Canada, have paid to the amount of \$6,500,000 for Ross Rifles made in Canada, not one battalion, not one platoon of Canadian troops at the front is armed with that rifle, after two and a half years of war.

"The question of the furnishing of our troops with what is called small arms, with rifles, is the most important question with which we have to deal; but we are dealing to-day with a vote of \$500,000,000 appropriated in bulk for expenditure by this Government, for the support of Canada's part in the war, and on the most vital point in all this vast expenditure. We find the result that I have already stated, that we have spent \$6,500,000 and we practically have not a rifle in the firing line, and we are being called upon to-night to vote, if my hon. friend presses his motion, to pay \$2,660,000 for rifles that are not yet manufactured and that will never see the front after they are manufactured. This is a far reaching matter. If such is the record of the Government on this the most important feature connected with the war so far as we are concerned, what are we to believe in regard to the other phases which involve the whole of this stupendous expenditure?

The incompetency exhibited by the Government in the handling of this rifle, the forcing of it upon the soldiers in the trenches, the thousands of men who have been killed from the result of this is a serious matter and one for which the Government will be brought sternly to account.

Cancelled Order for a Rejected Rifle Because Delivers Were to Slow.

And now the Government have cancelled the contract and the reason given for so-doing was "that the Ross Company

are not delivering these rejected Ross Rifles fast enough." Just think of it had the Ross Rifle been delivered faster the contract would have gone on.

Clinical Thermometers

At the outbreak of war the Militia Department bought from Mr. T. A. Brownlee, Druggist in Ottawa, 962 clinical thermometers. Mr. Brownlee charged \$1.00 each for these thermometers and received a cheque from the Government on August 21st, 1914 for \$702 and on October 29th, 1914 for the \$260.

The case was so brazen and the charges so exorbitant that the story of these purchases created considerable comment. On February 10th Mr. William Chisholm, Liberal M.P. for Antigonish N.S. asked for details in regard to the purchase of these clinical thermometers and was told that \$1.00 each had been paid but that subsequently Mr. Brownlee discovered an error in his charge and refunded half of this money, making the net price of these thermometers .50 each.

Mr. Chisholm pressed his question and elicited the further information that Mr. Brownlee only discovered the error and only made the refund on February 11th the next day after Mr. Chisholm had originally made enquiry in the House in regard to this purchase. Matters were becoming warm and Mr. Brownlee evidently decided that it was time to disgorge.

In addition to this transaction Mr. Brownlee supplied the Government with over \$25,000 worth of orders. One order for medicine boxes amounting to \$12,750. No tenders were asked, no competition sought, the Government simply ordered the goods and Mr. Brownlee filled in the price.

Later on when the Government were forced to buy these medical boxes direct from the wholesale dealers it was found that they could be purchased for fifty percent less than charged by Mr. Brownlee.

Field dressings

Field dressings, bandages, lints, salves etc. for wounded Canadian soldiers had to pay the usual blood toil.

They had to be purchased through a Tory middleman. This middleman was at first supposed to be a young man by the name of Powell in the employ of Mr. W. F. Garland, ex-M.P. for Carleton County, Ont., but it was afterwards discovered that the real culprit was Mr. Garland himself who was reaping the profit, practically selling the goods to the Government although under the Independence of Parliament Act. A member of

Parliament is absolutely prohibited from doing this. The result was that after the exposure, but not before, Mr. Garland was compelled to resign his seat as member of the House of Commons. The manufacturers of these field dressings, Messrs. Bauer and Black wanted and expected to do the business direct with the Government, the same as this firm have always done with all the Government in the World. But they could not do the business direct. They were told so according to the evidence of their representative, Mr. Shaver before the Public Accounts Committee on March 23rd, 1915, who stated as follows:

"We were prepared to do business direct if the Government saw fit to do business with us as we do in other countries."

"I went to see Colonel Jones, of the Militia Department and he said that the Government would not do business direct with our Company."

