

Hon. Richard McBride—*Concluded.*

Mr. Ross: But there is another way of looking at it. If they selected one in four, that would mean that the Company might have their wharves three miles away from the Government's land.

Mr. Paterson: The Government would have a right to say where they would have them.
Witness stands aside.

Mr. Macdonald: I would like to have Mr. Larsen called.

Mr. Garden: Is he in town?

Mr. Macdonald: No, but he is in Helena; but witnesses, I believe, sometimes attend on a telegram. They did in the Columbia & Western inquiry, I know. We cannot compel his attendance, but I would like to have him. Also Mr. Morse, of Montreal.

Mr. Garden: Well, all we can do is to send a wire to them.

Committee here adjourned till February 23rd, 1906, at 10 A. M.

FRIDAY, 23rd February, 1906.

Pursuant to adjournment, the Committee appointed to inquire into the matters hereinbefore set out met at 10 A. M., this 23rd day of February, 1906.

Minutes of previous meeting read by Dr. Young and, on motion, formally adopted.

Mr. Garden: I wired Mr. Larsen and Mr. Morse, Mr. Macdonald, and I have not yet received a reply from them. This is what I wired:—

“*Peter Larsen, Helena, Montana, and*

Frank W. Morse, Vice-President Grand Trunk Pacific Railway Company, Montreal.

“The Special Committee appointed by the Legislature of British Columbia, in session here investigating the acquisition of Kaien Island by the Grand Trunk Pacific Railway Company, request you to attend and give evidence. Please attend at the earliest possible date. Wire if you can do so, and date.

(Signed) JAMES F. GARDEN, *Chairman.*”

Mr. Macdonald: I would ask you to send down for the Attorney-General and ask him to attend, as I wish to ask him a few questions. In the meantime, we might go on with Mr. Anderson.

Examination of MR. JAMES ANDERSON resumed:—

Mr. Macdonald: Have you got your books with you, Mr. Anderson? A.—Yes, sir; these are the bank-books, Mr. Macdonald.

Q.—Commencing? A.—Commencing at 1903, sir. That is the book I had, and it runs right on.

Q.—It ends on what date? A.—December, 1903, was the first deposit I made.

Q.—And that book continues on to? A.—Right along to January 16th—about March, 1905, sir.

(Bank-book above referred to, marked by the Chairman as Exhibit “A”).

Q.—That is the first one? A.—Yes, and this is the second one.

Q.—And the second one? A.—That is a continuation of the first.

Q.—December, 1904? A.—Yes. You see the balance is carried forward from that date.

Q.—And continues up to what date? A.—Up to March, 1905, as you see.

Q.—And have you got the book following this? A.—That is the book I could not lay my hands on, and I made a full search of all my papers for it, but I have asked the bank to make a duplicate from their records, which is just the same.

Q.—And those are the bank stubs? A.—I have not looked at them. I just picked up the whole outfit of them. February, 1905—there are some later ones here—November, 1904.

Q.—Get the first one. A.—August 3rd, 1904.

Q.—August 3rd, 1904? A.—Yes.

Q.—You must have had one earlier than that, because your deposits commence in December, 1903? A.—I had several earlier than that, but those are the ones I still have.

Q.—And what became of the others? A.—That I could not say. I could not find them.

Q.—Well, the first one you are able to produce is commencing with cheque number 142, August 3rd, 1904? A.—Yes, I think that is the first one, if you will just let me look at it.

Q.—What is that number? A.—Number 142.

Q.—The last one in the book is number 189? A.—Yes.

Q.—August 31st, of the same year? A.—Yes.

(Stub-book referred to above marked Exhibit “C”).

Q.—Now, have you got the one following that? A.—I think this is the one following that. Yes, this is the one following that—I went North on August 31st, and so did not make out any cheques for some little time—14th November.

Q.—14th November? A.—Yes, I started in the new year.

Q.—This commences with number 1 again? A.—Yes, August 31st was the date I left for the survey, and then the 14th November was the date I got back, and you see I did not give any cheques in the meantime.

Q.—1904? A.—Yes. And this book runs down to December 16th, 1904.

Q.—November 14th to December 16th, 1904? A.—Yes, sir.

(Book above referred to marked as Exhibit “D”).

Q.—Now, the next one is February 16th, it starts in? A.—Yes.

Q.—1905? A.—Yes.

(Book above referred to marked as Exhibit “E”).

Mr. James Anderson—*Continued.*

Mr. Garden : What is the last number of the cheque?

Mr. Ross : Last number in it is 49—the last number—it is not numbered—it would be 50.

Witness : Well, there is evidently one book of stubs out there. I do not see it; April and May—is that there? They do not seem to be there—the book for 16th December up to February, 1905.

Mr. Macdonald : And you think that the book of stubs for between the 16th December, 1904, and the 16th February, 1905, and numbered from 51 to 100, is missing? A.—As far as I know.

Mr. Eberts : Stubs from where?

Mr. Macdonald : From number 51 to 100.

Witness : I was North during that time, and I do not know whether I carried the cheque-book on the boat with me or not. That was just the time I got back I made out those others.

Mr. Macdonald : Have you made a search for the book? A.—I have made a search all through my papers.

Q.—And you have not been able to find it? A.—No, not up to the present time. It might turn up yet. I only started to search yesterday morning, when I got away from the Committee.

Q.—Well, this one will be Exhibit "F"—commences on the 16th February, 1905, with number 101, and ends with the 17th April, 1905, number 71. That was the following month? A.—Yes.

Mr. Garden : Just one day?

Witness : No; 17th April—a month.

Mr. Macdonald : There are some blank stubs at the end? A.—They are numbered on here consecutively. I probably made a mistake in those in making out the cheque.

Q.—The next one we have commences with number 72, 17th April, 1905, and ends with number 121, 17th May, same year.

(Book above referred to marked as Exhibit "G").

Q.—The next commences with number 123, 19th May, 1905, and ends number 168, 30th June, 1905.

(Book above referred to marked as Exhibit "H").

Q.—The next one commences with number 169, June 30th, 1905, and ends with number 215, August 16th, 1905.

(Book above referred to marked Exhibit "J").

A.—What time does that one end?

Q.—August 16th, 1905? A.—That was just the closing up of the account in these books that I have showed you.

Q.—And the next one is commencing with number 1, March 15th, 1905, and ends with number 51, April 8, 1905. A.—I will have to get from you something further, because there is an intervening one here.

(Book above referred to marked Exhibit "K.")

Q.—The next one is number 216, August 18th, 1904, and ends with 262, October 21st, 1905.

(Book above referred to marked as Exhibit "L.")

Q.—And then you have another one following this, which you will produce? A.—Yes, sir.

Q.—Now, you produced some telegrams here? A.—Yes, sir.

Q.—The first one in the lot is dated "Helena, Montana, November 9th." Do you know what year that was? A.—No, I could not tell you. I looked through my old papers and found those.

Q.—It reads as follows : "*James Anderson, Victoria, B. C.* : Will come to Seattle in a few days. Will wire you.—P. LARSEN."

Q.—We may as well put them in a bunch, and get them down on the notes. The next one : "*Spokane, via Victoria, B. C., November 15th. James Anderson, Butler Hotel, Seattle, Washington* : Will be Seattle to-morrow.—PETER LARSEN." The next one : "*Spokane, October 13th, 1903. Will be in Seattle to-morrow. Can you come over to-night?—P. LARSEN.*" The next one is from Helena, Montana, 21/04. Can you tell what that 8 is for? Is it June of that day? A.—Yes, I should imagine it was June 21st, 1904.

Q.—(Reading)—"Will be in St. Paul Friday, 25th.—P. LARSEN." A.—The 24th.

Q.—Yes, the 24th. The next one is "*Spokane, Wash., May 20th, 1904. James Anderson, Victoria, B. C.* : Will be in Seattle to-morrow. Come over.—P. LARSEN."

Q.—The next one is "*Spokane, April 29th, via Vancouver. James Anderson, Victoria, B. C.* : Your wire not readable. Check and repeat. Going Helena to-night.—P. LARSEN." The next one : "*Helena, Montana, May 1st, 1904. James Anderson, Victoria* : I wired you Victoria Friday. Did you get it? Answer.—P. LARSEN." The next one : "*Spokane.*" What year do you make that out to be? A.—July 13th, it looks like to me.

Q.—There is no year mentioned there, is there? A.—No.

Q.—(Reading)—"*James Anderson, Ryan Hotel, St. Paul, Minnesota* : Will meet you here Saturday.—P. LARSEN."

(Documents above referred to marked Exhibit "M.")

Mr. Eberts : Let me look at that, will you, please (telegram handed by Mr. Macdonald for examination).

Mr. Macdonald : Did you keep copies of your telegrams to Mr. Larsen? A.—No, sir.

Q.—Did you make a search for any letters that you may have received from him? A.—Yes, I made a thorough search, and Mr. Larsen very seldom wrote any letters. He generally did his business through me by wiring me to meet him at a certain time. He is a poor correspondent.

Q.—I think you have told us that you never kept any memorandum books at all? A.—I did not, sir.

Q.—How about the telegrams you received from Mr. Stevens? A.—I think I received either one or two from Mr. Stevens, and I have not come across them so far.

Q.—And from Mr. Bodwell? A.—I have not discovered any from Mr. Bodwell so far.

Q.—You received some from him, didn't you? A.—I think I probably did.

Q.—Yes, and from Mr. Morse? A.—I think I only received one telegram from Mr. Morse.

Q.—Where is it? A.—I have not discovered it.

Mr. James Anderson—*Concluded.*

Q.—Any from Mr. Hays? A.—No, sir; I had no communication with Mr. Hays at all.

