

Mr. Dunsmuir—*Continued.*

Q.—In the presence of—? A.——different members of the Executive.

Q.——different members of the Executive? A.—Yes.

Q.—Now, you are aware that these Crown grants were signed by the Governor on the 3rd of October? A.—Yes, I am aware of that.

Q.—Some time between that date and the time Mr. Wells left for Montreal, did he send for you for the purpose—? A.—No, I don't know whether Mr. Wells sent for me or not; I know I met in Mr. Wells' room—

Q.—For the purpose of discussing this very matter? A.—Talking the matter over. I think Mr. Prentice was there too.

Q.—Yes. Now, Mr. Wells in his evidence, says that he sent for you to ask you if you understood this matter? A.—Well, I think that he sent for me to explain the matter to me. I think they knew I was not quite satisfied with the arrangement.

Q.—Here are Mr. Wells' words, on page 182, "Shortly before I left for Montreal, some time evidently between the 4th, the date of the Crown grants, and the 24th of October, I sent for Mr. Dunsmuir to come to my office." A.—Well, I don't know whether he sent; I was in Mr. Wells' office some time about that time.

Q.—And you discussed the matter of these Crown grants? A.—We talked it over; yes.

Q.—And Mr. Wells says: "I had no sooner explained it to him than he at once said that that was not his understanding of the proposed settlement." A.—That is right; that is what I said.

Q.—Now, Mr. Dunsmuir, what was your understanding of the proposed settlement? A.—I understood they were to give to the Columbia and Western lands adjoining the Columbia and Western Railway; that is what I understood.

Q.—And you did not think that it was right to give them these two particular blocks hundreds of miles away? A.—No, I did not; I did not.

Q.—You had had conversation, though, with regard to this some time before, and you had been informed that it was all right, had you not? A.—Oh, well, then—

Q.—Before this meeting. A.—Before that meeting?

Q.—Yes. You had had a number of conversations, and been informed that it was all right? A.—No, I had only had one conversation with—I forget who with, either; I know there were quite a few of the members of the Executive there, and we talked the matter over, and I saw that they were going to save—that is, I understood they were going to save—300,000 acres of land; and they seemed to be all agreeable to it, and I said, "All right, if you are all agreeable, I am."

Q.—Yes, you understood they were all agreeable to it? A.—Yes, I understood they were all agreeable to it.

Q.—And was it rather a surprise to you when Mr. Wells sent for you and brought this matter up again? A.—No. No; I don't think that it was any surprise at all. I don't know that it was then or not, I think it was another time, before Mr. Wells went away, he said that he would take these Crown grants to Ottawa and see if he could not get better concession, that is to say, if the C. P. R. would not build the road from Midway to Spence's Bridge; and if they would not do so, he would bring those Crown grants back. Which he did.

Q.—That was the understanding that you arrived at, at the meeting which you had with Mr. Wells when Mr. Prentice was present? A.—Mr. Prentice was there too, I think, yes.

Q.—Did you ever have any doubts as to whether the Government had the power to give those two particular blocks under that Subsidy Act? A.—No. I was told that the best legal advice had informed the Government that they could do so; or, they had taken the best legal advice here. I was given to believe that the Government had the power to do it.

Q.—Now, can you recollect who told you that that advice had been taken? A.—Well, I don't know; I forget that; but I think it was talked over before all the Executive that advice was taken.

Q.—Do you know whose advice was taken? A.—Yes. Mr. Hunter then; the Chief Justice now.

Q.—Do you know when that advice was taken (Mr. Hunter's opinion handed to witness). A.—Well, I did not see that; I was only told so, that his opinion was taken, and it could be done—the Government had the right to do it. That is, provided there were no other lands.

Q.—You were told that the Government could do it if they did not have other lands available? A.—Yes, that is what I understood; if there were no other lands adjoining or no other lands to be given.

Hon. Mr. Dunsmuir—*Continued.*

Q.—You don't know what statements of facts were given to Mr. Hunter when he gave that opinion? A.—No, I don't know.

Q.—You don't know whether he was told that there were not other lands which could be taken? A.—I don't know.

Q.—Do you know who got that opinion from Mr. Hunter? A.—I cannot say that; I don't know who got the opinion.

Q.—And you don't know what time it was got? A.—No; I could not say that, what time it was got; whether it was after or before, I couldn't say.

Q.—Do you recollect having any conversation with Mr. Eberts about this matter? A.—I don't know—well, conversation, yes, I have had conversation in this way, that the C. P. R. wanted the land, wanted a settlement. And the same with George McL. Brown; that they wanted to be settled up. So that when I went away—I left, I think, the first part of August and went north,—we had an Executive then and it was brought up. I don't know whether Mr. Eberts brought it up or not, that the C. P. R. wanted a settlement. And I said, I am going away, you better attend to it, Mr. Turner. Mr. Turner was here then.

Q.—Yes. Do you recollect of at any time Mr. Eberts telling you that the Government had the right to give the Company these particular lands? A.—I don't know; I would not like to swear; I think I did talk it over to Mr. Eberts, and I think he did say that, but I am not positive; I know I had quite a few talks about it.

Q.—Well, if you had understood the matter at that time as you understand it now, you would not have consented to that being done, would you, to these lands being given? A.—No; not if they could have got lands alongside of the Columbia and Western.

Q.—Yes; if you could have got lands alongside of the Columbia and Western you would not have consented to these lands being given? A.—I don't think so. Still, I believe the C. P. R. were entitled to lands; they were entitled to those lands along the Columbia and Western, the 900,000 acres.

Q.—Would you tell me, Mr. Dunsmuir, when you first suspected that there was anything wrong about these grants? A.—When I first suspected?

Q.—When you first suspected that there was anything wrong? A.—That was when Mr. Wells came back from Montreal.

Q.—After he came back you suspected there was something wrong? A.—I suspected there was something wrong.

Q.—Can you give us any idea of what you thought was wrong? A.—Well, I don't know; of course it is only what I have been told.

Q.—Well, we want to know what it was. A.—I cannot swear to it; that is where the thing comes. I don't want to give evidence where I cannot prove it.

Q.—Well, will you tell us what you were told? A.—What I was told?

Q.—Yes. A.—Well, I don't know whether that would be right or not.

Q.—Well, did anyone tell you there was something wrong about this? A.—Well, I don't know about that—yes, there was someone told me that; I will say that.

Q.—Who was that, Mr. Dunsmuir? A.—That was Mr. Wells.

Q.—Mr. Wells told you there was something wrong? A.—Yes.

Q.—Did he tell you what it was? A.—Of course he told me what it was, or I would not have done what I did do.

Q.—Now, I want to know, Mr. Dunsmuir, what that was that was wrong, according to the information that you got? A.—Well, from what Mr. Wells told me, I knew that there was something wrong; and I was not going to have my name attached to anything that was wrong as long as I was Premier of the Province of British Columbia; and from what he told me then I could see there was something wrong. I made up my mind then that the best thing I could do then was to cancel the Crown grants; which I did; had a meeting of the Executive and cancelled the Crown grants; because I knew there was something wrong. That is all; I cannot say any more.

Q.—You won't tell us what it was that Mr. Wells told you that was wrong? A.—Probably I had better not, because I could not prove it. I don't want to say anything I cannot prove. I know now that there was a mistake, there was a mistake all through, in giving these Crown grants.

Mr. Helmcken: It was told to you by one of your responsible Ministers? A.—Well that is outside of any business connection, in a way, with the Government altogether.

Hon Mr. Dunsmuir—*Continued.*

Mr. Oliver : I do not think that that is a privileged communication, Mr. Chairman, it is not done in the Executive. And we have a right to know the reason.

The Chairman : I do not think we can force Mr. Dunsmuir to give the reason if he does not feel inclined to do so.

The Witness : What I have done, I think I did what was right, by cancelling the Crown grants; and there is nothing now lost; the country has not lost anything. The Crown grants have been cancelled. I did the best thing I could after I found out that the thing was not what it should have been; I took the next best thing, that is, to order the Crown grants to be cancelled.

The Chairman : May I ask if one of your Ministers told you that he thought it was not advisable in the interests, say, of the Province to sign those Crown grants or to issue them, that would be quite sufficient for you, wouldn't it, without making any further inquiry? If one of your responsible Ministers advised you to cancel the Crown grants, or to issue Crown grants, wouldn't you consider that quite sufficient? A.—But it was not one of them; I did it myself; I said myself that I would cancel the Crown grants.

Q.—I understood you said Mr. Wells— A.—I told Mr. Wells—

Q.—Advised you not to? A.—No, no; Mr. Wells did not advise me; I told Mr. Wells that I would cancel the Crown grants.

Mr. Green : It was distinctly under your direction and authority that they were cancelled? A.—Yes, that they cancelled. I did not think—I could see that there was something wrong about it, and the best thing I could do was to order the Crown grants cancelled; that is, to have the Executive meeting to have an Order in Council cancelling the Crown grants; which was done.

Mr. Helmcken : If I understand you right, you say that Mr. Wells told you and you were convinced that there was something wrong? A.—Yes, that there was something wrong.

The Chairman : And that would be quite sufficient, Mr. Wells stating that, without your making any further inquiry into that; you would consider that sufficient; he is your Minister telling you that; that is sufficient for you to cancel the Crown grants? A.—That is sufficient for me to know there was something wrong.

Mr. Oliver : Well, Mr. Wells told you there was something wrong; that is what I understood you to say, Mr. Dunsmuir? A.—Well, he told me a certain thing.

Q.—Now, will you tell what that certain thing was? A.—No; I cannot tell you.

Q.—Did he tell you that Mr. Eberts had misled you in the matter? A.—No; he did not tell me that.

Q.—Did he tell you that you had been misled in the matter? A.—No; he did not tell me that.

Q.—Did he tell you that there was any attempt made to make conditions with the Company, conditions on which those Crown grants should be delivered, that were not in the interests of the Province? A.—Which were not to the interests of the Province?

Q.—Yes. A.—No; he did not tell me that.