The Public Accounts Committee after investigating this matter on March 26th passed the following resolutions:

"The Committee begs to report to the House the evidence adduced in respect to the contract for supplies purchased from Mr. E. Powell and to express its opinion that the contracts for such supplies do not appear to have fully protected the public interests; and the committee therefore recommend that the evidence adduced and all papers connected with the matter should be referred by the House to the Department of Justice for any further necessary investigation and for the recovery of any moneys overpaid and the taking of such further action as may be warranted by the facts."

Other Drugs and Medical Supplies

Mr. Garland was not the only druggist in Canada. The young Nationalist member, Mr. Albert Sevigny, then Deputy Speaker of the House of Commons, now Minister of Inland Revenue of the Borden Government, had a sister by the name of Mde. G. P. Plamondon of Quebec, the owner of a drug store.

This Nationalist member who in 1911 would not permit of Canada taking any part in Britain's wars could in 1914 recommend that his sister Mdme. Plamondon be permitted to sell war drugs and war medical supplies to the Government. The bill amounted to approximately \$23,200.

The various items were investigated before the Public Accounts Committee. It was shown that the profit on these goods to Mdme. Plamondon varied from 70% to 200% and even

in some cases to 300%. When figuring these percentages an allowance was made for any increase of prices owing to the war.

Before the Public Accounts Committee Mdme. Plamondon stated that her brother, Mr. Sevigny had got her name placed upon the Government patronage list and Mr. Sevigny also stated that he had asked that the payment for these accounts be expedited.

Submarines

One of the first actions of the Borden Government in connection with the War was to purchase two submarines for the defence of our Pacific Coast.

Coast was Unprotected.

The coast was entirely without protection because there was no Canadian Navy to protect it, one of the armed cruisers which had been purchased from the British Government by the Laurier Government having been dismantled by the Borden Government. It was known that there was a squadron of German cruisers in South American waters that might easily make a dash for Victoria, Vancouver and Prince Rupert before British or Japanese warships in the Pacific could head them off.

Thus, at the very outbreak of hostilities, actual war demonstrated to the Canadian people the need of a Canadian navy in Canadian waters, to protect Canadian coasts and Canadian shipping.

Boats Rejected as no Good.

It was under these circumstances that the Borden Government undertook to make up for the lack of a Canadian Navy by going to Seattle where they purchased two submarines which had been built by the Electric Boat Company of New Jersey for the Chilean Government but were rejected by the Naval Commission of the Chilean Government, **as being unfit for service**, lacking buoyancy and considerably out of date as to style and pattern.

The following is an extract from a statement which Capt. Plaza, Chairman of the Chilean Naval Commission, gave to the Press, and which was published in the Seattle Sunday Times of July 26, 1914.—

"I can only confirm the report you have, that the two submarines built here for my government have not been accepted and that at this time they do not meet the full requirements of the contract between the Government of Chile and the Electric Boat Com-

pany of New Jersey."

Commenting on this statement by the Chilean expert, the Seattle Times said:

"It is apparent however, that aside from the discovery that the two submarines lack the proper buoyancy to make certain their safety and efficiency, they are considerably out of date as to style and pattern. They were designed several years ago, and, it is known they do not compare with the type of submarines now building here and elsewhere for the United States Government. In fact, it is understood, were the two submarines satisfactory in point of safety and efficiency, they would scarcely measure up in standards of destructive power, speed and other requirements to the submarines recently built or on the ways in various ship yards of the country."

An Enormous Price Paid.

The contract price which the Chilean Government agreed to pay for these boats when completed, on or about August 1st, 1914, was \$818,000 as ascertained when Sir Charles Davidson investigated at Victoria the purchase of submarines. The Canadian Government stepped in and with the aid of Sir Richard McBride paid not the contract price \$818,000 for these boats, but \$1,150,000 or an increase of \$332,000, for a pair of "rejected," "out of date as to style and pattern" and "lacking buoyancy" submarines. The Government undertook to make no defence of this transaction, simply stating that Sir Richard McBride had acted in the matter and that he had to be reimbursed to the extent of \$1,150,000.

