

A. R. CREELMAN, being duly sworn, testifies as follows :—

The Chairman : You have the privilege of making a statement first, if you like.

The Witness : Although I can add very little to assist the Committee in this matter, because, although general solicitor of the Company, I came into the service of the Company only a short time before this question came up in November, 1901 ; and I may say that ever since my connection with it has been to a very large extent, almost entirely, I may say, an advisory capacity, being referred to by somebody or some department, or to deal with it almost entirely, I may say, as an outside counsel would. That is necessarily the case with us ; for I cannot look after personally all the solicitors' work. The first that I had to do with the matter was on the evening of the 20th of November. I may say that I fix the day by that receipt, and understanding Mr. Wells was there about that time ; I had nothing to go by except that ; that on the evening of the 20th I was called into the president's room, where Mr. Wells and the president were discussing the question of the Columbia and Western land grant. The president said that Mr. Wells and he had been discussing the legal question, and they wanted a lawyer to try and help them ; that someone had raised some question as to whether two patents or two Crown grants which had been issued in favor of the Columbia and Western Railway were within the powers of the Crown under the Act under which they were assuming to act. I think I am quite correct when I say I did not know anything about the position of the matter up to that time. I said I would go and get the Subsidy Act. I did so. And I read over the—looked through the Act to see what sections bore upon this ; and I looked at, I think it was section six—the one, I think, you referred to to-day, Mr. Helmcken. I read it over once or twice. And I said that I thought—speaking with natural hesitation that one would, looking at a matter for the first time, that it looked to me that so long as the lands were in Yale, I think it is, or East Kootenay—Yale and East Kootenay, in those two districts—that the question whether the lands could be granted so far from the railway was one more of policy than of law ; and I thought that when the Crown had decided that the land was land which came within the purview of the Act, that there would not be much question could be raised about their power. It seemed to me to be more a matter of policy. This was casual talk that we had that night. And I could not say that my analysis of the Act in that short time was sufficient to enable me to state positively. But I did suggest, why should the question come up now if the grants had issued ? I could understand the question coming up if the question was one of our calling upon the Government for the grants. Well, Mr. Wells said he would like to be quite clear upon the point, something to that effect. So I said I would take another look at the Act. And before we separated the president turned to Mr. Wells—they had evidently been discussing the question of the delivery of these grants before I came in ; that is, I judge from the way in which the president broke in—he said, “ Now, Mr. Wells, I don't want to embarrass you, and if it is going to be of any advantage to you to keep ”—or retain—I won't say the exact language— “ keep or retain these Crown grants for a few days, I am quite willing that you should do so ; but I don't want it to last longer than a month.” Mr. Wells seemed to me to assent to that ; I am not prepared to pledge my oath to his having said “ That is all right,” or having said anything ; he seemed to assent to that ; and that is all I heard. I went out ; I am inclined to think Mr. Wells came into my room with me to discuss this question of the construction of the Act again ; but if Mr. Wells says he did not, I would accept his statement. But he did come in and discuss the Act with me again the next morning. I think Mr. Wells and Mr. Oswald were passing in and out of my room in connection with getting these receipts, because in the morning the form of receipt for the Columbia and Western patents was referred to me, and it was, in a general form, the same as that which is produced here for the British Columbia Southern grants. I, knowing of the fact that Mr. Wells was going to retain two of the patents—I say retain, because at that time, I presume, I thought they were all in Mr. Wells' possession—at that time, knowing that Mr. Wells was going, as I say, to retain two of these patents, I pointed out that the form of receipt which the secretary's department proposed to give, coupled with what I understood to be in the patent clause that it was in full satisfaction, that something should be put in the receipt to show that it was only in partial satisfaction of the land granted. I think Mr. Wells came in, in and out of the room—the secretary's room is next door to mine—I think Mr. Wells came in and that I read him the draft ; at any rate, I drafted that—probably at the bottom of the draft receipt.

Mr. McPhillips : Here is a copy (handed to witness). A.—I drafted this part (indicating), and either I showed it to Mr. Wells, or it was shown to Mr. Oswald to show to Mr.

Mr. Creelman—*Continued.*

Wells, that is, this expression, "These patents are not accepted by this Company in full settlement of all claims for subsidy under the Act therein referred to, but are only in partial satisfaction of the Company's claims in respect of the first and third sections of its railway." The language sounds familiar; I know I settled a form of receipt; and although I won't say those are the exact words, I have no doubt that he adopted the form of receipt which I gave him. As I said before, I did not know at that time that these two grants had been left the night before, if that be the case. Certainly Mr. Oswald or Mr. Drinkwater did not tell me so. I was dealing with the matter as if Mr. Wells had that morning brought in, as I thought he had, the eighteen patents of the Columbia and Western road and had left the other two at his hotel or somewhere else; I did not know at that time that those patents were in the office, or ever had been; I did not know until I was informed by the president ten or twelve days ago that Mr. Oswald had told him that the whole of the patents, including the two in dispute, had been left with him over night. That was the first I heard of it. Mr. Wells and I discussed this section the next morning. I adhered to the opinion I had formed the night before. And it was then that Mr. Wells—I see reference is made to Mr. Greenshields—it was then in my room that Mr. Wells brought up Mr. Greenshields' name and asked me if I had any objection to discussing this matter with Mr. Greenshields. I think Mr. Wells is mistaken when he says that I objected to his consulting Mr. Greenshields. I don't think I made any objection of that kind. But what I was asked was, would I have any objection to discussing the matter with Mr. Greenshields; I said I did not think there was any necessity for Mr. Greenshields and I discussing the matter, and I am quite free to say that I may have given Mr. Wells the impression which he stated in his evidence, that I did not want him to consult Mr. Greenshields; but I certainly had no intention of conveying that impression, or of doing anything more than saying that I did not see what good would follow a discussion between Mr. Greenshields and myself. I asked Mr. Wells then if the matter had received consideration in the Attorney-General's Department in British Columbia before the grant had issued, and he told me that it had, that the Attorney-General's Department here was of the opinion that the Act enabled the Crown to grant these lands. I really do not think I was referred to in the matter for a very long time until—I cannot say when, I don't keep books—the question was asked me by the president about the non-delivery—the question came up and there had been a lot of correspondence one way or the other before I was referred to, and I then said it did not seem to me to make much difference whether there had been manual delivery of these two patents or not, that I thought—and I looked up a lot of authorities which I have handed over to Mr. Davis for service in these actions which he has brought under our direction, and they seem to make it pretty clear, certainly to my satisfaction, that a Crown grant issued in this way does not require actual delivery as an ordinary conveyance; the examination of the authorities seemed to confirm that view; and I never did regard the question of actual delivery, in the sense in which lawyers understand the delivery of a document following the signing and sealing of it, as of much value at all, one way or the other. I do not yet. I think that that is about the limit of my knowledge, except that I had advised the Company, I don't quite know when, but it was last fall, when the information was given to me, that grants of licences for—I don't know what you call them—mining licences—

Mr. McPhillips: Prospecting licences? A.—Prospecting licences were being given by the Government of British Columbia in respect of coal on both of these pieces of land in dispute, and I was asked what I would advise, and I advised that steps should be taken at once by the Company to assert its title to these lands, I having been informed from time to time of the cancellation and the position taken by the Government; and I thought that some time or other we must get this question before the Courts. I was opposed to applying for a fiat for a petition of right; I thought the best way of determining the question whether these grants were good grants or not, or whether delivery was essential to their validity,—the better way would be for us to commence action against some individual who was asserting under a subsequent grant, and then I thought that probably the Crown would intervene, as the Government of Ontario frequently has done and the Government of the Dominion frequently has done, and be bound by the judgment, and that it would not be necessary for us to go on with a great number of actions, the judgments in which would probably be binding upon the Crown. I did not see any other course open to us. And I therefore gave instructions to Davis, Marshall & Macneill, our solicitors in Vancouver, to bring those actions, and I believe a number of actions were brought under my instruction, and were pending at the time this

Mr. Creelman—*Continued.*

Act of the present session dealing with these patents was passed. I am trying to think, Mr. Chairman, if there is any other fact that I can state which will be of use to the Committee in this connection; I cannot think of any.

Mr. Duff: I understand, with regard to what occurred on the morning of the 21st—that is, the morning after you first saw Mr. Wells—Mr. Creelman; that you met him in your own office? A.—Yes, I think Mr. Wells came to my office from the secretary's office.

Q.—And at that time, as you said, you were not aware of the fact that any of these Crown grants had been in the possession of Mr. Oswald up to that time? A.—No; I thought that the grants were being brought there by Mr. Wells, and no one told me any different.

Q.—On the previous day, when Mr. Wells had his conversation with yourself and the president, so far as your view went at the time, the documents were still in Mr. Wells' hands and under his control? A.—I supposed so.

Q.—And you first learned of this alleged possession of the two grants for the blocks in question over night from Mr. Oswald or from the president within the last week or so? A.—A few days before we left for here.

Q.—Now, then, the Company, in taking the position that actual delivery of those grants had been made at any time prior to the information which you have received within the last week or so, would be relying entirely upon what had occurred in the interviews between Mr. Wells and yourself and the president? A.—Oh, I think so, coupled with the information given by Mr. Wells, stating the circumstances under which he brought those patents to Montreal.

Q.—Relating to circumstances disclosed other than those disclosed by Mr. Oswald to-day with reference to the grants? A.—Oh, yes; that is as I understand it.

Q.—For example, there is a telegram from Sir Thomas Shaughnessy produced, dated the 7th of May; you may look at it if you wish. A.—I am familiar with it.

Q.—“We are further advised that in the case of a Crown patent, actual delivery is not required, but that, if it were, Mr. Wells made such delivery when here and it was only placed in his possession for one month.” That would refer entirely to the legal construction which would be placed upon the facts, independently of what has been stated by Mr. Oswald? A.—Oh, I think so, entirely. And drawing inferences, perhaps, from the circumstance of Mr. Wells having, if the fact was so, these patents in his possession directed to Sir Thomas Shaughnessy, ready for delivery. Those may have been circumstances present to the mind, and were probably present in my mind.

Q.—Yes; all the circumstances you had in your mind, independent of the circumstances related by Mr. Oswald? A.—Quite so.

Q.—Now, in your conversation of the 20th you had some discussion with regard to the meaning of the Columbia and Western Subsidy Act; and I think that while you were there, also, Sir Thomas sent out for a copy of the agreement between the Crow's Nest Coal Company and the British Columbia Southern Company? A.—Well, I think not; I think not then, Mr. Duff.

Q.—Well, when did that occur? A.—I think not. I think that if I ever showed Mr. Wells copies of the Crow's Nest Coal Company agreements it would be the next day in my office.

Q.—Yes. A.—If Mr. Wells said that I showed these and read them over to him, I would not contradict him. Because you will remember that these matters were then new to me, and a circumstance like that, showing him these agreements—because I would probably just call in a clerk to get the agreement, show it to Mr. Wells, and perhaps read them to him. Because I know about that time I was getting myself familiar with the Crow's Nest coal agreements.