Q.—Any from Mr. Mathews? A.—I think I probably received a telegram from Mr. Mathews, but that was a good deal later on.

Q.—Where is that telegram? A.—I could probably find that. Would that be included in the scope of this commission?

Q.—Oh, yes; all telegrams and documents relating to the matter. A.—These did not relate to the matter, the messages I had from him.

Q.—Did they relate to any of the lands there? A.—No; the message I received from Mr. Mathews did not relate to any of the lands there.

Mr. Ross: What was that answer?

Witness: The message I received from Mr. Mathews was not in relation to any of the lands there.

Mr. Macdonald: In relation to scrip lands? A.—No, sir.

Q.—Or the coal lands? A.—No, sir.

Mr. Eberts: Well, the coal lands are not under investigation?

Mr. Ross (laughing): It depends on the scope of the investigation.

Mr. Eberts: I know; but, then, they are 250 miles south of these lands.

Mr. Macdonald: We understand that our investigation is limited by a number of miles in a given centre.

Mr. Eberts: Those coal lands were somewhere on the line of the Canadian Pacific Railway Company.

Where were they, Mr. Anderson? A.—Down in Queen Charlotte Islands, opposite the northern end of Vancouver Island.

Mr. Macdonald: I will defer any further examination of this witness until I have an opportunity of examining the productions, and the witness is to understand that he is to make further search and bring any further documents he may have.

Mr. Garden: You will make a further search? A.—Yes.

Witness stands aside.

The Hon. CHARLES WILSON, Attorney-General, having been duly called to give evidence touching the matters under inquiry herein, being duly sworn, testifies as follows:—

Mr. Macdonald: Mr. Wilson, what is your first recollection of the proposition made by Mr. Bodwell to the Council? A.—My first recollection of it is when the documents were brought to me to examine and settle. But I should like to explain—

Q. (Interrupting).—I did not catch what was being brought to you. A.—The documents—that is, the draft contract.

Q.—The draft contract? A.—Yes. Now, you will understand that in making a statement of that kind I am speaking of something that took place 18 months ago. I do not undertake to keep a very accurate remembrance of everything that goes on after so long a period, but you can easily find that, mind you, from the meetings of Council as to whether I was present at any discussion of the kind or not. My present recollection is what I have told you.

Q.—You are speaking now, of course, of your present recollection? A.—Yes.

Q.—Your first recollection of the transaction was when some draft contract was brought to you? A.—Yes.

Q.—To be revised and settled? A.—Yes.

Q.—Well, do you remember what the contract was? A.—Well, it subsequently culminated in the agreement that was executed.

Q.—Would it be the Minute of Council that was brought to you? A.—Well, it might have been the Minute of Council. It is very likely that it was, but, if so, it embodied—it practically embodied the terms of the contract.

Q.—By whom was that document prepared? A.—I could not tell you that, Mr. Macdonald. I do not know.

Q.—Was it produced to you typewritten and ready for revision? A.—I believe it was in typewriting, but I would not like to be certain as to that, as it is more a question of detail.

Q.—Do you remember by whom it was brought to you? A.—No; probably Bass, or Crane, or some of the clerks in my office.

Q.—And did you revise it? A.—Yes.

Q.—Do you remember if you made any changes? A.—Oh, yes, I made some very important changes.

Q.—You recollect your doing that? A.—Oh, yes.

Q.—Where is that document? A.—The original one?

Q.—Yes. A.—I am sure I could not tell you, Mr. Macdonald.

Q.—Where ought it to be? A.—Well, if it were a draft—if it were a Minute of Council it would be among the records, but if it were a draft Minute of Council prepared in the office, it may or may not be destroyed. I could not tell you that. I do not know what the practice is with relation to drafts which are finally settled and revised.

Q.—Well, so far as the evidence has gone already, Mr. Wilson, and so far as the documents produced under the Order of the House are concerned, there was no contract other than the Minute of Council and the Crown deeds? A.—Other than the Minute of Council and the what?

Q.—The Crown deeds and the Minute of Council, if that could be called a contract? A.—Well, I don't know—I should like to be understood as saying that I have never looked into the documents in connection with this matter since this thing has been talked of, from start to finish. I have never taken the trouble to refresh my memory on a single point.

Q.—But you remember the fact that the Minute of Council was passed? A.—Yes. Now, mind you, I am just trying to think whether it was a Minute of Council or a draft contract which was brought to me. It would very likely be the Minute of Council. I don't quite recollect which.

Hon. Charles Wilson—*Continued.*

Q.—If you don't recollect that, how do you remember you made these changes? A.—I tell you that a document, which may have been a Minute of Council, or it may have been a draft contract, or the draft contract may have been embodied in the Minute of Council, I say such a document was brought to me.

Q.—And changes were made by you? A.—Undoubtedly. I took a great deal of pains and trouble over the language of that document.

Q.—What changes were made? A.—The most important one was the proviso in relation to the water front.

Q.—You remember making that change? A.—I remember that very distinctly.

Q.—Anything else? A.—No. And I cannot tell you, Mr. Macdonald, whether the original draft has been preserved, and if it is in my department, either the draft contract or Minute of Council, whatever it was, if it is still preserved it will be readily seen.

Q.—Yes, exactly. And had it been preserved it ought to have been produced? A.—I suppose so. So far as I am concerned, you can rick my office from one end of it to the other, if you like.

Q.—Well, that is your recollection of it? A.—Yes. Now, don't misunderstand me—I am only speaking on my present recollection of the subject. There may have been conversations between myself and my colleagues, and it may have been mentioned to me that such a thing as this was in progress. There may have been a meeting of the Council at which I was present, but I do not think there was, and I will tell you why. I do not think there was where I was present, because you can get all I know of it very shortly. The Lillooet election was on, as you will distinctly remember, about that time, and immediately after we came down from Lillooet from the election, I am sorry to say I had to go the hospital, and I remained there about six weeks, I think, and it was while I was there that these documents were prepared and revised that I am speaking of.

Q.—Yes, that is clearly in your memory, is it? A.—Oh, yes, there is no doubt about that part of my memory.

Q.—So that it was while you were ill at the hospital that any documents which were brought to you for revision were seen by you? A.—Yes.

Q.—And that was the first you knew of anything of this kind going on? A.—That was the first I knew of it.

Q.—And did you have anything to do with it afterwards? A.—I cannot charge my memory with it. It is very likely I did. There have been discussions about it since. We had some difficulty, I know, in getting the recognition we wanted from the Company. Yes, I rather think now there was some trouble about getting the recognition we wanted from the Grand Trunk Pacific Railway Co.

Q.—But from your recollection, do you remember now having had anything to do with it, except the revision of that document that you have spoken of just now? A.—No, I had nothing at all to do with it, with that exception.

Q.—At all events, nothing important, I suppose, was done by you, or discussed with you, or you would have remembered it? A.—Well, I should not like to say that, Mr. Macdonald. There may have been, as I tell you, some important discussions in relation to whether or no the thing should be done.

Q.—But you have no recollection of that? A.—I have no recollection of that, but I should not like to say that such a thing as that has not been discussed. Very often matters of great importance receive some temporary discussion, and sometimes it is of a very informal character, and sometimes of a formal character.

Q.—But if there was anything of a very formal character in connection with this, you would, of course, remember it? A.—Well, I

Q.—Yes, naturally you would. A.—You want to understand though, Mr. Macdonald, that the mass of business that a man has to transact in a position of that kind, he does not charge his memory with everything that goes along.

Q.—Yes; but then everything of any very great importance you would most naturally remember? A.—Yes, very likely I should.

Q.—And in connection with this, you cannot remember anything more than you have told us about? A.—I cannot remember anything more than what I have told you.

Q.—And I suppose, Mr. Wilson, you were not asked to advise, as the Chief Law Officer of the Crown, as to the legality of disposing of a very valuable public asset by Order in Council? A.—Do you mean under that section of the Land Act, section 39?

Q.—Yes. A.—Yes, I drew attention to it. I don't even remember that I was asked to do it, but I did draw attention to it.

Q.—I presume you saw the letter of the 19th January, Mr. Bodwell's letter? A.—I am sure I cannot tell you. If you will show it to me I will tell you.

Q.—Well, can you remember the occasion upon which you did advise in regard to the effect of section 39 of the Land Act? A.—When it was, do you mean?

Q.—When it was called to your attention? A.—Well, my attention was challenged to it almost at the very first, don't you see?

Q.—Yes. By whom? A.—I did not want anyone to challenge my attention to that. I challenged it myself.

Q.—Well, why should that strike your attention particularly? A.—Well, not unnaturally, a man would examine the Act in order to see the power under which the transaction was being carried on.

Q.—And did you make a careful examination of that section? A.—Well, I read the section.

Q.—Did you make any investigation to find out whether there were any precedents for your acting in that way under that section? A.—No, I did not. I looked upon it largely as a matter between vendor and purchaser. If the purchaser was willing to take the title, with a possibility of a cloud resting upon it, or a doubt, that was his business. But we were making a good bargain, I was satisfied, and if the purchaser was satisfied with the title he got, that was, I considered, enough for me, and it did not concern me. The goodness of the bargain was enough for me.

Hon. Charles Wilson—*Continued.*

Q.—Then you had carefully considered the goodness of the bargain? A.—Yes.

Q.—On what knowledge and information had you considered it? A.—On very little knowledge and information beyond the fact that for 10,000 acres of land (the commercial value of which is practically nothing) the State is to receive \$10,000 for that land, and it was to be on the terms of the Province having a one-quarter interest in the townsite property, and there was 1,000 feet on the water front to be set out for them, and I looked on that as a very excellent bargain.