Q.—You were the Premier during the Session of Parliament held in 1902, were you not? A.—Yes.

Q.—During that Session a Bill was brought down by Message to give this Railway Company the land subsidy in connection with the fourth section of its line of road? A.—Yes. I had given a letter to George McL. Brown stating that there would be a Bill brought down. I understand that.

Q.—Is this the Bill that was brought down, Mr. Dunsmuir (handed to witness)? A.—Yes; that was the Bill.

Q.—That is No. 87 of last year? A.—Yes; that is the Bill.

Q.—In that Bill there is this statement made that the Company had surrendered its rights to build the fifth and sixth sections of its line of road; are you aware of that, Mr. Dunsmuir? A.—Yes; I saw that in the Bill.

Q.—Well, do you know whether the Company had surrendered its rights to build those two sections? A.—I could not say.

Q.—You were told so? A.—That they had?

Q.—Yes. A.—Yes.

Q.—Who told you, Mr. Dunsmuir? A.—Oh, that is that arrangement that was between the Canadian Pacific Railway Company and Mackenzie & Mann, you mean; is that what you are referring to?

Mr. Dunsmuir—*Continued.*

Q.—Well, I want to know who told you that the Company had surrendered its rights to build the fifth and sixth sections? A.—Well, that is the arrangement I mean; that was between the C. P. R. and Mackenzie & Mann.

Q.—And the Government, as stated here? A.—Well, Mr. Eberts told me that.

Q.—Mr. Eberts told you that the Company had surrendered— A.—I don't know whether surrendered, but there was an arrangement made between the Government and the C. P. R., and Mackenzie & Mann.

Q.—Mr. Eberts told you that? A.—Mr. Eberts told me that; yes.

Q.—You see the language of the Bill is, here, that the Company, on account of that agreement, surrendered its rights to construct the fifth and sixth sections. A.—Well, that was the Bill brought down to me.

Q.—Do you know, as a matter of fact, of your own knowledge, that the Company ever did surrender its rights? A.—No, not of my own knowledge; I don't know anything about that.

Q.—You don't know anything about that, except what you have been told, Mr. Dunsmuir? A.—That is right. I never saw any document.

Q.—Then, in section 2 of this Act, it says (reading section 2, which appears on page xcix. of this report). You were aware of that? A.—Yes, I was aware of that. That was the letter that I gave George McL. Brown, saying that the Government would bring in an Act; this was the Act.

Q.—Here is a copy of that letter (handed to witness). A.—Yes; this is the Act that the letter refers to.

Q.—This letter says: "I am authorised to say that the Government will introduce, at the next Session of the Legislature, an Act authorising the Lieutenant-Governor in Council to grant the lands in respect to the fourth section of the railway—Christina Lake to Midway—which has been completed." When you wrote that letter, Mr. Dunsmuir, was it your understanding that this Act was to give them the same lands that were given to them under the Subsidy Act? A.—No; I don't know.

Q.—You don't know? A.—No; I could not say that. It was to give them land adjoining the road.

Q.—But, previous to this, you have told us that you understood that there were not lands available alongside of the road. A.—Alongside of the Columbia and Western, yes. That is what I understood.

Mr. Helmcken: You mean contiguous to the line of railway? A.—Yes, contiguous to the road.

Mr. Oliver: Now, the original Subsidy Act said that the Company should get the lands as near as practicable contiguous to the line of road? A.—Yes.

Q.—But this does not. There is a very marked difference between the wording of this and the original Subsidy Act. Were you aware of that fact? A.—No.

Q.—You were not aware of it? A.—No.

Q.—Your understanding was that they were to get the lands the same as they would be entitled to them under the Subsidy Act? A.—That is what I thought; yes.

Q.—Was your attention ever drawn to the fact that, under this Bill, they could go anywhere in Yale and Kootenay Districts and take these lands? A.—No.

Q.—It was not? A.—No.

Q.—You were not aware that under this Bill the Company could select these two very blocks of land for which you had cancelled the Crown grants, were you? A.—No; I was not; I was not aware of it at all.

Q.—You have had a number of conversations with different people in regard to this matter, have you not, Mr. Dunsmuir? A.—I don't know. Why?

Q.—I beg your pardon. A.—Why do you want to ask me that?

Q.—Well, because I want to get at the facts of the matter. A.—Yes, but you say people, what people do you mean, the Executive?

Q.—No; outsiders; we will say outside the Executive.

The Chairman: The man on the street. A.—Yes. I have spoken. I have spoken to you, I have spoken to you about it; yes.

Mr. Green: Did Mr. Oliver try to persuade you to give them the lands? A.—To give them the land? I don't know. Probably he would like a block of it, too.

Mr. Dunsmuir—*Continued.*

Mr. Oliver: Did Mr. Taylor, of the firm of Eberts & Taylor, ever appear before the Executive in connection with granting the Company those lands? A.—No; I never knew it; not while I was there.

Q.—Did he ever appear before the Executive in connection with the giving of lands to the B. C. Southern? A.—Not that I know of; I don't think I ever saw him. I don't think he ever appeared before the Executive; not that I know of.

Q.—Did you ever tell anyone, Mr. Dunsmuir, that you found out that there was crooked work in connection with this deal? A.—Crooked work?

Q.—Yes. A.—No. I thought there was something wrong.

Q.—You thought there was something wrong? A.—Yes.

Q.—You don't recollect ever telling anyone that there was something crooked about it? A.—Well, I don't know if I used that word "crooked."

Q.—Now, Mr. Dunsmuir, this Committee is appointed for the purpose of looking into the truth of this matter, and getting at the truth. A.—Well, I am telling you the truth about it; I am not going to keep anything back.

Q.—I am not assuming that you are. A.—I am not here to keep anything back. What I tell is the truth. By telling the truth I may hurt a whole lot of my friends, perhaps, but I cannot help it. I am here to tell the truth, and I will tell the truth if it breaks my neck. Of course, I don't just want to come out with things that are going to injure anyone else. Of course, there is this: if there was any blame, I will take it all. I was Premier of the Province at the time, and my shoulders are broad enough to take the whole blame. But when I saw that there was something wrong, I took the next best thing to do was to cancel the Crown grants. That is what I did. And that is all I can say now.

Q.—Now, Mr. Dunsmuir, your position is this: there is a very serious dispute, as between the Province and the Railway Company, and we want to get at all the truth in this matter, so that we can deal justly as between these two parties. Now, you have stated here that the Chief Commissioner gave you a reason which led to your cancellation of the Crown grants?

A.—Yes; I had a reason for it, or it would not have been cancelled.

Q.—Now, it is necessary for us to arrive at the truth of the matter, and to arrive at the truth I put it to you that it is necessary that we should know that reason. If the reasons are to be kept back from us, we cannot arrive at the truth of these matters. A.—Well, I gave you the reason. I say that I found out that it was a mistake and it was not right to do it, and there was something wrong about it; therefore, I cancelled it.

Q.—But you told us that it was from what Mr. Wells told you that you were led to that conclusion? A.—Yes.

Q.—Now, it is necessary that we should know what that is. A.—Oh, well, I don't know. I don't think it is fair to ask that. I don't want to—

Mr. Helmcken: You might ask this question of Mr. Dunsmuir. Was it in consequence of anything wrong with the arrangement itself, or of what you had been told after the arrangement was made, which led you to pass the Order in Council cancelling the Crown grants, or was it a combination of both these circumstances?

Witness: What was that?

Mr. Helmcken: I say, Mr. Oliver wants to get certain information from you which you do not feel inclined to give at the present time. What led up to the cancelling of the Crown grants? Was it due to what you had heard from an outside source with regard —? A.—What I had heard from the Chief Commissioner.

Mr. Helmcken: Alone? A.—Yes; alone.

Q.—Well, was it with regard to the —? A.—(Interrupting.) And after what I saw myself; after knowing that the thing was wrong to have done it. That is the point.

Mr. Oliver: Now, as I said, Mr. Dunsmuir, it is necessary, if we arrive at the truth, to know what this statement made to you by the Chief Commissioner was. You see this is a very serious matter. The Legislature has gone on and passed an Act to cancel these Crown grants. A.—Yes.

Q.—And it is stated by the Company that the Province is repudiating its obligations? A.—Not at all. No repudiation.

Q.—The Company so state. A.—They may state what they like.

Q.—And they say it is calculated to do this Province an immense amount of damage? A.—I don't think so. I am sure that the Province—the Government—is ready to do what is

Mr. Dunsmuir—*Continued.*

right for the C. P. R., and they should have given the 900,000 acres to them and it would be all right.

Q.—We want to get at all the facts in this matter, and that is the scope of the investigation. And it is necessary that we should know what that statement was that was made by Mr. Wells.

The Chairman: I think I would like to have the opinion of the Committee on that,—if it is absolutely necessary to have the details of the statement made by Mr. Wells to Mr. Dunsmuir. The Committee have a right to say whether they think that absolutely necessary or not.

Mr. Oliver: Mr. Chairman, I would like to call your attention to the Resolution under which this Committee is acting.

The Chairman: I have it before me (reading the same).

Mr. Oliver: And this is one of the matters that refers to that very subject, and we have a right to the information, with all due deference to you, sir.

The Chairman: I should like to hear from the Committee.

Mr. Green: As far as I am concerned as a member of the Committee, I think that if Mr. Dunsmuir, or anybody else, knows anything that bears, directly or indirectly, upon these matters, it is quite right that he should tell it. As to this question of oath of office, and so forth, I don't know anything about that, but I think we are entitled to the facts, whatever the facts are.

The Witness: Well, I have said the reason I cancelled it. I found out it was a mistake, a mistake to issue those.

Mr. Green: To my mind it is simply this way: There is an impression abroad here that may convey more than is really in it. Apparently, Mr. Dunsmuir has insinuated that there were certain other things. Now, better fight in the open. The question is asked; and if it has any bearing upon it I think we should know it.

Mr. Smith: Wouldn't it be better to have it given by Mr. Wells himself?

The Witness: What!