Q.—That would be for the purpose of ascertaining the relation of the Columbia and Western Railway Company in regard to these particular pieces of land with the Crow's Nest Coal Company? A.—That I don't know.

Q.—What would be the object? A.—From what I have heard since, Mr. Duff, it probably was; but at that time I did not know.

Q.—Would you say that you probably did in view of the fact that an Order in Council had been passed in 1900 granting those lands to the British Columbia Southern? A.—That may have been; but that was not present to my mind. I think not; I don't know what the object was.

Mr. Creelman—*Continued.*

Q.—You think that was not present to your mind? A.—I had little or no familiarity with these Orders in Council.

Q.—Do you think it is likely that you would discuss the relationship between the British Columbia Southern Railway Company and the Crow's Nest Coal Company with Mr. Wells, unless it had some bearing on the question, or on the subject that you were on, between yourselves and the Government of British Columbia? A.—Oh, I think it very likely that we would.

Q.—Do you really think that when a third person went in, with no right to discuss that matter, having no relation to that matter, that you would be likely to open it up and go into the agreements with him? A.—I really don't know that; I don't know what I would do.

Q.—Doesn't it seem likely that what Mr. Wells said with regard to that is correct, that you or Sir Thomas Shaughnessy became aware then and understood that this grant had been made to the British Columbia Southern in December, 1900, and that it was in connection with that statement that the Crow's Nest Coal Company agreement was looked at?

A.—Oh, I certainly did not know anything at that time about the Order in Council.

Q.—I pass away from that. A.—I was really not dealing with that at all.

Q.—Are you absolutely clear on this point, that the agreement was not sent out for while you were with Sir Thomas Shaughnessy and and Mr. Wells? A.—I don't think so.

Q.—Would you contradict Mr. Wells when he says that it was? A.—I would not.

Q.—You would not? A.—I would not.

Q.—Now, I also understood you to say that some question came up as to the power of the Crown under the Columbia and Western Subsidy Act to grant these lands to the Company? A.—Just as I stated, the president said Mr. Wells or somebody has raised some doubt about it and he would like to hear what you think about it. That is about what occurred.

Q.—And after reading the Act you expressed a view, as you said; and you expressed a hesitation first about giving a view, and then Mr. Wells said he would like to be very clear on it? A.—Yes.

Q.—And then afterwards, on the following day, Mr. Wells said he would like to consult Mr. Greenshields on the subject, or rather, that he would like you to discuss the matter with Mr. Greenshields? A.—Yes.

Q.—And you intended, at all events, to intimate to Mr. Wells that personally you did not care to discuss the matter with Mr. Greenshields; but you did not raise any objection or intend to raise any objection to Mr. Wells consulting Mr. Greenshields? A.—That is correct.

Q.—And the matter was left with him? A.—Yes.

Mr. McCaul: Mr. Creelman, are you sure that that was the only subject that Mr. Wells wanted the assistance of Mr. Greenshields about? A.—Oh, no, not at all.

Q.—It might have been in connection with the whole matter which was under discussion, that he wanted the assistance of Mr. Greenshields? A.—Oh, yes; and, Mr. McCaul, I would not have mentioned Mr. Greenshields' name except that I saw in the papers the statement made by Mr. Wells that I objected to his consulting Mr. Greenshields; that is why I made the mention.

Q.—I don't think it quite meant that, but what you stated was that you objected to have a conference with Mr. Greenshields? A.—Well, if I had known that I would not have mentioned it at all.

Mr. Duff: That is what Mr. Wells said. A.—The newspaper report is the only one I saw, to that effect.

Mr. McCaul: It stands to reason you would not object to his consulting Mr. Greenshields.

Mr. McPhillips: But you shrugged your shoulders, Mr. Wells said, when he mentioned Mr. Greenshields? A.—I dare say I might have. But, as a matter of fact, really at that time I had never even seen Mr. Greenshields; I had no acquaintance with him until some months afterwards.

Q.—But you gave Mr. Wells to understand that there was no object in having him to come in to have a conference? A.—Yes, I thought it was unnecessary; the grants were made, and the thing was done, and it would be waste of time.

Q.—You were not at the first of the discussion between Mr. Wells and Mr. Shaughnessy? A.—Oh, they were discussing the matter before I came in.

Mr. Creelman—*Continued.*

Q.—And while you were there did you hear any discussion as to building a line to Spence's Bridge? A.—No.

Q.—You did not hear any mention of that in that time? A.—No.

Q.—But still you understood that Mr. Wells wanted Mr. Greenshields' assistance in connection with the subject-matter which he had been discussing with Sir Thomas Shaughnessy? A.—I suppose he would consult Mr. Greenshields if he wished to. I don't know what the questions were that he wanted to get a legal opinion on.

Q.—Then it is quite evident that you did not know about the instructions to Mr. Oswald to deliver over the grants; it certainly did not come from you? A.—That certainly did not come from me.

Q.—You were the proper party? A.—If I gave any instructions or information to the secretary's department, it would be that I understood from the president that Mr. Wells was to retain two of these grants.

Q.—And the whole tenor of the conversation between Mr. Wells and Sir Thomas Shaughnessy led you to understand that Mr. Wells had these grants in his possession at the time? A.—Yes.

Q.—And, as a matter of fact, in giving your opinion on the legal position of the Company with respect to these Crown grants, you lay very little stress, I understand, on the question of the delivery of the grants at all? A.—Very little; never did, on that question.

Q.—Your opinion is based on the principle that Crown grants being a matter of record, the title passes in that way? A.—Yes; I don't want to go into—I may have to go into Court with these matters yet, and I would rather not be pressed to state my reasons as to the construction of this matter.

Q.—I don't want to press you on that; it is on that general line? A.—That is so.

Mr. Helmcken: Have you anything to do with legislation in the different Provinces in connection with the railway? A.—Yes.

Q.—Do you know anything about this Bill 87? A.—No, never knew of it.

Q.—Then you disown it? A.—I never heard of it, Mr. Helmcken, except by accident, when I was discussing some of our matters with a gentleman from Toronto, interested in another matter, and he mentioned, "I see your Columbia and Western Bill has been knocked out in the British Columbia Legislature," and I said, "What Bill is that?" and he said, "Oh, about your Subsidy Act." And I think I mentioned it to Mr. Drinkwater or the president, thinking it might have some relation to these two patents that I had heard about the previous year, and the information I got was to the effect that this Bill was one which related to the land grant in respect of section four, to enable the Company to get the lands although they had not built the other sections. I never thought of the matter and never saw the Act until I was looking over the president's papers coming out on the train here; I saw that Bill which you had before you to-day, with Mr. Brown's memoranda on it. I did not even read it then; I read it here while the examination was going on. That is all I know of it. The legislation, Mr. Helmcken, the Ottawa legislation, is all drafted by myself; we have very little legislation in the Provinces now; very little private—no private legislation, I may say; now and again there is an Act like this Bill 87 which affects our interests and comes up as a Government Bill; for instance, there was a Government Bill in the Dominion Parliament last year, dealing with our increase of stock, and the question of a reference as to our tolls. I was asked by the Minister of Justice to go over the draft Bill with him, because it affected our interests; he said he would like to bring in a Bill satisfactory to us, and we went over it together. He introduced it as a Government measure. I never pretended to deny that a number of the clauses in that Bill were my own, and the Minister I don't think attempted to deny it either. You are talking about the practice; that is one Bill I have had.

Q.—There is no objection to a matter of that kind. A.—I conceive when our interests are involved in a Government Bill, it is only right we should get an opportunity of perhaps drafting it, or looking it over. What the particular difficulty about this Bill is I don't know. Any information I have got about this Bill and about who drafted it and what its effect is, I have got as a spectator to these proceedings after I came here.

Q.—Never had any conference with Mr. George Brown about it? A.—About this Bill?

Q.—Yes. A.—No, never. Never referred to in any way about that Bill.

Mr. Creelman—*Continued.*

Q.—Your connection with the C. P. R. commenced when? A.—July, 1901. I was away a good part of the summer, and got fairly to work about October. And then a year in the Toronto office after that, kept up my Toronto business, so that I really did not get fairly into the Canadian Pacific work until last July, when I left the Toronto firm altogether.

Q.—Have you ever seen the bills of costs passed through your hands in reference to services rendered here on behalf of the Columbia and Western? A.—No, I have never seen any bills of costs.

Q.—You cannot call any to mind? A.—No, I never saw any; no bills of costs ever came through my hands at all. I received a telegram from the Chairman the night before we left calling upon me to produce, and I called up my chief assistant to be at the office early in the morning; and I showed him the telegram, and asked him to look carefully through my files to see if there was anything. And I went myself to the comptroller for the copies of vouchers; in fact, any bill of costs that would come through my office it would not remain in my office, but would be attached to vouchers, and remain in his office. I read the telegram and said, "Have you any bills of costs in connection with any of these matters that I could take with me?" He said he had not; he did not know of any. I don't know of any bills of costs having come in, or of any bills having been paid.

Mr. McPhillips: Mr. Creelman, on this occasion of your meeting with Mr. Wells in the president's office the first day, you say the question was being debated more or less there as to whether it was within the power of the Government of British Columbia to give these two particular blocks of land, 4,593 and 4,594? A.—Yes.

Q.—Did Mr. Wells then lay any stress upon the point that it was still an incomplete transaction and that there was not the delivery of these Crown grants? A.—No, I don't think that was referred to at all.

Q.—What would you say was the premise on which that discussion was taking place? A.—I really could not say, Mr. McPhillips. The president and Mr. Wells had been discussing it for some time, and the president called me in and said that Mr. Wells or some one had suggested a doubt about the power of his Government to issue these patents under the Act as it then stood, and would like me to look at it; and that is about all I can say about that.

Q.—Well, was it made known to you in any way—because if you were going to go and look at it as a lawyer for your expression of opinion, I would assume naturally the salient points would have been understood very fully at the time—but you say now that there was no question raised there about the situation of the Province of British Columbia in respect to this matter, that is, that the transaction was still incomplete; that the Crown grants, although perhaps at a certain stage, were not really issued to be the property of the Railway Company? A.—Not at all. I was construing the Act, assuming that the patents had issued and were as good as in our hand.

Q.—I see. A.—Whether that was right or wrong, I was giving my opinion on that assumption.

Q.—Do you say in your discussion at that time in the presence of Mr. Wells that the discussion was upon those lines? A.—Well, I really couldn't say that it was, Mr. McPhillips. I couldn't say. If you mean did Mr. Wells say or do anything which indicated that he agreed with me in that, I would not like to say that he did. I can only say in answer to your question that I was advising upon the assumption that those grants having issued and being here, were either in our possession or as good as in our possession. I think that that was the assumption upon which I was acting.

Q.—You said, Mr. Creelman, that you would, however, give the matter further attention; and later, the next day was it, or some time later? A.—The next morning.

Q.—Mr. Wells took the matter up with you again, did he? A.—Yes, we discussed it again.

Q.—Then Mr. Wells came to your office, you say, the next morning? A.—Yes.

Q.—And the matter was taken up again? Yes, it was in connection—he was there getting his receipts.