How was the money paid?

Before the Public Accounts Committee March 31st, 1915, the Auditor General swore that three drafts were drawn as follows:

No. 15862 on the Canadian Bank of Commerce, N.Y.....	\$500,000.00
No. 15883 on the Canadian Bank of Commerce, N.Y.....	399,437.00
No. 84894 on the Canadian Bank of Commerce, Seattle.....	249,961.00

Two of these drafts aggregating \$900,000, went to New York where the boats were built, and \$250,000 remained in Seattle. This \$250,000 was made payable to J. V. Patterson, the gentleman who negotiated the sale. Notwithstanding the fact that Sir Charles Davidson has exonerated the Government from any wrong-doing in this matter does it look reasonable that the whole of this \$250,000 should remain in Seattle?

Purchase of Revolvers and Pistols by the Militia Department

At the outbreak of the War the Militia Department required a lot of revolvers and pistols. At that time Sir Sam Hughes' handy man, "guide, counsellor and friend J. Wesley Allison" was authorized to purchase these articles. He proceeded with the work and in due time delivery was made but much to the surprise of the Auditor General the price paid was exorbitant. The Auditor General knew perfectly well that \$18.50 for these automatic pistols was excessive, and consequently opened up negotiations with the Department of Militia to ascertain why such prices were paid. The Auditor General first satisfied himself that \$14.00, was a fair price, and one at which any retailer in Canada could purchase the pistols. He also ascertained that the New York State Government were buying thousands of these very same pistols at \$14.00 each. The whole matter was referred to Sir Charles Davidson. On January 3rd, 1916, Gen. Sir Sam Hughes appeared before Sir Charles Davidson and made the following statement:

"I may say that the British Government and the Canadian Government as well, are in every sense under a deep obligation to Colonel Allison for his services. He never charged one cent yet for the transfer of thousands and tens of thousands of dollars worth of stuff across the river. I do not know how he did it, but I know that it was done, and he has never rendered his bill yet, so that anything he had done has been a labour of love."

The same date J. Wesley Allison gave evidence under oath and the following is a pertinent extract from the evidence taken:

Q.—Or are you the agent of any Company who sold any revolvers or pistols to the Canadian Government?

A.—No.

Q.—Did you profit by way of commission on any revolvers or pistols that were sold to the Canadian Government or to the Department of Militia and Defence? A.—No, sir.

Q.—Not in any way? A.—No.

Q.—Neither directly or indirectly? A.—No.

These two ordinary statements would make any ordinary person believe that Allison did not receive any commission for negotiating for these pistols. The pistols were bought from the Colts Patent Fire Arms Manufacturing Co., of Hartford, Conn., Mr. Samuel M. Stone who is Vice-President of this Company happened to be in Ottawa on February 13th, 1916, and Com-

missioner Sir Charles Davidson took this opportunity of putting him under oath and asking him a few questions. The following is an extract from this evidence:

Sir Charles Davidson:—In connection specifically with these purchases (pistols and revolvers?)

Mr. Stone:—We have given to Colonel Allison sums of money for his general services.

Mr. Charles Davidson:—In connection with government work?

Mr. Stone:—In connection with government work at large.

Sir Charles Davidson:—Define what you mean by the words "at large."?

Mr. Stone:—Throughout Europe and this continent.

Later on Sir Charles Davidson asked:

Sir Charles Davidson:—Had he (Colonel Allison) anything to do with securing for your Company these contracts with the Canadian Government?

Mr. Stone:—As I explained at the outset, Colonel Allison was used largely by the Canadian Government as a means of assisting them in getting arms. **COLONEL ALLISON WAS SUGGESTED TO US FOR THAT PURPOSE AT THE OUT-START.**

Thus we find that Allison as usual received the blood money for purchasing these pistols and with the full consent and authority of Sir Sam Hughes, Minister of Militia and Defence.

Morrisburg Customs Port Thrown Open.