Mr. Smith: That question would better be answered by Mr. Wells himself, what information he gave you (Mr. Dunsmuir). You say on that information you cancelled the Crown grants, without giving the particulars as to what the exact information was.

The Chairman: You could state, if you desire, that you prefer that Mr. Wells should make that statement, not you. That would be quite in order, would it not?

Mr. Smith: We have not finished with Mr. Wells yet; we have not got all his evidence.

Mr. Green: Mr. Helmcken is a lawyer, and has been on many Committees, probably. He might give us some information on this.

Mr. Helmcken: What I understood Mr. Oliver wants to get at is as to whether the arrangement which had been entered into was based upon a mistake as to the nature of the bargain, or whether the bargain had been obtained from imperfect—

Mr. Oliver (Interrupting): No, what I want to know is, as I understood from Mr. Dunsmuir, he said it was in consequence of a statement made to him by the Chief Commissioner that led up to the cancellation of these Crown grants. Now, my question is, what that statement was.

Mr. Helmcken: That statement, as I understand, is as to whether the Province had been overreached in the bargain.

Mr. Oliver: I don't know what it is, as to the statement itself.

Mr. Helmcken: Whether it had been arrived at from imperfect information.

Mr. Oliver: What I want to arrive at is the statement Mr. Wells gave to Mr. Dunsmuir, no matter what it is or what it is in relation to.

Mr. Helmcken: I know I don't want to hold back any information.

The Chairman: And I am sure I do not, either. I do not think any of the Committee do. We want to get all the information we can.

The Witness: Well, ask Mr. Wells first.

The Chairman: I think that is the proper answer for you to give, Mr. Dunsmuir, if I may be allowed to say so. I think that that is a question Mr. Wells should answer, in my opinion.

Mr. Helmcken: It means re-calling Mr. Dunsmuir.

The Chairman: We have not finished with Mr. Wells. But I am open to the instructions of the Committee in this matter. I really do not know whether it would be advisable to put

Mr. Dunsmuir—*Continued.*

the onus on Mr. Dunsmuir, whether he would answer the question or not. Of course, we can ask the question and it remains for him to say.

The Witness: Of course, to insinuate and say that I am keeping something back—that is what they will say. That is what the papers will say.

Mr. Oliver: But isn't that the fact, Mr. Dunsmuir? A.—I know it is the fact; I am keeping something back, if you want to know it.

The Chairman: I do not think any of the Committee, Mr. Dunsmuir, want you to do that. I am sure I do not.

The Witness: I am keeping back—I said that Mr. Wells had told me something; that is what I am keeping back. It is only what Mr. Wells told me, of course.

Mr. Helmcken: But that is in connection with this matter, which led up to convincing you that this Order in Council ought to be passed cancelling the Crown grants. It simply means this, Mr. Dunsmuir, if you take that position that Mr. Wells ought to answer first, you will have to be re-called on that point.

The Witness: All right.

The Chairman: Now, Mr. Oliver, is there anything else.

Mr. Oliver: Now, with regard to the Bill of last year, of which you were speaking, by your letter of the 15th of May, 1901, you agreed to reinstate the Company practically by this Bill of last year? A.—I agreed that there would be a Bill brought in.

Q.—And, now, why was that Bill not enacted? A.—I don't know; I was away. I went away. I went away before it was brought down—brought into the House.

Q.—You don't know the reason it was withdrawn? A.—I don't know the reason it was withdrawn. I went away to England then.

Mr. Oliver: Well, I do not think I care to examine Mr. Dunsmuir any more this morning, until that other question is answered, Mr. Chairman.

Mr. Helmcken: I think it is best to wait until you finish your examination.

Mr. Oliver: I have finished until I get an answer to that other question. If we cannot get the evidence, it is no use going on.

Mr. Helmcken: I have certain questions I would like to ask Mr. Dunsmuir, but I think it would be better to wait until Mr. Oliver is through.

Mr. Green: Mr. Dunsmuir, why did you and Mr. Prentice and Mr. Wells add other conditions when Mr. Wells was going to Montreal,—the additional conditions that you imposed, why did you add them? A.—I did not add them. It was Mr. Wells. Mr. Wells said he would not give up the Crown grants without they got better concessions from the C. P. R.

Q.—Yes, but for what purpose? Why did you ask for those concessions? A.—Why did they ask?

Q.—Yes. A.—Well, I could not say that; I don't know; I don't know why. But that is what he was going to do, anyway; he was going to try to see if the C. P. R. would not build the road from Midway to Spence's Bridge. The reasons why I don't know—what reason had he for it.

Q.—At that time, did you think the Company was entitled to these particular blocks of land? A.—No; I did not; not there. I always thought they were entitled to the lands practically contiguous to the line of railroad, the 900,000 acres.

Q.—And you don't know the particular reasons for tacking on these extra conditions? A.—No; I don't know. No; I don't know that. They might have had good reasons. I did not know that this land at all was valuable; I didn't know that it was any more valuable than the other land adjoining—contiguous.

Q.—You did not know that? A.—No.

Q.—Did not Mr. Wells tell you why he wanted to add these conditions? A.—Why?

Q.—Yes. A.—I don't know whether he did mention that or not; I couldn't say. If he did, I forget. I don't know whether he said it or not, or whether it was brought up then that those lands were valuable or not. I knew afterwards that these lands were valuable.

Q.—Do you remember that the question of dealing with Sir Thomas Shaughnessy—supposing that he had consented to these conditions, what was to follow then? A.—What was to follow?

Q.—Yes. A.—He would have delivered up the Crown grants.

Q.—Simply on Sir Thomas' word that he would build this road? A.—Oh, I don't know about that, if he would on his word or not. Whether he would take his word; I couldn't say about that.

Mr. Dunsmuir—*Continued.*

Q.—Was there any arrangement about what would be acceptable in the way of assurances?
A.—No. That is what he said, that he would try and get better terms from the C. P. R., and if he could not he would bring the deeds back—or the Crown grants back.

Q.—Well, you were Premier at that time, and, of course, naturally, you would be very much interested in it. Surely you remember some reason he gave you for asking for the added conditions? A.—No; I do not. I don't remember. Probably on account of me saying that I did not think they had a right to it; I didn't think it was right to give them those lands; they were away from the railway.

Mr. Helmcken: At any rate, you did not approve of the arrangement that had been made? A.—No; I did not. At least, I did not approve of it; but still they seemed to be all satisfied, and I said "All right; if they are all satisfied, I am satisfied."

Q.—The Order in Council cancelling the Crown grants was not passed until the 18th of March, 1902. A.—Yes.

Q.—The conversation you had with Mr. Wells— A.——was before that; some time before that.

Q.—Was in October, 1901? A.—Yes.

Q.—Why was it that such a time elapsed before the Order in Council was passed cancelling the Crown grants? A.—The conversation I had was when? in October?

Q.—Yes. A.—No, it was long after that; I couldn't say the date exactly.

Mr. Oliver: He said it was after his return—

The Witness: It was after—

Mr. Oliver: —that Mr. Wells told him there was something wrong.

The Witness: Oh, it was after October. I couldn't say now exactly what time it was. I think Mr. Wells got back—

Mr. Helmcken: —in December; Mr. Wells has told us that he got back about the middle of December. A.—Then how could that happen in October?

Q.—Of course, I was in error in understanding it. Very well; how soon after he got back from Montreal did he tell you anything which convinced you? A.—Oh, it was quite a little while after.

Q.—How long before the 18th of March, 1902? A.—Oh, it was a good while before—it was a good while before we cancelled it that we did.

Q.—1902? A.—I cannot give you the dates; I couldn't say. I know it was remarked when we had an Order in Council cancelling the Crown grants.

Mr. Green: What members of the Executive were aware of that arrangement to ask the C. P. R. for better terms? A.—Whom.

Q.—What members of the Executive were aware of that? A.—They all were.

Q.—Mr. Eberts was aware of it before he went away? A.—Yes.

Q.—You are quite sure of that? A.—I am sure of it.

Q.—Mr. Eberts says he was not. A.—Mr. Eberts was aware of it. We all knew.

Q.—Mr. Eberts was aware of it before Mr. Wells left? A.—Yes; we all knew.

Q.—That is, all the members that were in the Executive at that time knew it. There were only four of you? A.—Yes; I don't know whether—it was at different times—there were only four of them.

Q.—But I am speaking of these conditions that were to be asked by Mr. Wells from Mr. Shaughnessy; did all the Executive know that these conditions would be asked before Mr. Wells left here? A.—Yes; we all understood.

Q.—You all understood? A.—Yes. Of course, on the 10th day of September I was not—no, the 10th day of August, I was not at the Executive that day; I was away. I don't know who was there.

Q.—How do you place it in your mind that Mr. Eberts knew at the time before Mr. Wells went away? A.—I think it was in Mr. Eberts' room—no, Mr. Prentice's room, the Minister of Finance.

Q.—Mr. Wells and Mr. Prentice say it was in Mr. Wells' room? A.—No, no; it was in Mr. Prentice's room, too. I remember Mr. Wells standing up when he said it. We were all standing up in the Finance Minister's room.

Q.—Were these conditions talked of more than once? A.—When Mr. Wells said that he would take those Crown grants to Montreal and see the C. P. R. whether they would—

Mr. Dunsmuir—*Concluded.*

whether he could get further concessions from the C. P. R. to build the road from Midway to Spence's Bridge? I am certain of that.

Q.—Mr. Eberts—in fact, I think, Mr. Eberts, Mr. Wells and Mr. Prentice all said that Mr. Eberts was not there. So that I would like you to say if there is any way you can fix it in your mind? A.—Well, Mr. Wells was standing up. I was standing over here (indicating) in that room, and Mr. Wells was standing here (indicating) looking out the window, and he said that he would take the Crown grants to Montreal and see if he could not get a better concession from the C. P. R. to build the road from Midway to Spence's Bridge; and if he could not get it he would bring those Crown grants back.