Q.—And on that second occasion that the matter was brought up, did Mr. Wells outline in any way to you the facts as indicating that the matter was still incomplete, and that that would have to be taken into consideration? A.—Not at all; not at all. I never regarded the matter as incomplete; I supposed it was complete; entirely completed; except that I

Mr. Creelman—*Concluded.*

could not overlook what I had heard the evening before, that Mr. Wells was going to retain these patents in his hands for some reason or other which I did not know, for a few days, but not more than a month. Beyond that, I regarded it as a complete transaction.

Q.—Yes. Well, did Mr. Wells, for instance, state anything like this, or words to any similar effect, that this matter is still under consideration by the Government, that whilst these Crown grants have been prepared, that it was still a matter for the Government to decide whether they should be given effect to by delivery or not? A.—He certainly did not, nor anything to that effect.

Q.—Therefore, Mr. Creelman, in your examination of this matter, if Mr. Wells intended to take any benefit, we might say, from your legal analysis of the situation on this point as a material one, certainly your inquiry was not helping him any from his point of view? A.—No; I could not say what the object of the inquiry was, and so said. "What is the use of looking into this question now? You have made the grants; we will take them for what they are worth; we will have the question of title."

Q.—Do you say you said that to Mr. Wells? A.—Yes, I did.

Q.—You say you said that to Mr. Wells? A.—I said to Mr. Wells, "What is the use of looking into this matter any further? We will take them for what they are worth."

Q.—Mr. Wells did not say in reply, "Oh, yes, but we have not completed this matter; we have not made a delivery of these grants"? A.—No.

Q.—You say he said nothing of that kind? A.—No; the question of delivery or non-delivery was not mentioned by Mr. Wells. Nor was anything said to me by Mr. Wells which led me to suppose that he did not regard it as complete; except for what passed the night before between him and the president, the purport of which, the object of which, I did not know at the time, and did not know until I have heard it from the president since.

Mr. Green: Mr. Creelman, on the morning with Mr. Wells, in talking the matter over with you, did he tell you that he had delivered these eighteen grants? A.—No.

Q.—You had no conversation on that? A.—No. I was just assuming from the fact that they were giving a receipt that he had delivered them. I did not see them; I don't know that I did see them.

Q.—Are you sure that Mr. Wells did not say he had delivered them, and you said that you were sorry that he had not also given you the other two grants? A.—Well, I couldn't say about that; I couldn't say about that; that I was sorry he had not given the other two grants?

Q.—Yes. A.—I may have said so; that he had given eighteen grants and I was sorry he had not given them all.

Q.—Yes, that he had delivered the eighteen grants, and you were sorry he had not delivered the other two as well? A.—I may have said so. I don't remember making the remark. It does not sound improbable; if Mr. Wells says I made that statement I perhaps probably did. I was sorry, and am very sorry. So the statement would be quite correct, Mr. Green, at the time.

Q.—But you don't remember saying it? A.—No, I don't remember saying that. If I did say so, I would be expressing just what I felt at the time, and what I have felt more strongly ever since.

Mr. Helmcken: What time in the morning was it when you saw Mr. Wells? Q.—Oh, I don't get down much before ten o'clock. I don't go any earlier than I need. Not much before ten.

Witness stands aside.

The Committee here adjourned until to-morrow, May 21st, 1903, at 10:30 a. m.

THURSDAY, May 21st, 1903.

The Committee met at 10.30 a.m., pursuant to adjournment. All present.  
The minutes of the session of yesterday were read and adopted.

GEORGE McL. BROWN, being recalled, testifies as follows:—

Examined by Mr. Duff:

Q.—I suppose you understood the decision that had been arrived at in Montreal in 1901, Mr. Brown, that so far as the railway matters were concerned, your Company was not prepared to enter into further arrangements with the British Columbia Government in regard to the further construction of railways? A.—I don't understand your question.

Q.—Did you understand the substance of Sir Thomas Shaughnessy's communication to Mr. Wells in November, 1901, to the effect that until the Canadian Pacific Railways in British Columbia showed signs of better returns, or showed better returns, the Company was not prepared to enter into further arrangements with the British Columbia Government for the construction of railways here? A.—I don't know that I knew that. That was his contention with Mr. Wells. But I knew that that was his feeling.

Q.—You knew that generally that was the decision? A.—Yes.

Q.—In regard, for example, to the construction of a railway to Spence's Bridge, you knew that that was out of the question at that time? A.—I knew that their feeling was they could not expend more money until they got better returns.

Q.—That was substantially at that time the policy? A.—That is the impression that prevailed, I believe.

Q.—That was really the policy of the Company, in so far as they considered the matter? A.—I cannot speak for the policy of the Company; that is the impression in my mind to-day.

Q.—You did discuss that matter with Mr. Wells, the Spence's Bridge matter? A.—Yes.

Q.—And you did not hold any hopes out to Mr. Wells that the Company would be likely to fall in with his ideas on the subject? A.—Oh, no; I said I thought the Company would help out the Government as far as they could consistently.

Q.—That the Company would help out the Government as far as they could consistently, with the construction of railways? A.—Help them with their policy.

Q.—What do you mean by that? Do you mean to say your impression was at that time the Company was willing to entertain proposals, with regard to proposals for the Spence's Bridge line? A.—No.

Q.—Well, you did not convey the opposite idea to Mr. Wells, did you? A.—No, what I conveyed to Mr. Wells, if my memory serves me right, is that I thought that the Company would be quite willing to discuss these matters with him and help him out, as far as they could consistently.

Q.—Mr. Wells was discussing with you a very specific proposal? A.—No, he never did.

Q.—You mean to say Mr. Wells did not explain to you at some time this Spence's Bridge project that he had in mind when he was in Montreal? A.—He certainly told me that he intended, when going to Montreal, to discuss with the president the construction of railway lines, the Spence's Bridge line, yes.

Q.—And then, after he came back from Montreal, you understood from him that the answer he got from the president practically precluded the arrangement he was thinking of? A.—I believe so.

Q.—I mean to say, in the early part of 1902 there would be no doubt in your mind that the Company would not enter into any arrangement at that time for the construction of the Spence's Bridge line? A.—In the early part of 1902?

Q.—Yes, after the interview between Mr. Wells and Sir Thomas Shaughnessy? A.—Well, I presume that must have been in my mind then.

Q.—Now, I think you complained when you had your meeting with the Cabinet that there had been no notice of the rescission of these grants—or the Order in Council? A.—Yes.

Q.—And it was put to you that notice would have made no difference to you? A.—Yes, that is certainly so.

Q.—And you answered that notice might have made this difference; that if the animating motive of the Government in the cancellation was assistance in their political difficulties, that possibly you might have been able to help them out? I will refer you to the report you made of it. I think that is the substance of it. A. (Looking at paper.)—Now, what is your question, Mr. Duff, please, I have got it here.



Mr. Brown—*Continued.*

Q.—You have the reference there, have you? A.—Yes, that is what it is.

Q.—You were asked by Mr. Wells, “What difference, Mr. Brown, would it have made if we had advised you?” And you said, “This difference, Mr. Wells, that if the Government was seeking only its own safety and not the spoliation of the Company, a discussion before the act might have shown the non-necessity for it.” Now, what did you mean by that? A.—I simply meant—with this language before me, I simply meant that political expediency—if they had notified me that it was going to be cancelled, then we might have possibly explained to them that they need not cancel it, that it was not necessary, that it was a senseless farce.

Q.—That you might have explained to them that after all the political expediency was not what they imagined? A.—That is what I imagine it was.

Q.—Your knowledge was such that you might be able to assist them on the political situation with information that they did not have? A.—Oh, no, I don't say that.

Q.—What could it mean then, Mr. Brown? A.—The whole thing, to my mind, as I recall it, is simply that for political expediency—the clamour in the House was frightening the Ministers; and that I didn't think it was necessary; I didn't think that they need fear this—

Q.—Your view of it was that the position the Ministers then took of it was that if they did not cancel these grants there was danger of defeat? A.—Yes.

Q.—And you thought they were unduly nervous about it? A.—Yes.

Q.—You thought the danger was not as great as they thought it was? A.—Yes.

Q.—And you advised yourself on the situation? A.—I expect I did.

Q.—And, in fact, you thought you were more fully advised than the Government? A.—It is just possible.

Q.—What means did you take to inform yourself? A.—I suppose the natural processes of absorption.

Q.—The natural processes of absorption of what, and from what quarter? A.—Absorption of the events.

Q.—Absorption of the events, or information as to the events? A.—I couldn't tell you now.

Q.—Oh, yes, Mr. Brown, you know. The fact of the matter is, beyond the very slightest possibility of doubt, that your course for the purpose of ascertaining the political situation, that is, the situation of the Government in the House, would be either directly by interviews yourself or from some other source you got reports as to the political feeling of the members of the House? A.—Oh, it was not dealing so much then with the political feeling of the members.

Q.—What were they dealing with? A.—In the country.

Q.—It was not a question of the country; it was a question of the strength of the Government in the House. A.—Political expediency.

Q.—You know the Victoria election was over at that time; there was no pending election at all; the Government was not before the country; they had a majority; at all events, they were in power at that time with a majority, and the question was as to whether they could maintain that majority if these grants were not cancelled. It was a pure mathematical question, wasn't it, as to how many votes they could count on in the House? A.—I presume it was.

Q.—You say you thought you might have been able to give the Government some advice on the subject which would have lightened their doubts. Now, what would be the foundation for advice of that sort? A.—I couldn't tell you.

Q.—Now, is there any doubt that you would get it by making inquiries in the usual way? A.—It is just possible I would.

Q.—There is no doubt about it, you would, wouldn't you? A.—Speaking from this point—I would get information.

Q.—Certainly, you would get information in that way? A.—Yes.

Q.—And you would take some means of canvassing the situation in the House, I mean canvassing the members of the House as to what their position was relative to the Government? A.—I was generally pretty well informed.

Q.—And, as a matter of fact, it would be your duty here on the spot at the time, dealing with those matters, to keep in touch with the position of the Government with reference to its strength in the House? A.—Certainly I would, yes.

Mr. Brown—*Continued.*

Q.—That was just as important to you as dealing with the Government itself. (Handing Bill 87 to witness.) Now, Mr. Brown, I see that on the 15th day of May, 1902, you wrote Mr. Wells this letter, "What may I report to Montreal *re* C. & W. Railway 4th section Bill? I understand it is printed. May I expect it down by Message to-day, or when?" A.—This is the Bill, yes.

Q.—You remember writing that letter? A.—Oh, yes; I presume I must have.

Q.—I think I showed you that letter before. Do you remember that that letter was written on Legislative Chamber paper? A.—No, I do not.

Q.—You don't remember that? A.—It is quite possible.

Q.—Just a personal note which apparently had not been copied? A.—Was it shown to me?

Q.—Yes. A.—I don't recollect seeing it; but I have no doubt it is correct.

Q.—That is a letter which was written in Victoria, at all events; you had been in Vancouver, I think, just prior to that. It is unfortunate that the original has disappeared. You got an assurance, I think, from Mr. Wells at that time that the Bill would be brought in? A.—That is my impression, yes.

