

18th August was brought about by the report of H. Trim, who arrived from Texada Island, and represented that in the interest of the Company it was desirable that more land should be taken up. I was not in Victoria or the Inlet at that time. I had just come down from Yale at that time; one of the reasons was to obtain a shipping point, another was to extend his lines more than he intended at first. About 14th or 15th August I met Moody and Trim coming into New Westminster from the Inlet and returned to New Westminster with them. I suppose they wanted my advice and assistance on the subject of the pre-emptions or taking some action to secure additional valuable land for the Company. The following day I came to Victoria. I left for Victoria with the intention of seeing certain members of the Government, to find if I could obtain leave to purchase, and if not to telegraph back to New Westminster. I was going to make an official application. I went to Mr. DeCosmos and he took me to Mr. Walkem. I met DeCosmos on the street, but prior to this meeting, I met Dalby. Dalby told me that certain gentlemen, viz.: Messrs. Bulkley and Dupont had gone to Texada Island to jump our claims. I don't recollect his stating what authority he had. I shortly after met DeCosmos and asked about the purchase. I don't recollect his answer, but it was to the effect that it could not be done. I went with DeCosmos to Mr. Walkem's, and from them jointly I got this reply, or to the same purpose. The next step was Mr. Dalby's going to the Inlet. The steamer "Isabel" was going to Nanaimo and Dalby made an offer to the steamer to go with him to Burrard Inlet, (I presume this was charged to the iron mine, I cannot tell), for the purpose of making these pre-emptions. The fact of his going away in that manner was that he had heard that Messrs. Dupont and Bulkley were on the Island for the purpose of taking up land. I don't know the name of H. Smith who pre-empted upon this occasion. I don't know T. Wilson. I don't know when he pre-empted or whether he pre-empted for the Company or not. I think the "Isabel" received \$100 for this trip. The steamer left Dalby at the Inlet and towed Trim's boat out to the Island.

*Mr. Nelson*, recalled,—

Harry Trim's signature to the second application is in my handwriting. I have no power of attorney. I have no doubt the signature was put there by Trim's authority. He was not at the Inlet. That would be somewhere about the time of the "Cariboo's" return; because previous to the arrival of the steamer he had gone back to the Island in his own boat.

*Hon. Mr. Beaven*, examination continued,—

I have some papers here bearing on the application of William Archibald Robertson, in Vancouver Island. The application is dated the 16th June, 1873; it is to pre-empt one hundred and sixty acres on Kokesailah River. The application was granted, and twenty days given to record. The land was recorded on the 30th June, at 12.30 p. m. So there was no delay in recording this land. I know of no delay in recording this pre-emption at all.

*C. T. Dupont*, sworn,—

I went to Texada Island in the month of August, last, to take up some land. I was at Comox about the 10th or 11th of August, and learned that Richardson, the geologist, had publicly stated that there was a valuable deposit of iron on Texada Island. I went to Richardson's camp to enquire about it, and he told me there were some pre-emptions taken up, and told me that the iron he spoke of had not been pre-empted, he had explored in his professional capacity and could not find any stakes and that he knew where the other pre-emptions were. Mr. Bulkley stated that he would go with me in his canoe and pre-empt. We went. I think we were on the Island on the 11th August, we had a party of five men. Bulkley had his instrument and chain and we went with the view of making a survey. We had no idea of jumping anybody's claim. Mr. Richardson told us the land was not taken

up, he knew it from Trim himself who showed him the land taken up. We wanted to make the survey in order to avoid interfering with any other people. We spent two days on the Island exploring to find their posts and making surveys. Richardson having told us of the land and described the other pre-emptions. We found posts covering a great deal of valuable iron. I think we found five posts—the names of the two Hughes', Harry Trim, Moffatt and Cottrill, I think, were on the posts. We found by chaining that these parties had taken a great deal more than they would be entitled to by the Act. We then made a survey of what we wished to take up. We were making the surveys for ourselves, Captains Cooper and Clarke, and Ker. On the 14th August we had completed the surveys and put in our posts, marked with names and dates. I suppose the posts are there still. We only found the posts of three claims at the commencement and only after two days hard surveying did we find the posts of Moffatt and Cottrill. These last two only interfered with the claims taken up in my name, but with none of the others. We saw Trim arrive with a little sloop, just after we had done our surveying, with some lumber. He mentioned that my location interfered with some of the claims taken up by them. I explained the matter to him and stated, I did not expect to get more than we were entitled to. We came down by steamer to Victoria and Mr. Bulkley and I went to the Land Office. I made application to Mr. Beaven personally for permission to purchase. I was told there were certain rules being framed by the Government to regulate the sale of lands, and until they were settled he could not give me any information on the subject. I then wanted to know if we could pre-empt without prejudice to the right of purchase when the regulations became known. We were allowed to see the applications, received at the Land Office, on Texada Island and we found they described land totally different from the land they had posted, in fact some three or four miles away. It described it North of Gillis Bay—quite away from what they wanted. These applications did not cover the land required by us. The iron ore is three and a half miles to the East of Gillis Bay, the mistake made in the applications was to describe the iron three and a-half miles North instead of East. I wished then to find out from the Commissioner which ought to govern, the applications or their posts, as I wished them to have what they were evidently entitled to before we got any. The answer was to the effect that the practice was uncertain, but that he wished to do equity or justice. He told me that to apply for leave to pre-empt I must go to New Westminster. This was about the 20th August. From information I had got I thought it advisable to be as quick as we could. We sent over an agent to New Westminster to make the application. I also gave him an application for a mineral licence. Mr. Elliott Anderson, our agent, returned from New Westminster and stated that Mr. Edmonds, the Commissioner, there had recorded a lot of applications on the 18th August, covering the ground that we were applying for. Our applications were granted provided we did not interfere with parties who had already applied. Mr. DeCosmos expressed great indignation when he learned that I and others had gone to Texada Island to pre-empt. My informants were Mr. Gaston and Mr. Elliott Anderson, at separate times. Mr. Gaston was on board the "Douglas" when we launched our canoe for Texada Island, and was therefore aware of what we were going to do. I saw him after we came back, he said that when the "Douglas" arrived he went to the Colonial and Mr. DeCosmos was there getting his dinner. DeCosmos asked Gaston what news there was, and Gaston told him that Bulkley and myself had gone to Texada Island to pre-empt some iron. He said DeCosmos got so excited about it that he lost his appetite for his dinner. He said he never saw a man so excited in his life. After Anderson had returned from New Westminster, referring to a different occasion, he stopped me in the street to tell me that he did not know what Mr. DeCosmos' object was; but he was damning me for my connection with Texada, and said this was what came of bringing Canadians to British Columbia. I left Mr. Anderson standing where he told me as I was rather indignant with him. These parties wished me to infer that Mr. DeCosmos was interested but I don't know. I dropped the

matter on finding this was Mr. DeCosmos' feeling towards me and not wishing to run counter to anybody. I dropped in part on account of Mr. DeCosmos, as I did not wish to incur his animosity. The reason the applications were rushed in on the 18th August, was because Mr. Nelson informed me they had heard that we were on the Island and despatched a steamer at once. We saw no evidence of any occupation of the pre-emptions. Trim arrived with another man, perhaps two, in his sloop with some lumber and said he was going to put certain improvements on the pre-emption.

By Mr. *Mason*,—

I did not make my application to Mr. Beaven in writing. I have no knowledge of any member of the Government holding land on Texada Island, or being interested.

By Mr. *Robson*,—

Mr. Anderson left the tracing he brought from New Westminster in my possession. I do not know where it is; I will endeavor to find it.

*Frank Pagden*, sworn,—

I am a shareholder in the Texada iron mine; in the Texada Company, I believe, by pre-emption. I pre-empted an allotment, supposed to contain iron. I pre-empted some time during the Summer. I pre-empted through another person, through Mr. Dalby. I gave to Moody, Dietz and Nelson and Dalby full authority to act for me. Dalby sent to me to ask me if I would join the company. I should think this was about July or August. I never heard that Dupont had been to Texada Island until to-day. I had known of this place some six or seven years ago. Morton has spoken to me about this matter—the Dalby conversation. He told me that DeCosmos had tried to sell the mine in England; that the Vancouver Coal Company, at Nanaimo, had been written to by Sproat to find the owners of the Texada mine. It struck me that it was a very good channel to enable the company to sell their mine, that is, if they had gone in with DeCosmos or Sproat. I said to Morton, when he finished, "Whatever DeCosmos has to do with the mine, I don't want to know anything, nor do I intend to say anything, as I am interested in the "company." At the time of the conversation, I was going round with Morton, canvassing to see whether it would be worth his while to come out for the District.

Mr. *John Robson* requested Secretary to subpoena *J. C. Hughes*, *Harry Trim*.

Commission adjourned to 11.30 to-morrow.

THURSDAY, 9TH APRIL, 1874.—9TH DAY.

Commission met at 11.30 A. M.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—Mr. *Mason* (for Hon. Attorney-General), Mr. *Robson*.

Witnesses examined—*William A. Robertson*, *George Hargreaves*, *Herbert Gaston*.

Commissioners decided, with approval of the Hon. the Attorney-General, to hold a sitting at New Westminster, on the 18th instant, and directed the Secretary to give notice to witnesses.

Secretary, at request of Mr. *Robson*, subpoenaed Messrs. *H. V. Edmonds*, *Harry Trim*, *J. C. Hughes*, and *Adam Watson*, to appear before the Royal Commissioners at the Court House, New Westminster, on Saturday, the 18th instant, at 10 A. M.

Secretary also wrote to Mr. *Sewell P. Moody*, requiring his attendance at the same time and place, with the books of Messrs. Moody, Dietz and Nelson, in which any entries had been made with regard to the Texada Island iron ore,

*William A. Robertson, sworn,—*

I had no conversation with Mr. DeCosmos about the iron mine, but I have had about iron—that is, before the excitement, I had some conversation with DeCosmos about Texada Island after Dupont and Bulkley went to jump the claim. I told Mr. DeCosmos they went up to jump his claim. He asked me to tell the circumstances about the jumping. I was coming down in the steamer "Douglas," in August, last year; the steward told me that Dupont, Captains Clarke and Cooper, and some others I don't recollect, had gone in the "Douglas" to Texada to jump an iron mine. A gentleman from Canada, named William Sutton, was on board the steamer at the same time as myself. A piece of iron was shown him; he brought it up on deck, and asked me what I thought of it. I told him I knew the ore, as Mr. DeCosmos had shown me some of the ore before. He (Mr. Sutton) said he was informed the ore had been taken from a few miles back of Nanaimo. I told them it was a mistake, it had come from Texada; the steward, Booth, told me where they had been. I told this to DeCosmos the next day after I came down—when I told him his mine was jumped. This was the trip the steamer left Mr. Dupont and Mr. Bulkley on the island. He asked me particularly who the parties were, laughed good-naturedly, and that was all that passed at the time. I cannot say this was the first information he received. The Sunday after Mr. DeCosmos and Mr. Walkem had returned from Texada Island, I saw Mr. DeCosmos near his own office in Victoria, and he told me that if I would come up he would show me a specimen of iron. He asked me what I thought of the iron. I told him I thought it was very good iron ore. He produced a piece of limestone rock, and said, "This is the flux that made the iron." There were barnacles on the limestone rock. He did not tell me where he found the iron. I said, "You found this on the sea coast." "Yes," he said, "we can load a ship right from the deposit," or words to that effect. I said, "You've got a very good thing," and he said, in words as near as I can recollect, "I have," or "It is a good thing." That is all that passed as near as I can recollect at that time. Some time last winter, about two months ago, Mr. Adam Watson was in my shop, I said something to him about Mr. DeCosmos being interested in the iron mine, this was just after the first agitation in the papers. As near as I can recollect I made reference to the charge published in the *Colonist* against Mr. DeCosmos being interested in the mine. Mr. Watson stated DeCosmos had no interest in the mine, but he had the selling of it. I said I thought that amounted to an interest. He said he did not know whether DeCosmos had anything for selling it or not. He said nothing about price or value. I have had a conversation with Watson since and he denied that he said DeCosmos had the selling of the mine. I have no doubt but he did say so. I am quite positive that he did say so. There was nothing that led me to believe that other members of the Government were interested. DeCosmos had often spoken to me about iron before, but after this discovery and showing me the ore, he kept dark as to the place where he found it and therefore concluded that he was deeply interested, though he did not say so. I recollect hearing several times that the members of the Government had an interest in it. My impression was that the Government party who went up to Texada Island were interested. The ring was generally considered to consist of members of the Government and Messrs. Moody, Dietz and Nelson.

*George Hargreaves, sworn,—*

I am a surveyor. I was employed to make surveys on Texada Island last fall. I don't remember the date; I think it was in October. I was employed by Moody & Co. to make a survey on Texada Island. My instructions were to survey the land over which the iron ore extended. I was employed to survey and see how much land the iron ore extended over. I was instructed verbally. I went and surveyed the land and reported to Moody & Company. I made a pencil drawing at the office of Messrs. Moody, Dietz & Nelson at Burrard Inlet. I don't know how many acres were included in my survey. Harry Trim took me to the spot where

the iron was. We went ashore at Gillis' Bay to get our lunch. We went to about three miles to the westward where we camped, and next day we commenced surveying. Trim said he would show me the iron, which he did, and I commenced surveying immediately. The iron was not more than half-a-mile from where we camped. He showed me an iron deposit. I put in a small peg for a surveying mark. I marked out no land. I left the peg in the ground. I ran my line. I went to calculate the quantity of iron and the least quantity of land that would include the iron deposit. I saw one post only but no name; I was told though that the post was a corner-post of J. C. Hughes' claim. I was employed by the same parties to survey the Eureka Mine. Mr. Walkem was at the Eureka Mine in August, the same time that I was there. I was there to lay out certain silver mining claims, and having laid these out I came away.