**Minister of Customs Tells One Story, Sworn
Evidence Proves the Contrary.**

If there is one man in Canada who holds an unenviable reputation it is J. W. Wesley Allison, in fact wherever his name appears one immediately inhales the gas of graft and corruption and middlemen's profits.

At the outbreak of War he was taken up by Sir Sam Hughes as his "confidential friend, counsellor and guide," he was in fact the right-hand man of the Minister of Militia. Anything that the Department wanted to purchase Col. J. Wesley Allison was the man to purchase it, and to this day, and in this pamphlet there is no evidence to prove that J. Wesley Allison ever bought 5c worth of material for the Government that he did not take his blood toll.

Customs Port Wide Open.

One of the worst scandals of the whole action of the Government in this matter was the throwing wide open of the port of Customs at Morrisburg to permit Allison and his gang to bring in thousands and thousands of pounds of truck either for or which he was trying to sell to the Canadian Government. Evidence before the Public Accounts Committee in March 1916 proved conclusively that Allison brought in military clothes, uniforms and boots and shoes, and that he had a suite of rooms in Morrisburg for the purpose of changing the labels attached to these goods and then forward them on to Ottawa. He also brought in shovels, revolvers and pistols. No entry was made and no customs duties charged, the port was wide open for anything that Allison brought along.

The Hon. Mr. Reid, Minister of Customs Should Think Twice Before Speaking.

The Public Accounts Committee was investigating, and the Government saw that their deeds were to be exposed, when along came the Minister of Customs Hon. J. D. Reid who was responsible for the opening of the Port and told the Public Accounts Committee that the Port was not open wide, for the free entry of Allison's goods. And then the Minister of Customs undertook to smooth the whole matter over by stating that the only thing that it was intended to bring in at this Port was the **Sifton Gun Battery**.

Here are the words which the Hon. Mr. Reid, Minister of Customs used:

"Captain Sifton's father was making a large contribution to this Machine Gun Battery, and he went to the Commissioner of Customs and asked permission to bring them over at a point to be named afterwards."

"With reference to this case at Morrisburg all I want the Committee to know, and all I want the public to understand is, that the application was made by Captain Sifton to Commissioner McDougald for the goods he was bringing in at that time."

"Outside of that I never heard of any permission or application for any goods to be brought into Morrisburg except those connected with Mr. Sifton's Machine Gun Battery."

Sifton's Battery Came Into Canada at Cornwall.

The Minister of Customs stated this and expected the country to believe it, but a few days later on March 22nd, 1916,

Mr. Brookins the express agent of the New York Central Road, whose line enters Canada at Cornwall was placed on the witness stand and swore that the Sifton Battery did not come in at Morrisburg at all, but that it came into Canada over the New York Central Railway at the Port of Cornwall.

Thus we find that the Minister of Customs misled the Public Accounts Committee and as yet he has never made any satisfactory explanation as to why the Port of Customs at Morrisburg was opened to J. Wesley Allison.

Shield-Shovels

A young lady stenographer, private secretary to Sir Sam Hughes patented the shield-shovel. The Government purchased \$33,750 worth of these shovels and to this day they have not been used and are not of any value to the soldiers, an absolute misappropriation of funds to the extent of \$33,750 to satisfy the egotistical whims of Sir Sam Hughes.

The Shovels were Discarded in Favor of One of Service Pattern.

In the British House of Commons on Thursday March 11th, 1915, the question was asked by Mr. MacVeagh in regard to the McAdam shovels.

Question:—Mr. MacVeagh asked whether the McAdam spades with which the Canadian soldiers were supplied at Salisbury Plains have been discarded; and, if so, under what circumstances.

Answer:—Mr. Tenant (Under Secretary of State for War.) It is necessary that the entrenchment implement should be carried on the person, and as the Canadian troops had no means of doing this with their spade, the Service pattern with the appropriate fitment was issued to them. (See British Parliamentary debates, Thursday March 11th, 1915.)

The ludicrous excuses of Sir Sam for foisting this worthless shovel with a hole in it upon the Canadian Forces at an absolutely unjustifiable expense—suggest the antics of a circus clown.