Q.—There is a memorandum here addressed apparently from you to Sir Thomas Shaughnessy, dated the 15th of May, 1902, "Final proof of Bill. Government promises introduction by message to-day, but one cannot be sure these days." I suppose that was Mr. Wells' promise given to you in response to the letter of the 15th of May? A.—I suppose it was.

Q.—You were here in Victoria on that day. You sent a note in to Mr. Wells asking if the Bill would be brought down, and Mr. Wells promised you that the Bill would be brought down that day, 15th May, 1902? A.—I believe that is so.

Q.—You say in your letter you understand that the Bill is printed—you got the Bill printed yourself? A.—Oh, not printed by me.

Q.—You do not dispute what they say in the King's Printer's office, that you took the draft in, and that on this very day that you revised and compared the final draft? A.—Oh, no; I don't think that is said, Mr. Duff.

Q.—That is most distinctly said. A.—That I revised?

Q.—No, I beg your pardon, you are right; but you were there on the spot when the final proof was being compared, and that you took it away with you; and this would be the final proof that you had before you when you wrote that note to Mr. Wells? A.—I suppose so.

Mr. McCaul: The King's printers say that was on the 22nd of May, and this is the 15th of May. The final proof, they say, was on the 22nd. But here is a note dated the 15th; there cannot be any possible question about it. But the final printing of the Bill may be something different from the final proof; I don't know. I don't know what that 22nd of May means.

Mr. Duff: You had gone in there and got the proof and then you wrote that note to Mr. Wells? A.—I cannot say whether I did or not; I suppose so; I must have, yes.

Q.—At all events, you knew that it was printed? A.—Oh, yes.

Q.—Now, didn't you take steps in the same way, then, with regard to this Bill that you did with regard to the previous matters, to ascertain the feelings of the House? A.—I don't know that I took any special—

Q.—I am not referring to any special steps; but did you not take the same steps you had taken in other cases to ascertain whether that Bill would pass? A.—Oh, I presume I must have, yes.

Q.—You would do that, of course. And you ultimately found out that the Bill would not pass? A.—I must have done so, yes.

Q.—And you acquainted the Government with that fact? A.—No, I did not acquaint the Government with that fact.

Q.—Well, the Government found out, too? A.—My recollection is that the Bill was caucused.

Q.—Your recollection is that the Bill was caucused, and that it was accepted by the caucus? A.—I believe that is my recollection; I don't know, I am sure.

Q.—The Bill was caucused, but ultimately it was withdrawn; and before it was withdrawn you ascertained that the Bill would not pass if it had gone before the House? A.—I certainly knew that it was opposed.

Mr. Brown—*Continued.*

Q.—And you ascertained that from the ordinary means of information on that subject?

A.—I presume so, yes.

Q.—That is, in the same way that you mentioned that you ascertained the position of the Government with respect to its standing in the House at the time of that interview on the 18th of March? A.—I cannot tell you whether it is the same or not.

Q.—You would take the ordinary usual course? A.—I don't know that there was any usual course.

Q.—But surely, Mr. Brown, there was a usual course. As a matter of fact, you were here in the Legislative Building every day? A.—I was over here a great deal.

Q.—You were among the members all the time; I am not suggesting for a moment any sort of impropriety at all, but the fact is that you kept yourself constantly in touch with the occurrences in the House during that Session? A.—Oh, yes.

Q.—And you don't mean to say that you kept your ears and eyes closed with regard to the matters that were going on in which your Company was interested? A.—Certainly not.

Q.—And you availed yourself of every information to ascertain whether the measures that the Company was interested in would go through the House or not? A.—Oh, certainly.

Q.—And you ascertained, beyond all question, with regard to Bill 87, before the Bill was withdrawn, whether or not that Bill would pass the House? A.—Well, I presume I did so, certainly.

Q.—I want to ask you a question, and press you with regard to a matter which was put before you before, Mr. Brown. Don't you remember telling a gentleman who is not Mr. Oliver, that the reason why that Bill was withdrawn was because somebody was trying to hold you up? I don't mean to pretend to repeat the language; but I mean something to that effect? A.—Oh, Mr. Duff, I really do not recall.

Q.—You do not recall? A.—I do not, certainly, recall making a statement of that kind, a statement that would permit of an inference of that kind; or, rather, it was not my intention, if I made such a statement, to have allowed such an inference to be drawn.

Q.—You never made any such a statement from which any inference could be drawn? A.—I don't say that. How can I best explain what I do mean to you? I may have said at that time lots of things; and my recollection carries me, I think, to the fact that there were lots of things; that the Government was in a precarious position; that it was a state where, if one member wanted something and he could not get it,—well, I mean if he wanted certain things for his constituency, he would go to the Government and say, you must give me this or I won't give my support, and so on and so on; that was the general topic.

Q.—But how should that affect the question of this Bill? A.—Oh, I couldn't tell you.

Q.—How would the position of this Bill be affected with the question of whether some member could get something for his constituency? A.—I couldn't tell you.

Q.—If you said anything of that kind, it could not be given as an explanation of the withdrawal of this Bill? A.—How is that?

Q.—If you said anything of that sort, that people were trying to hold up the Government, that would not be an explanation of the withdrawal of the Bill? A.—It is possible I may have talked to somebody about the position at that time.

Q.—Did you ever state to anybody that the Bill either had to be withdrawn or you had to divide up with somebody? A.—Not to my recollection, Mr. Duff.

Q.—What was the difficulty that you met with with regard to this Bill? A.—I couldn't say.

Q.—Oh, yes, you can. A.—General opposition.

Q.—On what ground? A.—Oh, I couldn't tell you now; just the general thing.

Q.—It was not on the ground of the specific provisions of the Bill? A.—Not that I am aware of.

Q.—And it never was suggested that the provisions of the Bill were too broad? A.—Not that I am aware of.

Q.—That position does not appear to have been discussed with Government supporters? A.—I don't know.

Q.—What was the position that was taken at the time the Bill was before the caucus and the time it was withdrawn? A.—I couldn't tell you.

Q.—You knew at the time? A.—I must have.

Mr. Brown—*Continued.*

Q.—And you may have made explanations of how it was? A.—I may have said something indirectly; I would be very indignant.

Q.—And your indignation may have carried you to say something that was— A. (Interrupting)—I may have.

Q.—You may have gone so far, with reference to the reason for the opposition of some of the members on the Government side of the House to this Bill, as to suggest that they thought they ought to get something out of it? A.—I think not intentionally.

Q.—But, at all events, your indignation may have carried you so far that you might have used language that an outsider might have drawn an inference of that kind from? A.—You cannot hold me responsible for what inference outsiders might have drawn from what I said.

Q.—But I mean reasonably legitimate inference? A.—Of course, I cannot say what opinion they might have reasonably legitimate.

Q.—That is as far as you will go? A.—Oh, yes. It is possible I may have said things.

Q.—It is possible that you may have said things from which the inference might have been drawn? A.—It might, possibly.

Q.—That is in conversations upon the thing when it occurred? A.—Yes, I have no doubt I talked with dozens of people.

Q.—That is all right. Now, there is a copy of a letter here written on the 14th of March, 1902, to the Attorney-General, signed by you, dealing with an alleged agreement in the summer of 1898 (handed to witness)? A.—Yes.

Q.—Now, that letter was written in connection with Bill 87, I suppose? A.—I don't know that it was—yes.

Q.—It is obvious that that was written in connection with Bill 87? A.—I don't know that it is obvious.

Q.—In the first place, it is written on the 14th of March, 1902? A.—Yes.

Q.—At a time when you had in contemplation the introduction of Bill 87? A.—Oh, yes.

Q.—And in the second place, it winds up by this, "Will you kindly let me know the terms of the proposed Bill promised by the Government of 1898, and confirmed by the Premier in his letter of the 15th June, 1901, to me." A.—Yes.

Q.—The Bill promised by the Premier in his letter of the 15th of June, 1901, was a Bill on the lines of Bill 87; I mean to say, a Bill restoring the fourth section subsidy? A.—Yes.

Mr. Helmcken: You refer to a letter of the Premier of the 15th of June; a copy of the letter handed in to us is dated the 15th of May.

Mr. Duff: The original letter is here. There were not two letters? A.—Oh, no, just one.

Q.—It is, no doubt, the same letter. Now, in that letter you state that there had been an arrangement made in the summer of 1898 of the kind mentioned in the letter? A.—Yes, that is my impression.

Q.—Now, where did you get the information upon which that letter was founded? Sir Thomas Shaughnessy has told us that, so far as he was concerned, he would be quite unable to say that any such an arrangement as that was ever made between the Government and him. You state categorically the specific agreement between Sir Thomas Shaughnessy and the Government, upon which you ask them to introduce this Bill 87, practically. Where did you get your information with regard to that? A.—Well, my impression is I was present at one of those meetings.

Q.—Your impression is that you were present? A.—Yes.

Q.—And did you make any record of any conversation? A.—No.

Q.—Of any arrangement? A.—No. It always has been my impression.

Q.—I suppose that you knew that a contract had been prepared? A.—A contract had been prepared?

Q.—Yes, embodying the arrangement, as Sir Thomas Shaughnessy says, or supposed to embody the arrangement, between the Government and Sir Thomas Shaughnessy at that time? A.—I know latterly—subsequently there was.

Q.—Didn't you know in 1898? Don't you remember that when the Turner Government went out of power you were here pressing the Government to execute a contract which had been executed by the Canadian Pacific Railway Company, or the Columbia and Western Railway Company, rather, carrying out the oral arrangement which had been made when Sir Thomas Shaughnessy was in Victoria? A.—Yes, I believe there was.

Mr. Brown—*Continued.*

Q.—And it was never executed because the Turner Government went out of power?

A.—Yes, I think so.

Q.—Now, in 1902, in March, you write a letter to the Attorney-General, in which you state that certain oral arrangements were made, and you asked this Bill to be introduced on the faith of it? A.—That is my impression, yes. May I look at that correspondence, Mr. Duff?

Q.—Pardon me a moment, Mr. Brown. That is your impression; you did not consult Sir Thomas Shaughnessy with regard to that? A.—I don't remember doing so.

Q.—That suggestion—namely, that this Bill could be justified upon the basis of a contract of that kind—was something which was not the outcome of any conference between you and headquarters? A.—Not that I am aware of.

Q.—Well, Sir Thomas Shaughnessy has said that he did not know of it, and would not have thought of such a thing as asking for the relief contained in that Bill on any such ground as that, and I suppose you would not dispute that? A.—No; if he says so, I would not dispute it.

Q.—This, then, was a suggestion that cropped up in your own mind? A.—It may have done so, and may not have done so.

Q.—It may have come from Mr. Eberts? A.—It is possible.

Q.—At all events, were you present actually; do you recollect that you were present?

A.—I think I was present, certainly, at one of the meetings.

A.—Can you tell me now what occurred at that meeting? A.—Well, no, I could not tell you definitely.

Q.—And I don't think that on the 14th of March, 1902, you would have undertaken to tell what had occurred at that meeting unless somebody had refreshed your recollection? A.—Just as a general impression.