Subpœnas issued for *Herbert Gaston* and *C. Elliott Anderson*, by direction of the Commissioners.

*Herbert Gaston*, sworn,—

I was on the steamer "Douglas," about the middle of August last, with Messrs. Dupont and Bulkley. I got on the steamer at Comox. We landed Messrs. Dupont and Bulkley at Texada Island. Dupont and Bulkley did not state what they were going there for, but Booth, the steward, told me they were going to take up an iron mine. Booth showed me some iron specimens. There appeared to be some mystery about the matter. I came on to Nanaimo, and then down to Victoria next day. Mr. Dupont makes a mistake in saying that I told him I had had any conversation with Mr. DeCosmos, or he with me, about the Texada Island matter at any time. In the early part of September, Mr. Dupont was on board the steamer going to Yale. I met him on the steamer. I got on at Hope. I asked him how he and Mr. Bulkley got on with his Texada Island expedition. He told me he found, on landing on the island, that other parties had got ahead of them in getting possession of the land. He said, although he doubted the validity of the claims, it was not worth a contest, and he had given it up. He alluded to the "Cariboo-Fly" having gone to the island with Mr. DeCosmos on board. I said, "You ought not to have scared Mr. DeCosmos so much; for, when he heard that you had gone there, you made him so excited that he lost his dinner." I was chaffing Mr. Dupont at the time, and said, "Why did not you Dominion officials hold on, and have a contest with the Provincial officials?" This communication was made to me in a confidential conversation, and I decline to give my informant's name. I heard the information had this effect on Mr. DeCosmos.

Commission adjourned to 11.30 A. M. to-morrow.

FRIDAY, 10TH APRIL, 1874.—10TH DAY.

Commission met at 11.30 A. M.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—Hon. Attorney-General *Walkem*, Mr. *Mason*, Mr. *Robson*.

Subpœna issued for *W. H. Oliver*, by direction of the Commissioners.

Witnesses examined—*Herbert Gaston*, *George Hargreaves*, *W. H. Oliver*, *Charles Elliott Anderson*.

*Herbert Gaston*, re-appearance,—

Deponent appeared, and gave the name of his informant as *W. H. Oliver*.

*George Hargreaves*, re-appearance,—

Witness appeared, and produced plans of his surveys on Texada Island. The Commissioners, after inspecting them, thought that they did not bear upon the case, and returned them to the witness.

*W. H. Oliver*, sworn,—

I made a trip in the "Douglas" with Mr. Gaston and landed about ten miles short of Comox, to examine the Baynes Sound Coal Mining Company. On the following morning Clarke called and took us on board the "Douglas," on our return; and we found on board Messrs. Bulkley and Dupont. Mr. Bulkley had a large canoe on the deck of the steamer. Captain Clarke headed the steamer toward Texada Island, and about two or three miles off the Island he launched the canoe with provisions. Messrs. Bulkley and Dupont, two Indians and a white man got into the canoe and made for the Island. I should think probably they were two miles off the island. We proceeded to Nanaimo thence to Victoria. On landing I met Mr. DeCosmos directly in front of the *Standard* office. It might have been one or two hours afterwards. Mr. DeCosmos was aware of the object of my trip there, and he asked me some questions about the Baynes Sound mine and what parties were on board the steamer. I told him about Bulkley and Dupont landing at Texada Island, not knowing he felt any interest in the matter at the time. Mr. DeCosmos, upon hearing this, became quite excited, and made some remarks about Mr. Dupont, one of which was that he was too late. He seemed to complain that new officials should be sent out from Canada, to the detriment of old residents of the Province. That is all I remember. He appeared very much excited at the news of Mr. Dupont's going there, and said a great many things, as men will do. No impression was made on my mind that Mr. DeCosmos was interested in the mine, but I could see no cause for the excitement. I did not know at the time the object of their visit to the iron mine, though there had been whisperings on board the steamer. I made no statement that the news affected Mr. DeCosmos' digestion. I did not see Mr. DeCosmos at the Colonial. I never had any conversation with DeCosmos about this matter, except in front of the *Standard* office, as already mentioned. He never told me that he was interested in the Texada mine. I never told Mr. Gaston so. I told Mr. Gaston this morning that I never said to him anything about DeCosmos' dinner being spoiled at the Colonial, and Gaston admitted I had not. I spoke to Mr. DeCosmos in my room about the Baynes Sound property. The object of his visit to my room was to see the ore and coal from the Baynes Sound mine.

*Charles Elliott Anderson*, sworn,—

It was a few days after my return to Victoria from New Westminster, where I had gone on account of Messrs. Clarke, Cooper, Dupont and Bulkley, I happened to be passing by the *Standard* office. Mr. DeCosmos was there. As I came up they were speaking about my having been up to New Westminster about the iron. They asked me how Texada was, I said I believed it was all right as far as I was concerned. Mr. DeCosmos spoke in a sarcastic way about Mr. Dupont, and said, I thought, damn him—that was all he said. I considered this was on account of Mr. Dupont having been appointed here against his wishes. I considered that Mr. DeCosmos was annoyed at Mr. Dupont having anything to do with the Island. After this I told Dupont that Mr. DeCosmos was annoyed with him for interfering on the Island. I considered it would have been the same if Mr. Dupont had interfered on any other Island. I went to pre-empt on behalf of Messrs. Bulkley, Dupont, Clarke, Cooper and Ker. Mr. Edmonds stated that all he could do was to take our papers and write across them that we could pre-empt if we did not interfere with those already pre-empted. I made a tracing of the plan in the office which I gave to Mr. Dupont. I never had any other conversation with Mr. DeCosmos on Texada Island matters.

Commission adjourned to Saturday morning, the 18th instant, at New Westminster.

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THURSDAY, 16TH APRIL, 1874.—PRIVATE SITTING.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Commissioners held a private sitting, to examine *John Machar*, Messrs. Moody, Dietz and Nelson's late book-keeper.

*John Machar*, sworn,—

I have been in Victoria about twenty-four hours. I came by the steamer "Enterprise" last night. I came from New Westminster. I was over-night at New Westminster. I came to New Westminster on Tuesday afternoon. I am book-keeper for Moody, Dietz and Nelson. I have been so between five and six months, as near as I can remember. I brought the whole books up to a thorough accountant's system to 31st March; they were some ten months behind when I got them. They consist of Ledger, Journal, Cash-Book and Bill-Book. The old books had certain entries, which I am not quite certain they understood themselves—they were not properly kept. I did not understand all the entries myself. I am a professional accountant. As to some of the entries, the partners themselves could not give me the information necessary to put the books into proper shape. The entries were kept in what are called "blotters." They had them. The old books, from which I made out the accounts, are still there. There was a man there before I went, who was paid for being a book-keeper, but did not do it, and could not. Mr. Rithet, the agent of the firm, took me up there. I went up to Burrard Inlet about the 6th November. Mr. Chambers was the nominal book-keeper before I went up. I have never seen him. I have had a very hard five months at it. There was a good deal of excitement about the Texada iron, when I was there. I did not hear much about it till the Commission commenced, about a month ago. There was a good deal of discussion amongst the men, and Moody was a good deal condemned by them for not giving his evidence in a straightforward manner. I found in the day-book, blotter, and cash-book, certain entries to debit of the "Iron Mine Company." There were no entries in the ledger. I made the account myself. I entered up the account, "The Iron Mine Company in account with Moody and Company." There was a debit of about \$1,400 to that account. Harry Trim's name is mentioned, as paid so much for something done. There were several other names, but I can't mention them just now. The term, "outfit," is mentioned in the books in connection with the iron mine. The impression on my mind, and on the minds of the men was, that there was something wrong on account of the way in which Moody gave his evidence. Moody is a man I think dishonest. The following men, I think, can give you some information: John McDonald, George W. Haynes, George Cole—these are connected with Moody's establishment—John Deighton, George Dingman. A man named Springer is in charge of the books; he is no accountant; he was under me. J. C. Hughes is kept about the office; he is thought to be able to butter the ships' captains; that is what he is paid for; he does nothing else. I have not settled with the firm yet; I have not got paid, so I can't say I have left them. I came down last night to try and get a settlement. The firm has no money at the Inlet. I struck the balance due me before I left, but I did not get the money. As soon as I get the money, I leave their service. As soon as it was understood that the Royal Commission was going there, the impression on my mind was, that it was not advisable that I should be there. That was the first intimation I had of going or leaving their service. On Monday morning last, Moody came up to me, and said it was not necessary to continue the books any longer, and that I might consider my services at an end, or words to that effect. He stated no reason, and I asked none, because I knew I would not get it. He did not allow me a month's pay on dismissing me. He wanted to pay me just what he thought fit. I told him I thought my services were worth \$150 per month, and he thought \$75. Moody discharged me by saying he did not require my services any longer. I did

not get ten minutes' notice. Moody gave me a draft for \$230 94, on Welch, Rithet and Company, and paid me \$25 cash; and I said if the draft was honored, it would be all right, and I would be glad to get away out of the country. The draft has not yet been honored. I told Moody I would leave the country, but I did not promise. That draft will not be honored if I do not leave the country, I believe. Moody did not tell me that the draft would not be honored if I did not leave the country, but that was my impression.

Commissioners directed the Secretary to subpoena Mr. *John Machar* for Saturday, the 18th instant, at 10 A.M., at New Westminster.

Subpœna issued and served, in accordance with the above instructions.

17TH APRIL, 1874.

By order of the Commissioners, Secretary issued subpoenas to the following parties, for 10 A. M. on Monday, the 20th instant: *George Dingman, John Macdonald, George W. Haynes, George Cole*, and for Tuesday, the 21st April, at 10 A. M., *John Deighton*.

SATURDAY, 18TH APRIL, 1874.—11TH DAY.

Commission met at New Westminster.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—The Hon. Attorney-General, Mr. *Robson*.

By direction of the Commissioners, the Secretary read aloud the evidence of *John Machar*, taken on the previous Thursday, in Victoria.

*John Machar*, summoned as a witness, was called by name three times at the door of the Court House, by the Sheriff, and did not answer.

Witnesses sworn and examined,—*Hugh Nelson, J. C. Hughes, S. P. Moody*.

*Hugh Nelson*,—

Shortly after Chambers left, Machar was employed. After the fire, I was informed that Machar was drunk—about two months ago. Since that, I received news from Moody that Machar had been on a spree for several days, and that they could not retain a man of that kind in their employment, or words to that effect. When I came to New Westminster, last Tuesday, Machar called at our office in Front street. He was then three parts drunk. He told me about his having settled, and about his being discharged. He said he had settled with Moody at the rate of \$75 per month, but he thought that was not enough. I told him he had better go to bed, get sober, if he could, and call on me in the morning. He stated he had been a valuable servant to us, and had put our books in proper order. I said we were quite satisfied with his work, and said, "Cannot you give up 'drinking?'" He said he could not. I told him I would give him a letter to Mr. Rithet, in Victoria, who had employed him. I posted a letter to Mr. Rithet; in that letter I told Mr. Rithet he had been settled with at \$75 per month; I told him to allow him more, if he thought fit. He came in the morning, and told me he had no money beyond his order, and I gave him \$5. On arriving at Burrard Inlet, I made enquiries, and found that Mr. Moody had settled with Mr. Machar for \$85 per month. The morning Machar left, he was still affected by drink; in fact, he was dismissed for drunkenness. I know nothing of his leaving the country. I heard, through Mr. Rithet, that he was going to leave the country.

Books of the company were produced and examined.



These are the only entries touching on the Texada mine; the whole debit to 31st March, is \$1,395 51. The amount spoken of as being paid to steamer "Isabel," for going to Burrard Inlet, was never paid; the agent of steamer and Moody, Dietz and Nelson forgot it. We have been charged since the evidence in Court. The "Isabel" is owned by Starr Brothers. The amount expended to 31st December, 1873, is \$619 30.