Q.—That is, that you were getting \$10,000 for land that was practically worthless? A.—Practically—well, I won't say practically worthless, because one can never tell what the value of land will be in the future; so I won't say that.

Q.—And if the land turned out to be practically worthless—that is, if the Grand Trunk Pacific townsite was not established there—you understood that you had to give your \$10,000 back? A.—Oh, yes, certainly.

Q.—And if it turned out to be worth millions, you got only a one-fourth interest in it? A.—Yes, and that was a pretty good interest in it. I would like to have a one-fourth interest in Vancouver to-day for the Government.

Q.—Wouldn't you rather have the whole? A.—You could not get it. You don't suppose a railway company is crazy enough to build its terminus on Crown land and give the Government the benefit of it, do you?

Q.—Why not? A.—Did you ever meet a set of railway directors imbued with that spirit of philanthropy?

Q.—You knew they were out for all that was in it for themselves? A.—Unquestionably; it was a commercial transaction for them.

Q.—And also for the Government? A.—Yes—in this case, yes.

Q.—And you thought you had to offer them some inducement to make it valuable for you? A.—I don't say that. I prefer dealing with the facts.

Q.—You had a very good idea of the value of that property, had you not? A.—Yes.

Q.—And you had considered the further question, that is, as to whether you could get them to establish their terminus there? A.—Yes.

Q.—And as to the inducement you should offer them? A.—Yes. The offer did not come from us. The original offer came from them.

Q.—But in considering that offer, you had to consider also what concessions you would have to make to them? A.—Certainly.

Q.—And you considered that a three-quarter interest in the future townsite was a pretty good inducement to offer to them? A.—Yes, I do; and I consider that a one-quarter interest for the Province was also a very good bargain for the Province to make.

Q.—You were afraid also that if you did not offer them the three-quarter interest that you would not get them to go to that spot, weren't you? A.—I don't think there was any idea of fear crossed our minds in that regard.

Q.—You had no fear as to whether they should go there or not? A.—I don't say that, Mr. Macdonald. You see you are putting that in a very peculiar way. You are putting it now that we had "no" fear.

Q.—That was your own expression, Mr. Wilson. A.—No—excuse me—that was your own, Mr. Macdonald.

Q.—Well, we won't bother about it. Then we will put in another way. Were you indifferent as to whether they should go to Kaïen Island or not? A.—No, not at all. In my opinion, sir, it was desirable in the interest of this Province that they should go there on the terms of the arrangement that was made with them, and I have nothing whatever to change that opinion at all.

Q.—And in order to get them to go there, you were prepared to offer them a three-quarter interest in those lands? A.—To put it more accurately, Mr. Macdonald, it was this way: We were prepared to accept a proposal of that kind, and we made a very good bargain for the Province.

Q.—Which bargain, of course, was to give them a three-quarter interest in the future townsite of the North? A.—Yes; quite right.

Q.—And, of course, if they did not go there, you gave them their money back? A.—Yes; the contract speaks for itself.

Q.—You never suggested that a half-interest in that townsite would be sufficient for them? A.—I cannot tell you whether such a suggestion was ever made or not.

Q.—But, so far as you were concerned, it was not? A.—No, so far as I was concerned, it was not.

Q.—So that, as far as you are concerned, there was no condition mentioned to be imposed on them other than as set out in the Minute of Council? A.—Well, no. Of course, I cannot really tell you that, because I don't remember. I cannot tell you whether there were any other conditions discussed in Council which were not embodied in this contract.

Q.—You can tell, so far as you are concerned? A.—No, I cannot tell you. There may have been other conditions discussed which were rejected. I cannot tell you that. I don't remember.

Q.—You don't remember? A.—No, I don't remember that.

Q.—I suppose you have looked at the wording since this Minute of Council was made, or you did at that time, of section 39 of the Land Act? A.—Eh?

Q.—I suppose you looked carefully at the wording of section 39? A.—I read it over, as I tell you. I have told you before that I considered that this was a matter which was largely for the purchasers' counsel to consider as to whether they would take the land or not.

Q.—That section provides: "It shall be lawful for the Lieutenant-Governor in Council to make such special free or partially free grants of the unoccupied and unappropriated Crown lands of the Province for the encouragement of immigration or other purposes of public advantage." A.—Yes.

Hon. Charles Wilson—*Continued.*

Q.—Now, was it the encouragement of immigration you had in mind when you made that grant of a three-quarter interest in these lands to the Company? A.—Oh, I cannot tell you the whole thing that was in my mind at that time, Mr. Macdonald.

Q.—Well, did you consider that this grant was for the encouragement of immigration, so as to bring the matter within this section? A.—Well, I would be inclined to think it would encourage immigration very greatly if you were to get the terminus established there—in fact, at any point.

Q.—So that was one of your reasons you held out to the Lieutenant-Governor in Council in making this grant to the Company? A.—I cannot say that. You know that one arrives at a conclusion, and one cannot always tell one's reasons for arriving at that conclusion, unless you commit them to writing at the time. One does not keep them all in one's mind.

Q.—No, but as the Chief Law Officer of the Crown, in considering that section and the power of your colleagues, I suppose you would naturally consider whether the grant proposed to be made fell within the terms of that section, wouldn't you? A.—Yes.

Q.—Now, did you consider that it fell within the terms of that section, because it was being made for the encouragement of immigration? A.—I cannot tell you that. As I have already told you, I considered it was a matter very largely for the purchaser's solicitor to consider, but the main question for us to consider in this matter was the goodness of the bargain, of which we had no doubt.

Q.—So you say, then, that your idea is that it was a matter of indifference to the Lieutenant-Governor in Council the question as to whether or not he had the power to make the grant in question? A.—No, I don't say that.

Q.—Well, if that were not so, then you would have had to consider under this section as to whether you had that power or not, wouldn't you? A.—Yes, and so had the purchaser's solicitor to consider that.

Q.—Well, and did you consider that you had the power to advise the Lieutenant-Governor in Council to make this grant because this was for the encouragement of immigration? A.—I cannot tell you of the exact methods of analysis of that section which were adopted.

Q.—Well, there are only two things in that section which would enable you to make the grant: first, that it was for the encouragement of immigration; and, secondly, "for other purposes of public advantage." A.—Well, I should think that it was a grant which would tend very largely to encourage immigration. There is no doubt about it.

Q.—Well, was it on that account, then, that you advised the Lieutenant-Governor you could make a grant under section 39? A.—I don't say that.

Q.—Well, will you say that it fell within the second condition? A.—I tell you, Mr. Macdonald, that at the time I considered the Lieutenant-Governor had general power to make this grant. There is no question about that.

Q.—I want you to get down to facts, though, Mr. Wilson, and tell us why you thought so, and whether it was because of those two conditions I have mentioned—the encouragement of immigration, or because it was to be of public advantage? A.—You will have a good deal of difficulty to pin me down to anything there, Mr. Macdonald; I will tell you that straight.

Q.—I am beginning to realise that I will have some difficulty in getting you down to facts. So you won't say you considered it was for the encouragement of immigration? A.—I decline to analyse my reasons, or my reason, I will put it. I will decline to analyse the reason that was in my mind in passing that contract.

Q.—You decline to state whether you thought it was a specially free or partially free grant of the unoccupied and unappropriated Crown lands of the Province for the encouragement of immigration? A.—All I will say is that generally, in my opinion, I considered we had power to make that contract.

Q.—Will you answer the question? A.—It was open to some doubt whether there was power to make that grant—

Q. (Interrupting)—Will you just answer my question, Mr. Wilson? A.—I do not think I can.

Q.—You don't think you have an opportunity of proving that lawyers make good witnesses? A.—No; as a matter of fact, I am afraid that a lawyer makes a very bad witness. I am a very bad witness, I know. You see, the trouble with me is that I have nothing to conceal. As far as the law is concerned, I don't care very much for being examined on that ground, but I don't care how much you examine me on facts. You can get all the facts you like from me about the matter.

Q.—Well, I simply asked you whether there was power under that section to make that grant, and whether it was because it was made for the encouragement of immigration? A.—Well, that is more a question for a judicial tribunal and not for me to decide.

Q.—Well, we have the head of the Legal Department of the Crown here—the Chief Law Officer of the Crown—and, surely, we should be able to get your views on the matter? A.—I am afraid you cannot get it from me.

Q.—Now, you see this section 39 enables the Lieutenant-Governor in Council to make this grant upon one of the two grounds mentioned here, or both of the two grounds. First, for the encouragement of immigration; and, secondly, for other purposes of public advantage. Now, in dealing with the first, did you consider that this grant was for the encouragement of immigration? A.—Mr. Macdonald, let me just put it to you this way: Supposing you were acting for the vendor in this matter—

Q.—No, I don't want you to go into that—just answer it yes or no—surely you can do that? A.—I will put it in that way, as an illustration. Supposing now that I am acting as solicitor for the vendor, and the purchaser's solicitor chooses to accept the title, which may or may not have some defect in it; he chooses to accept it, and I am inclined to think that my client is making a good bargain, then I will say "All right, go ahead and make the contract."

Q.—Surely you will not place the public trust reposed in you as a Member of the Cabinet on any such basis as that? A.—Place what?

Hon. Charles Wilson—*Continued.*

Q.—The trust that the people of this Province repose in you as a member of the Cabinet on any such conclusion as that? A.—I say, Mr. Macdonald, that there is material enough in that section to advise the Lieutenant-Governor in Council that he has power to make the grant. It is open, possibly, to question, but being open possibly to question, if the purchaser then choose to accept it with that doubt in his mind, that is his business. But as it stands, the Government has made a good bargain.