Q.—Just as a sort of general impression. You hardly would have undertaken to make a statement on behalf of the Canadian Pacific Railway Company to the Legislative Assembly of British Columbia, and asked for relief upon a specific statement of that kind upon your own recollection? A.—Oh, yes, if such was my impression.

Q.—If such was your general impression? A.—Yes, I think so.

Q.—On a general impression of that sort, would you put forward a statement of specific facts having taken place, and ask for a relief from the Legislature on behalf of the Canadian Pacific? A.—As it is to-day, I am still impressed with the fact.

Q.—But when I ask you to tell what your recollection is, you are quite unable to say? A.—Yes.

Q.—Now, do you mean to say that on a shady recollection of that kind you would actually go before the Legislative Assembly of British Columbia and ask them for the relief contained in the Bill? A.—I certainly should, possibly.

Q.—Do you remember that in your former evidence here you said that the only thing you knew about that agreement was that somebody else had told you, and that you were not present? A.—I don't recall.

Q.—Will you undertake to say that you did not say that? A.—I will not undertake to say.

Q.—Will you undertake to say now that it is not true that all you knew about the agreement at the time you wrote that letter, or at the time this Bill was introduced, was what somebody else had told you? A.—It is just possible I may have said that.

Q.—It is just possible you may have said that; and it is more likely it is true, isn't it? A.—I certainly was present at one of those meetings.

Q.—Now, which interview was it? Where did it take place, and what was the discussion, and what occurred? A.—I cannot tell you the details of the discussion, but I know that Sir Thomas Shaughnessy and myself and Mr. Mann, I think, were also present, and I don't know what members of the Government.

Q.—You don't remember? A.—I think Mr. Turner was there, just prior to his going to the country.

Q.—And do you know what the bargain was there? A.—My impression is as I stated.

Q.—What was it? What is your impression now? A.—My impression is this—my impression is this to-day, that Messrs. Mackenzie & Mann wanted to build—or rather the Government wanted to build—

Mr. Brown—*Continued.*

Q.—Never mind what Mackenzie & Mann wanted to do, what happened as to the Government? A.—I am leading up to it. My impression, of course, is just vague, that the Government were looking for a railroad policy, that we were building, we had a charter from Rossland to Penticton, and Mackenzie & Mann had—

Q. (Interrupting)—The Government were still looking for a railroad policy as far back as 1898? A.—They were. And Mackenzie & Mann had the V. V. & E., I think it was, or something of that sort—

Q.—Yes. A.—They wanted a charter—or rather, the Government were willing to give them a charter through to Penticton; they came to a tentative understanding that they were to build through to Penticton; and my impression is it was arranged between them, arrived at an understanding between them.

Q.—But what was the Government to do so far as the Columbia and Western Railway is concerned? A.—I think they were—well, they agreed to give us \$4,000 a mile.

Q.—Yes, they agreed to give you \$4,000 a mile. Do you remember anything else that they agreed to do? A.—Except in a general way; that Mackenzie & Mann were to build between Robson and Penticton, or to a connection with us.

Q.—Was the Columbia and Western Railway Company to give anything up? A.—Certainly.

Q.—What were they to give up? A.—If Mackenzie & Mann were to build the line to Penticton, the Columbia and Western was not to build it, was not compelled to build it; that is my impression of it.

Q.—Conditional on Mackenzie & Mann building it? A.—That is what I understand.

Q.—And if Mackenzie & Mann did not build, your Company still had the right to build? A.—I presume they would, if they did not lose the right.

Q.—I see. So that the statement contained in this letter, which is an absolute consent to the surrender of the right to construct the fifth section, on the understanding that the Company should be relieved of all responsibility for the construction of the fifth section, would not be correct? A.—As my understanding was.

Q.—Yes, that would not be correct. Now, on the 10th of September, 1900, I find here, Mr. Brown, this telegram: "Matter closed; if can see you on arrival and get right back, will leave for Montreal Thursday. Certain matters wish discuss before you come out. Please say." Did you go to Montreal at that time? A.—I couldn't tell you now; I probably did.

Q.—What is that? A.—I couldn't tell you now.

Q.—At all events, Sir Thomas Shaughnessy came out between September and December? A.—This is what?

Q.—The 10th of September. A.—My telegram?

Q.—Yes; that is the date of the first Order in Council dealing with the first British Columbia Southern subsidy? A.—Yes.

Q.—Your present recollection on that is that you went to Montreal pursuant to that? A.—Well, I say I couldn't tell you now; it is probable I did.

Q.—You don't know whether you did or not? A.—I don't know whether I did or not.

Q.—At all events, Sir Thomas came out? A.—He possibly must have.

Q.—Well, did he? A.—I don't remember.

Q.—Well, he said he did; you would not dispute that? A.—Oh, no.

Q.—You told us, of course, that you were pressing for the change which was ultimately brought about by the Order in Council of the 10th of September, 1900? A.—Yes.

Q.—And I observe that in this correspondence which is produced, containing apparently the correspondence between yourself and the Company in Montreal, there are no communications between the 10th of September and the 18th of December. A.—So I see; so I heard yesterday.

Q.—So, apparently, assuming this file of correspondence to contain everything that did take place between you, the communications which took place between these dates would be oral communications that occurred between you and Sir Thomas Shaughnessy? A.—Oh, yes; they would, I presume.

Q.—And the subjects you intended to discuss with Sir Thomas Shaughnessy when you went to Montreal, at least one of the subjects, was the subject you were dealing with at that time? A.—The British Columbia Southern.

Q.—Yes, the change you were trying to get? A.—It must have been.

Mr. Brown—*Continued.*

Q.—And, doubtless, when you saw Sir Thomas you would strengthen your determination to bring about that change? A.—I think my recollection was, I never was satisfied with the settlement of—what date is it?

Q.—10th of September? A.—10th of September.

Q.—I suppose you don't disagree with Sir Thomas when he says that the Company were exceedingly anxious to get those two blocks of land for the B. C. Southern, the Company that earned them? You consider the B. C. Southern had earned those two blocks? A.—Yes.

Q.—As Sir Thomas said, you were exceedingly anxious to get them for the Company, notwithstanding the arrangement with the Crow's Nest Coal Company. And on the 18th of December you telegraphed, "Modified B. C. Southern settlement passed. After settlement necessary details will leave for East, probably in day or two." I suppose this settlement is embodied in that of the 19th of December, 1900? A.—I presume it is.

Q.—And there is no doubt that Sir Thomas had known that you were pressing for that change? A.—I presume he must have been.

Q.—Now, how was it, having arrived at that stage, and having got what you wanted, that you never advised Sir Thomas of the fact that those two blocks had become the property of the British Columbia Southern Railway Company? A.—I cannot explain it at all; as I think I said in my evidence.

Q.—Is it a fact, Mr. Brown, that this telegram, "Modified B. C. Southern settlement passed," would, in your opinion, without setting out all these facts, convey to Sir Thomas that the change you had been asking for was accomplished? A.—I cannot tell you that at all.

Q.—At all events, you are utterly unable to give any reason whatever? A.—Except, if I received that Order in Council—I think it was stated here it was sent.

Q.—There cannot be any doubt about the meaning of this; there is no doubt you knew about the Order in Council, because the map was marked in your handwriting? A.—Yes, Mr. Duff, I admitted I must have been pressing for it.

Q.—You knew it was passed, and that refers to it (telegram 18th December)? A.—Yes.

Q.—But there is no explanation forthcoming on why it was that you kept Sir Thomas in ignorance? A.—I cannot tell you whether I did or not.

Q.—How do you explain Sir Thomas' statement that he never learned anything about that the British Columbia Southern had ever got these lands? A.—If such is the case, the only way I can explain it is it was an oversight on my part.

Q.—Now, there is no doubt in the world, so far as you are concerned, it was afterwards present to your mind? A.—How do you mean?

Q.—We will go on a little further. You left for Montreal, didn't you, shortly after that? A.—I must have, yes.

Q.—And you were in Montreal and in Ottawa, were you not, with Mr. Eberts, Mr. Taylor and Mr. Dunsmuir? A.—Mr. Eberts, Mr. Taylor and Mr. Dunsmuir?

Q.—Yes, you know that; you remember that, Mr. Brown; you have not forgotten that, surely? A.—I certainly was with Mr. Dunsmuir at one time in Ottawa.

Q.—And Mr. Eberts and Mr. Taylor were there; and you were present too? A.—I am trying to recall the facts.

Q.—You remember the visit of the Premier and Mr. Eberts to Ottawa in the beginning of 1901, before the Session, when representations were made to the Dominion Government on various subjects? Q.—Yes, I remember that.

Q.—You were in Ottawa with them? A.—Yes, I was there for a time.

Q.—And Mr. Taylor was with you? A.—I don't remember that he was.

Q.—Try and remember that. A.—I don't recollect. I recollect Mr. Dunsmuir.

Q.—At all events, Mr. Eberts and Mr. Taylor were for some time in the East, and I think you came back with them, didn't you? A.—I don't know, I'm sure.

Q.—You don't know; your recollection does not enable you to say that? We will pass on. Now, looking at that correspondence, the next thing that occurs in the correspondence between yourself and Sir Thomas Shaughnessy relating to this matter is on the 23rd of July, 1901, when you advise Sir Thomas that you think it likely that you can get those two blocks—that you may be able to get a prompt decision by which these two blocks shall go to the Columbia and Western Railway? A.—Yes.

Q.—Now, in the meantime, knowing yourself that these blocks were owned by the British Columbia Southern, you kept Sir Thomas in ignorance of the fact that the British

Mr. Brown—*Continued.*

Columbia Southern had them, and advised getting them for the Columbia and Western; that is so, isn't it? A.—My recollection of the circumstances, as I have already said before, to-day, that in these Columbia and Western negotiations I have no recollection of remembering that Order in Council of the 19th of December.

Q.—But you admitted to me in your last examination, Mr. Brown, and surely it must have been certainly obvious that you could not have forgotten it? A.—It is not in human nature to say you could not have forgotten.

Q.—Do you mean to state, Mr. Brown, that having spent the time you did in the way you did to get them, and having acquired them, that in three months you forgot all about it, and that you set to work to get those two particular pieces of land for another company, having already got them for one? A.—It is quite possible I forgot it; but if I did remember it it would have made no difference.

Q.—If you did remember it it would have made no difference? A.—That is my impression.

Q.—Will you explain why it was, then, when you were pressing for those blocks, that you did not inform Sir Thomas Shaughnessy that the Company already had them for the B. C. Southern? A.—As I say, I seem to have forgotten.

Q.—What? A.—I seem to have forgotten; if I did not inform him it was an oversight.

Q.—That is all you can say about it? A.—That is all there is to say about it.

Q.—Now, looking at that, Mr. Brown, have you any doubt it was you who made the suggestion that these blocks should go to the Columbia and Western Railway Company? A.—Oh, I don't know, I am sure. This grew out of discussion. I don't know that there is anything inconsistent in that.

Q.—You don't? A.—I don't see it.