*J. C. Hughes, sworn,—*

Tenth March, 1874, cash (\$10) paid to J. C. Hughes, was for expenses for a trip from Burrard Inlet to town on iron business—to get certificate of improvement on my pre-emption claim, standing in my name on Texada Island. September 18th, 1873, \$32 paid to H. V. Edmonds. The reason the expenses were charged against the iron mine was, that the pre-emption was for the benefit of the iron company. Moody, Dietz and Nelson were interested in this pre-emption. The pre-emption is one of those taken up for the company. I don't know who constitute the company. Moody told me when H. Trim discovered the mine, that he (Moody) was desirous that I should take up a pre-emption claim; I suppose, because he was an American citizen, and could not take one up himself. Moody told me there would be a company formed, and that I should be one of the company. He did not tell me the names of the company, and he has never told me the whole of them, and I don't know who he was going to take in. I was satisfied he would act fairly with me, and asked no questions who the other parties were to be. I understood at the time Nelson, Dietz, and Moody were to be of the company. I never heard from Moody, Dietz and Nelson that any members of the late or present Government had an interest in the mine. Mr. Moody told me he had asked Mr. Walkem to take an interest, but he declined. The information was a mere casual remark of Mr. Moody's; it made no difference to me whether Mr. Walkem was in or out of it. I know, on the trip to Texada, Mr. Walkem threw cold water on the matter, and told me he thought, until labor became much cheaper, the speculation would be of no account. I think I pre-empted alone at the time. I think my pre-emption was made in July. I think five parties pre-empted in June. I asked my brother to pre-empt in the same way as I was holding my own. It was a thing I felt would, at some time, be valuable. I think it is more than likely I wrote out all five pre-emption papers. I cannot tell at whose instance the other men pre-empted. I write out a great number of pre-emption papers. Major's application is in my handwriting; the application of H. W. Hughes, H. Trim, J. A. Cottrill, and Edward Trim, are in my handwriting. I know Henry Smith; he has worked for us for two years; he was at the Inlet two days ago. I know Thomas Wilson; I do not know whether he is in our employ or not, now; he is living at the Inlet. I do not know that H. Smith was asked by me to pre-empt; the application is in my handwriting. C. G. Major, I think, pre-empted at my suggestion; I advised him to pre-empt, because I thought it would be a good thing. Mr. Major and I had a conversation, and he seemed willing enough to take it up. I do not know that he was to be one of the company formed—that was to be for Mr. Moody to say. I told Major to take up a pre-emption, and see Moody about it when he came in. I don't recollect what arguments I used. I don't know whether H. Trim or Moody first told me of the discovery; I was told, when H. Trim first came down, about the discovery. The steamer "Cariboo-Fly" went up to Texada Island twice. Messrs. Walkem and DeCosmos came up in steamer "Cariboo-Fly." I came up with them. I can't tell the object of taking them up. He did not tell me his object in offering DeCosmos and Walkem an interest in the mine. I can't tell why no charge is made for steamer going to Texada. There was no understanding that all expenses should be charged to iron mine company.

*S. P. Moody*, re-called,—

I gave Mr. DeCosmos some ore, and a sketch of the Texada mine, which he took with him. I did not give Mr. DeCosmos any instructions. It was at his request I gave him this. This sketch was made by Hargreaves. He asked me to put up some specimens of the iron ore, to take with him to Canada. He did not say what he was going to do with them. He did not say he was going to sell the mine; he had no authority to sell. I should think there were forty or fifty pounds of ore; I did not weigh it. I am not aware of any steps being taken to get the ore passed through the States without being opened. I placed the ore in a box, and left it at Welch Rithet's, and told DeCosmos where it was. I proposed to give DeCosmos a sketch of the mine, and I had it made for him. The object of Hargreaves was to see how much ground the iron covered. The ore came down a long time ago from the island—a long time before DeCosmos ever went there,—and not specially for DeCosmos. My object in giving these things to DeCosmos, was to give him an idea of the extent of the iron mine, and to sell it if he could. There was no price fixed for the sale. He had no authority to sell at all. The impression was, that he could find out what the mine would sell for, and let me know. He had been talking iron for some time, and that was why I chose him. This was the last time DeCosmos left. He had taken specimens before. I think he got them himself from the island. I remember the telegram Dalby got from DeCosmos last Fall. DeCosmos wrote me from Victoria, before he left last Fall for Ottawa, asking me if the parties who held the iron mine would sell; there was nothing else in the letter, that I remember. I never answered the letter. The telegram stated, as near as I can recollect, "That he had not received a letter from 'Moody.'" Dalby informed me of the contents of the telegram. I cannot find the telegram or letter from Dalby, giving me the information. Dalby, in his letter, stated that I had better write DeCosmos. I never wrote to DeCosmos. I am writing to Dalby every two weeks or so. I do not know when I first saw Dalby, after receiving the telegram. I don't know if I was in Victoria about the 1st November. I don't know if I was in Victoria in December; I did not spend my Christmas there. I think I was in Victoria in January. Mr. Dalby has never had a conversation with me about DeCosmos being entrusted with the sale of the mine. I have heard Dalby state that he thought the mine would be sold for \$150,000. I don't agree with that. I don't think it is worth more than the money we have spent upon it. I did not put any price upon it. Hughes was present when Trim gave me the first information of the discovery of the iron deposit on Texada Island. I have no advices from Mr. DeCosmos since he left. I have never heard from DeCosmos since he left. I know nothing about Dalby's statement to Mr. Morton. Part of the books were kept by Mr. Machar, and some of the entries were made by Mr. Chambers. My instructions with regard to the entries were, that any expenditure made for the iron mine was to be charged to the "Iron Mine Company." We did not charge the trips of the steamer to Texada Island to the "Iron Mine." The "Iron Mine Company" includes none of the five companies, viz., Malaspina, Texada, Gulf of Georgia, Dominion Company, and Madeline Company. I do not consider my interest in these companies of much account. My principal interest is in the pre-emptions. I never said to Captain Devereux "That I had asked Nelson to accompany the party on the second trip up to the island, but he had refused, because he thought it dishonorable, or words to that effect; and said I 'would be damned if I would have any such scruples about it.'" I did ask Nelson to go, and he refused. I never spoke to Devereux about Nelson going up. I had no direct conversation with DeCosmos during the trip, about the sale of the mine. I do not recollect DeCosmos speaking about the land being of no value in the market, because it was only held by pre-emption. I will swear that I never heard DeCosmos say so; he did not say so in my hearing. I can't say that DeCosmos, in his conversation with me, appeared to attach much value to the mine. DeCosmos said when the title to the mine was obtained, he would like to have the selling

of it. He made the remark, I think, once or twice. The last time I was at Victoria I swear that he did. I don't remember his saying so on our way up to the island. My answer was, that before anything could be done in that respect, I must get a good title. I told him when we could get a good title we would communicate with him. I remarked, I thought the mine ought to be worth \$150,000; I would be glad if he could sell it for that price, and I would willingly allow him a good round commission. I said, "I believe I would be willing to pay him a good "commission, if it could be sold for that price." This conversation occurred about two days before DeCosmos left for Ottawa. Dalby and I had talked the price of the mine over. I would take one-half of that price now. I have not instructed DeCosmos at all. I have not informed DeCosmos of any change in my opinion of the value of the mine. I have no information about his placing the sale of the mine in the hands of Mr. Sproat. He did not speak to me about having mentioned the matter to Mr. Sproat. I offered DeCosmos and Walkem an interest in the mine. I said to Mr. Walkem when a company was formed, he could have an interest if he wished. He declined, saying he did not care for one. This was on the way down from Texada Island. I do not know to which of them I offered it first. I offered to DeCosmos in same terms; he declined. I don't think he gave any reason at all. I can't say he spoke depreciatingly at any time of the mine. DeCosmos did not appear surprised when I put the price at \$150,000. I don't recollect he made any remark. I knew he was going to start in a day or two to Ottawa. He did not say he was going to Europe. This conversation was since the general election. I don't recollect the proposal of selling the property to the Canadian Government for railway purposes, was mentioned between us. I think DeCosmos mentioned the Canada Railway as likely to make a demand for this. J. L. Crimp is in the Malaspina Company; Mr. Dalby suggested his name. I think Hughes was the party who drew up the application. Dalby made the remark about the sale of the mine for \$150,000 in his office in his store; there were two or three other parties present.

By Mr. Walkem,—

My conversation with DeCosmos in March was general; to try what he could do with the mine. Mr. DeCosmos asked for the ore, and I proposed the plan. Mr. DeCosmos wanted to see what he could do with the mine in Canada. I recollect having a conversation with Mr. Robson, in Victoria, just after giving my first evidence. I came from Court, and met Mr. Robson on Thursday, 26th March, near the *Colonist* office. I spoke to him, and told him I did not wish him to question me and bother me when I was giving my evidence, as I was sick that day, and one side of my head was swelling up, and I could not hear. He said he thought there was something the matter with me, as I looked ill. I told him I was going to give all the information I knew about the thing without being bothered. He said our political influence was a good deal, and our firm had an iron heel on his neck, and we were friends of the Government and trying to bolster them up and crush him, and he was bound not to submit to it; that our member from Burrard Inlet had most damnably betrayed his confidence, and he was bound to crush our influence. He said he presumed we did not know we were doing him that injury, but, nevertheless, it was a fact. I told him we had been friends of his; I did not think Hughes, our member, had betrayed his confidence. I told him I did not think we should be enemies of the Government because he was.

By Mr. Robson,—

I came into your office and called you out, saying I wished to speak to you. I remember a conversation with you in your office, just after the appointment of the Commission, when Mr. Higgins was present, somewhere about the middle of March. I came into your office, and took hold of the Texada Island Circular; it

was in print; and sat down and said that circular was a falsehood. I believe the circular produced is similar to the one I saw. Mr. Robson remarked, if it was false, it had beaten the two candidates it was intended for, viz., Homer and Dalby. I believe Mr. Robson told me he had nothing to do with getting up the circular; he did not know anything about the contents until it was printed. I said I thought the circular had been got up at Burrard Inlet. I recollect saying I was perfectly prepared to go before the Commission and state all that I knew, as I had nothing to conceal in the matter. I don't recollect your saying that you were glad of that, as you would be able to pursue the enquiry without injury to me. I think you said you wished to be personal friends of mine and Dalby's, though politically opposed. You made a remark that Homer was a personal friend of yours, but our candidate; and, if elected, could be used by DeCosmos, and would assist us at Ottawa; and if Dalby were elected, he would be with the Government here. Cunningham was a man DeCosmos could not use. You did not say that, from Mr. Homer's position in my employ, he could not act independently. I swear you did not say this in my presence. I told you that I thought you got the circular up, and you denied it. I never said that you first made a charge in the paper and then drew up the circular, and afterwards, as a member of the House, drew attention to the charge in the paper. I do recollect your overtaking me in Pandora street, a day or two before the conversation in the office last alluded to. You told me you had been credibly informed that the names of DeCosmos, Walkem, and Beaven were up on Texada Island as pre-emptors. I then told him that Joe Spratt had told me that Captain Clarke had told him that the names of DeCosmos, Walkem, and Beaven were up as pre-emptors on the island, and I told you that I saw Captain Clarke and enquired if he told Joe Spratt. Captain Clarke said he had not told Joe Spratt, nor was he ever on the island.

[From the Daily Colonist, Feb. 9th.]

## THE TEXADA ISLAND ORE GRAB!

### LOCAL GOVERNMENT DEEPLY INVOLVED!

#### DECOSMOS' "SUCCESSFUL" MISSION TO LONDON!

Early last summer Mr. Amor DeCosmos, whom custom requires us to dub HONORABLE, accompanied by Mr. Walkem, William Dalby, and by several other parties whose names will be soon forthcoming, proceeded to Texhada Island lying in the Gulf of Georgia, in Moody, Dietz & Nelson's steamboat Cariboo-Fly. Here they took possession of a rich and extensive lead of magnetic iron ore, in the names of the following parties:

B. H. Wilson, an attache of Moody, Dietz & Nelson's mills.

Wm. Dalby, Mayor of Victoria, and brother-in-law of the senior partner in Moody, Dietz & Nelson's mills.

J. C. Brown, editor and part proprietor of the HERALD, Government organ at New Westminster.

Wm. Robertson, partner of Wm. Dalby.

T. J. Mills (Bowden), a brother-in-law of the senior proprietor of Moody, Dietz & Nelson's mills.

C. M. Chambers, at that time book-keeper at Moody, Dietz & Nelson's mills.

J. Moffit.

Edward Trim.

J. C. Hughes, clerk in Moody, Dietz & Nelson's mills, a member of the Local Parliament and the seconder of the Reply to the Address brought down at the opening of the present session.

N. W. Hughes, brother of the above, editor and part proprietor of the New Westminster HERALD.

Henry Trim.

J. A. Cotterell, logger for Moody, Dietz & Nelson.

These claims were all taken up and located under the Pre-emption Law, although down to the present time some of those whose names appear above have never been on the ground. These pre-emption claims were recorded at the Land Office by Mr. Beaven, Messrs. DeCosmos and Walkem acting as AGENTS for the pre-emptors; and at the same time another party, who applied to record another lead on the same Island, were refused the privilege by Mr. Beaven!

A short time afterwards Mr. DeCosmos went to Ottawa. He bore with him a Power-of-Attorney from the pre-emptors of the lead to sell it for \$150,000. Rumor says that Mr. DeCosmos offered the lead to the Canadian Government, then represented by Sir John A. Macdonald, for that sum as the price of his support, and that negotiations were pending when the Ministry resigned and Mackenzie came into power.

These negotiations are supposed to have been the concession referred to by "Planetus" in a telegram to the *Mainland Guardian*, shortly after the Mackenzie Government came into power. Be this as it may, DeCosmos, perhaps fearing exposure by Mr. Mackenzie, instantly became an ardent admirer of that gentleman's Government, and distinguished himself by cringing subserviency to the new Ministry on all occasions, although down to the very moment of the resignation of the Macdonald Ministry he prophecied its support by 30 majority and was noted for the insolence with which he bore himself towards the Reformers and their chiefs.