Q.—Will you come back to my question. At the time you made this grant, did you consider that it was being made for the encouragement of immigration? A.—I considered it would greatly encourage immigration.

Q.—And that was one of the conclusions you came to in advising the Lieutenant-Governor to give his consent to the making of this grant? A.—I advised generally, Mr. Macdonald, that the Government had power—

Q. (Interrupting)—Did you advise him that this grant was being made for the encouragement of immigration—just answer the question? A.—I cannot answer that question in that shape, you know. You must understand there is no one here to re-examine me.

Q.—Well, you can re-examine yourself, surely? A.—You can only take that answer with my explanation that I have made. I advised generally, and considered the Government was making a good bargain. Instead of taking the legal side of the question, I think you had better stick to the facts.

Q.—We are examining you as Chief Law Officer of the Crown you know, Mr. Wilson. I am asking you, then, as a fact, when you had to deal with this section—as you have already told us you have dealt with this section—whether you considered you were advising the Lieutenant-Governor in Council to make the grant for the encouragement of immigration, and by reason of that power contained in that section? A.—I cannot take the section to pieces, you know, Mr. Macdonald. I have to read the whole section together as it stands.

Q.—This is already in pieces. You don't need to take it to pieces. A.—I advised generally—

Q.—Then I cannot get any other answer? A.—You cannot get any other answer on that from me, I am sorry to say. You see this is a question really for a legal tribunal to determine as to whether there was power under that section to make that grant.

Q.—Did you consider that this was a grant (using the words of the section) “for other purposes of public advantage”? A.—I did.

Q.—And not being bonuses for the construction of railways? A.—I considered it absolutely for the purpose of public advantage, and I don't consider it was a bonus to the railway.

Q.—Well, then, you considered you were advising the Lieutenant-Governor in Council because it was a public advantage? A.—I do consider it so to-day, and did then.

Q.—Then your opinion must be, of course, Mr. Wilson, as the Chief Law Officer of the Crown, that wherever it is considered by the Ministers of the Cabinet a grant of public lands is to the public advantage, then the Lieutenant-Governor in Council has power to make that grant? A.—Well, I am not quite prepared to state that. You see you have put to me there a broad general proposition, and I would want to consider that a little bit before I would answer that and accept a broad general principle like that or not.

Q.—It is a corollary of what you have said? A.—I am not so certain that it is. I would prefer to deal with the individual instance. In this case, was it of public advantage, and I would answer yes. Was it a bonus to a railway construction, and I answer no.

Q.—Would you place this grant on a different basis to a grant of public lands in a valley, which valley the railway company had intended to avoid, the land being Crown land and being benefited by the railway going through it? A.—I think when that question comes along to me for consideration, I will be prepared to consider and advise on it, but it is not necessary to do so now.

Q.—You ought to consider it? A.—I think that is a question for a legal tribunal.

Q.—If your impression is right about the establishment of a townsite being of public advantage, it would necessarily be right about public lands in a valley which would otherwise be avoided by a railway? A.—That is a question of legal inference.

Q.—You are a legal man, and that is why I have got you in the box. A.—I am here to disclose facts, and not give evidence on legal propositions.

Q.—I think you ought to give us the benefit of your legal advice in matters of this kind? A.—Mr. Maclean will give you the benefit of any legal advice you may require.

Q.—But the question I am asking you is this: Would you place this grant of a terminal townsite on any different basis to a grant of public lands in a valley which would be made to the Railway Company (in a valley they desired to avoid), in order to induce them to go through that valley? A.—I think the time for me to consider a question of that kind is when it is submitted to me for consideration.

Q.—Is that your answer? A.—Yes; I won't answer that question on any other basis.

Q.—Or would you consider it on a different basis to a grant of three-quarter interest in any other public land which would be made to the Company in order to induce the Grand Trunk Pacific, say, to make those lands its terminal townsite? A.—Every case must stand on its own footing, Mr. Macdonald, and you have to ask yourself “Is it a question of public advantage?” If so, the grant should be made, but each case must stand on its own merits, and that is the test I would apply to each case.

Q.—What I want you to do, Mr. Wilson, is to define to some extent what you consider your powers to be under this section? A.—I cannot do that very well. I cannot define what is to the public advantage in the most of cases. But when each individual instance is submitted to me for consideration I am prepared to pass an opinion on it.

Q.—Yes, but before you decided that this was to be a public advantage, you made no inquiries with regard to Kaien Island—you had no knowledge of Kaien Island, or of the particular lands to be granted—you had none of that? A.—Do you mean that we did not know the character of the land we were conveying?

Q.—You did not know anything about it, except what Mr. Anderson and Mr. Bodwell had told you? A.—I don't know as to that. I think that is a question to put to the Chief Commissioner.

Hon. Charles Wilson—*Continued.*

Q.—I am putting it to you. You are a member of the Cabinet? Did you personally know anything about it? A.—No; all I had to consider was whether it was a matter of public advantage and advise as to our powers under the section to make the grant.

Q.—Well, you refused before to answer on questions of law, and stated that you would prefer to be asked questions of fact, and when I do ask you a simple question of fact you ask that we ask the Chief Commissioner? A.—I would not go to Kaien Island myself to find out this knowledge; I would go to the Chief Commissioner.

Q.—Well, did you get your knowledge from the Chief Commissioner as to the particular lands to be granted? A.—I could not tell you that.

Q.—So that you are expressing your opinion on this being to the public advantage, and so decided at the time, without there being a single fact or circumstance brought to you by the Chief Commissioner or anyone else which would show that this was to the public advantage? A.—That is not so; there were some circumstances of which I was advised. I believe that the lands were largely of rock, and the general information which came to me was to the effect that the price of \$1 per acre for the 10,000 acres was an excellent price to obtain for it.

Q.—So that the circumstances that led you to this opinion that this grant was of public advantage was the fact that the land was largely rock? A.—No, not that alone.

Q.—Well, what else then? A.—That the Grand Trunk Railway proposed to establish a terminal at this particular spot, and the probability was that this land would rise immensely in value and the Province of British Columbia would reap a very enormous profit from it.

Q.—But if the Railway Company established its terminus on that spot without this grant, then the Province would own the whole of the townsite? A.—You must assume that the Railway Company, taking your version of it, are a pack of idiots, and did you ever strike a lot of railway men that were a lot of fools? I never did.

Q.—Well, you considered that you had to offer them some inducement to make their terminal on Kaien Island? A.—They came to us with a proposal and we accepted it.

Q.—And it was for you either to give them the consideration or refuse it? A.—Yes, just so.

Q.—Well, now, if they went to that spot without consideration, the Province owned the whole of the lands, didn't it—not merely one-fourth, but four-fourths of the townsite lands? A.—Yes, but there is a great big "if" there, Mr. Macdonald.

Q.—Did you then consider it necessary to offer them a consideration to go to that spot? A.—What do you mean?

Q.—In this particular transaction—no "if" about it—when they came to you, did you consider it necessary to give them this large consideration in order to induce them to go to that place? A.—I did not consider it necessary. I did, however, consider it advisable.

Q.—That is, you considered they would not go there otherwise? A.—I considered it to be to the public advantage to have them go there.

Q.—And that they would not go there otherwise? A.—I do not think they would, and I will add this: I have a great doubt in my own mind if they will go there now. I think the bargain is so good a one for the Province that they will not keep it, as they can do a great deal better than that with other people.

Q.—If you will just answer the questions we will get along faster. You consider it necessary to give them this large consideration to get them to go to that spot? A.—I have told you over and over again it was not necessary.

Q.—Didn't you say it was? A.—No; I have used the proper expression—I don't say it was necessary. I say it was in the public interest to have them go to Kaien Island.

Q.—I used the word "necessary," Mr. Wilson, and I want you to answer the question. Didn't you consider it necessary to give them this large consideration in order to induce them to go there? A.—We did not induce them to do that. Why, they came to us with the proposition.

Q.—Let us put it in another way. We will get down to the facts after a while. You consider that they would not go there unless they got the three-quarter interest? A.—I don't believe they would.

Q.—Therefore, in order to get them to go there, you were prepared to give them this three-quarter interest that they wanted? A.—We made a good bargain with them, and again I repeat, the proposal did not come from the Government, it came from them.

Q.—Well, it does not matter who the proposal came from—you had that proposal to consider and decide—that is right? A.—Yes, that is right.

Q.—You must have first come to the conclusion that they would not go there for nothing? A.—It would not take very much reasoning to get at that fact.

Q.—Then you next had to consider what consideration, or inducement, the Province would offer them to get them to establish their terminus there—you had that to consider, secondly? A.—No, that is not the right way to put it. It was not the question of the Province considering that at all. It was a question of their making a proposal to us, and it was for us to say whether in the public interest the Government should accept it. You want to make it appear that the proposal came from the Government, and that was not so at all; that would not be accurate.

Q.—No, but the proposal was before you, and you had to consider, first, will these people go there without our giving them the three-quarter interest in that land, didn't you? A.—Now you are coming to it.

Q.—And if they would, then it would not be necessary to give them the land? A.—Yes, you are getting at it now all right.

Q.—And secondly, if they will not come there without our giving them this something, how much we ought to give them? A.—Yes.

Q.—And then you came to the conclusion that, in order to get them to go there, it was advisable to give them three-fourths of the land? A.—Yes, and I think it is a very good bargain.

Q.—That was the conclusion you must have come to? A.—Yes, and, unquestionably, it was a good bargain for us to make.