Q.—Can you explain, Mr. Brown, why it is that in all the negotiations between you and the Government, although you were trying to get these blocks, there is no mention made of these blocks until the Order in Council itself is passed? A.—Oh, I couldn't tell you that.

Q.—It was not because you wanted those negotiations carried on in such a way that the Company could not be charged afterwards with having switched them from the British Columbia Southern to the Columbia and Western? A.—Oh, no; I don't think so; I don't think so.

Q.—You don't think anything of that kind could have occurred? A.—I don't think so. (Order in Council of 10th December handed to witness at his request.) I am under the impression that we were negotiating other matters then; I cannot recall what it was. Is there any correspondence in connection with this sent to me, is there any record? I don't recall it.

Mr. Helmcken: No.

Mr. Duff: Now, Mr. Brown, I suppose you have no further information to give us as to where those copies you produced came from? A.—What copies?

Q.—You remember that you produced copy of the letter of the 31st of July? A.—Oh, yes, I have.

Q.—Where did they come from? A.—They came, as I expected, from Mr. Cherry.

Q.—Who is he? A.—He is the man who was with me.

Q.—Was there a letter enclosing them? A.—No, there was no letter.

Q.—How do you know they came from him? A.—Because I saw him in Banff.

Q.—And he told you that he sent them? A.—No, he did not tell me that. What I asked him was this; I asked him if he had enclosed me copies of letters.

Q.—Did he explain how he came to do it? A.—Oh, yes; he said when he left here—before he left here I told him to separate my private mail, and such departmental mail as he could, and put it in my bag, and deal with such departmental mail as he could as he went East, looking after such business as he could attend to.

Q.—How did that explain it? How did he come to send those particular letters to you, or copies of them? A.—I asked him if he had sent those things, and he said he didn't know the dates, but that on going through his papers he had found them; and, knowing the telegram he had sent to Sir Thomas, that he had sent them.

Q.—When did you ask him to make this separation? A.—Before he left Victoria.

Q.—When did this occur? When you left Victoria? A.—About the time that I left Victoria.



Mr. Brown—*Continued.*

Q.—About the time that you left Victoria? A.—Yes. I can recall the whole circumstances, and suggest a reason why it was with me. Before I left Montreal, the legal department were getting up the brief, I suppose in connection with this matter, and they could not find the original papers, and I was asked by Mr. McMillan to get copies for Mr. Creelman. I had turned up these copies, and he subsequently found his originals, and the copies got in my desk with all the mail, which was carried West when I came West.

Q.—The originals? A.—No, no, the copies that I produced, my copies.

Q.—How is it, Mr. Brown, that your correspondence from your files are sent forward to Montreal every few months? A.—Oh, no, I was incorrectly—that was incorrectly stated.

Q.—What do you mean? A.—I said about every two years.

Q.—How does it happen that this was treated differently from other correspondence? A.—I suppose because of the confidential correspondence.

Q.—And it would be in somebody's custody there in Montreal? A.—Anything that is closed up would go to Sir Thomas.

Q.—Where was the difficulty, then, in producing the documents? A.—Oh there is nothing, dealing with things at all that are settled.

Q.—What do you mean? A.—I mean there is no general rule on these things.

Q.—No general rule at all? A.—No.

Q.—When was this correspondence sent to Montreal? A.—Everything in connection with my office, when I moved there.

Q.—The whole thing, all your correspondence? A.—All the correspondence that I had in Vancouver.

Q.—There is a copy of a letter here of the 13th of April, addressed by you to Mr. Wells. Do you identify that as having been enclosed? A.—Yes.

Q.—With the letter of the 28th of March? A.—Yes.

Q.—And this memorandum of an interview, was that made at the time you state here, "After reading the above half an hour after writing, I found that I had omitted a statement by Mr. Wells that he had told T. G. S. that he thought the delivery of the grants would defeat the Government, and that if he found it so he would not make delivery. I replied that it was a strange thing that T. G. S. had not said something to me about it." Is that correct? A.—That is correct, from my recollection.

Q.—Did you keep a copy of this? Apparently you did. Where did you copy this? A.—I presume that would be copied in Vancouver.

Q.—I see there was some discussion between you and Mr. Wells as to the mutual friendship between Mr. Wells and the Company. What do you mean by that? A.—Just what?

Q.—What do you mean by saying Mr. Wells was a friend of the Company? A.—Simply that he was a friend of the Company, and the Company a friend of his.

Q.—Feelings of friendship cannot very well exist between a corporation and an individual? A.—I don't know that they cannot. I think they can.

Q.—I suppose that was simply an inference to be drawn from the mutual conduct of Mr. Wells and the Company? A.—Oh, that was possible—

Q.—I don't want to press you in details with regard to that. Do you mean that with regard to public matters? Is that what you meant, with regard to public matters Mr. Wells and the C. P. R. had been mutually friendly? A.—Oh, no—

Q.—That the C. P. R. had been a friend to Mr. Wells in politics, and on the other hand Mr. Wells had been a friend in a public way; is that what you meant? A.—I don't think so. I think it is probably as Mr. Shaughnessy designated it was in his evidence.

Q.—Never mind what Sir Thomas Shaughnessy said, because you and Mr. Wells used the language together. Do you mean that Mr. Wells was indebted to the Company for favours, and the Company, on the other hand, was indebted to Mr. Wells for favours; that favours had passed mutually between you? A.—Oh, no.

Q.—What meaning has this language to you, "If they don't want my friendship then I must do without it"? A.—Oh, I couldn't define it to you now; I couldn't define now; it was just a mutual friendship. I think that he was friendly to Sir Thomas.

Q.—You think it was an indication in so far as the officers of the Company are concerned; they had a friendly feeling towards Mr. Wells, and that he had exhibited the same sort of feeling towards them? A.—Oh, yes, that is all I can say about it.

Mr. Brown—*Continued.*

Q.—All right. Now, this memorandum which purports to contain a statement of what occurred on the 24th of March, 1902, when was that compiled? A.—It was compiled a very short time after the interview.

Q.—It is a good many pages long, isn't it? A.—Yes.

Q.—How long did the interview last? A.—Oh, some little time.

Q.—It purports to be a verbatim account of what occurred? A.—No; on the contrary. This report is a confidential report to my president of what transpired at that meeting, to the best of my knowledge and recollection, written very shortly after the interview.

Q.—Yes, exactly. A.—But I do not mean to assume, or allow you to assume, that I mean that it is word perfect, or anything of that sort.

Q.—No, I don't ask you to say that, Mr. Brown, but what I meant is this: that, from page 2 on, the report purports to give all the language in the first person? A.—Yes.

Q.—And very minutely? A.—Yes.

Q.—It is drawn exactly in the same form as if it was an absolutely verbatim report, taken down at the time? A.—Yes.

Q.—And it certainly was not intended to misrepresent what occurred? A.—Oh, no.

Q.—But it was supposed to represent what occurred? A.—Yes. Of course, I do not say it is in categorical order, but it is pretty near it.

Q.—You do not say that it all occurred in the order in which it is given? A.—No.

Q.—But you are quite sure that all of it did happen? A.—Yes.

Q.—And the reasons put forward here for this act on the part of the Government were purely reasons of political expediency? A.—Reasons of political expediency.

Q.—And nothing else? A.—And nothing else.

Q.—Excepting Mr. Dunsmuir's explanation that, as far as his connection was concerned, it was caused by the report of the conversation at Montreal? A.—Except by inference; he does not say that positively.

Q.—At all events, as far as your recollection is concerned, you won't undertake to set it up against this report? A.—Oh, no.

Q.—Have you any modification now to make of that report? A.—Except as I have stated; it was written shortly after the interview, and is an accurate report as far as I could make it.

Q.—As far as you then could recollect? A.—Yes.

Q.—When your recollection was much better than it would be now? A.—Yes.

Mr. Helmcken: This letter says it was made within an hour.

Mr. Duff: I think that all these letters and telegrams ought to go in.

The Committee agreed that the files of correspondence should go in, the same being the source from which the witness has refreshed his memory.

Mr. McPhillips: You have generally pledged your oath to the report you made to Sir Thomas Shaughnessy? A.—What Mr. Duff explained, Mr. McPhillips, is that that is a report to my president of my recollection of the interview.

Q.—But you are prepared to pledge your oath now that it is a report which you, at the time you made it, deemed to be a fair and accurate report of what took place? A.—Oh, yes.

Q.—You will say that now? A.—Oh, yes; that is my recollection of it.

Mr. Duff: Was that report intended, and did it contain everything that occurred? A.—No, I don't think it did.

Q.—Well, what occurred that was not intended to be included in it? A.—I think that at one period Mr. Wells went out of the room, and Mr. Prentice went after him to bring him back.

Q.—I don't mean incidents of that kind. Was there anything to attach any special significance to that? A.—Oh, just when it got hot.

Q.—Now, what do you mean when it got hot? Do you mean to say there was any opposition? A.—No; when I got to talking, I think Mr. Wells went out of the room, and I think Mr. Prentice brought him back. I became very indignant.

Q.—You used very warm language, and Mr. Wells went out as the result? A.—He went out at that juncture; I don't know what made him go out.

Mr. McCaul: I would like this objection noted, that if this memoranda is introduced it must be understood by the members of the Committee that it is practically self-serving

Mr. Brown—*Continued.*

evidence ; they are statements which are made by Mr. Brown and submitted to the president of the Company, and practically self-serving evidence to make his own case against the Government, and as against any person else who is interested in it. A memorandum like that is open to comment.

Mr. McCaul, to Witness : Take the first memorandum, the one with regard to that conversation with Mr. Wells at the Driard. Does that profess to give verbatim what occurred between you and Mr. Wells? A.—As nearly as I recollect.

Q.—But you do not mean to say that that is a verbatim account of everything that occurred between you and Mr. Wells upon that occasion? A.—I wouldn't say it was word perfect, but that is my recollection of it.

Q.—Could you pin yourself down to a statement that it is a verbatim account of what occurred between Mr. Wells and yourself? A.—As nearly as I could recollect at the time, of course it was.

Q.—With regard to the other one, I think you have already said you do not profess that that gives the entire interview of what took place? A.—It is not word perfect.

Q.—I don't mean word perfect ; does it give the entire interview of what took place? A.—It is according to my recollection at the time, yes.

Q.—You will swear it is correct as to the entire interview of what took place between yourself and the Executive? A.—I will swear that is my recollection of it.

Q.—Will you swear it is correct? A.—I will swear that is my recollection of it.

Q.—You will not go further than that? A.—I will not swear that nothing else occurred, but I will swear that is all I recollect.

Q.—And that nothing else was said by which the statements that you give to Sir Thomas Shaughnessy might be given a different colour? A.—Certainly not.

Q.—You will swear there was nothing else occurred? A.—Not in my recollection.

Q.—I call your attention to this Bill with your memorandum of the 15th of May. Where did you get that Bill? A.—I must have got it from the Queen's Printer.

Q.—I don't understand you to say that you showed that Bill to Mr. Wells on that day? A.—I don't remember whether I did or not.

Q.—You have no recollection of having shown it to him that day? A.—I have no recollection of it.