Q.—Yes, but, Mr. Dunsmuir, I don't want to make any mistake, for this reason, that Mr. Wells said there was only one meeting that this was talked about. A.—No, no; it was talked in Mr. Wells' room too, and in the Finance Minister's room.

Q.—And both Mr. Wells and Mr. Prentice, according to my recollection, said that Mr. Eberts was not at any of these discussions, or at the discussion; they both only referred to the one discussion; and for that reason I was more particular to see if you were not mistaken in supposing that Mr. Eberts was there. A.—Well, I don't know; but I think Mr. Eberts was there for a little while at that meeting.

Q.—You think then that he knew that the conditions were to be asked before Mr. Wells went away? A.—Oh, I think so; oh, I think he knew that, I feel certain.

Q.—You also think there was more than one meeting at which these conditions were discussed? A.—Yes; I think they were discussed in Mr. Wells' room, too.

Q.—Yes; Mr. Wells said it was all in his room. A.—I remember it was in the Minister of Finance's room, too. I remember the time; Mr. Wells was standing up looking out of the window when we were talking about it.

Mr. Helmeken: When Mr. Wells got back from Montreal was there an Executive meeting had touching the results of his mission to Montreal? A.—I forget now whether it was right after he came back.

Q.—Well, how soon? A.—I couldn't be certain. There was one after. When it was, I couldn't be certain.

Q.—Well, at that time you held an Executive, after Mr. Well's return? A.—I think so.

Q.—And did Mr. Wells explain to the Executive the result of his mission? A.—Well, I forget about that. I cannot—I forget that. I suppose it is altogether likely, though, that he would; oh, yes; I think so.

Q.—He would report to you, anyway, as Premier? A.—Oh, we had an Executive after Mr. Wells came back, but I cannot exactly say now what took place there; I don't know. I forget about that; I couldn't say what took place. It might have come out, and might not; I couldn't say.

Q.—Do you recollect any Executive held where Mr. Wells stated that he had brought the Crown grants back? A.—No; I couldn't say that; I forget.

Witness stands aside, for the present.

HON. W. C. WELLS, being here re-called by the Committee, testifies as follows:—

Mr. Oliver: Mr. Wells, Mr. Dunsmuir has stated that in consequence of a statement made by you to him he determined to cancel those Crown grants, or words to that effect. Now, we want to know what that statement was that you made to Mr. Dunsmuir after you returned from Montreal? A.—I made a statement to Mr. Dunsmuir and the other Ministers in the Executive meeting, but I do not think it is incumbent upon me to repeat that. That was a matter of the Executive; it came before the Executive. It seems to me, Mr. Oliver, that all I have to say in connection with that is, that for certain reasons an Order in Council was passed rescinding the previous Order in Council giving over those two blocks of land.

Q.—We do not wish to ask what took place in the Executive Council at all; what we want to know is the reasons why these Crown grants were cancelled. A.—I don't think that it is incumbent upon me to give my reasons, or say anything further than the fact that they were cancelled for good and valid reasons.

Q.—In fact, you refuse to state what the reasons were for the cancellation of these grants? A.—I don't think it is within the scope of the Committee, or that it is a duty incumbent upon myself, or else I would.

Hon. Mr. Wells—*Continued.*

Q.—Were these reasons reasons which were within your knowledge before you went to Montreal, or reasons which you obtained knowledge of there, or after you came back? A.—Well, I think I had some knowledge of the same, perhaps, which I had after I returned from Montreal.

Q.—You had some knowledge? A.—I had some knowledge, but not to an extent that would possibly justify any consideration of them.

Q.—You had some knowledge of the reasons before you left Montreal? A.—I think I had. That is, there was considerable, I may say, to use a common phrase, talk about it; but it did not come before me, or did not reach me in a way that would justify my taking very much notice of it.

Q.—And whilst you were in Montreal, something occurred to strengthen those reasons, did it not? A.—Yes, there was.

Q.—And after you came back, did you get any additional knowledge that confirmed you in those reasons? A.—After I came back? No, I don't think I did.

Q.—You obtained the knowledge which confirmed you in these reasons in Montreal? A.—Well, I think so; that is my present recollection of it.

Q.—Now, what was it that occurred in Montreal which led you to that conclusion? A.—Well, what occurred in Montreal was strictly of a confidential character between myself and other parties, which I do not think I am bound to relate. Partly—yes; that is my answer to that.

Mr. Oliver: Now, in "May" you will find it laid down that there is no privilege in a Committee of this kind. I have shown to you, Mr. Chairman, that by Mr. Wells' answer these reasons were formed in Montreal and not in Executive; and I submit to you we have a right to know these reasons.

The Chairman: Show me your authority in "May," please?

Mr. Dunsmuir: I am willing to say what it is, and then Mr. Wells can say whether it is right or not.

The Chairman: Well, Mr. Dunsmuir states he is willing to answer that question; so, for the present, that will debar any question about "May," if the Committee are willing to hear him. Mr. Dunsmuir, will you make your statement?

Mr. Dunsmuir: Well, when Mr. Wells came back from Ottawa he first told Mr. Prentice that after he had seen Mr. Shaughnessy and Mr. Shaughnessy would not accept the proposition that he put before him to build the road from Midway to Spence's Bridge, Mr. Wells would not deliver up the Crown grants. And what I was told—of course it was told to me by Mr. Prentice—Mr. Wells told Mr. Prentice first—that after that, Mr. Taylor, the lawyer, had approached Mr. Wells and offered Mr. Wells a certain number of acres, I think it was 30,000 acres of land, if he would hand over those Crown grants. So Mr. Prentice told me not to say anything about it until Mr. Wells had told me; so I did not. Mr. George McL. Brown, he was after me two or three times asking why those Crown grants were not delivered. So I went to Mr. Wells and said, "Mr. Wells, why don't you deliver up the Crown grants; Mr. Brown is after me all the time about it?" "Oh," he says, "you wait; there is something I will tell you afterwards." I said, "What is it?" Well, he said he would tell me. So, one night, Mr. Wells came out to my house and he told me the whole thing; that there was something wrong about it, and Mr. Taylor had offered him a certain amount of land if he would deliver up the Crown grants. And so I told Mr. Wells, then, "Mr. Wells, we will cancel those Crown grants; because I will not have anything to do with monkeying business as long as I am in the Government." And that is the reason of those Crown grants being cancelled. And then, after that, I found out that it was wrong, too, in the first place, to have issued the Crown grants; and the best thing that I could do was to cancel them. And there is the whole thing. And Mr. Prentice knows about it, too. He told Mr. Prentice first; Mr. Prentice told me, and then Mr. Wells told me.

The Chairman: Shall we conclude with Mr. Dunsmuir's examination now, or go on with Mr. Wells?

Mr. Oliver: I have nothing further to ask Mr. Dunsmuir.

Hon. Mr. Wells: I will say this, now, Mr. Chairman: Whatever I considered as privileged, as referring to any private, confidential conversation between myself and other parties, which I say is privileged between myself and against the public, I certainly did not consider it privileged as between myself and my colleagues; I owed a duty to them, by which

Hon. Mr. Wells—*Continued.*

I was to disclose to them, no matter what the consequences might be; and especially in a matter of so much importance as this. Now that it has become public, or has been—Mr. Dunsmuir has now stated what took place,—I can only say this, that what Mr. Dunsmuir says is substantially correct. Mr. Taylor did take occasion to see me at Montreal at the Windsor Hotel, and explained to me—I don't know whether I should call it a scheme or a proposition, but, at any rate, it was to the effect that a Company was being formed, provided—the shares of which, as I remember, were numbered twenty in all; applying them to the division of the two blocks of land, it would make approximately 30,000 acres each.

The Chairman: Thirty thousand acres? A.—Thirty thousand; applying that to it. And that one of these shares would be allotted to myself. That, I suppose, is what you want to know from me in respect to any disposition of those lands.

Mr. Helmcken: What was stated as to who were to be the twenty in it? A.—He did not tell me that. He told me—I remember his saying that there were two members—two of the members that were to be allotted a share each.

Q.—Two of the members of the House or of the Government? A.—Two members of the House, as I believe.

Q.—Who were they? A.—I don't know that.

Q.—No names mentioned at all? A.—No; he did not tell me that.

Mr. Dunsmuir: Members of the House, or of the Executive? A.—No; members of the House, as I remember it.

Mr. Helmcken: How often did Mr. Taylor see you in Montreal? A.—Oh, he saw me several times.

Q.—Did he see you alone? A.—Oh, yes.

Q.—Did he ever see you in company with Mr. George Brown? A.—I don't think he did; I don't remember of—

Q.—In connection with these Crown grants? A.—I don't think Mr. Brown was present at all.

Q.—Was anybody present with Mr. Taylor on behalf of the C. P. R. or Columbia and Western with reference to this matter? A.—I don't think so.

Q.—Was Mr. Taylor acting for any Company? A.—Well, he spoke of this company that was being formed.

Q.—Yes; was he acting for any person? A.—Acting for any person?

Q.—Yes. A.—Well, I don't know that he was, apart from the interests of this Company, that he proposed to—

Q.—Was that Company to have any particular name? A.—No; I don't remember about it.

Q.—But it was to be a company? A.—A company or a syndicate, I don't which it would be.

Q.—Well, had this any connection with the matter in which Mr. Taylor saw you previously, with regard to the arrangement whereby these lots which had been allocated to the British Columbia Southern should be allocated to the Columbia and Western? A.—Oh, it was the same proposition.

Q.—It was a continuation of the same proposition? A.—The same proposition, yes.

Q.—And then Mr. Brown saw you frequently in Montreal, did he? A.—Oh, yes; I remember seeing Mr. Brown.

Q.—And I suppose you had quite a number of interviews with this gentleman with regard to giving up the Crown grants? A.—Well, I don't remember any interview with Mr. Brown respecting the giving up of the Crown grants, but I know I had with Mr. Taylor.

Q.—With reference to delivery up of the Crown grants? A.—Yes; Mr. Taylor was rather persistent on my surrendering the Crown grants.