Camp Grounds

The special delight of the Minister of Militia of the Borden Government, seems to have been in spending money on camp grounds. In 1914 when the War broke out there were distributed

throughout Canada 365,000 acres of camp grounds as follows:—

Aldershot, N.S.....	966	acres
Sussex, N.B.....	300	"
Farnham, P.Q.....	1,318	"
Three Rivers, P.Q.....	306	"
Levis, P.Q.....	1,248	"
Petawawa, Ont.....	70,400	"
Barriefield, Ont.....	788	"
Niagara, Ont.....	656	"
Carling Heights, Ont., near London.....	80	"
Camp Hughes, Man.....	90,000	"
Moose Jaw, Sask., remount depot training grounds.....	62,269	"
Medicine Hat, Alta, remount depot and training area.....	124,000	"
Sarcee Camp, Alta., and Vernon, B.C., areas not given.....		
Kamloops, B.C., Tunkwa Lake.....	5,760	"

One of the finest camp grounds in the Dominion centrally located was Petawawa with an area, as shown in this list, of 70,400 acres; one of the finest artillery ranges in existence was already established there; the necessary equipment for housing thousands and thousands of soldiers; an excellent training ground, but Sir Sam Hughes and the Government thought this was of no avail. The moment war broke out Valcartier Camp had to be established. Money and time was lavishly spent putting it into shape. The soldiers were rushed there to complete their training on a camp ground half finished. Everything was in a turmoil. Millions of dollars were spent. Huts, houses and palaces were built. 32,000 soldiers drilled there for approximately four weeks and then were sent to England.

It was stated that Valcartier was going to be the large central camp of the Dominion, but from that day to this not more than 15,000 soldiers have ever camped at Valcartier at one time.

Camp Borden.

During the Summer of 1915 the Government had another "wild cat scheme" placed before them by someone, namely, to establish another large central camp in Simcoe County, Ont., to be known as Camp Borden. Here again over 17,000 acres were purchased. Millions of dollars were spent in getting this into shape. Long before the Camp was ready for occupation battalions were rushed to it from London, Toronto, Niagara and from other Ontario points. The soldiers were unanimous in their condemnation of the place. It had appropriately been

like a miner coming out of a mine. Cooking tents and utensils were covered with dust. The soldiers were compelled to eat their food covered with this dust, but notwithstanding this they were forced to remain there until they went overseas or the Winter of 1917 forced them out.

To show the extravagance and absolute foolishness of establishing Camp Borden, it can be stated without fear of contradiction that Valcartier capable of accomodating at least 50,000 soldiers, except for the first year, not more than 15,000 Before it could be used as a camp ground a million stumps had to be burned or dug out. The soldier coming off parade looked described as the sandy desert filled with pit-falls of black ashes. were ever camped there at a time. Petawawa capable of accomodating from 75,000 to 100,000 yet not more than from 5,000 to 10,000 soldiers ever camped there at any time during the last two years.

Niagara Camp one of the best in the Country was only accomodating one-third the number of soldiers which she was capable of accomodating.

London Camp was absolutely abandoned, and scores of other small camp grounds throughout Canada were practically abandoned also. One of the darkest spots in the record of the Borden Government is the absolute waste and extravagance of the expenditure of the Government on these two camp grounds, Valcartier and Camp Borden.

Lumber for Militia Department in Ottawa

In the winter of 1915 the Militia Department required some lumber in connection with the housing of the soldiers in and around Ottawa. Ottawa is the home of wholesale lumber dealers. Millions of feet of lumber could be bought at any time from the wholesale dealers in Ottawa. When the Government wanted it, however, they went to a middleman, Mr. W. R. McGee brother of the law partner of the Conservative member for Ottawa, Mr. A. E. Fripp.

Mr. McGee supplied the lumber taking his blood toll of \$1.25 per thousand feet. Mr. McGee never saw the lumber, never raised his finger to assist in the delivery; simply took the order, sent in his bill, accepted the middleman's profit and waited for more.