Q.—You could not state that Mr. Wells really saw a copy of the Bill before the 22nd of May? The evidence here is that on the 22nd of May that Bill was finally revised, and that you were present in the Queen's Printer's office and had it revised upon that date, the 22nd of May. A.—I don't think that is the evidence, Mr. McCaul.

Q.—Yes, I think that is the evidence here. A.—Certainly I got that from the Queen's Printer.

Q.—And you have no recollection of showing it to Mr. Wells at all? A.—I haven't any recollection of it.

Q.—Now, this question of friendship between Mr. Wells and the Company—as a matter of fact, had Mr. Wells received any special favours from the Company? A.—Oh, I don't know that he had any special favours.

Q.—You know of no special favours? A.—No.

Q.—Any question of any freight rates or rebates to Mr. Wells? A.—Not that I know of. Just general friendship.

Q.—So that you were not referring, when you mentioned that, to any favours that Mr. Wells had received from the Company? A.—Oh, no ; just the ordinary transportation that we give every member of the Government.

Q.—That is done with every person. You were not meaning that, of course? A.—Oh, no.

Q.—And what you meant was that he was on good terms with Sir Thomas Shaughnessy. A.—That he was on good terms with Sir Thomas Shaughnessy.

Q.—And other people connected with the Company? A.—Yes.

Q.—Then at that interview that you had with Mr. Wells at the Driard, Mr. Wells was still insisting that the letter which you had written to him gave a false account of the interview that he had with you? A.—Will you let me see that, Mr. McCaul, that interview, please (document handed to witness). Now, what was your question?

Mr. Brown—*Continued.*

Q.—On the 27th of March, when you had that interview with Mr. Wells at the Driard, Mr. Wells was insisting that the letter which you had written him on the 22nd of March gave a false interpretation of the interview that you had had with him in his room on the 19th?  
A.—No, not a false.

Q.—Don't you say that? A.—No, not a false interpretation.

Q.—He was complaining, was he not, that he had never given you any such assurance at all? A.—As a Government.

Q.—As a Government. He was complaining that you had misinterpreted the interview and that you had no right to write the letter of the 22nd of March? A.—To him, as a member of the Government.

Q.—That you had no right to write that letter that you wrote on the 22nd of March?  
A.—Yes, he was protesting against that letter.

Q.—In that interview with Mr. Wells that you had on the 19th, did he say anything to you about your withdrawing altogether your claim for the fourth section? A.—Not in my recollection.

Q.—Will you swear that he did not? A.—I am sure he did not.

Q.—Will you swear that he did not? A.—I cannot recall at this present time.

Q.—And, at any rate, that conversation that you had with Mr. Wells on the 27th was quite in line with the answer that you got from him, dated the 3rd of April, to your letters of the 22nd of March, and 23rd? A.—As a Minister.

Q.—Yes, it was quite in line with that letter? A.—Yes, as a Minister.

Q.—That is, that he distinctly refused to in any way bind the Government to any proposition to let you get these two blocks in connection with the land subsidy for the fourth section?  
A.—Yes.

Q.—He distinctly took that position, and you understood at the time that you had this Bill 87 drafted that that was Mr. Wells' position, as a member of the Government, if you want to put it that way? A.—Yes; that as an individual he would refuse to give those things.

Q.—Never mind as an individual. He distinctly took the position that the Government would not commit themselves in any way to a proposition to give you those two blocks of land in connection with the fourth section? A.—That he would not commit, he said that in that letter.

Q.—Yes, and you understood that at the time you had that Bill drafted.

Mr. Helmcken: Do you say he was friendly in his ministerial capacity? A.—I said he was friendly to the Company; a general friendship.

Q.—To give you these two blocks, you say that he would use his influence? A.—His influence.

Q.—To give you these two blocks? A.—That has always been my contention.

Q.—That Mr. Wells did say so? A.—Yes.

Q.—Did you ever get any reply to that letter of yours of the 14th of March, 1902, to the Attorney-General? A.—Not in my recollection; I don't know that I did. I may have seen him.

Q.—Was not that about the same time that Mr. Dunsmuir and you and he had that interview in his office? A.—14th of March?

Q.—Yes. A.—As I say, I don't recollect the date of that interview. I don't think it was.

Q.—You don't recall receiving a reply? A.—No.

Q.—Verbally or otherwise? A.—I may have had it verbally.

Q.—Do you recollect whether he gave you any reply? A.—I don't recall at the present time.

Q.—You say the rescinding Order is on the 18th of March? A.—Yes.

Q.—This is four days before the rescinding Order? A.—Before I get mixed up in this thing, can you let me see the letter you are talking about. (Letter handed to witness.) Yes; I don't recall. Doubtless he did give me some answer.

Q.—Do you know what he did tell you? A.—Oh, I could not recall at the present time.

Q.—Did any reference take place to these previous negotiations in 1898? A.—He possibly may have told me something about it.

Mr. Brown—*Continued.*

Q.—Did you have any consultation with Mr. Taylor about that matter at that time?

A.—Oh, no; not within my recollection.

Q.—As to Bill No. 87, do you still remain in darkness with regard to its paternity? A.—I certainly do. I don't recall where it came from.

Q.—You do not? A.—I do not; no.

Q.—And there is a telegram here of the 7th of May (handed to witness). Will you look at it, Mr. Brown? A.—Yes, I remember that.

Q.—Did you carry out your instructions there to the letter? A.—I don't recall whether I did or not. I recall receiving this telegram, but I don't recall whether I did or whether I did not. How do you mean, in doing anything?

Q.—To say nothing. A.—I have no doubt I did.

Q.—Do you recollect whether you mentioned that at all to any member of the Ministry—about the telegram? A.—Oh, no; I would not.

Q.—About the instructions that you received as to the attitude you were to take? A.—Oh, no; I would not.

Q.—At the same time, having received those instructions, were you pushing to have this Bill 87 pushed through the House? A.—Yes, I was.

Q.—And this had been after a Return had been made? A.—Let us see, when was Bill 87 introduced?

Q.—22nd of May. A.—Oh, yes; yes, it must have been.

Q.—Your note on the back of the Bill there is the 15th of May. A.—Yes, I see that.

Q.—Notwithstanding the instructions you got, you still were pushing for this Bill? A.—My recollection, it was say nothing of the intention of the Company how they are going to deal with it. And I suppose that was, make no serious—

Q.—Don't give it away; we have got this card up our sleeve, but get that Bill if you can, and if you don't get the Bill then we can fall back upon this other proposition of the issuance of the Crown grants; isn't that it? A.—I wouldn't say that at all.

Q.—But you did not disclose that to any person? A.—No, not in my recollection.

Q.—What object would you have had in getting that Bill 87 through, then? A.—The object was the reinstatement in the fourth section.

Q.—And any advantage it would have been to the Company? A.—No, not that I am aware of at the present time.

Q.—Can you tell us where the Attorney-General was on the December meeting in 1900? A.—Where he was?

Q.—Yes. A.—I don't know, I am sure.

Q.—Do you recollect meeting him about that time? A.—No, I do not.

Q.—Mr. Brown, if you got that Bill 87 through there would not have been any fuss over the cancellation, would there? A.—I cannot say as to that.

Q.—Would there have been? A.—I cannot say that; it would still have been a matter for negotiation with the Government.

Q.—A matter of negotiation; there would not have been any noise kicked up over the cancellation of that Order in Council? A.—Oh, I cannot tell you that; I might have gone on with that, too.

Mr. McPhillips: Q.—I want you to look at the letter, a copy, of March 22nd, 1902, from you to Mr. Wells (handed to witness); I draw your special attention; first you make a remark about the non-delivery of the two Crown grants? A.—Yes.

Q.—You say that they have partially carried out the settlement, in fact completely, with the exception of the delivery to the Company of the executed Crown grants for two of the blocks of land included in the settlement. When you wrote that, what was the information in your mind at the time? A.—My information was, as I have already stated, from the president, that he had consented to Mr. Wells returning with two Crown grants, which he would return in thirty days.

Q.—You had that in your mind? A.—Yes; and the assumption was then that there had never been a manual delivery; that there might not have been.

Q.—Well, you say "in fact completely," there. What do I understand by that? Do you take the same view that the president of the railway does, that there was a completed transaction? A.—I think that there should be read in conjunction with another sentence; I think so, Mr. McPhillips.

Mr. Brown—*Continued.*

Q.—It might be your view still that it was completed? A.—Of course, I cannot tell you just exactly what my views were at that time, beyond the fact that I evidently assumed there had not been a manual delivery.

Q.—I would like to know what your view was. Do you say that at that time your view was, on the facts known to you, that the matter was completed, or that there was something still to be done with respect to these two Crown grants? A.—May I read this to you in this way, and probably it will convey my meaning more clearly: "That the Government has already settled this matter with the Company, and has partially carried out that settlement, in fact completely, with the exception of the delivery to the Company of two grants."

Q.—I want to know now what your view of the matter was. You are the executive agent of the Canadian Pacific Railway Company? A.—Yes.

Q.—At least of the Columbia and Western Railway Company? A.—Yes.

Q.—And I want to know what your view was on March 22nd on the facts as you then knew them? Was there something still to be done to vest title, as you understood it, in the Columbia and Western Railway Company as to those two blocks? A.—I presume I must have thought that there was something else to be done; I presume I must have.

Q.—Did you take the ground then that these two blocks were the property of the Columbia and Western Railway? A.—I cannot tell you whether I did at that time or not. It was purely a legal point.

Q.—It is rather important, because you were acting for the Columbia and Western Railway as executive agent; you are a long way removed from the headquarters in Montreal, and I would like to know really what position you then took with regard to those two blocks? A.—Well, my impression was they belonged to the Company, certainly, and that they were being held by Mr. Wells—

Q.—Well, were you proceeding on that premise when you wrote this letter? A.—I presume I must have been.

Q.—At that time? A.—At that time.

Q.—You were putting forward the position of the Columbia and Western Railway Company as being the owners of these two blocks? A.—I must have been, Mr. McPhillips.

Q.—You say you think you were? A.—Oh, yes; it was patent in my mind.

Q.—In another paragraph of your letter you say, "The President of the Company may be able to appreciate your contention in conversation with me on the 19th instant, that political expediency necessitated the Government's present action in this matter, but, frankly, I cannot, particularly in view of your assurances to me, also of the 19th instant, that you would see that these two blocks, for which grants have already issued but not delivered, would go to the Company in settlement of the subsidy in respect of the fourth section." Now, I would like to understand how you reconcile that with your previous contention, you might also say, in this letter, that these blocks belonged to the Columbia and Western? Why should you get these blocks twice over? A.—Well, because he had told me that we were not going to get them for the other section, but for political expediency they had been cancelled.

Q.—Your explanation, then, is that whilst your contention was that they were the property of the Company, yet at the same time Mr. Wells had agreed, notwithstanding what was being put forward by the Company, that these blocks of land would be given into the possession of the Company in a different way? A.—I don't think — may I look at that letter again, Mr. McPhillips? (Letter handed to witness.) Yes, I qualified that latterly, Mr. McPhillips. And I certainly was not justified in going to the extent of saying that he would see; what I should have said, and what I wished to convey, was that he would use his offices.