Q.—Now, can you tell us how many times Mr. Taylor saw you with reference to the delivery up of the Crown grants? A.—I couldn't say that; I couldn't say that with any degree of certainty.

Q.—You were quite a while in Montreal? A.—I think I was there about a week.

Q.—And I suppose during that time you had many interviews with Mr. Taylor, or, rather, he saw you? A.—Yes; something of that kind.

Q.—Did you get any interview with the C. P. R. Company where Mr. Taylor was present? A.—No; he never was present at any of those interviews I remember of.

Hon. Mr. Wells—*Continued.*

Q.—Then Mr. Taylor would appear there on behalf of the land company—the proposed land company? A.—Well, that is what he seemed to be interested in.

Q.—At the same time, wanted to get the Crown grants delivered up? A.—Well, of course the carrying out of this proposal of his depended upon the surrendering of the Crown grants. Unless that were done, the other would fall to the ground; there is no doubt about that.

Q.—Then you called on Mr. Dunsmuir; and you told us what you told him; what was Mr. Dunsmuir's answer? A.—I think very much as he has repeated to you, so far as I remember.

Mr. Smith: Mr. Wells, do you remember, at any time, of hearing any other name besides the two members of the House; any person of Ottawa or of this Province who were to be members of that Company? A.—No; I do not.

Q.—You did not hear any names at all? A.—Not that I remember of.

Q.—You did not hear that there were to be members of that company who resided at Ottawa or Montreal, or in British Columbia, except the two members of the House you spoke of? A.—Well, no, I don't remember of hearing any particular names.

Q.—I don't say names, but did he mention that there were certain parties at Ottawa— A.—Oh, well, I think I understood that there were some which were closely connected with the Canadian Pacific Railway Company that would form part of this company.

Q.—That would form part of this subsidy company? A.—Oh, yes; I certainly understood so.

Mr. Green: Did you get any information as to how the lands were to be delivered to this subsidiary company, how they were going to transfer title from the C. P. R. to this company? Did you get any information on that point? A.—When I was in Montreal—not at that time; when I was in Montreal last, Sir Thomas Shaughnessy and I had some conversation about that, and he then told me that his Company were to surrender this land to the company that was in anticipation of being formed; that was their part of it, that they were to surrender the land and, I think, take shares in this company. Is that what you want to know, Mr. Green?

Q.—Yes. A.—But that was this last time that I saw him; not the first time.

Mr. Helmcken: There are a great many questions I would still like to ask Mr. Wells touching these matters, but I think we had better adjourn.

The Chairman: Will the Committee require Mr. Dunsmuir?

Mr. Helmcken: I think so.

Mr. Dunsmuir: I can come any time.

The Chairman: And Mr. Wells?

Mr. Wells: Any time; but I would rather finish now.

Mr. Green: Just one question, Mr. Wells: That Bill of last year in connection with the Columbia and Western; Mr. Dunsmuir said he had not seen the Bill and did not understand that as it was read to him to-day. Who prepared that Bill? A.—It was prepared in the Attorney-General's office; Mr. McLean, I presume.

Mr. Smith: Mr. Wells, I would like to understand—did you make this statement first to Mr. Dunsmuir in the Executive Council or outside of it, over at his house? A.—At his house. I understood that Mr. Brown was pressing at the time to have something done about these Crown grants, by which they would pass to the Company, and I thought it well to discuss the matter with Mr. Prentice, and I did so.

Mr. Helmcken: Was the matter ever discussed in Executive, Mr. Wells? A.—It was, on the 18th of March.

Q.—And were these statements that are made now discussed at that meeting? Are you at liberty to say that? A.—I do not think I should say anything about what took place in the Executive meeting; that I think I am—

Q.—I can ask you this question: Were these matters brought to the attention of the Executive at that meeting on the 18th of March? A.—Yes; they were.

Q.—And who were present at that Executive? A.—They were all present; all the Government were present.

Q.—The full Cabinet. Now, Mr. Wells, on the 19th of December, 1900, those blocks were to be given to the British Columbia Southern; is that not right? A.—Yes; that is in the British Columbia Southern settlement.

Hon. Mr. Wells—*Continued.*

Q.—Yes; and afterwards those blocks were to be given to the Columbia and Western; isn't that it? A.—Well, that was the subsequent Order in Council, Order in Council of the 10th of August, 1902.

Q.—Yes. A.—That is these two blocks (indicating); they were to be eliminated from the settlement under the B. C. Southern subsidy and given as part of the Columbia and Western subsidy (referring to deficiency blocks Bb and Ba, marked in pink on map).

Q.—The Order of the 19th of December, 1900, is the Order granting them (handing document to witness)? A.—Yes. What Mr. Dunsmuir said—he said that he understood, I think, that we were to get 300,000 acres—do you mean—?

Mr. Dunsmuir: That we saved 300,000 acres by this settlement. A.—With the B. C. Southern?

Mr. Dunsmuir: No, the Columbia and Western. This was given first to the B. C. Southern and afterwards cancelled. Of course, why it was cancelled I don't know.

Mr. Helmcken: What is the reason for the handing over of those blocks to the Columbia and Western, Mr. Wells, or the passing of the Order allocating those lands to the Columbia and Western? A. Well, the inducement made, I think, was an increased acreage, for one thing. I know that was mentioned as an inducement.

Q. As a matter of fact, was not there sufficient land in the reserve to satisfy the Columbia and Western for any land that it might be entitled to? A.—In respect to section 3?

Q.—In respect to any land they were entitled to? A.—These we were dealing with at that time; yes, there was.

Q.—Well, why didn't you take the land according to the Subsidy Act, which had been reserved, and was contiguous to the line of railway? A.—I didn't catch your question.

Q.—Why didn't the Company take, if they were entitled to the land, the land in the reserve and contiguous to the line of railway? A.—Well, it was in obedience to a request made by the Columbia and Western that that was made in substitution.

Q.—The proposition, then, emanated from the Railway Company to the Government? A.—Certainly it did.

Q.—There was no proposition initiated by the Government, and put —? A.— Well, it was put in that way, it assumed the form of a proposition from the Government at the request of Mr. Brown. I didn't see that the Government had anything to lose by that; in fact, it was some advantage, because, being a proposition, it might be made as such, if it suited; it might be an advantage to the Government.—

Q.—In what way? A.—Well, it certainly need not be consummated until accepted by the Columbia and Western. And, as a matter of fact, was not.

Q.—There was no absolute agreement arrived at between you and the Company. A.— No.

Q.—It was a tentative proposition? A.—They never gave any express acceptance of it.

Q.—Well, was it a tentative proposal? A.—Well, it was, in that sense. That is to say, the Company were not—they never bound themselves by it; there was no acceptance by which they were bound.

Q.—Were you bound? A.—Certainly not. If they were not bound, we could not be bound.

Q.—Did you intend to be bound? In other words, there was no agreement between you and the Railway Company? A.—No agreement.

Q.—No, this description of land there, Mr. Wells, accompanying an Order in Council, was that prepared in your Department (referring to the memoranda marked "A" and "B")? A.—This description of the different blocks, you mean?

Q.—Yes; was that prepared in your Department? A.—I don't think it was. These particulars here as to acreage—these particulars may have been obtained from the Department.

Q.—That is, what pages? A.—But these descriptions were not.

Q.—Have you any knowledge or recollection where you obtained them from? A.—No; I don't remember any facts that would refresh my memory about that.

Q.—Were they handed in by Mr. George Brown? A.—I think they were.

Q.—Are you positive enough now to say? A.—No; I cannot remember the fact of their being delivered. But I know they were not prepared in my office. Mr. Gore says that he did not prepare them, and I know I did not.

Hon. Mr. Wells—*Continued.*

Q.—So that they flew in.

The Chairman: Do you think "A" and "B" were prepared in your office? A.—Well, the particulars may have been; but I don't think any part of the documents were prepared in my office.

Mr. Helmcken: Then these Crown grants were prepared, and you went to Montreal as you have told us, and returned home? A.—Yes, sir.

Q.—You told Mr. Oliver that the Order in Council rescinding those Crown grants was based on good and valid reasons. May I ask whether the conversation which you have told us—I mean which Mr. Dunsuir told us, and which you corroborated—entered into those reasons? A.—Well, it certainly did. Although my reasons, primary reasons, why I did not surrender these Crown grants was because my negotiations for the building of the railway from Midway to Spence's Bridge were not successful, but failed. That was my primary reason for not surrendering the Crown grants. But my additional reasons for not having the matter dealt with until afterwards, subsequently, were as I have stated.

Q.—Yes; in consequence of this— A.—Yes; I thought that there was an element of danger in touching them at all, from the fact that it involved a proposition which, to my mind, was not one that we should lend ourselves to at all.

Q.—Now, had you any idea, Mr. Wells, as to the value of the deficiency blocks 4,593 and 4,594? A.—No; I have not. I always looked upon them as of problematical value; particularly at the time we made this settlement giving them to the B. C. Southern. Of course, I had heard for a good many years that there were coal oil indications—for a number of years: but nothing had materialised to that extent.

Q.—You had not any information as to the value of those particular lands when the Order in Council was passed allocating them to the Columbia and Western? A.—Not any particular information as to that, but I had heard there was coal and coal oil.

Q.—As to the 900,000 acres which the Company claim they are entitled to, and the 600,000 acres, which are the more valuable? A.—Which are the more valuable? I cannot say as to that.

Q.—What was the particular reason for giving them, or endeavouring to give them, 600,000 instead of 900,000, which they could have had if they were entitled to? A.—Well, the inducements, as I say, was the surrender of about 300,000 acres of land for their subsidy.

Q.—Did the Railway Company protest against taking the 900,000 acres? A.—Did the Railway Company protest against taking them?

Q.—Yes. A.—How do you mean?

Q.—If they were entitled to land they are entitled to something in the neighbourhood of 900,000 acres, which were in the reserve? A.—Yes.

Q.—Now, why didn't the Company take that land? A.—Well, they preferred taking these two blocks, I suppose, on account of their increased value.