Hon. Charles Wilson—*Continued.*

Q.—And you must also have come to the conclusion that unless you gave them this three-fourths interest in the land, they would not establish their terminal townsite there? A.—Yes, and I told you before, it is such a good bargain for the Province, I do not believe even now that they will establish their townsite there.

Q.—Well, it comes down to this—to induce them to build their townsite on this Kaien Island you were willing to give them a three-quarter interest in this land? A.—No, I did not induce them to do anything of the kind.

Q.—Well, I think others will draw a different conclusion to what you do. A.—You are trying to trap me into saying that this was given by way of a bonus for them to come there, but you cannot make that a bonus to a railway, no matter which way you look at it. There is no use wriggling around the point, because it was not a bonus. I will put my cards on the table to you, for there is no use tumbling into troubles over that. I know what you want to get me to admit. I rather enjoy it—it is skilful (laughing).

Q.—No. I quite see that you are the same kind of a witness that lawyers are always supposed to be? A.—I am very glad to think that you think I am a credit to the profession, Mr. Macdonald. As far as your powers of cross-examination are concerned, I am willing to return the compliment.

Mr. Ross: Mr. Wilson, just one or two questions. Do you remember the date you were ill in the hospital? A.—No, but if you can fix the date of the Lillooet election that would give it. I came right down here from there, and went straight into the hospital.

Q.—That was in the summer? A.—Yes.

Q.—Do you give us to understand you attended none of the meetings of the Executive Council at which this matter was discussed? A.—My recollection is there were meetings of the Executive Council held in my room.

Q.—Well, at that time, how often were those meetings held in your room? A.—When they were of sufficient importance, or of such an important character to require my presence, and meetings in relation to this subject would be of that character.

Q.—Now, of course, during the session of the House, you hold those meetings very often? A.—Yes, nearly every day.

Q.—And during the recess, what is the practice? A.—We have no settled practice. Unfortunately, one cannot fix any settled practice, as people come along here and they want the Council held at once; they may have to leave early, and they generally get it. We have always adopted the principle whenever a man came along, or a body of men came along, and they wanted a meeting held immediately, we have always given that privilege to them, and sometimes come down at night in order to let me go away that evening.

Q.—In holding these meetings, do you always insist on having a full attendance of the Council? A.—No, it is not necessary.

Q.—So there may have been meetings of the Council when this question was discussed at which you were not present? A.—Oh, it is very likely that there may have been, but as to that I cannot charge my memory with it.

Q.—And with regard to the details of this particular transaction, it was not in your Department, was it? A.—The settlement of the contract was, and the revising of the Minute of Council.

Q.—No, I mean the details leading up to the settlement of the contract; it was merely a question of departmental procedure which would be dealt with in the Lands and Works Department, and would not necessarily be brought to your attention until your services were required? A.—No, not likely.

Q.—So you would not be likely to remember all the details of the conversation which culminated in the passing of the Minute of Council? A.—No. Of course, I would well know, as a member of the Executive, that a transaction of this kind was to be carried out.

Q.—But you would not charge your memory with the details? A.—No, it would be a matter which I would leave to my colleague who had charge of that particular department.

Mr. Macdonald (reading page 874, Gazette): Just read that notice, Mr. Wilson, that Notice of Reserve. A. (Reading same)—Yes; just so.

Q.—You see how it reads: “Notice is hereby given that all the vacant Crown land which is situated on the Tsimpsan Peninsula which runs to the north of a line drawn * * * is reserved.” You see that? A.—Yes.

Q.—Now, you would read that to place a reserve upon the peninsula, wouldn't you? A.—Well, if you will show me the map—

Q.—No, but looking at the Order in Council itself? A.—No, but I would want to see the map, as I do not carry the geographical location in my mind. This is not a place I am familiar with as I am with some other places.

Q.—But before we come to that, would you consider that that word “peninsula” included islands? A.—Until you show me the map, I cannot tell you.

Q.—No, but they are using the word “peninsula.” A.—Well, isn't that a matter of construction?

Q.—Yes. Well, what is your construction of it? A.—I don't know. Upon my word and honour, I would not like to construe that language without looking at the map and considering it.

Q.—Well, surely you can construe those words without looking at the map. Would you consider that the word “peninsula” included islands? A.—I don't know. I don't know whether I would or not. I am sure I would like to be able to tell you what they mean, but you see these notices are drawn by unprofessional men. They are not drawn in the Land Office. I have seen Orders in Council which have been very badly drawn at times—not by the Chief Commissioner, but by the Deputy Commissioner. I really would not like to construe that.

Q.—Well, you know very well the rules of construction. In considering a document, you must construe the words of the document? A.—Of course, if you applied the strict construction of the rule to the document; but I am not so sure that you could.

Hon. Charles Wilson—*Continued.*

Q.—Well, applying the strict construction to the word “peninsula” as used there, would you say that included islands? A.—I don’t know. I cannot tell you. I cannot tell exactly what that means. I would like to know what they meant by it.

Q.—Well, I would like you to tell me what they meant by it? A.—Well, upon my word and honour, I cannot tell you. Those illy drawn orders, they give me no end of trouble.

Q.—Well, that is quite clear. A.—There is no question but one has to admit that the word “islands” is not mentioned there.

Q.—And it is quite clear that “peninsula” does not include islands? A.—Well, I will tell you: I would be inclined to think that certain portions of the mainland referred to geographically would include islands.

Q.—It would include all adjacent islands? A.—I think the question was determined by Mr. Justice Irving a little while ago, in relation to a question of taxes.

Mr. Garden: Yes, Elkley (X) Harbour. There was an island there.

Witness: Yes, and the question arose there as to whether that was within description of the part of the mainland or not.

Mr. Macdonald: That would depend upon the wording of a particular Act or Statute, but, looking at this Order in Council, what would you say the word peninsula meant there? A.—Well, if you refer to the Island of Great Britain, it would include the Isle of Wight ———

Q.—Well, supposing they refer to Cornwall, would it include the Isle of Wight? A.—No, but it would refer to the counties adjacent.

Q.—Well, of course, you understand that Great Britain includes all the sovereignty of Great Britain? A.—I am speaking now geographically.

Q.—Well, you cannot speak geographically of Great Britain. But here is the clear expression, the “peninsula.” Would you consider that it included the islands adjacent? A.—I would not like to put a narrow construction on it.

Q.—Would you put any construction on it? A.—I would rather not construe a thing like that, which would be drawn up by unprofessional men.

Q.—Well, wouldn’t you be called upon to construe it as the Chief Law Officer of the Crown when applications were made for locations on Kaien Island, under South African War scrip? A.—I am not certain as to whether this question came up, or whether I was called upon to determine any of these questions.

Q.—Well, shouldn’t you have been called upon to determine them? A.—I could not tell you that. As a matter of fact, I may have been called upon, but I don’t remember it at all.

Q.—Well, if any doubt arose as to the construction of an Order in Council creating a reserve, wouldn’t you, acting as the Attorney-General, be called upon to construe that Order in Council? A.—Yes, very likely.

Q.—Were you called upon to construe that Order in Council (indicating)? A.—That one you have just read?

Q.—Yes. A.—I don’t think I was. I do not remember ever having been asked about it, or that I have ever seen that notice before. But the question of South African scrip depends on something else beside that. It is entirely within the discretion of the Chief Commissioner as to whether he will allow their application or not.

Q.—But when the Chief Commissioner puts it that his ground for refusal is because the land is under reserve, who ought to know whether it is under reserve? A.—He may have so understood it was under reserve.

Q.—Well, if there was any doubt about it, who ought he to have consulted? As a matter of fact, he ought to have consulted you, as the Chief Law Officer of the Crown? A.—I would not like to say what he ought to do.

Q.—Well, isn’t that right? A.—If it were of sufficient importance to need legal advice on, he would certainly come to me.

Q.—Well, wouldn’t you consider that applications of South African volunteers for land, where there was a doubt as to whether it was under reserve or not, and the granting of their applications depended on that being found out—don’t you think that it was a matter of sufficient importance to get your opinion on? A.—I would not like to say what I would do if I were the Chief Commissioner.

Q.—Do you think that that is a matter for you to consider? A.—Well, I ought not to say as to that. I ought not to pass an opinion on my colleague’s view in relation to a matter of that kind. He exercised his own discretion, and I expect a wise one, in the matter.

Q.—Well, the discretion depends upon the interpretation of that reserve, does it not? A.—Possibly it would.

Q.—And he, as a matter of fact, did not submit it to you? A.—I have no recollection of it.

Q.—And you are not now prepared to say that, under that reserve, all the islands were not included in it? A.—Well, I don’t like to construe that section at all, you see, unless I have some further information about it.

Q.—Well, surely, Mr. Wilson, it is not a matter of further information. There is the reserve? A.—Yes, I know, but you cannot construe these reserves in that strict way, you know. As I pointed out to you, the Deputy Commissioner would draw that reserve, and we have frequently had cases where the reserves have been illy drawn.

Q.—Would you consider it fair to refuse applicants for land under South African scrip, for purchase or pre-emption, would you consider it fair to refuse them on the ground that the land was under reserve, when, as a matter of fact, the land was not under reserve? A.—Now, I hope you will pardon me ——— You are now asking me what is one man’s idea of what is fair and right. Before answering that, I would like to know from him first what his views were in the matter, as to whether he acted fairly or unfairly. I would like to know all the things that guided his action in the matter.

Hon. Charles Wilson—*Continued.*

Q.—He has put it as his reason for refusing these applications that this land was under reserve; now, I am asking you, would that refusal be fair if it so happens that this land in question was not included in the reserve? A.—Well, if he were inclined to consider it in that way, and considered the land was under reserve, then I would say that it was fair.