Q.—Do I understand your meaning was that in a way of confirmation in some way or other, that the Government was going to complete this matter? A.—Not the Government, Mr. McPhillips.

Q.—That he was going to advise the Government, recommend the Government? A.—That he would use his influence to secure it to us.

Q.—That he would use his influence with the Government to rehabilitate the Company in its possession about those two blocks by this method? A.—Something to that effect.

Q.—I would like you to make it a positive statement whether Mr. Wells, the Chief Commissioner of Lands and Works, made such a promise to you? A.—He certainly did.

Q.—He did; and that the effect of that would be carried out by legislation? A.—That is the impression, yes.

Mr. Brown—*Continued.*

Q.—And that, practically, without that legislation, such a course could not be adopted, perhaps; and that legislation that was subsequently brought down happens to be Bill 87. A.—I don't know that that really dealt with it; of course, it is possible to presume.

Q.—That is the Bill, isn't it? A.—That was the only Bill that was brought down for the fourth session.

Q.—But you say, as far as you are concerned, there was no abandonment of the position on the part of the Columbia and Western Railway Company that you were entitled to these two blocks? A.—Oh, no.

Q.—But that was a course of procedure suggested by Mr. Wells? A.—That he would use his influence to give the Company those two blocks.

Q.—As I understand the position, the Government had rightly or wrongly rescinded the Order in Council giving these two blocks to the Columbia and Western Railway. A.—Yes.

Q.—Your contention, of course, was that that was wrong, and that it was possibly ineffective, still contending that those blocks were the property of the Company? A.—I lost your question.

Q.—You were contending that the action of the Government was a wrong one, and possibly ineffective, so far as the Company is concerned? A.—It is so difficult at this time, Mr. McPhillips, to remember everything that was said, or what led up to it or what caused it, but, speaking generally, and to the best of my recollection, the contention of the Company was that they were entitled to these things; that the political exigencies demanded their cancellation at the present time—at least, the Government thought so; but there was no surrender of the Company's rights to those grants.

Q.—Let me understand you, Mr. Brown; you say, through, at any rate, the Chief Commissioner of Lands and Works, you apprehended that this cancellation of the Order in Council was more a political measure than a real attempt to deprive the Columbia and Western Railway of this property? A.—That is as he stated it.

Q.—That is the complexion you put upon it? A.—That is the complexion I put upon it.

Q.—And Mr. Wells—not the Government, but Mr. Wells—said that he would recommend this line of procedure whereby you would be given these lands for section four of the railway? A.—That was the general impression; that he would use his influence.

Q.—I want you to be clear upon that; because Mr. Wells has undertaken to say that he never did say anything of the kind. A.—That was the assurance.

Q.—Are you sure upon it? A.—Perfectly sure; Mr. Wells gave me the assurance.

Q.—Gave his assurance that he would so recommend the Government to give? A.—That he would use his influence to see that those blocks went to the Company.

Q.—So that, if that be true, that would be carrying out what you practically understood this cancelling Order to be, an Order of political expediency, which, if Mr. Wells' representations were acceded to on the part of the Government, would be cured in this other method by legislation, notably Bill 87, under which Crown grants of these two blocks of land might have been given to the Columbia and Western Railway? A.—That the question would become the subject of negotiation with the Government.

Q.—Well, you say on the 19th instant. I would like you to fix that, Mr. Brown, if you could, when Mr. Wells first gave you that assurance; what date? A.—That was after the cancellation.

Q.—It would be after the 18th of March? A.—It was the morning of the cancellation.

Q.—The morning of the cancellation. A.—Well, no, it would be the day previous to the cancellation. I think I was not here the day of the cancellation.

Q.—Well, where did Mr. Wells give you that assurance? A.—In his office.

Q.—In his own room? A.—Yes.

Q.—No one else present? A.—No one else present.

Q.—And did you take that subject up with any of the other Ministers? A.—Not in my recollection. I am under the impression that I thought it was another jolly. Whether I seriously thought that he contemplated carrying it out then, I do not know.

Q.—Well, did you think that he seriously meant to do that then? A.—I see in the correspondence there—

Q.—You said "doubt sincerity"? A.—Yes.

Q.—Well, but that is important, Mr. Brown. Would you put it that Mr. Wells was merely jollying you and endeavouring to put you off? A.—In view of that telegram, I would say that that was my impression at that time.

Mr. Brown—*Continued.*

Q.—Well, you do not put it in on any higher plane than that? A.—How do you mean, higher plane?

Q.—Than that he was merely using some diplomatic method of postponing the matter?  
A.—Yes.

Q.—You really don't think, then, that Mr. Wells could be charged as a Minister with having given you that assurance, really meaning it to have virtue? A.—As much virtue as most of his promises to me.

Q.—Well, did you really act on it, in the belief that it was the promise of a Minister who would carry it out? A.—I presume I did; I expected it; but in view of that telegram I would say—

Q.—Well, you cautioned your president that it might be meaningless after all? A.—Yes.

Q.—Then, I suppose, Mr. Brown, you were rather interested that this Bill, if brought down, should be in such a form that you would not have any further trouble as to whether those blocks came in with or without the purview of the Subsidy Act? A.—Just possibly, yes.

Q.—That was working on your mind? A.—I was working to get these blocks for the Company.

Q.—You were aware that that was one of the obstacles? A.—Yes.

Q.—And it would be natural for you to see that it was no longer in the way, if possible?  
A.—Yes.

Q.—I think you have said you don't know who drew that Bill? A.—No, I don't recollect the draft, no.

Q.—You don't recollect who drew that Bill 87? A.—No.

Q.—Do you think that you mentioned the matter to the Attorney-General in any way?  
A.—I don't recollect doing so. I may have talked Bill 87.

Q.—Or impressed on the Attorney-General that you better have this legislation clear and distinct? A.—I don't recollect that. I may possibly have talked to him; I talked with everybody.

Q.—You never hesitated to put forward what you considered the rightful claims of your Company? A.—Mr. McPhillips, that was my business here, to make the best arrangements I could for my Company.

Q.—And it would not be an unreasonable thing if you were careful that Bill 87 would be wide enough in its range to give you these two blocks of land? A.—Possibly so, yes.

Q.—But still you say, of course, that you were not abandoning your position previously taken? A.—Oh, no.

Q.—With regard to these two blocks? A.—No. And these things have got to have half a dozen strings.

Q.—I suppose you would not have objected if that Bill had gone through and you had been given these two blocks the other way? A.—Not the slightest.

To Mr. McCaul (by leave of the Committee):

Q.—Mr. Brown, this conversation that you have just been relating took place the day before the Order in Council cancelling the grants was passed? A.—Oh, no; I said the morning after.

Q.—I understood you to say to Mr. McPhillips, a moment ago, it was the day before?  
A.—I think you are mistaken. If you recall, I said I think I was not here the day of the rescinding Order.

Q.—Then you meant to say that it was the day after? A.—Yes.

Q.—And I think you said really that all the assurance you got from Mr. Wells was that the matter would be a subject of negotiation? A.—No, I didn't say that.

Q.—You certainly said that to Mr. McPhillips. You certainly said that what Mr. Wells told you was that the matter of getting these grants to these two particular blocks of lands might become a subject of negotiation? A.—I used those words, but not in that way. Would you ask the stenographer to read it out? I can recall what I said, and probably you will recall it too—in effect, that Mr. Wells gave me his assurance that he would do what he could to give up those blocks of land.

Q.—That he would use his influence, you said? A.—Yes.

Q.—And that the matter would then become a subject-matter of negotiation, when Mr. Wells would use his influence to give you the blocks? A.—Yes, that is it.



Mr. Brown—*Concluded.*

Q.—And in that connection, did not Mr. Wells say to you that you had better withdraw any claim you have for a subsidy in respect of the fourth section? A.—I don't think he said anything of that kind. Why should he say it?

Q.—I don't know why; but you won't swear that he did not state that if negotiations were afterwards opened up in regard to getting these two blocks of land, you better withdraw your claim for the fourth section altogether? A.—And this was a Bill that he was just introducing to reinstate us for the fourth section.

Q.—Did he say that or not? A.—I have no recollection of his saying so.

Q.—Now, you have just admitted that you purposely framed, or purposely had framed, Bill 87 so as to get it run through the Legislature and open a door to let you get those two blocks of land in connection with the fourth section subsidy? A.—I don't think I have said that in that bald way.

Q.—Did you tell Mr. McPhillips that your object in framing the Bill in that way was to enable you to get these two blocks? A.—I said we would take advantage of it if it were possible.

Q.—And you had that in your mind when you were considering the draft of the Bill? A.—It is just possible.

Q.—It is just possible that you did. And do you mean to say, in the face of the letter which Mr. Wells wrote to you on the 3rd of April, that you charge Mr. Wells with being any party to that underhanded scheme to get the blocks under Bill 87? A.—I certainly say that Mr. Wells gave me his personal assurance.

Q.—Do you charge him with being privy to that underhanded scheme to get these two blocks under Bill 87? A.—I don't know; there is no underhanded scheme about it that I can see.

Q.—There was no understanding between you and Mr. Wells as to Bill 87 giving you those two blocks? A.—We certainly discussed that Bill—I mean, we had lots of discussions about the Bill.

Q.—Lots of discussions about the Bill being introduced? A.—Yes.

Q.—He had told you distinctly in his letter of the 3rd of April that he would not allow the Government to be made any party to such a scheme at all, hadn't he? A.—He had done so.

Q.—And he was not a party to the drafting of that Bill in the form in which it was? A.—I don't know, I am sure, whether he was or not; he must have seen it.

Q.—Your impression, evidently, when the matter was fresh in your mind immediately after your conversation with Mr. Wells, was that he was merely putting you off and giving you a jolly? A.—That is evidently my impression at that time.

Mr. Green: Mr. Brown, did you at any time in the Province of British Columbia represent the Pacific Coal Company in any way? A.—Never.

Q.—Are you connected with the Pacific Coal Company? A.—No.

Q.—You had no negotiations, you had no business at all in connection with the Pacific Coal Company in the Province? A.—No.

Q.—Now, Mr. Brown, with regard to this agreement, or alleged agreement, between Sir Thomas Shaughnessy and the Government in 1898, how do you account for the hiatus that there was nothing said from 1898 until the 14th of March, 1902, about that? A.—Oh, we discussed things; a great deal of our work is done orally and verbally.

Q.—But if this agreement was to have been a binding agreement upon anybody— A.—I am afraid I am getting lost in that.

Q.—I am talking about the agreement, or alleged agreement, between Sir Thomas Shaughnessy and the Government, the Mackenzie & Mann deal, dated the 8th of July, 1898; there is nothing to show that this matter was taken up at all from 1898 until the 14th of March, 1902—not a tittle of evidence. How do you account for that? A.—I couldn't account for it.

Q.—Do you know, as a matter of fact, whether it was touched upon at all during that interval, or not? A.—I couldn't say.

Q.—It was not, to your knowledge? A.—Not to my recollection.

Witness stands aside.

The Committee here adjourned until 2 P.M. to-day, May 21st, 1903.