Burning of Clothing

Considerable criticism has been heard in regard to the quantities of clothing which were burned at the closing of Val-

cartier camp in the Fall of 1914 and at Camp Borden in the Fall of 1916.

The Public Accounts Committee have not had time to investigate in regard to the wastage at Camp Borden, but in regard to the wastage at Valcartier Mr. Adam Aitken of Valcartier in the Public Accounts Committee in 1915 swore that he saw piles of clothes being burnt at Valcartier. He and some of his friends offered \$5.00 a piece for some of the coats, but the work of destruction was continued and the clothing burnt. Mr. Aitken swore that he saw eight or nine piles of clothing and blankets burning and that in his judgment there were at least 200 or 300 coats and blankets in each pile. He also saw good caps being burnt up.

At Camp Borden similar rumors are in circulation. From absolutely well informed people it is stated that scores and scores of tent floors were piled up and burnt last Fall. A Ford Automobile which had done good service and was in good repair was run on to a pile of burning material and burned. It is also stated that provisions were destroyed.

The Lindsay Arsenal

Apart altogether as to whether it was advisable or not to build a large arsenal at Lindsay, Ontario, no conscientious person will defend the action of the Government in the procedure followed in awarding the contract. No tenders were called for, no competition asked, The Westinghouse, Church Kerr Company of New York were given a forced contract, plus 10% of the cost in other words **the more the contractors made the building cost, the more the contractors received.**

From the outset Mr. John Carew, M.P.P. for Victoria, whose home is in Lindsay, seemed to be **"the man on the job."** He was an ever present person in time of need. When the contractors needed men, John Carew was asked to O.K. them, and if by chance a Liberal who was not persona grata to John Carew, secured a job he held it only for a day or two. Practically everything required in the way of material had to be o.k'd by this Provincial Member. **Even some of the massive and valuable machinery which was to be installed in the Arsenal was shipped into Lindsay addressed to John Carew. In fact John Carew M.P.P. was an understudy of Sir Sam Hughes.**

While American engineers and architects were employed mistakes in construction were in evidence everywhere. Before the building was half completed gangs of men were at work on various parts making alterations. American employees, such as carpenters, labourers etc., were brought in from Buffalo.

American carpenters were paid 55c an hour with their board and fare paid, while Canadians received only 40c to 45c an hour and boarded themselves. American Labour was treated better and given higher pay in every class of work than received by Canadian workmen. The whole system seemed to be more expensive the better.

Purchase of American Horses in Preference to Canadian Horses.

One of the grave accusations which the Borden Government will have to face when it makes an appeal to the country is that in the purchase of horses for the Canadian and British armies, they have permitted the horse buyers to neglect Canada and go to the United States for the major portion of these horses.

When the War broke out the Borden Government undertook to purchase horses. They found that they could not control their partisan horse buying friends throughout the country, with the result that shortly after, the Imperial authorities undertook to purchase all horses necessary for the equipment of the Canadian forces. The result is that Parliament has been unable to get any definite information as to just how these purchases have been made **but the fact remains that Canadian horses have been refused and American horses taken in preference.** There is in Canada an abundant supply of good first class army horses as is evidenced by the fact that even up to the present time the French Government are purchasing some here.

Nickel

Volumes have been written in regard to Canadian Nickel reaching Germany. The question, except in time of war, is one for the Provincial Governments to deal with. In time of War, however, when Canadians are making every effort to assist the Allies, the exportation of nickel to Germany is a serious matter. That it has been reaching Germany since the War broke out is a fact. On February 22nd, 1916, in the House of Commons Col. John Currie, Conservative Member of Parliament spoke as follows:

"Why, the German guns that fired sheels at my soldiers and myself day after day in Flanders, were made of Canadian nickel and chrome steel. The rifles that fired at us had barrels that were made out of

Canadian nickel steel. Every one of them was stamped "Nickel steel," but they should have borne the motto "mined in Canada."

"If we deprive the Germans of our nickel, their predominance as an arm producing country will cease for ever."