From Ottawa on the 17th of November last Mr. DeCosmos went to England on his ostensible mission to procure an Imperial loan for the Dry Dock. *His real mission was to float the Texada Island Iron Company's Stock on the London market!* Through information which has reached us and others from London we are enabled to state that the stock is now being offered for sale in London by Mr. Sproat, and that it was placed in his hands by Mr. DeCosmos!!

After reading the above statement of facts the independent elector who may have pledged to vote for Dalby on Thursday will probably pause before recording his vote for that gentleman. He will see that Mr. Dalby has the strongest possible reasons for entering the Local House:—1st.—To give the Government who have treated him so generously a servile support; 2nd.—To gain a seat in the House to vote for the confirmation of that outrageous transfer; 3rd.—To complete the circle of the *ring* which has been rudely broken by the defeat of Mr. Homer at New Westminster.

Electors of Victoria, Lake, and Saanich! will you vote for a member of this ring, who, having sold himself, is equally prepared to sell you?

Commission adjourned to Monday, at 10 A. M.

MONDAY, 20TH APRIL, 1874.—12TH DAY.

Commission met at New Westminster.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—Hon. Attorney-General, Mr. Robson.

Witnesses sworn and examined—*George Washington Haynes, George Cole, John Macdonald, George Dingman, Harry Trim, Adam Watson, Senior, H. V. Edmonds.*

*George Washington Haynes, sworn,—*

I know nothing about the formation of the iron mining company, except what I have heard since the Commission sat. I have not any interest in the Texada Island Mining Company. I am not a British subject. I knew of the discovery very soon after it was made known. I cannot say who told me first. I don't know what steps were taken by the discoverers to take up the land. I don't know who are interested. I do not know with what understanding these parties took up the land. I never heard of there being any attempt to sell the iron mine, till after the appointment of the Commission was reported in the papers. I never

heard that an attempt had been made to sell the mine in the Canadian or English markets till after the Commission sat. I know that land was pre-empted, and men sent up to the pre-emptions. I was asked if I would wish an interest in the company when formed. I said, no; I did not consider it of any value to me. Since that I have had nothing said to me. I was at Burrard Inlet when "Cariboo-Fly" came up with Messrs. DeCosmos and Walkem. I only heard they were going for a trip. I never heard it suggested that they were to get any benefit, or Messrs. Moody, Dietz, and Nelson, or any one else, for their going there. I never heard Messrs. Moody, Dietz, or Nelson state that Messrs. DeCosmos and Walkem were to have any interest in the mine, one way or another. I heard several conversations about election time, of this kind; and the first I ever heard of a suggestion that they might have an interest in it, was when some one said, "they were likely to have a good thing of it;" "they were not going up there for nothing;" and "they knew what they were going up there for." I cannot say who made these observations. I think I heard these observations about a week or so after the "Cariboo-Fly" returned. No reason whatever was assigned for these remarks; it was just a mere speculation. I never heard Mr. Moody say why he took them up. I don't think I formed an opinion; if I did, I had no reason for it. I heard the steamer was going to Texada, and they had an invitation for a pleasure trip. There were two logging parties on board. There was no mystery at all about the steamer going to Texada, so far as I know. The whole conversation partook of the nature of gossip, in the same way that everything is talked of round the mills. On my oath, I do not know of any of the members of the Government being connected with the Texada mine in any way. On my oath, I never heard a trustworthy person about the mill, or at any other place, say that he did know. I never was given to understand that any member of the Government was to have an interest in the mine when the title was obtained and the company formed, or a commission for selling the mines. I never heard any mention of DeCosmos being entrusted with the sale of the mine until after the news appeared in the papers. I never heard anybody at the mills then say they believed it. It was looked upon as an electioneering dodge. My opinion is, that what is considered a lie at any other time, is not considered a lie at election time.

*George Cole, sworn,—*

I am not interested in any of the Texada iron mining companies, nor in any pre-emption on the island. Of my own personal knowledge, I know nothing about them. I have been at the mills nearly seven years. I was there in August last. I recollect the "Cariboo-Fly" coming up with Messrs. DeCosmos and Walkem on board. Mr. Nelson was not there. Moody was showing them round. They went away on "Cariboo-Fly," and came back again. They stayed at the Inlet about a day or so. It was reported that they were going to Jarvis Inlet by way of Texada Island. I thought at the time they were going on a sporting tour. I saw them when they came back again. The trip was talked about at the mill. I don't know what was said, now. I knew the man Machar. I can't say I ever saw him drunk. I know he was off duty several days. I could not say whether he was drunk or sober. I had no business with him. He was there but a short time. I did not hear any observations about the trip till about election time. There were some observations similar to those in the papers, viz., that the members of the Government were interested in the mines. I can't say who said so. Some spoke as if they believed it; others, again, spoke of it as if they did not know much about it. I have heard a great many things said similar to this: "That Moody was a sharp, shrewd fellow, and was not taking the Ministers about for nothing;" that "Moody must have had some object in taking them up there." I never heard that DeCosmos was entrusted with the sale of the mine until I saw it in the papers. I never heard any one say so, after that. I never heard any of the pre-emptors express any opinion as to the object of the visit of the Ministers to the mine,

*John McDonald*, sworn,—

I have been at the Inlet since January, 1869. I was there last Summer, when the "Cariboo-Fly" came up with two members of the Government. I am not interested in anyway in Texada Island. I do not know the object of Moody in taking the two Ministers to Texada. My own opinion was, they were going on a pleasure excursion. I don't think I heard any opinion expressed on the subject. I do not recollect any conversation on the subject. I keep to myself a good deal, and don't mix much with the men. I do not know anything about the organization of the company, nor have I heard anything. I never had any conversation with Mr. Machar upon the subject, and I do not know why he gave my name. I am on confidential terms with Moody and Nelson. I only know Walkem and DeCosmos by sight. I do not know from them that DeCosmos and Walkem, or any other member of the Government has any interest in the mines, and if I may be allowed to give my opinion, I don't think any body else knows. I don't think there is anything in it. I think Moody would have told me, if it had been so. As far as I know, I am satisfied there is nothing in it. Moody told me the company was to be formed, and he expected it to be very rich, as the ore was very rich. I never heard him say what the value of the iron was. He did not tell me who were to be in it. He told me some of the names. He did not ask me to be one of the company. Moody never told me that DeCosmos or Walkem, or any member of the late or present Government, were to form part of any company on the island. Moody did not ask me to pre-empt, as he knew I had another land claim. I couldn't see why Moody thought the company was to be so rich. I thought one hundred and sixty acres of timber land worth more. After the statement appeared in the papers about members of the Government being interested, I must have heard some statements about it. I know nothing more.

*George Dingman*, sworn,—

I don't know anything at all about it. I was at the Inlet last August. I was the ferryman. I was about as intimate with Machar as anybody. I never told him anything about it, as he knew nothing, and I know nothing. I was there at Burrard Inlet when Messrs. DeCosmos and Walkem were there. I had the pleasure of carrying them round. I took them up the Inlet, round the different logging camps, and when they went up in the steamer, I thought they were going on the same kind of excursion. I saw them when they came back again. I don't think I took them about again. I may have taken them across. I did not hear any remarks about their trip at that time; in fact, I don't think any one thought there was anything strange about it. It is a very common thing for people to come out there to be entertained. I saw Machar; he went to Victoria the same steamer I did. He called himself tight; he could walk, and speak a great deal more than if he was sober. I suppose he was drunk for a week before he left. About election time, I heard some say that they thought the Government was interested; and others, again, thought not. Men belonging to both parties, expressed an opinion, that members of the Government had an interest—not men of prominent position, principally working men. Those who thought there was something in it, came out with it; those who thought there was nothing in it, had nothing to say. I never heard any expression of opinion as to Moody's motives in taking the Government members to Texada. I have never, during all the conversations, heard one serious opinion expressed on the subject. In fact, no opinion that impressed itself upon my mind as being worthy of belief. All this took place, as far as I recollect, after the *Colonist* circular was issued. I saw the circular myself. I do not know, from anything I have heard, know, or believe, that DeCosmos or Walkem, or any member of the Government, is in any way connected with the Texada iron mine.

*Harry Trim, sworn,—*

I was the discoverer of the iron on Texada Island. I can't say whether it was three or four years ago this coming summer. I reported the discovery last spring to Mr. Moody, about the latter end of April or beginning of May. Moody was at his wharf in front of the store. J. C. Hughes was with him I think. I kept the discovery some time a secret. I took some iron ore down to a man to assay it, but he neglected it. I was not in Moody's employ at the time I gave him the information. I had left his employ about seven or eight days. I was not in Moody's employ at the time of making the discovery. I was fishing. Before I gave information I had been exploring for timber for about forty days. I was again in Moody's employ for a short time, which made in all about two months. I made the discovery known to Moody because he had an assay office. I thought I would bring some ore down and get it assayed. They said they tested it and I asked Moody to join me. I wanted to know how to get the land to hold it. Nothing more was said about taking up the land till the "Cariboo-Fly" came. I left the ore there and he said some time or another he would come and look at it. There was very little said then. I went back to Texada Island and the "Fly" came to head of Island where I was fishing. Nelson, Van Bremer, Moody, Watson and myself, went and examined the iron ore, put in a blast and took out some ore, and returned to head of the Island. We had a talk as to which way we could take the land up best. They said they would see which was the best way, and for me to come down pretty soon to the Inlet. There was no positive agreement at that time that they were to go in with me. I went home and went exploring for iron to see if I could find more. I gave Mr. Nelson power, verbal before two witnesses, to take up land for me and sign my name to the necessary application for me, and when John Hall came up in a canoe with the papers I went with him to stake out the land. The pre-emptions on Texada Island were made for H. Hughes, J. A. Cottrill, Moffatt and H. Trim. There was no arrangement at this time about forming the Company. There was an interval of eight days or two weeks between the departure of the "Fly" and the arrival of John Hall. John Hall returned to the Inlet and left me on the Island. I went to Burrard Inlet with a load of iron ore. I arrived at the Inlet with it on 1st July. Moody and Nelson had asked me to take down a load of iron ore in my sloop and I did so. I don't know what they did with it. I left the management of the affair in Moody and Nelson's hands from that out. I kept my own pre-emption and the others kept theirs. Moody told me that each one should keep his pre-emption and do the improvements on it and then turn it into a Mining Company. He asked me if there was any person I wanted to take into the Company. I told him only my brother Edward. He did not tell me who were to be in it and I did not ask him. I left that to himself. I only knew that myself and my brother were to be in it. Moody said he thought he would make it into ten or twelve shares. He did not tell me who he proposed they should be. I did not learn there were fourteen or fifteen in the company. I was on the island when "Cariboo-Fly" came up with two members of the Government, about last July or first August. I did not know they were coming. I thought they came there to fish or hunt. They did fish and hunt; caught a few fish, and I and Mr. Walkem took the hound down, and shot at a deer four or five times, and didn't get him. Mr. Walkem said it was no good his shooting, as he could not hit one. I fired, I think, four times, but did not hit the deer, as the boat was rocking. Mr. Walkem told me that was his only object in going there. It was three o'clock in the morning when we started to get the deer. We started at three in the morning, and did not get back till nine or ten A. M. We went on two other occasions. We shot two or three eagles at the head of the Island. The steamer came in during the night, and next day they stayed sporting round. Next day, they went round to iron deposit, and stopped about, shooting on the beach round Gillis' Bay, during the afternoon. I heard but very little about the iron mine. Moody showed it to



them, and they appeared to say but little about it; they did not appear to regard it as so very valuable. I returned to head of the island, and did not return to the Inlet. I came down some twelve or fifteen days afterwards to the Inlet with my boat. I did not bring any ore down, of any consequence, with me this time. I took some men back to represent the pre-emption claims, viz., Peter Rivers, and a man by the name of Lewis. This time I was towed up by the "Isabel." Nothing during this visit was done as to selling the mine. Nothing was said of the bearing of the visit of the members of the Government upon the mine. Moody did not tell me why he took them up. There were another lot of pre-emptions made afterwards. My brother pre-empted. I know the ground at the head of the island was taken up. I came on the island when Messrs. Dupont and Bulkley were there. I offered to show them the stakes of the pre-emptions that were taken up. They were not told that all the iron was taken up. The ground where the iron was, was all taken up before they came. They were not told that all the island was taken up. I told them that all the land that contained any iron in quantity, was taken up; but there were a few spots which they took up. I offered to show them our boundaries, but they declined to go to see them; they were on the beach, and declined to go and see them, saying they had seen the most of them. There were four posts to each one hundred and sixty acres. I went right down to the Inlet, and told Moody that they were there. I went to the Inlet, I think, about four or five days after they left the island. I told Moody that they had taken up ground there, and to get another man to represent the iron claims. I said they had taken up four or five pre-emptions there. I knew exactly what they had taken; I had seen their posts. Bulkley and Dupont left the same day that I got on to the island, about five or six hours after I got there. They had Indians in a canoe. I got John McDonald to go up and represent. I think he represented Moffatt. There are at this time six pre-emptions in that plot. Dupont took up land next to J. C. Hughes'. J. C. Hughes had taken up land before; and I was staking out my brother Edward's. This was some time in August. I came down to the Inlet in one day, after seeing Messrs. Dupont and Bulkley there. I don't recollect seeing Mr. Nelson at the mill. I got back to the island on Monday, 18th August, and found Dupont and Bulkley there, about eight A. M. This was the time I was towed by the "Isabel." I did not know that any further arrangement was to be made, until we got our title to the pre-emptions. I never knew that there had been any arrangement made for sale of mine. Moody never told me that he hoped to interest any of the members of the Government in the mine, nor words to that effect. Very few of the papers I ever saw. I was in Texada Island and Jarvis Inlet. When I did see the statement, that DeCosmos was to sell the mine for \$150,000, I spoke to Moody about it, and he said it was all bosh. He did not tell me Mr. DeCosmos took ore and a map, or that he hoped the mine would bring \$150,000.