Q.—Exactly; it is on the increased value of the 600,000 instead of the 900,000? A.—Certainly; no doubt about that.

Q.—Well, why were they not confined to the 900,000; why were they allowed to take the 600,000? A.—Why were they allowed to take the 600,000?

Q.—Yes. A.—It was discussed in the Executive and it was determined to give them to them.

Q.—It was an Executive act; am I to take it that way? A.—It was an Executive act, yes.

Q.—When you returned from Montreal, Mr. Wells, do you recollect if an Executive Council was held, where you laid your views as to your visit to Montreal—? A.—Well I cannot fasten on to any particular meeting, which was the result of my negotiations, that was stated to them; I cannot remember any particular meeting; although I am satisfied that I did so, in some way or other—communicate the result of my negotiations to the Executive. Of course, it would be quite incumbent upon me to do so.

Q.—Well, from the time you returned until the Order in Council was passed on the 18th of March, what was done with regard to this particular matter of the Crown grants, and the result of your mission? A.—What was done?

Q.—Yes. A.—Nothing done.

Q.—And it was taken up on the 18th of March, and, as you have told us, the cancelling Order was passed by the Executive? A.—Yes.

Hon. Mr. Wells—*Concluded.*

Q.—Were there any protests made by the Columbia and Western or any official of the Company or Canadian Pacific Railway Company against—? A.—They had no opportunity up to that time, because there was nothing said to them about cancelling. I remember Mr. Brown afterwards thought that they should have had notice. I remember his making that statement. I remember that he said this, however, he said he was very glad it was all disposed of; it had been troubling him a good deal, and he was very glad to have the thing all off. I remember his making that statement.

Q.—Was that in reference to the Order in Council? A.—That was after the Order in Council was passed rescinding the previous one. I communicated to him what had been done. I remember he made that remark, that he was very glad to have the thing all off.

Q.—Then the Bill introduced into the House last session, Mr. Wells, was withdrawn? A.—Yes; discharged.

Q.—Now, it has been asked by Mr. Oliver if, under the provisions of that Bill, the Company could have selected these blocks 4,593 and 4,594? A.—They may have selected them, but I don't think the Government would have given them.

Mr. Green: There could be no question about their power of selection. Delivery is another question? A.—The delivery is another question.

Q.—They could have selected them? A.—They might have selected those blocks, that is, if there was a deficiency. But let me correct myself with regard to that. I stated on my previous examination that the intention of this Bill was to reinstate the Company in its rights under the Subsidy Act, and no more. That was as I understood the purport of the Bill. But under that Bill, as it is drawn, giving them power to select lands in Yale and Kootenay, if there were deficiency lands, I presume they may have selected these, but I do not think the Government would ever have given them to them.

Mr. Helmcken: But was the intention of the Government, in introducing that measure, to give them lands other than 4,593 and 4,594? A.—Oh, I think so.

Q.—It was a mistake in the Bill? A.—I don't think it was the intention of the Government to give them those two blocks of land in accordance with that Bill.

Q.—Is the Bill, as it appears now, drawn in accordance with the intention of the Government? A.—Well, I don't know in what respect you mean?

Q.—I say this; on the 18th of March an Order in Council was passed cancelling the Crown grants. This Bill was introduced into the House after that— A.—Yes.

Q.—and under the terms of that it is open to the Company to claim lands 4,593 and 4,594 as part of their selection? A.—Yes; well, my recollection of that Bill—

Q.—Was it the intention of the Government that these two blocks should be selected, or that they should have any chance of selection? A.—My recollection of the purport of that Bill was simply to reinstate them in whatever rights had accrued to them under the previous Subsidy Act, and which had been forfeited.

Q.—Irrespective of their claim that they put forward to lots 4,593 and 4,594? A.—Oh, I don't think that they had anything to do with it.

Q.—I see. It was open, then, for them to claim that land if they wanted to? A.—Claiming it and getting it are two different things.

Q.—I agree with you there of course.

The Chairman: Mr. Wells, when this proposition was made to you by Mr. Taylor, may I ask what was your answer to that? A.—Well, you mean in respect to allotting the shares?

Q.—Yes, in respect to allotting you 30,000 acres? A.—Yes; I told Mr. Taylor that I did not want to be considered at all in the matter, or have any interest in the Company that he was getting up, that he was forming.

The Committee here adjourned to meet on Tuesday, May 5th at 10 o'clock a. m.

TUESDAY, May 5th, 1903, 10 A. M.

The Committee met pursuant to adjournment from May 2nd. Present: The full Committee.

Leave was given Mr. C. C. McCaul, K.C., to appear before the Committee as counsel for Hon. W. C. Wells, Chief Commissioner of Lands and Works.

Mr. W. J. Taylor, K. C., appeared and asked leave to cross-examine Hon. Mr. Wells, after having first had an opportunity to look over the documents that had been produced before the Committee. Such leave was granted.

Mr. McCaul asked leave to defer his cross-examination of Mr. Taylor, should his evidence be taken to-day, until tomorrow, so that he might have a chance in the meantime to look over the documents before the Committee, he just having been called into the matter at the present time.

Mr. L. P. Duff, K. C., appeared for Mr. Oliver; and also asked leave for one day's time to look over the documents before commencing any cross-examination.

Mr. Taylor offered to give his evidence before the Committee at once, cross-examination to be dealt with afterwards; stating that he might be called to leave the city for a few days to conduct a trial in court at New Westminster; that he had attended at the invitation of the Committee to give evidence. The Committee decided to take Mr. Taylor's evidence now, and allow cross-examination afterwards, if desired.

W. J. TAYLOR, being duly sworn, testifies as follows:—

The Chairman: Mr. Taylor, will you now make your statement? A.—Yes. I have heard about statements that Mr. Wells has disseminated in the community with regard to a conversation that he said he had with me. I have been unable to gather, from the evidence given, just exactly what has been said to have occurred; but I will tell you what did occur. In October or November some time, in 1901, I was in Montreal at the Windsor Hotel. Mr. Wells was there also. One evening, after dinner, he was sitting in the rotunda and I had nothing to do, and I went and asked him to go to a theatre if he had not anything to do. He asked me what was on. I told him I didn't know; anything would do to put in the evening. And I sat down beside him. He then proceeded to tell me that he was mixed up in a matter with a party in Victoria, mentioning a name—which I don't mention and don't think you gentlemen ought to ask me to mention—however, you can see better later on—and that he wanted to consult me professionally about the matter upon my return to Victoria. I then told him that this same party had come to see me in Victoria and wished to retain me in connection with a matter of some road boss up country who had put a fictitious name on the pay-roll, and was committed for trial; this party wanted to retain me to interest myself in seeing Mr. Eberts about the matter and see what could be done. Well, of course, I declined to act. I detailed the circumstances of this to him. When I finished the details, he said, "That is right"; to which I said, "What do you know about it?" He said, "The party told me." "Did they?" He said, "Yes, I sent them." And I said, "Don't you think this is a damned pretty trick? If you have got some favour that you want to ask a colleague, why don't you go straight to your colleague and ask him; you know then, of course, that your confidence will be respected—instead of filtering it through two or three outside people?" He then told me that he had the grants there of the C. P. R. subsidy lands in Kootenay, and that the Company ought to do something for him, that he was in a very peculiar position; he said that five or six hundred thousand acres of these lands were valuable, and the Company ought to help him out. I said, "How do you mean?" He said, "They ought to do something for the Government to help us out; they ought to build a road to Spence's Bridge." I said, "You can hardly ask them to do that, can you? Hang up a subsidy for a railway in one part of the country, and after it is built make the Company build in another before giving the subsidy?" He said, "They ought to do something for us; there ought to be twenty or thirty thousand acres in it." I said, "Against the time you get around 19 or 20 of your crowd, there would not be much left out of 600,000 acres, would there?" He said, "There is more in it not to give it to the Company at all, but to have it located." I said, "You cannot do that now, after grants are issued. Look here, Wells, it is a very unusual thing, after a Government has made grants, for one Minister to go dubbing about the country sparring for terms with the grants in his pocket; the first thing you know it will be charged that you are trying a hold-up." He said, "I can explain that satisfactorily." I said, "Perhaps you can to yourself, but can you to the public?" He said then he had taken good care of that, he had spoken to Mr. Dunsmuir about this road to Spence's Bridge, before he left, and he was going to see if he could not make some terms with regard to that—see what they would do. To this I said, "By this policy of shilly-shally that you are pursuing you are losing caste all the time; why don't you do one thing or the other; if they are entitled why don't you give them the grants and be done with it and have them as friends, and if they are not entitled to it, why don't you

Mr. Taylor—*Concluded.*

tell them so on the start, instead of leading them to believe you are going to do something and then not doing it; in that way you only make enemies; and the Government needs all the friends it can get just now?" Well, he said, he was going to see Mr. Shaughnessy about it anyway. I said, "I would not, if I were you." Then I got up and said, "Let us take in the show, see whatever is going"—and went over to the desk and enquired about the show; and we went down to a theatre, and did not talk any more about the matter. The only other talk that I had with him, except passing him in the corridors and saying "How do you do?" was a night or two previous to this. There was a big banquet of Eastern manufacturers at the hotel; we were talking about the banquet; I asked him if he was going, and said Flumerfelt was. He said he was not asked, and wondered how Flumerfelt was. To which I said, "I suppose Flumerfelt is known here, his firm is a big concern"; that the best thing he could do was to send his name in to the secretary; probably the committee did not know who he was. I saw him the next day and he said he had sent in his name; and I don't know whether he was asked or not; I don't think he was. Those are the only talks I have had with Mr. Wells in Montreal at all.

The Chairman: Does that complete your statement? A.—That completes my statement.

Mr. Smith: Mr. Taylor, how did you travel to Montreal? A.—How did I travel to Montreal?