Q.—Without his submitting it to the Attorney-General? A.—Well, he may have considered that he understood it.

Q.—Well, do you understand what that reserve covers, as the Attorney-General of the Province? A.—Well, I am not clear about it.

Q.—Well, let us have your opinion about it? A.—I do not think you ought to ask me for opinions—that is not quite fair.

Q.—Well, do you say you are not clear about it? A.—I am not clear as to what the language means.

Q.—You think the word “peninsula” there might possibly cover the islands? A.—You see, Mr. Macdonald, I would read that very differently from the Chief Commissioner, who is a layman.

Q.—Well, I am not asking you for his opinion. I am asking you for yours? A.—I do not think that I should be called upon, in an examination of this description, to give a construction of that notice of reserve.

Q.—Oh, I think so, Mr. Wilson? A.—Oh, no.

Q.—I am asking you now, Mr. Wilson, as the Attorney-General for this Province, whether you think that reserve, that mentions only the “peninsula,” in your opinion, covers the adjacent islands? A.—I would not like to answer that.

Q.—Then you won't answer the question? A.—I would not say that I won't. That would be rude, and I am trying to be courteous all through the examination.

Q.—I quite appreciate that. A.—I want to put it on the ground that I should not be asked to construe an order of that description. I think that is a matter upon which I should not be asked to give my opinion.

Q.—Well, you would not like to venture an opinion about it? A.—No, I would not like to venture an opinion about it.

Q.—I suppose that is all that I can get from you on that point? A.—I am sorry I cannot give you an opinion.

Mr. Garden: You see, the map showed this land as being all a peninsula, and no island, and here is the reserve up to here (explaining map to witness). Digby Island is shown here, but there is no Kaien Island shown here at all. Kaien Island lies right here. There is Digby Island, and the reserve comes right up to here, and takes in all this land right up to here (indicating on map). A.—That is why I say it would be hard to construe that notice there, without first looking at the map.

Mr. Garden: When the reserve was made there was no Kaien Island shown at all, although the area is there.

Mr. Paterson: What about that?

Mr. Garden: That shows Digby Island.

Mr. Paterson: What are these outlines here?

Mr. Garden: There is no question about it, all that there was understood to be the continent—the peninsula—from the head of Work Channel down to here. There was no Kaien Island at that time. There were simply unexplored passages, but it was afterward known to be Kaien Island.

Mr. Macdonald: Now, is that in evidence that there was no Kaien Island known in 1891?

Mr. Garden: I say that when that reserve was first made on that map there was no Kaien Island known.

Mr. Macdonald: Nor is it known that that map was referred to in the reserve at all. There has been no evidence of that.

Mr. Garden: We will get evidence of that.

Witness: What is the date of that map—1867? You know all these maps were made years ago.

Mr. Macdonald: There is nothing to show when that reserve was made; there was no reference made to that map, or that Kaien was not known to be an island at that time.

Mr. Garden: Mr. Gore could probably tell you something about that.

Mr. Macdonald: In any case, it was known to the Chief Commissioner at the time he refused these scrip locations that Kaien was an island, and in refusing them on the ground that it was a reserve he claimed to be doing it under this Order in Council, which refers only to the peninsula.

Witness: Well, after all, wouldn't it come down to this, as I pointed out in the first instance, that you have got to get a great deal more information before you than that mere notice before you can properly construe that reserve? In other words, the man who drew up that reserve drew it with the knowledge (or lack of knowledge, if you like) that was then extant in relation to islands and so forth.

Mr. Macdonald: But if he drew this Order in Council to confine the reserve to the peninsula, without ascertaining, or caring to ascertain, how many islands were there, then, as a matter of construction, shouldn't the reserve be confined to the peninsula only? A.—Well, I would be inclined to think that a judge would want to hear some evidence about it. I will put it this way: if you took that simple piece of paper to him and asked him to give his construction of those words, he would give his construction of it as a lawyer would—just according to the words themselves.—

Q. (Interrupting)—How would you construe it, though? A. (Continuing)—but if a Judge, in the course of a controversy, had that document brought to him in relation to the particular subject he was adjudicating upon, and evidence was brought to him to prove that at the time that reserve was made this particular locality was not then made known as an island, I should think he would be inclined to say that that island came within the reserve.

Q.—But, you say, if that document were brought before him as a lawyer, he would construe it according to the words itself? A.—Yes.

Q.—Well, how would you construe it then, as a lawyer? A.—I am telling you—

Q.—Taking that document as it is, and without reference to anything else? A.—Without reference to anything else, I would be inclined to say a reserve of that kind would include also all islands. Don't mis-

Hon. Charles Wilson—*Concluded.*

understand me—I don't mean to say it would include islands of enormous extent. It would not include Vancouver Island, but it would include all small islands, for instance, within the immediate locality. I would be inclined to think that was the intent of it.

Q.—You are inclined to go that far? A.—Yes.

Q.—Then if it included Kaien Island, it would also include North and South Porpoise Island? A. (Examining map)—Where is the peninsula?

Q. (Interrupting)—It would include Digby Island too? A.—Just let me see the channel that connects—

Q.—This is the peninsula. A.—Mr. Paterson, would you mind my having that map for a moment?

(Map handed witness by Mr. Paterson.)

Mr. Garden: Here is Digby Island out here. Kaien Island is not shown, but Digby Island is shown. Now, they run the reserve in a line due west from the head of Work Channel out here, and this reserve reached right from here out here, and then goes up the coast, and they take this part in here. (Indicating on map).

Mr. Macdonald: I do not know whether they did or not. There are unexplored passages shown in there, and it might include half a dozen islands.

Mr. Garden: It might, but there is only one island marked.

Mr. Macdonald: And if it included Kaien Island, it would also include Tugwell Island.

Witness: Mr. Macdonald, if you were asked to read that reserve by the light of this map, you could not say for a moment that it did not include Kaien Island.

Mr. Macdonald: With the knowledge that there were unexplored passages there? A.—Yes, with the knowledge—it could not be said that it did not include Kaien Island. It intended to include all that land not an island out here, but the islands that are close to it, they might really be said to be covered by that reserve.

Mr. Garden: In other words, they meant the area which they thought to be the peninsula, but which afterwards turned out to be an island. Digby Island is an Indian Reserve.

Witness: Yes.

Mr. Macdonald: How would you be able to tell, Mr. Wilson, what they intended to include, except by taking the language of the document? A.—Oh, you cannot apply that strict rule of construction in matters of that kind, Mr. Macdonald. If you applied that, you would have to ascertain what was in the mind of the parties when they published a reserve of that kind.

Q.—Well, how would you get what was in their minds—these men might be dead—how would you ascertain what they meant? A.—I would call Mr. Gore, who was then in the office.

Q.—So the reserve would wholly depend upon the idea of a particular individual or official who was then in the office at the time the reserve was made? A.—Yes, and the knowledge that he would have of the matter at that time. Subsequent investigation would possibly show, as I have pointed out—

Q. (Interrupting).—You know that is wholly contrary to the rule of law? A.—I know that—

Q.—So that in this matter you would go wholly contrary to these rules? A.—Yes.

Mr. Ross: Speaking as a layman, and not as a lawyer, if you had before you that Order in Council just shown, and the chart which has been just shown to you, those documents would indicate some doubt as to whether this island was included in the reserve or not, would they not? A.—As to Digby Island, yes.

Q.—Oh, no, no—I mean now as to the exact meaning of the Order in Council? A.—Yes.

Q.—Now, that being so, would it not be safer, as a matter of discretion, to refuse any application for land which might be included in one construction of that Order in Council? A.—Unquestionably so.

Q.—So, purely as a matter of discretion in the Department, you would adopt that course? A.—Yes, if I gathered there was a reserve to cover certain locality, and it became a matter of discretion for me to allow or disallow it, I would be quite guided by the opinion of the official who was in the Department at the time that reserve was put on.

Q.—And you think, and in your opinion, the Chief Commissioner would be justified in refusing applications for land on Kaien Island? A.—Yes, undoubtedly so.

Mr. Macdonald: Your idea is, Mr. Wilson, that a reserve should be a sort of vague thing, contained only in the mind of an official in the Department, and not in the document itself? A.—That is not my idea, but I am equally sorry to say you will find a great many reserves laid on in this Province where there has not been that degree of accuracy that you and I, as lawyers, would like to see.

Q.—Don't you think that is a very good reason why you should apply the strictest rule of construction? A.—No, because you would do a very great harm if you were to do so.

Q.—Well, according to your idea, instead of applying a strict rule of construction to the language as set out in the reserve itself, you would prefer to take a vague idea of some official in the Department, what was in his mind when the reserve was made, as to what was intended to be reserved by the party who drew it up? A.—Yes, when it is founded on a document of that kind, which is illy drawn.

Witness stands aside.

Committee here adjourned till Tuesday, 27th February, 1906, at 10 A. M.

TUESDAY, 27th February, 1906.

Pursuant to adjournment, the Committee appointed to inquire into the matters under inquiry herein met this 27th day of February, 1906, at 10 A. M.

Present: Messrs. Garden (Chairman), Ross, Young, Paterson and Macdonald.

The minutes of the previous meeting were read by Dr. Young, and, on motion, formally adopted.

Mr. Garden: I am in receipt of a telegram which I received from Mr. Morse, in which he explains it will be impossible to come, and begs to be excused (reads telegram).

Mr. Chairman : I asked Mr. Gore to be here this morning. He was the Deputy Commissioner of Lands and Works for many years, and during the time the reserve was put on which included Kaien Island, and I thought it would be well to have him here to prove what the intention was at the time to include in that reserve.