*Adam Watson, Senior, sworn,—*

I am a member of an association on Texada Island, for mining purposes. I can't tell you if I am in more than one of them. I never pre-empted on Texada Island, or anywhere else. To my knowledge, Messrs. Walkem and DeCosmos are not liable to pay any assessments, and are not interested, directly or indirectly, on Texada Island; in fact, I know they distinctly refused. In July, I was up in the steamer in company with them, to give my opinion upon some discoveries there; and on the way back, Moody consulted with me, whether he should make an offer of an interest in these iron deposits to Messrs. Walkem and DeCosmos, upon the same footing as the others. I said, out of courtesy, he ought; from my personal knowledge of DeCosmos, I knew he would pay his share of expenses. About Mr. Walkem, I knew nothing. He afterwards told me he had made that offer, and they had both declined; and each of the gentlemen, separately, told me the same thing, after our return to Moodyville. They said they did not wish to mix them-

selves in such matters. Mr. DeCosmos said he would try and assist us in other ways; and that if we would put a price upon the mine, he would see if it could be sold. Neither of them appeared to decline on the ground that the mine was of little value—simply on account of their position in the country. I consulted with Moody, and told Mr. DeCosmos that, in the present state of the mine, nothing could be done. There never was a price put upon the mine. Moody told me he had put no price upon the mine, and if he did, he had no authority for doing it. I never stated, in Victoria or elsewhere, that the price of the mine was to be \$150,000, and DeCosmos was to have the selling of it. I never said Mr. DeCosmos was employed to sell the mine. I never said there was any price put upon the mine. If I had said any of these things, I would have lied. W. A. Robertson asked me if DeCosmos had not the selling of the mine in London. I said, no; but I added, that when the parties interested were ready, and had concluded to sell, they would likely give him the selling of it, if he wished to do so. Mr. DeCosmos was the only person who ever said that the mine could be sold—and he kept saying it. He did not, to my knowledge, say at what price it could be sold; he simply wanted the mine placed in the market, and we were not ready. I did not hear, except from the papers, that Dalby had received a telegram from DeCosmos. I knew that DeCosmos took some ore and a map home with him. DeCosmos was always dabbling in ores, to try and do something to develop the resources of the country.

*Henry Valentine Edmonds, sworn,—*

I am in three of the associations for mining purposes, on Texada Island, viz., in the Gulf of Georgia, Madeline, and Dominion Companies. Each of the companies have obtained a licence over the usual quantity of land, under the Licence Ordinance, viz., five hundred acres each. All three applications received at my office on 19th August, 1873. Mr. Dupont's application was received on 26th by me, at the office, at New Westminster. No member of the Government, to my knowledge, has or had any interest in any of the mining companies on Texada Island—in fact, I know from Mr. Moody to the contrary. I was not aware, at the time of making these applications, that Mr. Dupont, or any one, was on the island. I am sure I did not know it, as, if I had, I should not have entered into any company in which a dispute was likely to arise. Mr. Dalby did not tell me of any possible dispute. On the 18th, the day after Moody had recorded, I said, "What have you got there?"—and he then told me about the iron. On the 19th, I was walking down the street, and I met Moody. He told me they were forming another mining company on the other side of the island. He asked me, would I like to be in myself, or have one of my friends in it? I said, "Yes; you might as well put Mr. Webster in." He said he thought that one of the other members of the company would object to Mr. Webster. I told him I would consider it over, and let him know. I considered the matter over, and went to Major's, and said that I would take an interest. Dalby and Major were engaged in making out the papers. This was the second time I saw Dalby. At one of the conversations with Moody, he said there was plenty of room on the lead for two or three more companies, and Webster could form one himself if he liked. Subsequently, Webster came to me, and told me Moody had mentioned the thing to him, and he was going to form two companies, and asked if I would mind my name being in, and I consented. There were no special reasons for recording the pre-emptions on Texada Island the day after the application was granted. As a matter of fact, an applicant may get his claim recorded the same day that the application is granted. I never refuse to record a man's land, because he has staked the land off before he gets leave to pre-empt. It is the custom to record on the same day that leave is granted to pre-empt. After the first batch of pre-emptions, I received a telegram from Mr. Beaven, stating that Texada Island was not in my district; but this was a mistake, and was afterwards set straight. I received no other

communication from the Government about Texada Island. I had not any instructions from Mr. Beaven, on the point of recording, and I know, from my experience of seven years, that that was always the custom in the Land Office.

Records of office produced.

As a rule, I do not ask if parties have put in their stakes, or not, before making the record. I would not grant a right to pre-empt land, if I knew another man had a previous right to the same piece of land. The reason I gave a conditional pre-emption to Dupont was, that though I thought the land was already taken up, his agent, Mr. Anderson, endeavored to explain to me by the map, for two days, that the application to pre-empt did not interfere with any land already taken up, and I had not positive means of showing that it did. All conflicting applications I refer to the Commissioner. If I knew that the land applied for had already been taken up, I should refuse to grant conditional leave, or any leave at all, to pre-empt, but I should refer the matter to the Chief Commissioner.

Commission adjourned to 10 A. M. to-morrow.

At request of Mr. *Robson*, subpoenaed Mr. *John A. Webster*, to appear before the Commission to-morrow at 10 A. M.

TUESDAY, 21ST APRIL, 1874.—13TH DAY.

Commission met at New Westminster.

Commissioners present—Honorable M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—Hon. Mr. *Walkem*, Mr. *Robson*.

Witnesses sworn and examined—*John Deighton*, *John Alfred Webster*.

*John Deighton*, sworn,—

I have seen Machar once or twice. I am not personally acquainted with him, and I guess he is not with me. I had a conversation with him in the ferry-boat, for about half-an-hour once, and also before he left by the "Enterprise," last Wednesday. I never had any conversation with DeCosmos and Walkem about the iron mine. He was drunk when I saw him going on board the "Enterprise," with a bottle of whiskey in each hand. I have only heard of the Texada Island mine through the papers. I do not know that DeCosmos and Walkem, or any member of the late and present Government, were interested in any way in the iron mine, except what I have heard through outside conversations. The idea was, it was a swindle. The people thought there were companies getting a good deal too much land, while others could not get any. For myself, I pre-empted land on Burrard Inlet some six or seven years ago, and have not got it yet. I don't belong to the ring; I guess I had better join it as soon as I can. People did not seem to say that members of the Government were interested in the iron mine. They seemed to think that favoritism was shown in giving some people too much land. In fact, I am too sure of it. Favorites of the Government get anything they want; others cannot get anything—at least, I know I can't. I do not know of any improper proceedings with regard to the land, to lead me to believe that the holders of it were treated as favorites. I remember the Government party being at Burrard Inlet, but I did not hear it talked about; in fact, I heard nothing said about it. I don't know anything about the matter under investigation. I had no conversation with Machar upon the subject.

*John Alfred Webster*, sworn,—

I am a member of two associations for the purpose of mining on Texada Island, viz., in Madeline and Dominion. I am not a member of the Texada

company. The Texada company was, I think, formed before the two in which I am interested. I do not know the parties who form the Texada Company. I don't know who promoted the Texada Company. I know nothing about the pre-emption claims on Texada Island, with a view to iron mines. I have read a great deal about them in the newspapers. I have had very little conversation about them. I do not know anything in connection with them which would lead me to believe that the members of the Government had shown the parties any favoritism. I don't think I have read Moody's evidence. I never made a remark that Moody was foolish not to have made a clean breast of it, and let the Government members defend themselves, nor any remark to that effect, for I know nothing about it. I was not prevented from being a member of Texada Company. I never understood that any members of the Government were in these companies, or that they were represented by anybody in any company. I did not know they had anything to do with it. I had heard that DeCosmos was to sell the mine. I think that Mr. Hardisty told me that the mine was to be sold by DeCosmos for \$150,000. I think he got his information from the paper. It is quite possible it might not have been Hardisty. It was after it was in the newspaper, this discussion came up. He did not say he thought so—it was merely a discussion. I have never had any conversation with any one who has a claim on Texada Island, about the sale of the mine by DeCosmos, or any member of the Government being interested.

Commissioners declined to allow a full copy of *Machar's* evidence to be published, as the witness did not appear to his subpoena, to stand an examination.

Mr. *Walkem* asked, on behalf of the public, when the Commission would close, and what steps Mr. *Robson* proposed to take next?

Mr. *Robson* stated, that he wished to call a few more witnesses in Victoria; but he thought two days' sitting would be sufficient.

The Commissioners stated, that they thought that Messrs. *DeCosmos*, *Walkem*, and *Robson* ought to have an opportunity of giving their evidence, and stated, that they must avoid doing anything that would, in any way, have a semblance of burking this enquiry; and stated, that, though they were paid for this enquiry, they were still as anxious as any one to close it, and that they could not, at present, state what course they would adopt.

Commission adjourned to Monday, 27th April, at 11.30 A. M.

April 24th.—Re-subpœnaed *Herbert Gaston*, *R. P. Rithet*, *W. H. Oliver*, at the request of Mr. *Robson*, to appear before the Royal Commission on Monday, 27th April, at 11.30 A. M.

MONDAY, 27TH APRIL, 1874.—14TH DAY.

Commission met in Victoria, at 11.30 A. M.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—Mr. *Mason* (for Hon. Attorney-General): subsequently, Hon. Attorney-General; Mr. *Robson*.

Witnesses examined—*W. H. Oliver* (re-called), *Herbert Gaston* (re-called), *R. P. Rithet* (re-called).

*W. H. Oliver*, re-called,—

Mr. *Gaston* wished me to come into the witness-box, to see if he could not refresh my memory upon some points.

By Mr. *Gaston*,—

I do recollect telling you not to give my name, nor draw me into the witness-box. Also, after you had been imperatively ordered to give up the name of your informant, I also asked you not to give my name, if you could avoid it. I boarded at the Colonial Hotel, at the time mentioned, after my return from Nanaimo. The boat arrived early in the afternoon. I cannot say where I dined that evening. I don't recollect seeing Mr. DeCosmos in the Colonial at dinner, that day. I saw Mr. DeCosmos in front of the *Standard* office.

*Herbert Gaston*, re-called,—

It was close to five p. m., when the "Douglas" arrived. I went home, and returned to town about seven p. m., and saw Mr. Oliver at the Colonial, and commenced talking about Baynes Sound mine, and, incidentally, this matter came up, and the impression left on my mind was, that it occurred at the Colonial Hotel. DeCosmos got very excited, and paced the floor, and went to the bar and got some liquor; and the waiter asked if he should take the dinner away, and he (DeCosmos) said, "No! damn the dinner!" and went out. DeCosmos came and sat down opposite to Mr. Oliver, who was eating his dinner at the Colonial. Another person said to me that it was nothing strange, as DeCosmos was dyspeptic, and could not eat when he was excited. Subsequently, I heard that Oliver had been to DeCosmos' room, to look at some iron ore.

*R. P. Rithet*, re-called,—

Machar, when he came from New Westminster, did not bring me a letter of instructions from Messrs. Moody, Dietz and Nelson, only a letter of advice, that they had drawn an order on us. The order was for \$230 40. The letter, among other things, advised us of the draft: the rest of the letter had nothing to do with Machar. The letter advised some half-dozen drafts by that steamer. There was no advice as to delaying, or mode of payment. I first saw the letter last Wednesday week. Machar presented the order the same day. I did not then pay him; the settlement was made about ten the following morning, as there were some things due to us. I paid him part in cash, and part in a draft on San Francisco, at his request. The reason I did not pay him the first evening he asked for it was, that he was drunk, and unfit to have money about him. The draft and balance was lying on our desk, ready for him, at twelve o'clock, noon. I did that, in order that he might get his money if he called when I was out. I did not care whether he left the country, or not; and I received no instructions from Moody, Dietz and Nelson. About one p. m., he produced a subpoena and showed me, and said his name was wrongly spelled, and he said he thought he should not attend. I advised him to go. I never had anything to do with Machar's leaving the country the next day after his examination. When I refused him the money, I told him he was drunk. He asked me to get him a draft on San Francisco. I sent him to Morton's hotel, and I certainly should not have sent him there, if I had wished to conceal him. Mr. Morton called upon me next morning, and asked me for \$2, for his board, which I had to pay, and had not deducted from Machar.