Q.—Yes; did you pay your way or did you go on a pass? A.—No; I did not have a pass, Mr. Smith; I paid my fare, or rather Mr. Flumerfelt paid it. This is a matter of private business, I don't know that you are entitled to know, but I don't mind telling you. Mr. Flumerfelt was good enough to give me a pointer with regard to the Granby Consolidated property, and he was also good enough to say that he would try and help me finance some shares if I could get them; and I went for that purpose; I went to Montreal for the purpose of getting hold of the shares; then I was to attend Mr. Flumerfelt in New York, see his people, and see if they would help me get the shares.

The Chairman: I do not see that that has anything to do with this affair.

The Witness: Except that I was asked why I went there.

Mr. McPhillips: I think it rather material on that.

The Witness: Mr. Flumerfelt paid my fare there, and he paid the expenses going over, too—of course, subject to my adjustment with him. But if you want to know if I travelled on a pass, I did not. I did not have a pass.

Mr. Helmcken: Did you travel on the same train as Mr. Wells, Mr. Taylor. A.—No, Mr. Helmcken; I travelled with Mr. Flumerfelt; he was accompanied by his wife and two young girls, daughters of Mr. Dunsmuir, that he was taking to school—or rather Mrs. Flumerfelt was.

Q.—Was George McL. Brown with you? A.—No.

Q.—You mentioned something about the twenty. What did that twenty refer to? A.—He said there ought to be twenty or thirty thousand acres in it.

Q.—Mr. Wells said to you? A.—Yes. He said there was more in it by locating it than giving it to the company.

Q.—Was there anything mentioned about the lands being reserved at that time? A.—No.

Q.—And what were the lands in question? A.—He did not specify the lands in question; he just said what I have told you, in a general way.

Q.—No mention of any particular block or section? A.—No; he just said he had the grants of subsidy land to the C. P. R. in Kootenay.

Q.—Did he mention the numbers of the blocks? A.—No; said nothing about the numbers.

Q.—Did he mention anything about a syndicate? A.—No.

Q.—Did you mention to him anything about a syndicate. A.—No; the only thing that was said about that was when he spoke about the twenty or thirty thousand acres in it; and I said twenty or thirty thousand acres apiece among nineteen or twenty of your crowd, out of six hundred thousand, would not leave much, would it?

Q.—What did you mean by referring to nineteen or twenty of "your" crowd? A.—Just what I said, Mr. Helmcken.

Q.—I know; what did you mean? A.—I meant his crowd; I meant his party, the Government party.

Mr. Taylor—*Continued.*

Q.—The Government party? A.—Yes, speaking generally; nineteen or twenty of them.

Q.—That is in the local House? A.—Yes.

Q.—Your idea was they would divide up those lands amongst the Government supporters?
A.—What my idea of it was is for you to determine, I suppose. When he said that there ought to be twenty or thirty thousand acres in it, I supposed, if he was going to do something like that, that he would play fair.

Q.—That was passing through your mind. A.—I said, “That would be a great scheme, get them all in, and have all in peace and harmony.” He laughed, and said seriously, “There would be more in it not to give it to the Company, but to locate.” I did not make that remark seriously, nor did he take it so; but that is what was said; you can take it any way you like.

Q.—I know; but did Mr. Wells at that time tell you that there were two members of the House to form a syndicate taking over those lands? A.—No; never mentioned that.

Q.—There was no mention? A.—No.

Q.—Well, was there any mention of any person forming a syndicate and taking these lands over? A.—No; that was the only mention, the laughing allusion when I said “That would be a great scheme, to get them all in peace and harmony, and have no friction and be a loving family.”

Q.—Well, who were the nineteen or twenty that were supporting the Government? A.—I did not mean anybody, I did not specify anybody, as I say; I just told him in that way. And he said, seriously, there was more in it not to give it to the Company at all. I had no idea of anybody being in it. And, furthermore, now that I am here, I have heard a lot of statements made, I have heard half a dozen men’s names connected with it. And I wish to say, Mr. Chairman, I defy any man in this House, from the highest to the lowest, to say that I ever made any such suggestion, express or implied, to him. I know what Mr. Wells has said; and I think you, as honourable men, ought to poll every man in this House and ask him if I ever made an offer of any kind or description to him, and I defy any man, friend or enemy, to say that I ever did.

Q.—Now, did you at any time wait on Mr. Wells in reference to an arrangement between the British Columbia Southern and the Columbia and Western Railway Company? A.—No.

Q.—Have you ever waited on Mr. Wells, in his official capacity as Chief Commissioner of Lands and Works, in connection with land matters of that description? A.—No.

Q.—Have you ever attended upon him professionally? A.—No.

Q.—So that you have never seen Mr. Wells? A.—Not in that reference. And I notice in the evidence a question asked if I ever attended an Executive. I never attended an Executive in my life, for anybody.

Q.—The statement has been made that you did attend upon Mr. Wells in connection with the land matters, in company with Mr. Brown? A.—No; I never attended with Mr. Brown in my life; I never attended for Mr. Brown. I may say, as far as Mr. Brown is concerned, that Mr. Brown is a friend of mine, and a warm friend, and I do not apologise for it; and I am as proud of my friendship with him as I am ashamed of my acquaintance with Wells. And you can take whatever you like from that.

Q.—But, as far as we are concerned, we are after a statement of fact. A.—Well, I am giving you facts.

The Chairman: I do not think this statement interests this Committee at all.

Mr. McCaul: I do not think the witness should insult a Minister of the Crown in giving evidence.

The Witness: I suppose I am to stand quiet and let a Minister of the Crown stab me in the back and yet say nothing about it.

Mr. McCaul: I think you are to give facts and not your opinion of people.

The Witness: I am doing that.

The Chairman: This conversation with Mr. Wells took place after dinner. A.—Yes; just after dinner.

Q.—And you say you did not take it seriously; you say you did not pay much attention—it was just a sort of conversation? A.—No; I had no notion about it.

Q.—You did not take it seriously? A.—When I made that suggestion, that that would be a good idea to get them all in line and live in peace and harmony, I did not take that seriously. The best evidence of that is what I said, Mr. Clifford, at the end of it.

Mr. Taylor—*Continued.*

Q.—In your opinion it was an entirely joking conversation? A.—I don't think it was entirely joking.

Q.—You said you did not take it seriously? A.—I said that remark I made I did not make it seriously.

Q.—I understood the whole conversation; you looked upon it as a sort of a joking matter? A.—No; I did not look upon it as simply a joking matter at all. The best evidence of that is, I told him he had better not; the first thing he knew he would have people talking about him.

Q.—But I understood you to say you did not take the conversation seriously? A.—No; I did not say that; I said that the observation that I made after he said there was twenty or thirty thousand acres in it.

Q.—All right; I understand it.

Mr. Helmcken: Have you at any time, Mr. Taylor, had any correspondence with Mr. Wells in connection with these matters? A.—No.

Q.—Have you seen any of the Ministers with reference to it? A.—No; I have not had a talk with any of them about the matter. Of course, since I have heard of these attacks behind my back, I have spoken to one or two of them.

Q.—In the year 1901 had you any professional relation, in the way of calling upon any Minister professionally? A.—No. I think the only time that—I do not call this professional, because I did it for people without a fee or anything of that sort, I suggested one or two amendments to the Land Act, one with reference to the renewals of timber leases, and I think one or two other things of that kind. I suppose anyone might give help like that; and I did not charge a fee for it.

Q.—You know the discussion arises out of the allocation of lots 4,593 and 4,594. Now, during your professional career, have you at any time paid any professional visits to any of the Ministers in connection with these matters? A.—No, Mr. Helmcken; I have answered that already; I have not; no.

Q.—And were you requested by Mr. George McL. Brown to have anything to do with the matter? A.—No; I never was requested by Mr. Brown to have anything to do with it, and I didn't have anything to do with it. As a matter of fact, at the time you are talking about, I was acting against the Company. I had a suit here that you will remember, you were on the other side of it; a collision case of the "Empress of Japan" and the sailing barque "Abby Palmer"; a case of some importance.

Q.—Had you received any instructions on behalf of the C. P. R. to act for them in any way? A.—No; I was not acting for them at all.

Q.—You were not a retained solicitor of the C. P. R. Company? A.—No; I had nothing whatever to do with them as a Company, nor with Mr. Brown as a representative of the Company.

The Chairman offered the opportunity of examination to Mr. Duff or Mr. McCaul. Mr. Duff stated that he might desire to ask some questions, perhaps, after receiving full instructions. Mr. McCaul stated that he desired to cross-examine after having had an opportunity of going into the matter sufficient to familiarise himself with it.

Mr. McPhillips: Mr. Taylor, previous to your going to Montreal, at this time when you met Mr. Wells,—well, first, we will get at about the date in 1901; what month; can you remember? A.—I cannot tell you exactly, Mr. McPhillips; I could fix it this way, by looking up—I don't know whether I could find from Mr. Flumerfelt the time he bought the tickets here; I know I was in Montreal a few days, and then I went to New York, to a horse show there; I could fix the time by that if I could get it. My impression is it was in November; I think I left here just about the last of October or first of November; and I was a few days in Montreal, and then New York a few days, and from there to Boston, and from there to Toronto, and then home.

Q.—Now, Mr. Taylor, previous to your going to Montreal, was it or was it not within your knowledge that these particular blocks of land here, speaking generally—was it within your knowledge that the land grants for the subsidy of the Columbia and Western had been issued? A.—No; I didn't know when they were issued.

Q.—You did not know? A.—I don't know yet when they were issued. That is why I want to see these papers.

Mr. Taylor—*Continued.*

Q.—That was not within your knowledge? A.—No; had nothing to do with my trip there at all.

Q.—I don't mean that really; but I just want to get generally whether it was in your knowledge? A.—No, it was not, Mr. McPhillips.

Q.—Then, in meeting Mr. Wells in Montreal, you happened to put up at the same hotel that he did? A.—I went to the Windsor.

Q.—And he was there? A.—Yes.

Q.—Was he there on your arrival; do you remember that? A.—I think he was; yes. I would not be sure; I think he was, or else he came a day or so afterwards.

Q.—Then this subject-matter of the grants to the Columbia and Western Railway Company was brought up in what way? A.—Just the way I told you.