Mr. Macdonald : We have not yet disposed of that telegram from Mr. Morse. I am very anxious to have Mr. Morse here.

Mr. Garden : We have no power, have we, to compel his attendance ?

Mr. Macdonald : I don't understand that he has absolutely refused.

Mr. Maclean (Deputy Attorney-General) : It seems to me you would not have the power. Your power does not extend beyond the Province of British Columbia, in my opinion. I will, however, look the matter up, if you wish. That is merely an impression I have now.

Mr. Macdonald : Well, then, we had better postpone the consideration of that until we get your opinion, Mr. Maclean.

Mr. Garden : It is the intention of the Committee to compel his attendance if we can do so.

Mr. Ross : You will be able to give us an opinion, Mr. Maclean, the next time this Committee sits.

Mr. Maclean : Yes, I think so. And, Mr. Macdonald, if you have any authorities on the subject, I will be pleased if you would give them to me.

Mr. Macdonald : I have not any that I know of at present.

MR. W. S. GORE, a witness called by the Committee to give evidence herein, having been duly sworn, testifies as follows :—

Mr. Ross : Mr. Gore, what was your position in the Department, let us say at the time this reserve was put on in 1891 ? A.—I was either Surveyor-General or Deputy Commissioner. I don't know the exact date.

Q.—And by reason of that, these matters would be within your knowledge, your intimate knowledge ? A.—Yes.

Q.—Do you know the circumstances under which the Order in Council was passed ? A.—I know that for some reason the Government were desirous of reserving all the vacant and unoccupied Crown land on the Tsimpsean Peninsula, and with that object in view the notice was put in the Gazette in 1891.

Q.—Have you that Order in Council there ? A.—No.

Q.—Do you remember the language of that Order in Council ? A.—No, I don't. I don't know that I have seen it since the time it was passed. I don't remember the language of it now. I did, however, look at the Gazette notice this morning : it is a very short, simple notice.

Q.—Do you recognise the chart which is before you ? A.—Yes.

Q.—Is that the map upon which the Order in Council was prepared, do you know ? A.—That was the map of that section of the country which was in use by the Land Office at that time.

Mr. Garden : Do you remember where the starting point of the southern boundary of that reserve was ? A.—Yes.

Q.—Where was it ? A.—At the head of Work Channel, and it ran from there due west.

Q.—At what point ? A.—There was no point mentioned, but it included all the land lying within that boundary, taking a line drawn due west from the head of Work Channel to a line on the Tsimpsean Peninsula.

Mr. Macdonald : That is, it included all the land within that boundary ? A.—It included all the land on the Tsimpsean Peninsula.

Mr. Ross : Will you tell us briefly, then, Mr. Gore, what that land included, according to your understanding of the matter.

Mr. Macdonald : Just one moment. I cannot see how that will have any bearing on it, what his understanding was, or the understanding of the Chief Commissioner was at that time.

Mr. Ross : Well, all he could give would be his own understanding.

Mr. Macdonald : That is hardly a proper way to interpret documents.

Mr. Ross : We are not concerned so much with the legal interpretation as we are with facts.

Mr. Macdonald : I think we are concerned with the legal interpretation, as well as facts.

Mr. Ross : You might look at the Order in Council, Mr. Gore.

Witness : I have looked at that this morning.

Q.—Now, from that Order in Council— A.—Well, that is a copy of it.

Q.—The reserve is an exact copy of it ? A.—I think so.

Q.—Now, from the description given there, and from your knowledge of the matter arising out of your position in the Department at that time, what did that reserve cover ? A.—Well, my recollection of the matter is that it was the intention of the Government to reserve all the land extending between the head of Work Channel and the eastern boundary of the "Big Indian" Reserve.

Q.—Between Work Channel and the eastern boundary of the "Big Indian" Reserve ? A.—Yes. That eastern boundary is shown by a pencil line on this map.

Mr. Macdonald : Where is the "Big Indian" Reserve ?

Witness (Indicating on map) : This is all the "Big Indian" Reserve here. It is the biggest Indian reserve that there is in the Province.

Mr. Garden : It starts from here (indicating on map.) Mr. Gore, will you just point out here where that reserve started from ?

Witness : The reserve commenced at a point at the head of Work Channel, and thence by a line drawn due west.

Q.—To what point on that map ? A.—It does not say there, but that is my idea ; it could not go farther than the "Big Indian" Reserve. It reserves all lands lying to the north in a line due west on the Work Channel, and the only vacant Crown lands were those lands lying to the east of that Indian Reserve line ; but at that time that would take in what is now known as Kaien Island.

Q.—Kaien Island lies east of Digby Island ? A.—Kaien Island lies right in here (indicating on map).

Mr. W. S. Gore—*Continued.*

Mr. Garden: I thought Kaien Island was east of Digby? A.—It is right in here (indicating on map).

Q.—Well, Kaien Island is directly due east of Digby Island? A.—Yes.

Q.—This is the channel. Digby is marked as an island? A.—And Kaien Island is not shown there at all. It was not known at that time.

Q.—Well, the reserve would include Kaien Island? A.—Decidedly it would.

Q.—Even though it had been afterwards questioned, and while it did not mention Kaien Island, you consider it was included in the reserve? A.—Well, there never has been any doubt in my mind but that that was included in the reserve.

Mr. Ross: That is, Kaien Island? A.—Yes.

Q.—And in dealing with that land in the Department, you so interpreted the Order in Council? A.—I did.

Q.—Do you know of any question having arisen as to the interpretation of that Order in Council in your Department? A.—I cannot say that I do particularly. I know there were some people who tried to get land on Kaien Island there, who claimed it was not included within the reserve.

Q.—When was that? A.—That was a short time ago, last year, probably.

Q.—Within the last year? A.—Within the last year or two.

Q.—So that from the time the Order in Council was passed until last year— A. (Interrupting)—It was possibly before last year.

Q.—it was always considered by the Department that the reserve covered Kaien Island? A.—Well, the question of Kaien Island never appeared before the Department until these applications for those lands came in—that is, so far as I can recollect.

Q.—Well, I will put it in another way. Between the date of the passing of the Order in Council and last year, it was always considered that the land which appears now as Kaien Island was covered by that reserve? A.—That is right.

Mr. Garden: That is all the knowledge you have about it, is it, Mr. Gore? A.—Yes.

Mr. Macdonald: Mr. Gore, do you remember the time that Order in Council was passed in 1891? A.—Yes.

Q.—Were you present at Council at the time it was passed? A.—Oh, no.

Q.—Were you spoken to about it at all, as to what the Council meant? A.—I am rather under the impression—

Q. (Interrupting)—Now, I do not want your impressions. If you have any recollection of the fact, will you kindly tell me. You were not present at Council, therefore you could not have heard the discussion with regard to it? A.—No, but it was part of my duty at that time, as it was at a subsequent date, to draft Orders in Council touching Crown lands.

Q.—Do you remember drafting that one? A.—I don't remember drafting it, but the probability is that I did do so.

Q.—Well, we are not here to investigate probabilities. We want to get at the facts, and if the witness can remember the facts we want to hear them. So if you can remember the fact I wish you would answer. A.—I cannot remember the fact.

Q.—Well, confine yourself to the facts. You have, then, no recollection of the drafting of that Order in Council? A.—No.

Q.—Have you any recollection of the occasion on which it was passed, as distinct from any other Order in Council? A.—My recollection is that, prior to the passage of that Order in Council, the Chief Commissioner, Mr. Vernon, had a lawsuit in connection with some articles that were written in the *Victoria "Times,"* and subsequent to that he said that this reserve was to be placed upon the land.

Q.—But as to what took place, or what was in the Commissioner's mind as to the extent of that reserve, you know nothing except what you gathered from the Minute of Council itself? A.—Yes, I know more than that. I know from memory that the matter was discussed, and that it was the intention of the Chief Commissioner, who discussed the matter with me, to reserve all the vacant Crown lands in that locality.

Q.—Well then, you remember having a discussion with the Chief Commissioner at that time, do you? A.—Yes, I remember that.

Q.—Now, we will get down to the facts. You remember having a discussion with Mr. Vernon, who was then Chief Commissioner? A.—Yes.

Q.—Was that discussion before or after the passing of the Order in Council? A.—Before.

Q.—Do you remember what he told you? A.—Well, I cannot remember exactly.

Q.—No. Can you remember what you said to him? Q.—Not in the precise words.

Q.—And you may have drafted the Minute of Council yourself? A.—I probably did.

Q.—Yes, probably did. Of course, you were quite well aware, in the use of geographical terms, "peninsula" does not include islands? You are aware of that? A.—Certainly.

Q.—Then the intention, as appears by the Minute of Council, was to reserve the lands within the area described on the peninsula—that was the intention, wasn't it? A.—No.

Q.—So far as the language of the Minute of Council was concerned? A.—The language of the Minute of Council explains itself—to reserve all the lands I have mentioned in my evidence.

Q.—Don't get away from my point. I am asking you the question, taking the language of the Order in Council itself, the intention seems to have been to reserve the land on the peninsula within the limits mentioned. Look at it again if you have any doubt about it? A.—That was the intention, and that included what was known as Kaien Island.

Q.—That included the peninsula, did it not? A.—And all that was shown on our maps at that time as part of it.

Q.—Where is that in the Order in Council? A.—The Order in Council speaks for itself; I need not interpret that.

Q.—Do you mean to say that the word "peninsula" there includes islands? A.—I mean to say that it includes the land that is shown on that map.