Mr. *Robson* stated that he wished the three following named witnesses to be examined at Ottawa: Sir *John A. Macdonald*, Dr. *Tupper*, Mr. *James Richardson*, the Geologist; and Mr. *Sproat*, to be examined in England,

Mr. *Robson* stated, that he would prepare the questions, and deliver them to the Secretary, before Monday next.

The Commissioners stated, that they would adjourn to Monday next, the 4th May, when Mr. *Robson* would be required to attend and produce his witnesses, and be himself examined.

The Commissioners also stated, that they considered it would be right and proper that the Attorney-General himself be examined.

Adjourned to Monday, 4th May, at 11.30 A. M.

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SATURDAY, 2ND MAY, 1874.

At request of Mr. *Robson*, issued subpoenas to *James Richardson*, the Geologist, *Thomas H. Tye*, *Henry Gribbell*, for Monday, the 4th instant, at 11.30 A. M.

Mr. *Robson* also handed in the list of questions he desired to be sent to Sir *John A. Macdonald*, Dr. *Tupper*, and Mr. *Sproat*.

MONDAY, 4TH MAY, 1874.—15TH DAY.

Commission met at 11.30 A. M.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.  
Present—Hon. Attorney-General *Walkem*, Mr. *Mason*, Mr. *John Robson*.

The Commissioners read the interrogatories they proposed to send, through the Secretary, to Sir *John A. Macdonald*, Dr. *Tupper*, and Mr. *Sproat*.

Subpoena issued for Mr. *D. W. Higgins*, at request of Mr. *Robson*.

Witnesses examined—*Thomas H. Tye*, *James Richardson*, *Henry Gribbell*, *John Robson*, *David William Higgins*, Hon. *George Anthony Walkem*.

*Thomas H. Tye*, sworn,—

Mr. DeCosmos has spoken to me about the discoveries on Texada Island, several times. He spoke to me about the time of the reports of the discovery last Summer. Mr. DeCosmos said, "We shall make our own iron." It was a general term that he used. He generally commenced in a bantering tone. I am a large importer of iron. I thought he meant, "We, the Texada Company, will make our own iron." I thought Mr. DeCosmos was interested in the mine, because he was so frequently speaking to me about the merits of the mine, and the money that was going to be made out of it. DeCosmos never said that he was interested, but his tone and manner conveyed the impression to me that he was interested. The conversations generally commenced in chaff: about stopping my importing iron, etc. DeCosmos never touched upon the matter of sale, or floating the mine. He never mentioned anybody's name as interested in it. I was rather surprised when I heard that DeCosmos disclaimed having any connection with the Texada mine.

*Question*—Did you think the word "We" to include himself?

I took it for a general term, to mean the Texada Company, or even the whole Province. I did not define the term in my own mind. I have, in conversations, expressed an opinion of surprise since the commencement of these proceedings, that DeCosmos' connection with the mine should be denied. I speak of DeCosmos alone, and not of other members of the Government. I may have said that it was my impression, that DeCosmos was deeply interested. Not that I believe it. I admit I was surprised, when I heard DeCosmos disclaimed his being interested. I do not recollect saying that I believed Mr. DeCosmos was deeply interested; at least, if I did say so, I only wished him to understand that it was my impression.

By Mr. *Walkem*,—

I have not taken much interest in politics in the Province; DeCosmos has. I cannot give an opinion of the term "we," it was so general.

By Mr. *Robson*,—

Some of the conversations with DeCosmos went as to the value and importance of the mine. I think he meant the value of the mine to the country. I understood that the mine would be a valuable discovery to the owners. He always

spoke of the mine as being valuable to the Texada Company. He spoke of it as being valuable both to the country and the owners. I had the impression in my own mind, that DeCosmos was interested in the Texada mine. The conversations never turned upon the tenure of the pre-emptions. I did not know when DeCosmos went to Texada Island. DeCosmos never told me about any efforts made with Mr. Sproat, or any other party or parties in England, for the disposal of the mine.

*James Richardson, sworn,—*

I am on the Geological Survey for the Dominion. I have had no conversations with Mr. DeCosmos about the Texada iron mine. The only communication I have had with him was by letter, about three weeks ago. It was after the House of Commons met at Ottawa, I received a letter from Mr. DeCosmos. I have not got it; I did not think it would be required. The letter was on geological business, and is preserved. It is left at the Geological Office, at Montreal. The letter was making enquiries about the value of the iron ore at Texada Island, in the interests of a company. The company was, I think he said, "Moody & Co." I gave myself very little trouble about it, except answering it. The letter was asking the value of the deposit. I have not a copy of my answer; it is in the office. It was, as near as I can recollect, that we were not allowed to give reports to private companies, without the permission of the Dominion Government. I further said, that my report was in the hands of Mr. Selwyn, the Director of the Geological Survey, and that he would have no difficulty in seeing what it contained, in a week or two. Mr. DeCosmos requested me, in his letter, to send my charges for making the report, either to himself or to the company. I replied, in addition, that under no consideration were we allowed to take pay for doing any work. That is all my letter, as far as I can recollect. I have never seen DeCosmos since I heard of the iron ore. I have never heard of DeCosmos negotiating with any one for the sale of the mine, except by being asked by parties if I had not heard it. I never said that I would retire from the Government employ to go into the mine. If I had said so, it would be to the contrary of what I thought of acting on. I can't believe I could have said such a thing. I never heard about Mr. DeCosmos negotiating for the sale of the mine, at Ottawa, and I have not heard it anywhere else. I was not at Ottawa; our office is in Montreal. I arrived in Montreal about 26th November, 1873, and left 10th April following. If you require copies of the letters, I will get them for you.

*Henry Gribbell, sworn,—*

I was on board the "Cariboo-Fly" when the members of the Government went to Texada Island, viz., Messrs. DeCosmos and Walkem. At first, I could not find out where we were going, until we arrived at the Inlet. I was cook and steward. I found out at last, we were going on a cruise four or five days, and not having provisions enough on board for the number of passengers, Moody told me to go to the store at the mill and get all I required. I did so; and we started for Texada Island, and got there, and cruised amongst the islands for a day or two, and came back again to the Inlet. I don't know for certain that they went up for anything beyond a pleasure trip; but I thought they might have been interested in the Texada iron mine. I know nothing about it. I did not understand that Messrs. Walkem and DeCosmos were interested in the mine. I thought they were. I did not hear they were. I thought they were, by the interest they took in examining the map of Texada Island, and measuring off the map, and the remarks which passed from one to the other, viz., Dalby, Walkem, DeCosmos and Moody, in the saloon on board the boat. On one occasion, they drank the Premier's health, "And may he succeed," in something he was going to do. I took it to be a reference to something Mr. DeCosmos had been authorized to do with the island, by those on board. They were talking about the mine when I went into the cabin,

and ceased immediately I entered. I don't recollect the words they used, now—but I know they were talking about the mine. Every time I came into the cabin, the conversation was dropped. The impression I had was, that the matter was a secret, and they did not wish me to hear. I did not, at the Inlet, among the men, hear anything about the visit of the Ministers to Texada Island. Three or four men were left on Texada Island by the steamer. I do not know their names. I left the employ of Moody, Dietz and Nelson the day the boat was laid up, after the return from the island.

By Mr. *Walkem*,—

I remember the steamer having to put back to the wharf for me. I never made any voluntary statement about this matter. I was subpoenaed. I was cook on board. I will not swear you had a secret to tell. I did not see you personally measuring a chart or plan in the saloon. I was waiting at table. I was down on one deck, and you were up on the other. I was about making the beds, when you were there. I will swear most positively that you were talking about Texada Island iron. I don't remember what you said. I recollect Mr. DeCosmos measuring the map. Mr. DeCosmos was there by himself. I do not recollect the captain showing the course of the steamer on the chart. The toast was, "Here is to the health of the Premier; may he succeed!" I swear there was a conversation at that time about iron. I don't know what it was. The captain sat at the dinner-table, with the rest of the company from Texada Island to the Inlet. I will not swear the captain was at the table. I won't be positive that the captain was at the table when the toast was drunk. I know that three or four men were landed on Texada Island by the steamer. I will swear there were. That was the trip on which you were on board. I don't recollect the names. The boats landed them, I don't know where. I did not go ashore myself. Texada Island was pointed out to me at the time; and, to the best of my knowledge, three or four men were left there. I recollect a dog you had—it was not a bull dog. I recollect two dogs, coupled together. I don't recollect seeing them landed. I saw the men landed in the boat.

By Mr. *Robson*,—

I would not be certain whether those men were landed at Jarvis Inlet or Texada Island. The conversation, during the trip, was principally about iron. They appeared to have private conversations, that they did not wish outsiders to hear. When they were measuring the map, the conversations were about the iron,—viz., Messrs. Dalby, Moody, DeCosmos, and Hughes. The conversation was general amongst them. They had a jolly good time on the trip. When I came into the saloon, the conversation always dropped till I left. I therefore thought they wished to be private.

*John Robson*, sworn,—

My name is John Robson. I knew nothing of the Texada circular, which appeared in the *Colonist* of the 9th February, until it appeared in print; I never saw it in copy. When I brought forward my motion in the House (see Votes and Proceedings of 20th February, 1874), I did, I think, show it to two or three members and to the Speaker, before I put it on the paper. As to the form of the Resolution, I consulted the Speaker, but not as to the propriety. I got up the Resolution, and pressed for the Commission, of my own accord. I don't think I consulted the Speaker as to the propriety of bringing forward the Resolution. I might have used expressions which might appear to be of the nature of consulting him. I won't swear one way or the other. When parties spoke to me about the expense, I said I was not responsible, as the Ministers and members of the House, after having negatived my Resolution, had passed the same themselves, on exactly the same grounds. I was asked to withdraw the Resolution, and I said I would not. I never said that you objected to my being a member of the Government,



and that I would be even with you for it, or words to that effect. I did not state so with regard to Mr. DeCosmos. I did not ask for a seat in the Cabinet of Mr. McCreight's Government. I was offered an unofficial seat, and I declined to take a seat without a portfolio. I have no grudge against the Honorable Attorney-General. I am a political opponent, and that is all. I was not aware that the Honorable Attorney-General objected to my being taken into the Government. In the first instance, I believed the reports about Texada Island, from seeing them in the *Colonist*, and I made enquiries, and I believe the charges to be true in whole or in part, however unsuccessful I may have been in getting the truth out in Court—and I still believe them to be true. The first information I got from Mr. Higgins. He told me who he had got his information from: Mr. Dalby, Mr. Morton, Captain Devereux, and some others, I think. I concluded that as Dalby was one of the principal movers of the concern, his statement must be true, and that, therefore, there was something in it. Dalby made substantially the same statement to George Norris, the printer in our office—so he told me. With respect to Moody's evidence with regard to two conversations he had with me, he certainly has misunderstood me, or misstated the purport of the conversations. Moody represented me as having stated that I wished to crush the company of which he was a member. Now, I never said anything of the kind. In that conversation, and in one that previously took place in my office, I spoke in a spirit quite opposite to that, and said I hoped to be able to clear this matter up without injuring or alienating them; that was not only the purport, but my wish and desire. In moving in this matter, I have not been actuated by feelings of malice against any member of the Government or Mill Company. I believed that the allegations, or some of them, were true, and I thought that I was doing my duty as a public man in having them investigated, and I was not urged thereto by any man. I extremely regret the manner in which Moody and Dalby have given their evidence, which has rendered these proceedings very painful to me. I know nothing of my own personal knowledge.