At that time Col. Currie said a great deal more than Hansard reports and added **"that every bullet shot out of German rifles was capped with Canadian nickel,** but for some reason this statement does not appear in Hansard. What are the facts.

It is known that nickel mined in Sudbury in 1915, shipped in matte to the International Nickel Company, New Jersey, which refined it and sold some 800 odd tons to a smelting Company in New Jersey. This smelting Company have already sent to Germany, via the submarine Deutschland 200 tons of this Canadian nickel. Another 100 tons is lying in New London now awaiting the Deutschland which for reason "is detained." This smelting Company now have in their warehouse in New Jersey another 500 tons which will be sent to Germany at the very first opportunity.

These are facts which cannot be contradicted if the truth is told and yet Conservative headquarters at Ottawa are saying that Canadian nickel is not reaching Germany."

Bicycles

When the Government started to purchase bicycles at the outbreak of War, communications were sent them from Bicycle manufacturers who were willing to supply bicycles in lots of 50 to 100 at \$34.00 each, and at a less price for an order of 1,000 bicycles or more. The Government did not even acknowledge this communication from a Toronto manufacturer, but went ahead and purchased bicycles to the extent of 1,200 and paid for each one from \$55.00 to \$62.00 each. By this transaction alone the Government lost over \$28,000.

Housewives

Purchased without tender from the President of the Ottawa Conservative Association.

A housewife is a small piece of cloth arranged as to be tied up and contains threads, needles, twist, darning needles, darning cotton, etc. Each soldier is supposed to have one of these utility packages in his equipment. Without asking for tenders and without securing any competitive prices, the Government got into communication with Mr. Stewart McClenaghan of Ottawa, the owner and proprietor of the 2-Macs store and President of the Conservative Association for Ottawa, and asked him to give a price for supplying housewives. He quoted 53 $\frac{3}{4}$ c each and was immediately given an order for 30,000. In the following

three months this was increased to 100,000, and the same price 53 $\frac{3}{4}$ c each was maintained.

According to Mr. McClenaghan's own statement his profit on these goods had been 24%, 16% of which he had charged to overhead expenses and 8% to clear profit. On April 13th, Mr. T. McNichol of the J. M. Garland Company, Ottawa, refused to produce their original invoices to show what they had paid for these goods. Why?

The Premier's Statement in Regard to Scandal

Much has been said of the stand taken by the Prime Minister Sir Robert Borden in regard to graft and scandal and what he would do to those who were guilty of extorting middlemen's profits out of the blood money of Canada.

In the House of Commons on April 15th, he made a grand stand appeal as to what he was going to do. He practically read two Members out of the Conservative Party, Mr. Dewitt Foster, M.P., of Kings Co. N.S., and Mr. Garland, M.P. for Carleton County, Ont. He went on to show how the doors of the jails were yawning for just such men as these who had exploited the money of the country for their own personal gain. At this time Sir Robert Borden had before him the report on the rotten boots which were supplied the soldiers. He had in his hand the report from the Quarter-Master Sergeant who stated that all the boots that he had examined and found defective the largest percentage had been made by Gauthier of Quebec, and Ames Holden and McCready Co., of Montreal, but Sir Robert has not to this day made any effort to castigate any of these boot manufacturers, notwithstanding that the Mr. Ames referred to in this company, is a Member of the House of Commons?

The middlemen who purchased binoculars; the middlemen who made money by purchasing horses; the middlemen who took the blood toll out of the submarines; out of the motor trucks; out of the land deals; out of the rotten boots; out of the drugs and medicines and bandages, and scores of other things have all remained free citizens and the gates of the penitentiaries are still yawning.

But Sir Robert must have forgotten that less than 4 months previously he had accepted as his candidature for Carleton, N.B. the Hon. J. K. Flemming of New Brunswick, who had been kicked out of the Premiership of New Brunswick because he was proven guilty by a Royal Commission of extorting monies, through an agent, from timber limit holders in that Province. Is Sir Robert Borden making fish of one candidate and flesh of another, or is he playing the game of Politics.

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