Q.—Mr. Wells introduced the question? A.—He said he had the C. P. R. grants of the Kootenay subsidies, and that the Company ought to do something for him, and he was in a very peculiar position.

Q.—What I want to get at, Mr. Taylor, is this; you see if that matter was all new to you, what was the nature of his explanation to you? A.—There was not any explanation of it.

Q.—He just said he had the Crown grants? A.—He said he had the C. P. R. grants for their subsidy lands in Kootenay.

Q.—That would not convey much information to you if you did not have any information about it? A.—I did not want the information about it.

Q.—But, you see, you go on and tell him that he ought to pursue a certain line of action, instead of a certain other line of action that he was proposing to pursue. A.—Yes.

Q.—How did you become acquainted with the merits of the question? A.—Well, I did not become acquainted with the merits of the question; I said then, as I say now, or at any other time, "That is the right thing to do," when he told me, as I have already told you, when he said he was in a peculiar position, they ought to do something for the Government, they ought to build a road to Spence's Bridge; I said, "Surely, you cannot ask them to do that, can you, after a road is built in one part of the country for a subsidy, ask them to build in another before giving it to them."

Q.—But you must have had some knowledge of the status of the affair? A.—I knew the difference between Kootenay and Spence's Bridge.

Q.—But did you know that that was not part of the line of railway that they were bound to construct under the Railway Land Subsidy Act of 1896? No; I did not even know that; I would naturally assume that.

Q.—It must have been conveyed to you in some way by Mr. Wells that they were asking the Company for something which was not called for in the Columbia and Western Subsidy Act? A.—He said that they ought to help the Government out, they ought to build a road to Spence's Bridge, and help the Government out, as I took it to mean, to help them out politically.

Q.—When you state that Mr. Wells said the C. P. R. ought to do something and then they ought to build from Spence's Bridge to Midway, or whatever it was, I want that as clearly as you can put it on the notes, Mr. Taylor; whether we are to adduce from that that Mr. Wells had some personal matter that he wished the Company to do for him, or whether that was something in the public interest, as he conceived it to be; what was he asking of the Company? A.—You are asking me, in fact, to define the motive in his mind. I am telling you what occurred.

Q.—I would like his exact words, if you can give them. A.—Yes; I can. He said he held the grants for the subsidy land in Kootenay; and the Company ought to do something for him, that he was in a very peculiar position; and I said, "How do you mean?"

Q.—For him, that he was in a very peculiar position? A.—Well, that is what he said. I said, "How do you mean?" And he said, "The Company ought to do something for us—the Government."

Q.—For "us"? A.—For "us"; they ought to help the Government out; they ought to build a road to Spence's Bridge. To which I replied, as I have already stated, "You can hardly ask them to do that, can you?"

Q.—But, still, in justice to all concerned, it is wise that we should get, it seems to me, the exact words, or as near as we can. A.—I am giving the exact words, just as nearly as I can.

Mr. Taylor—*Continued.*

Q.—Well, that refined, at least to its conclusion, is that some demand should be made of the Canadian Pacific Railway to build a certain portion of the line of railway? A.—Well, that is for you to determine? I have my own private opinions about it, but I don't know that my opinions are evidence.

Q.—Then you went on, Mr. Taylor, to say that the Government ought to deal finally with the Railway Company, and not—? A.—I said that—I have said that a half a dozen times to friends of mine, Mr. McPhillips.

Q.—The only thing that puzzles me a little, Mr. Taylor, was, that if you were not conversant—we find a good deal of difficulty to get at all the bearings of this question, to find out just exactly whether the Company was entitled to its land grant, or whether it would be a matter of concession on the part of the Government to give it to them—and what puzzles me a little is how you thought that the Columbia and Western Railway people were entitled to those Crown grants without any concessions at all? A.—I didn't say they were, Mr. McPhillips; and that does not concern me whether they were or not; I said then, and I say now and always will say, that the proper thing to do in the circumstances, in this as in any other matter—if entitled, give it to them and be done with it, but if not entitled, to tell them straight, and don't shilly-shally, and lead them to believe you are going to do a thing and then not do it, and make enemies. That is a general principle; I said that then; I will say it now, and will say it in any matter.

Q.—Did Mr. Wells on that occasion intimate to you, either in words or in any way that you could deduce that, that the Columbia and Western Railway Company had fully complied with the conditions? A.—Oh, no; we did not discuss that at all; we did not discuss that aspect of whether they were entitled to the grants or were not; that was not discussed.

Q.—But it seems to me that is a natural deduction; because you were urging Mr. Wells on the duty of handing over the grants? A.—No; I was not.

Q.—You were not? A.—I don't infer that from what I said.

Q.—I don't say you were interesting yourself, but what I mean is this: you considered that if the Railway Company had discharged its portion of the contract, that the Government ought to discharge its? A.—Certainly, I say that with any contract. It is the only honest thing that anybody can do, Government or individual.

Q.—Of course, Mr. Wells has laid a memorandum before this Committee which he placed before the C. P. R. Company, that they were not entitled to the land grant. A.—I don't care what he laid before Sir Thomas Shaughnessy, or what occurred, because that has nothing to do with me.

Q.—Mr. Taylor, you had no reason, then, upon which to found even a jocular statement that Mr. Wells or the Government party, or the Opposition party for that matter, in the Legislature, were to participate, or could in any manner or means participate, in these land grants? A.—Mr. McPhillips, not only did I not do it but it would have been an idiotic thing to do under any circumstances. There was not any arrangement, directly or indirectly, incidentally or remotely, and I could not have given them as much as you can put on the point of a pin.

Q.—You had no reason upon which to found any serious statement of anything of that kind? A.—I did not make any statement at all, except as I tell you; I don't consider that a proposal to him. You say to me, "There ought to be something in this for us, twenty or thirty thousand acres," and I reply, "By the time it goes around nineteen or twenty at 30,000 each, out of 600,000, there will not be much left"—I think that is making fun of it.

Q.—They might make such suggestion from it? A.—He could not have; I made no suggestion from it.

Q.—But if it could be construed into a meaning of that kind— A.—No; it could not. And the best evidence of it is, when he spoke seriously about it afterwards, and I told him to look out, the first thing he knew, people would say he was trying a hold-up.

Q.—Can you give, Mr. Taylor, that conversation too? A.—Which conversation?

Q.—When you happened to mention nineteen or twenty of them? A.—I have given that to you three times now, Mr. McPhillips. When he said there ought to be 20,000 or 30,000 acres in it, I said, "Against the time you get round nineteen or twenty there wouldn't be very much left out of 600,000 acres;" and I said, "You would make a happy family and live in peace and harmony; if you did that, you wouldn't have any troubles." And then he said, seriously, "There is more in it not to give it to the Company, but to have it located." To

Mr. Taylor—*Concluded.*

which I replied, "Look here, Mr. Wells, the first thing you know it will be said you are trying a hold-up; it is an unusual thing for one Minister, after a Government has made grants, for one Minister to go dubbing around the country, sparring for terms." And he said, he could explain that satisfactorily. I said, "Perhaps you can to your own satisfaction, but can you to the public's?"

Q.—Do you remember his answer made to that? A.—Yes; he said he had seen Mr. Dunsmuir before he left.

Q.—And that these terms were satisfactory, as Mr. Dunsmuir wanted? A.—He didn't say anything about the terms being satisfactory; he said he had spoken to Mr. Dunsmuir before he left, and he was going to see what he could do. I had my own idea about that, but that is also an opinion.

Q.—Well, Mr. Wells did not repudiate,—he did not take, I suppose, that suggestion of yours—not suggestion, but observation, if you may so term it—that there would not be much left after nineteen or twenty were considered—he did not take that into consideration? A.—I do not know. He said seriously afterwards—and I don't know how he took it; I don't care very much either.

Q.—But it is rather important in a sense to this Committee to know whether Mr. Wells was really acting for himself or for nineteen or twenty of his supporters in this matter? A.—I don't think there was any question of that sort; he was not acting for nineteen or twenty of his supporters; I don't think there was a man knew anything about it. At all events, I would like to find anyone that dare say that I ever said anything to him about it, directly or indirectly, incidentally or remotely.

Q.—I think that is all I want to ask.

Mr. Helmcken: What was this particular position that Mr. Wells stated that he was in? A.—Well, I have told you just what occurred, Mr. Helmcken.

Q.—What did the peculiarity of the position consist of? A.—I am not going to define his position. I am telling you what he said.

Q.—He did not explain what the peculiarity of the position was? A.—Except as I have already told you two or three times.

Mr. McPhillips: Mr. Taylor, there was one observation made by you which perhaps the Committee, owing to this matter being a public one, should not allow to pass without some explanation; that is, you made reference to the fact that Mr. Wells said that he would need your services in some matter or other in connection with some party in Victoria. Now, was that in connection with the public interest in any way? A.—Oh, no.

Q.—It was a private matter? A.—Oh, yes; entirely; it had nothing to do with the Government at all.

Q.—It had nothing, directly or indirectly, with the question that we are here inquiring into? A.—Oh, no; not the slightest.

Mr. Helmcken: Will you let us know if you can appear again to-morrow?

Mr. Taylor: I will let you know.

Mr. McCaul: If Mr. Taylor cannot appear to-morrow morning, another time can be appointed for his cross-examination; because there are other matters that I desire to cross-examine him on.

Mr. Taylor: All right.

Witness stands aside.

Mr. Oliver: Mr. Chairman, I would like to have produced before the Committee a list of the names and the dates of the applications made for prospecting licences for coal and petroleum in block 4,593. It will have a material bearing in this matter. According to the statements made in the House, there are 153 applications. And I would like an order of the Committee to allow Mr. Duff to examine the Orders in Council and the reports and papers that are placed in the Provincial Secretary's Department.

The Chairman: It is understood that there will be free access to the papers in the hands of the Committee here, allowed to the Counsel; of course, not to take them away.

Mr. Oliver asked if the letters referred to in Mr. Brown's evidence had been produced, and was informed that no such letters had been received.