*David William Higgins*, sworn,—

Some of the information I received, which led me make the statement which appeared in the *Colonist* of the ninth of February, was of a confidential nature. In August, 1873, I met Devereux in Blanchard street, and I said, "I have not seen you since your Burrard Inlet trip." He said, "No; that was the last trip I was to make in the boat to the iron mine." I said, "What iron mine?" He said, "Texada iron mine." I said I never heard of it; and he said DeCosmos and Walkem went up to the mine in the boat, and Moody and Company have pre-empted the whole thing; and I, of course, began to feel a little interested, and asked him some other questions; and the substance of what he said was this: Moody, Dalby, DeCosmos, and Walkem, and some others, had gone to the island; that DeCosmos, Moody, and Walkem, had gone ashore; and that, when the ship was on its way back to the Inlet, he overheard a conversation about selling the mine in London, between DeCosmos, Moody, and others; and he said it was a dirty transaction, and they had kept him from a knowledge of it, because he was going to leave the boat. They had started for Jarvis Inlet, ostensibly, but pulled up at Texada Island. Walkem and DeCosmos went ashore with fishing-rods and guns, but did not bring back any fish—but, he added, they were only taken ashore as a blind; that the other party took ashore mining tools. When he got back to Burrard Inlet, there was a great running round to get British subjects to pre-empt. Coote Chambers told him he had been asked. I told him DeCosmos' paper had suppressed all information that the steamer had been to Texada Island, and he said that was to throw people off the track. I had no further conversation at that time with any one about it, and heard nothing more about it till fourth February last, when I received a letter. It said, Sproat, Agent-General for this Colony, is offering the Texada iron mine for sale in London; you had better try and find out who placed

it in his hands. The letter was from Mr. Bate, at Nanaimo. As I was going down Langley street, the next morning, with the letter in my hand, I met Morton, and I said, "Sproat is offering the Texada iron mine for sale in London," and I said, I began "to think DeCosmos had placed it in his hands, when in London, and that "that was the main object of his mission to England, and not to get a loan for dry "dock." Morton said, "That agrees with what Dalby told me, three or four months "ago;" and he then proceeded to give me the same statement he has already made in Court. Mr. Morton showed me a tracing, and said his suspicions had been aroused some months before. I took a copy of the names that were on the tracing; and a few days after, an article appeared in the *Colonist*, headed, I think, "The "Texada Island Iron Grab." When this first appeared in the paper, the sum mentioned was \$120,000. The morning after the rebellion, the ninth February, I was standing talking with Lipsett, Tolmie, and others, at the corner of Pandora street, and Dalby came up and said, "Why don't you tell the truth, when you put "things in the paper?" I said, "What is the matter now?" He said, "You put in the paper that DeCosmos was to get \$120,000 from Sir John A. Macdonald, and "it ought to be \$150,000." I looked at him about a minute to see if he was laughing. I said, "An alteration can soon be made;" but he said, "There is one thing entirely "wrong—that Sproat was offering stock in London." He said this could not be correct, as no stock had been issued. "Of course," I said, "I don't know whether "a company has been formed; but this I know: that Sproat is offering the mine for "sale;" and he said, "Well, why did you not say so?—that is an entirely different "thing." After that, I wrote to Mr. Bate again; and he said that the Vancouver Coal Company had written to him about the mine, and stated that Sproat was offering the thing in the market. One day, subsequently to this, George Norris, my day foreman, now at Nanaimo, came into the office, and told me he had just walked down town with Mr. Dalby, and that Dalby had told him that DeCosmos was authorized to sell the mine to Sir John Macdonald for \$150,000, and that DeCosmos was to get five per cent. on the sale. Before the Royal Commission was asked for, I found in the *Standard* of twenty-fifth July, 1873, a paragraph inserted four days before the party started for Burrard Inlet, stating that "Mr. DeCosmos "was going to be absent for a week, on private business," etc. *Standard*, nineteenth August, had a statement that Dupont and Bulkley had been to Texada Island, but that other parties had recorded the land before them. Seventh August, contained a notice of the return of Messrs. DeCosmos, Walkem, and Mayor Dalby. The *Standard* paper is published at daylight in the morning. All the information given me was given here, with the following exception: Dalby, when he heard that Dupont and Bulkley were engaged on the island, prospecting, chartered the steamer "Isabel," paying her \$200, or \$250, and went to Burrard Inlet, and registered the claim ahead of those parties who had already staked out their land on the island. Mr. Dupont came to me, and told me that he had seen Mr. Beaven, and told him that he, or some of his officers, had been guilty of a very great injustice in allowing persons who had never been on the island, to pre-empt ahead of them, who had already staked off the land. Dupont told me it was no good fighting for it. I believed Dalby's statements, as he was a member of the Texada Company, and, at that time, on good terms with them.

By Mr. Walkem,—

I had a letter from Mr. Sproat, about two weeks ago, stating substantially what Dalby had stated—that he had not offered *stock*, underlining the word. I had no direct information from London on the subject; I received the information through Bate.

(Copy.)

LONDON, 4 LIME STREET SQUARE, E. C.,

March 13th, 1874.

DEAR SIR,—It is not often that I have to complain of the unauthorised use of my name by friends in British Columbia; but you will, perhaps, kindly permit me

to state that you have inadvertently, or on wrong information, published what is not the case, in publishing that some "stock," connected with an "island," and originating in a "grab," has been placed in my hands for sale.

I am sorry to say, that I have not been employed at any time by any person or association in British Columbia, to sell anything for them in this place; but I hope that your notice of me will lead to some paying business.

There is, of course, no reason why I should refuse to undertake any agency whatsoever likely to benefit British Columbia. I only now mention the above matter, because the paragraph in which my name is mentioned, appears to refer to politics, which you know I eschew, as a toilsome and barren pursuit.

Very faithfully yours,

(Signed) GILBERT MALCOLM SPROAT.

*To the Editor of the Colonist.*

Hon. Attorney-General *George A. Walkem*, sworn,—

From reference to the newspapers, I see that on the twenty-ninth July, DeCosmos, myself, and the other parties mentioned, left Victoria in the "Cariboo-Fly." I asked for the invitation. I asked Hughes, who was here, if there was room for me, as Moody and Company had asked me to go and see their mills, and I had never been to the Inlet during my stay in the Province. We left in the evening, and got to Burrard Inlet. My main object in going to Burrard Inlet, was to see the logging-camps and mills, and inform myself of the lumbering interest of the place. Amongst other parties, I met a man of the name of Laidlaw, and learning that a logging-camp was to be taken to Jarvis Inlet, I said, "Take up your logging-camp first, and take me round the Inlet afterwards." We started off with seven men, and landed them at Jarvis Inlet. We came back, and reached the head of Texada Island next morning before daybreak, I think. This was at the north end of the island. They said they were going ashore to look at minerals, iron, etc.; they asked me if I would go. I said, no; I did not care about it. I went ashore with Hughes, and bathed, and afterwards took a gun and went over the deer trails, and returned to the steamer, and they got back shortly after us—DeCosmos very sick. The steamer left Blubber Bay, and went down abreast of the iron mine; a boat was lowered there; and then commenced a survey of the iron. We all went ashore there, except the captain: that is, Hughes, Dalby, DeCosmos, Watson, Moody, and myself, H. Trim, and John Hall. John Hall and H. Trim had joined us at Blubber Bay. From Blubber Bay down, the iron deposit was freely talked of. When we went ashore, we kept pretty well together while ascending the slope of the hill, till we reached the iron peak; in fact, a horizontal line divides the vegetation from the iron. DeCosmos, Watson, and Moody, went in a southerly direction, towards Gillis' Bay. Dalby, Hughes, and myself, returned to the shore, and got into the boat, and went down ready to pick up the other parties, if they hailed us. Subsequently, they got into the boat; and we rowed round to Gillis' Bay, and got on board. Next morning, Trim and I went out deer hunting. My main object was to see a deer wild in the bush. On our return, there was a good deal of talk about the iron mine. Reference was often made to the course we were taking, on the chart. When we got to Burrard Inlet, and before we started round the Inlet, I had a conversation with Moody. We were sitting outside his house, on the sidewalk. He asked me what I thought of the iron, and whether I would like to get into the iron ring. I told him, no; that I had always kept myself clear and free from any speculation while I was in the Land Office, and I would rather do so now. He told me about Trim and Hall exploring for him, and the expense, and asked me if I would assist, and I said I would, as I thought this would be a benefit to the country. I did not know how the ground was taken up. Moody told me that there was plenty there, and that if I did not get an interest, some one else would. He said he would like me to consider the matter, and I declined. I asked him if DeCosmos was in the mine, and

he said, no. He said he would like me to come in, because it would require a little money to prospect the claim, and he did not want to draw more money from his business than he could help. I had heard that a large quantity of ore had been taken from the island, down to Spratt's. Trim told me that, if it had not been for the assistance of Moody and Company, he would not have been able to do anything with it. Moody said to Trim, just as we were leaving, "You go on and prospect, and let us know what you can find out." I asked DeCosmos, while at Burrard Inlet, whether he had taken any share in it, and what he thought about it. He said Moody had asked him to join, but he declined. He said it was just what the country wanted; but \$60,000 would be required for smelting works and rolling-mills; and that he would push the affair along. The impression he left on my mind was, that he would politically succeed here, if he succeeded in pushing on a thing of this kind. My main reasons for refusing were twofold: first, I did not wish to hamper myself as Attorney-General; second, I did not wish to mix myself up in it at all. The next time I knew anything about this matter, it must have been about the eighteenth August, I think; I had met Mr. Robert Ker in the streets. He said, "You missed it up at Texada; you left out the most valuable portion of the ore." I told him I had nothing to do with it. I banteringly asked him what was up. He said, "A new company, of Dupont and Bulkley, has taken up the best part of "it." I said, "You had better let me into it." I met Mr. Nelson and Dalby after this—in fact, near Dalby's shop—having just left Mr. Ker, who was on the opposite side of the street. Nelson asked me if I could advise him about the mineral licences. He said he had come down in consequence of a visit of Trim's to Burrard Inlet, to take up more ground. Shortly afterwards, Mr. Dalby asked me to act as counsel for them, as they expected a law-suit. I said, what about. He said, in case they had a row with any parties, as they had heard that their land was to be jumped. I said I could not give any advice, as against the Government, but in private matters, I would act for them—and did act for them. After that advice, and after all the row in the newspapers, I spoke to Moody about a Power-of-Attorney to sell, and he said, "No; DeCosmos has written to me, and I never answered his letter." He said DeCosmos was not interested, but had always said it could be sold. I asked DeCosmos if he was in it. He said, no; and he never had been. He said Moody had never answered his letter; and, of course, he could do nothing without authority. No person is holding an interest in this mine for me, either directly or indirectly. No person is holding any interest for me, with my knowledge or consent. If I wished an interest, I would hold it in my own name. Mr. Beaven never spoke to me about Texada claims, nor I to him, till the appearance of the *Colonist* circular, when he told me positively, he was not interested. I never knew what amount of money was expended on the mine, till the books were produced, which I should have done, if I had had to pay it. I have been applied to, on one occasion, by Mr. Nelson. I have since heard that Mr. DeCosmos was there. I was asked whether the Government were in a position to sell mineral lands, and the price per acre. I said, no. Mr. Dupont asked the same question. I said, no. I am sure neither Mr. DeCosmos nor Mr. Beaven are interested in this matter. I went to Mr. DeCosmos, just after the Commission was issued, to get his evidence, but found it could not then be taken; but he said all his share would be shown by the correspondence; but he was going to try and push the matter. I have not received any reward or promise for any interest I might have had in the iron mine. I did not take silver for iron.

By Mr. Robson,—

I act, generally, as Moody, Dietz and Nelson's counsel. I did not act professionally in taking up the ground. The conversation with Nelson took place after my conversation with Moody, in front of his house. Moody never consulted me, directly or indirectly, about the pre-emptions. J. L. Crimp became a member of one of those companies, because he was suggested by me or Dalby; and he is there

entirely on his own account. Crimp, about that time, had been asking me for a situation, and I thought he had better go into this. I visited the silver mines at Hope, last year. I did not go up on anybody's invitation. Moody made no appointment to meet me at the mine. I never heard of any sale, or attempted sale, by DeCosmos in England or elsewhere, of this mine, except what I have heard here. Mr. DeCosmos has never, except upon the two occasions stated by me, ever mentioned the subject to me.

Commission adjourned *sine die*.

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MONDAY, 27TH JULY 1874.—16TH DAY.

Commission met at 11.30.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—*John Robson*, *H. S. Mason*, for the Attorney-General.

The Secretary read the answers of Sir *John A. Macdonald* and Mr. *G. M. Sproat*, to the interrogatories which had been forwarded to them by the Commissioners.

Commissioners directed the Secretary to telegraph to Dr. *Tupper* about the interrogatories sent him, and to write to Mr. *DeCosmos*, stating that there would be a sitting of the Royal Commission towards the end of September.

Commission adjourned.

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THURSDAY, 20TH AUGUST, 1874,—17TH DAY.

Commissioners present—Honourables H. P. P. Crease, J. H. Gray.

Present—*John Robson*.

The Acting Secretary (*H. S. Mason*), read the telegrams received from Mr. *DeCosmos*, requesting that interrogatories might be sent to him at Ottawa, at once, as he did not expect to return to British Columbia before the end of the year.

The Commissioners stated, that this sitting is for [the purpose of giving Mr. *Robson* an opportunity of suggesting interrogatories to Mr. *DeCosmos*.

Mr. *Robson* promised to forward some questions to the Commissioners.

Commission adjourned.

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October 2nd.—Hon. *Amor DeCosmos* was subpoenaed to appear before the Commission on Monday, the 5th instant, at 10 A.M., at the instance of the Commissioners.

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MONDAY, 5TH OCTOBER, 1874.—18TH DAY.

Commission met at 10.

Commissioners present—Honourables M. B. Begbie, H. P. P. Crease, J. H. Gray.

Present—Mr. *Mason* (for Hon. Attorney-General), Mr. *Robson*.

The Secretary read the answers of Dr. *Tupper* to the interrogatories which had been forwarded to him by the Commissioners.

*Amor De Cosmos*, sworn,—

My impression is, that I became aware of the iron deposit in Texada Island, in the first week in July, 1873. I met Mr. S. P. Moody in Victoria, and he walked with me to my rooms. Whilst in conversation with him in my rooms, I said, "I would like to find some iron ore." Moody said he had some he could show me, and that, if I would go with him, he would show it me. I told him that I thought, that at that juncture, iron ore would be very useful in making rails, or any iron-work required for the country. He said he would inform me of the time when I could accompany him to Texada. I believe I left Victoria with Mr. Moody in "Cariboo-Fly," about first August, 1873, and I think we visited the iron about second or third August, 1873. Mr. Dalby, Captain Raymur, and Mr. Walkem, left in "Cariboo-Fly" with me. I am not certain about Moody and Watson. We proceeded to Burrard Inlet, stayed a day, and then left for Texada Island, and went in on the way to Jarvis Inlet. We proceeded to the north end of the island—I think Point Marshall—where a man by the name of Trim then resided. I am not aware of anything being done at Burrard Inlet, with regard to the mine—no negotiations or arrangements. I don't know if Mr. Nelson went from Victoria with me. I am under the impression I saw Mr. Nelson at the Inlet. I think I was at Burrard Inlet on both the second and fourth August, 1873. I think we visited Texada on the Sunday, and that was the third August. I slept on board the steamer the whole time. I did not sleep on shore till I reached New Westminster. I think we passed one night at Gillis' Bay, Texada Island. I do not recollect anything about any telegram or correspondence from Burrard Inlet or New Westminster, to any one in Victoria, about the Hope silver lead, about the second or fourth August. I never had any connection with the Hope or any silver mine in British Columbia, except the Cherry Creek mine. A conversation occurred, after my return from Texada Island, with Mr. Watson, on the wharf at Burrard Inlet, about my taking an interest in the mine as a shareholder or partner. I told him, no; I told him I wanted nothing to do with the mine, unless they put it in such a position that I could float it in the market, and then I would try and sell it for them. Mr. Watson was the only one who spoke to me, as far as I can recollect. This arose from a remark I made, that I thought I could find friends who would float the company. Mr. Watson was the only person, as far as I recollect, who asked me to take an interest. I did not know what steps had been taken towards securing the land, beyond a sort of general idea that certain parties had pre-empted land there. Subsequently to my visit to Texada Island, I had a conversation with Mr. Moody, and, perhaps, with Mr. Dalby and Nelson, about what kind of title would be useful to sell the mine in the market. I told them a pre-emption title would be useless; that they must get a Crown Grant. There was the law, and they had better set to work and get a Crown Grant as soon as possible. I believe Mr. Hugh Nelson came to me, in Victoria, and asked me about the title, and I told him the proper person to go to was Mr. Walkem, and, I think, I went with him to Mr. Walkem's house. I recommended him to Mr. Walkem, because he was Attorney-General, and could interpret the law. I think Nelson came to me, because some persons had tried to locate claims on top of theirs, on Texada Island, and I recommended him to go to Mr. Walkem, as he had been a professional man of theirs. He went to Mr. Walkem as a professional man, not as Attorney-General, as far as my knowledge goes. We had the charts out, during the journey to Texada Island, on one or two occasions. I think I had my own. I have no recollection of a toast being drunk, "The health of the Premier; may he succeed!" There was no attempt at concealing anything, either on the trip up or down. I told Mr. Moody that I would be glad to float the mine, when he had completed the title. He said, "All right;" he would give it me to float. I don't know why Mr. Nelson did not go up with us; I did not enquire. If I was told, I forget. I think on our return, we went an excursion round the harbor of Burrard Inlet, and then went over to New Westminster. We stayed, I think, one night at Burrard Inlet. I do not know what steps were taken at New

Westminster towards securing the land at Texada Island; none, to my knowledge. Shortly after my return to Victoria, I heard that Dupont and Captain Clarke and others, had gone to Texada Island, to get possession of the iron. I think Mr. Oliver told me first. I think he told me he had come down as a passenger from Nanaimo. I don't know how long this was after my return from Texada. I was in Victoria, when Mr. Oliver told me. I don't recollect whether he gave me the information in the Colonial Hotel or in the street; but I recollect talking to him about the iron ore at the table at the Colonial. I think he was the first one who told me. I don't know what he said. I don't know whether I was much excited. I am very seldom angry. I don't know what interpretation others would put upon my conduct. I recollect Oliver sitting at the table, when I came in. Captain Clarke also came in. The reason I left was, that the food I had ordered, did not suit me. I did not communicate the news of the attempted jump, that I received, to any one, as far as I recollect. As I left the Colonial Hotel, I met Mr. Dalby, and he told me that these parties had gone to Texada Island, to jump the iron lands. I think I told him he had better go and acquaint his party, and look into it, and take steps to see that their claims were not jumped. I do not know if Messrs. Dietz and Nelson obtained the use of the names of their clerks to cover the pre-emptions. Moody subsequently told me he had no pre-emption himself, as he was a foreigner. I do not know what Mr. Dalby did. I do not recollect suggesting anything to him. Dalby's object was, as far as I know, a double one: to secure what the parties had already pre-empted, and obtain any further rights that they could. I told Moody that if they were prepared to sell, I would sell for them; and if they were prepared to sell me an interest, I would buy. Mr. Moody told me that he would give me a Power-of-Attorney to sell, but he never did so. I wrote Mr. Moody a letter, offering to purchase a share, but I never received an answer. I offered to take a quarter, or a half, or something of that sort. I have a copy of the letter here:

COPY.]

(Strictly private.)

VICTORIA, B. C., 19th Sept., 1873.

MY DEAR MOODY,—I hinted to you, a short time ago, about my going to England on some business, and that I would take in hand the sale of Texada iron, on such conditions as you might fix. I will probably leave here next week. It will be too soon, I presume, to enable you to wind up your claim and get your Crown Grant. Hence, all that I can do, will be to take specimens of ore with me, and open the way for capitalists to take stock or purchase. My confidence in the iron is such, that I am ready to purchase a third, quarter, or half of the whole claim, on condition that I can do so by paying my proportionate share of expenses incurred in locating, surveying, recording, holding, and getting Crown Grants.

Please answer as soon as possible, stating on what condition I can purchase, and on what terms you will allow me to dispose of or sell the mine.

Very truly yours,  
(Signed) A. DECOSMOS.

I have stated everything substantially that occurred between Moody and myself, with regard to the sale of the mine, prior to the date of this letter. I did not think so much of the ore at first, as I did after I had had an opportunity of examining it in my room. I never had an interest in the mine, nor have I now; nor had I any authority from Mr. Moody to sell the mine, beyond the verbal promise I have already stated. I do not think the percentage I was to receive for the sale of the mine, was ever mentioned by Mr. Moody to me, before I left for Ottawa, in 1873. I am sure the word "commission" never passed his lips or mine. I think I may have mentioned that a mine in Nova Scotia, was sold to great advantage, and I thought this might be also sold. I don't think, in conversation with Messrs. Dalby or Nelson, that the commission I was to receive was ever mentioned. I supposed they would act the liberal part. I have no recollection of mentioning to Mr. Moody, Nelson, or Dalby, to whom I intended to sell the mine. I never thought of so absurd a proposition as selling the mine to the Dominion Government. After my return to the Province, between the last week in January

and the second week in March, 1874, I had another conversation with Mr. Moody, in which the word "commission" was first used. I told Mr. Moody that if the mine was properly placed in the market, it might realize \$250,000, as a minimum; and if I did this within a certain time, I expected twenty per cent. commission for my services. I cannot fix the date of this conversation more accurately. I think it was subsequently to my retirement from the Government. I am almost certain it was. I do not know whether it was before or after my election to the Commons; I think it was after my election. I recollect Moody preparing a box of specimens, and a map for me to take with me. Nothing at all occurred at Ottawa, to raise my opinion of the mine. I do not recollect talking to Dr. Tupper about the mine, or to any other member of Sir John Macdonald's Administration—certainly not with the view of a sale. I talked of iron, generally, at Ottawa. I had a conversation with Mr. Mackenzie, the Premier, about this mine, I think in January last, after my return from England, but before my return to this Province. I asked Mr. Mackenzie whether the Government would be prepared to grant protection to British Columbia in iron, by way of a bonus, and he said, "No; because, if they did, they would have to treat other industries in other parts of the Dominion the same." I said, "Suppose an iron company in British Columbia could supply rails at as low a rate as they could be laid down from other parts of the world, would you buy of them?" He said, "Yes." On a subsequent occasion, in Mr. Mackenzie's office, he said, "Well, if they are going to start iron-works in British Columbia, they had better begin soon, as they will, I think, be wanted very soon." I did nothing in England about the mine, except having a conversation with Mr. Sproat. My remarks to Mr. Sproat were very vague and general. I gave Mr. Sproat no instructions. I do not recollect mentioning any price to Mr. Sproat. I recollect Mr. Dewdney telling me he was going up to survey the Hope silver mines. I may have told him I would like to get an interest. I should like to have one now, upon certain conditions; but I should not like to put myself in a position to be frozen out. I think I told Mr. Dewdney, that if he saw a chance, to give me a show. I think he told me he was going to survey the land, and there was more than there should be. I might have asked him to telegraph me; but I received no telegram. I was a member of the Government at this time. I have no recollection of Messrs. Moody, Dietz and Nelson telegraphing certain instructions to Mr. Dewdney, at Hope, when I was at Burrard Inlet or New Westminster, in August. I never heard, before this moment, that Dewdney's expenses of waiting at Hope, to make the survey of the mine, were paid by the Government. I don't know who made the surveys, or whether they have been made. Some time during the Summer or Fall of 1873, Moody or Dalby came to me, and asked me if I would take an interest in some outlying silver-lands at Hope, and I declined. I don't know that any ground was taken up for me at Hope. No one was authorized by me to take up an inch of ground for me in British Columbia. I did not know that Mr. Walkem had taken up any lands there. I heard his name mentioned in connection with it, by Mr. Moody. I do not own, nor am not entitled to, an interest, either directly or indirectly, to one iota of ground in any silver mine in British Columbia. I do not think anything of Cherry Creek.

Two letters, from E. Dewdney to J. Robson, dated respectively the 9th and 17th September, 1874, were put in and read:—

HOPE, Sept. 9th, 1874.

*The Hon. J. Robson—*

DEAR SIR,—As I see in the *Colonist* of last week, that you propose to call on me to give evidence before the Royal Commission that has been sitting at Victoria during the Summer; and, as in all probability, it will be most inconvenient for me to attend, I should be glad if you will inform me in what way I can be of service, as, probably, a written statement of what you require, may answer all purposes.

Yours, truly,

(Signed)

E. DEWDNEY.



HOPE, Sept. 17th, 1874.

J. Robson, Esq., M. P. P.—

DEAR SIR,—With reference to your request, that I would inform you of any circumstances having come to my knowledge, indicating that Mr. DeCosmos or Mr. Walkem had become possessed of mining property on the Hope Mountain, information having reached you that led you to believe such was the case, I beg to state, that all I know of the matter is,—that on the 21st July, 1873, I received authority from the Local Government, to survey the “Yale Silver Mining Company,” and the “Eureka Silver Mining Company;” and, prior to leaving Victoria for that locality, had a conversation with Mr. DeCosmos, in which he expressed a wish to become interested in the Hope Silver Mountain; and, on my telling him that I was of opinion, that after the survey was completed, some valuable property would be open for pre-emption, he asked me to telegraph him from Hope, on the subject, as soon as I was in a position to do so.

On my arrival at Hope, I saw the agent of the company, who asked me to await the arrival of Mr. Schooley, who was expected up in a few days; he, however, did not arrive; and I went to Yale, to see the Secretary of the company. I explained to him, that I had been some days at Hope, with my party, and if they did not want the survey made at once, I must leave for the upper country, as I had other work to do. He earnestly requested me to stop until the arrival of Mr. Schooley from below, who knew about the stakes of the Eureka Company; and stated that the company would willingly pay all expenses of delay. I also, at this time, received the following telegrams:

Burrard Inlet, August 2nd, 1873.

To Edgar Dewdney—

Don't leave until you hear from us; will be at Hope next week.

(Signed)

H. NELSON.

Also—

Burrard Inlet, August 4th, 1873.

To Edgar Dewdney—

Don't wait on us; not ready for survey.

(Signed)

MOODY, DIETZ &amp; NELSON.

This was at the time Mr. DeCosmos and Mr. Walkem were at the Inlet, either immediately after or before their trip on the “Cariboo-Fly” to Texada Island.

I sent in my account to the Co., and a copy to the Government; but as I was settled with by the latter, I had no further communication with the Co. on the subject.

A short time after my leaving Hope, I was informed that the surveyor who had accompanied the party to Texada Island, and Mr. Walkem, visited the silver mine, and the claims were surveyed. Since then, I have seen two notices in the vicinity of the Eureka claim, dated, I think, Sept. 11th, 1873, on which the names of Mr. DeCosmos' brother, and Mr. C. or G. A. Walkem appear, claiming some mineral land, right adjoining the “Yale” and “Eureka” claims.

That is all I know of the matter; and I trust you will not require me to attend before the Royal Commission, as it will be most inconvenient.

Yours, sincerely,

(Signed)

EDGAR DEWDNEY.

Mr. Beaven, the Chief Commissioner, was here called, and proved the payment of the survey fees of the Eureka mine, by Messrs. Moody, Dietz and Nelson.

The Land Office settled with Mr. Dewdney, who was employed by the month, and the expenses were subsequently refunded to the office by Messrs. Moody, Dietz and Nelson.

Mr. DeCosmos' examination continued,—

Mr. Dalby sent me no answer in reply to my telegram from Ottawa. I am not aware that Dalby wrote to me about the mine in 1873. He telegraphed to me about the quarantine. He wrote me a letter this Summer, in which he mentioned the mine; I forget what it was. I came here from Ottawa, purposely to appear before this Commission. I first saw Mr. Walkem, and he said there was no actual necessity for me to appear. I next saw notices in the paper, and telegraphed Dr. Ash. I next received a notice from Mr. Pooley.

Commission adjourned *sine die*.