Mr. W. S. Gore—*Continued.*

Q.—I am not asking you about that. Look at the Order in Council itself, which says “vacant Crown land which is situated on the Tsimpsaan Peninsula.” Now, do you say that that includes islands, the word “peninsula” includes islands? A.—I say that that includes what is known now as Kaien Island.

Q.—Leaving that alone for the moment, do you say that that word “peninsula” includes the islands on the coast? A.—Well, peninsula speaks for itself.

Q.—The word “peninsula” speaks for itself, yes. Therefore, it excludes islands? A.—No, not necessarily. It includes what was known as the peninsula at that time. There is the peninsula (indicating on map) as it was known to us. It may have included half a dozen small islands.

Q.—And you knew at that time that the Tsimpsaan Peninsula was what was included in the reserve, and that alone? A.—Yes.

Mr. Garden : You included up to a certain line? A.—I beg your pardon?

Q.—You intended to include up to a certain line, and a certain area, and if there were islands within that area, they were included in the area reserved? A.—Yes.

Mr. Macdonald : Why didn't you say so then in your reserve? Why didn't you say “the peninsula and islands”? A.—Because there were no islands known to us at the time. It was known to us as the peninsula, which came up to the Big Indian Reserve. There were no islands shown on our map, and, therefore, they were not mentioned.

Q.—Well, what about Digby Island? A.—It is not shown there.

Q.—Yes, it is. A.—Digby Island is not included in the reserve.

Q.—Why is it not included, if the reserve was intended to include islands as well as the peninsula? A.—Because the Indian Reserve takes it in. There is the peninsula, and there is the Indian Reserve, and you could not encroach upon that. Digby Island is a part of the Indian Reserve.

Q.—Well, there are a number of islands on the coast opposite the peninsula? A.—Where?

Q.—Beyond the reserve? A.—We do not go beyond the reserve.

Q.—There is no mention of the Indian Reserve in the Order in Council. Your reserve commences at the head of Work Channel? A.—Yes.

Q.—And runs due west? A.—Yes.

Q.—And there is no reference made to the Indian Reserve? A.—No, but there is reference to Crown lands.

Q.—Now, there is an island up there—this reserve would run due west from the head of Work Channel, and take in right up to the northern end of the peninsula? A.—It would not take in up there, because this is all Indian Reserve there.

Q.—It takes in all vacant Crown lands? A.—Yes, it takes in all the vacant Crown lands.

Q.—And Finlayson Island, would that be a part of the Indian Reserve? A.—I don't know whether it was or not, but it was all outside of this (indicating on map). It may have been part of the Indian Reserve. It was not, however, within the scope of that Order in Council.

Q.—Why not? A.—Because it does not lie north of that line; it runs outside of that line.

Q.—This is the line (indicating on map). A.—Yes, and it stops when you get there.

Q.—Why? A.—Because that is the Indian boundary.

Q.—Doesn't it take in all the Crown lands to the west of that. A.—No, the lands to the north of it.

Q.—Then, according to your contention, it does not extend to the coast line, this reserve; you don't draw your line from the head of Work Channel to the coast? A.—It does not say that in the Order in Council.

Q.—Is that your interpretation of it? A.—My interpretation is that it comes from the head of Work Channel to the eastern boundary of that reserve; it is all vacant Crown lands on the Tsimpsaan Peninsula between those lines.

Q.—And then runs due north? A.—Yes.

Q.—That is, it comes to a point on this chart marked Oldfield? A.—That is the boundary line, approximately (indicating on chart).

Q.—In fact, the line that you say was the boundary line, it runs right through Mount Oldfield, as shown on this chart; just look at it? A.—I see what you mean. Whether it runs through it I could not tell you. It is an approximate line.

Q.—What line is that there—a pencil line? A.—Yes, it is a pencil line.

Q.—When was that made? A.—I think that was made at the time this reserve was under consideration, to show, approximately, where our Crown lands were. Our Crown lands lay to the east of that line. It is shown here (indicating on chart). This is the line—you see there is the Tsimpsaan Indian Reserve.

Mr. Garden : You can see just a little of Kaien Island on the west.

Witness : And there is Digby Island. This marked green here is Crown land.

Mr. Macdonald : Did you draw the pencil line yourself? A.—I think possibly I did, but I cannot swear that I did.

Mr. Garden : That line has been there a long time? A.—Yes; it has been there ever since the reserve was established.

Q.—Of course, Mr. Gore, you are not a public official now, but were then, and you know this, that when Orders in Council were drawn, specifically reserving land—for instance, describing lands (not islands) on the peninsula—those Orders in Council should be read to include something which does not fall within the terms of the Orders themselves, but something which you imagine was in the mind of the Chief Commissioner, or the Ministers, at that time. Is that your idea? A.—I can only speak generally of the Orders in Council. I could not say what was in their minds, but I can speak as to what was in my mind at the time this particular reserve was established.

Q.—And what was in your mind at that time was that you should reserve lands upon the mainland, upon the coast, wasn't it? A.—What was in my mind was that we should reserve all Crown lands that we

Mr. W. S. Gore—*Continued.*

owned between the head of Work Channel and the Indian Reserve, so that there would be no other land there outside of the Indian Reserve for which people could apply. The Department at that time was greatly annoyed by the number of applications coming in for land in that vicinity.

Q.—But the matter of islands never entered your head? A.—It mattered not whether that Crown land was islands or not, so long as it was Crown land. There were no islands shown as being included in it in the maps in our possession.

Q.—So that what you thought you were dealing with was a part of the peninsula? A.—It was all known as Tsimpsian Peninsula, as shown on our chart.

Q.—And that is what you thought you were dealing with—the peninsula—is that right? A.—That was the name of it at that time.

Q.—And from that time, 1891, up to a couple of years ago you never had occasion either to consider that Order in Council or to clearly ascertain the lands which were comprised within the Order in Council, until applications came in for land on Kaien Island? A.—No.

Q.—Now, when the first application came in for land on Kaien Island you knew then, of course, that Kaien was an island? A.—I knew it was said to be an island.

Q.—Yes. You had not any doubt about it being an island? A.—I did not think very much about it one way or the other.

Q.—Did the matter come up before you for adjudication? A.—No, it was not a part of my duty to adjudicate upon such matters, but if people came to me for information I would tell them it formed a part of the reserve.

Q.—Do you remember people coming to you for information, and being told that? A.—No, I cannot say I remember particular instances.

Q.—Do you remember Mr. Anderson coming to you? A.—No.

Q.—Mrs. Anderson? A.—Mrs. Anderson I have not the pleasure of knowing.

Q.—You have not the pleasure of knowing Mrs. Anderson, but you have the pleasure of knowing Mr. Bodwell? A.—Yes.

Q.—Did you have any conversation with him about it? A.—Mr. Bodwell and I had no conversation about it, to my knowledge.

Q.—Now, what did you do with the first application that came in for lands on Kaien Island? A.—I don't remember what the first application was.

Q.—Do you remember any application with which you had anything to do? A.—Yes; a man by the name of Kane made an application to locate land under South African scrip on Kaien Island and he was refused, on the ground it was under reserve.

Q.—Did you have anything to do with that application? A.—No; nothing more than to tell him that it was under reserve.

Q.—You remember, then, having a conversation with Kane? A.—I won't swear to that positively.

Q.—And did the matter stop there in your Department? A.—I think Mr. Kane was rather persistent about it. He claimed that he should have his land.

Q.—Did he point out to you that Kaien was an island, and therefore it was not included in the term peninsula? A.—I think that was a matter he pointed out in his correspondence on the subject.

Q.—Did you have any conference with the Chief Commissioner in regard to the matter? A.—I probably did. I don't remember, however, any specific conversation.

Q.—Do you remember discussing the matter with him at all? A.—Yes, I remember discussing the question as to whether that particular land on Kaien Island was within that reserve or not.

Q.—Yes—when was that? A.—Afterwards—after Kane's application came in, probably.

Q.—Yes. When did you first hear of the application of Mr. Bodwell for 10,000 acres? A.—The first time I ever heard of that was when the Chief Commissioner of Lands and Works handed me the field-notes of the survey made by Mr. Ritchie of those lands, and told me to deposit them in my safe. That was the first intimation I had of the matter.

Q.—That would be after the Minute of Council of the 3rd May, I suppose? A.—I don't know anything about that Minute of Council.

Q.—Then you were not consulted with regard to the application of Mr. Bodwell in January? A.—No.

Q.—You knew nothing about it? A.—I knew nothing whatever about it.

Q.—But do you remember having a conversation with the Chief Commissioner about the reserve? A.—Yes, I remember that. I presume it was in consequence of Mr. Kane's application, and I remember getting this map out and showing it to Mr. Green, and pointing out what the reserve comprised.

Q.—Yes. Didn't he call your attention to the wording of the Minute of Council, or had you that before you at the time? A.—I don't remember whether I had or not. I certainly had not the Order in Council. I may have had that Gazette notice.

Q.—Did you call his attention to unsurveyed channels that appear on that map around Digby Island? A.—I called his attention to the fact that Kaien Island was not shown on that Tsimpsian Peninsula.

Q.—Did you call his attention to that fact, which, I suppose, would strike you as being a reserve there, that this chart itself shows unexplored channels? A.—I did not call his attention to it particularly. He saw the map the same as I did.

Q.—But that is something which would not strike a layman? A.—Well, that might be a bayou, or anything.

Q.—It might be? A.—Yes, it might be.

Q.—And it might be an island? A.—Oh, yes, it might be anything, but there is nothing there to tell it.

Q.—Doesn't that show an unsurveyed channel in there? A.—Yes; but that unsurveyed channel might terminate in the moon.

Q.—And it might run into all sorts of ramifications? A.—Yes, and it might go in there and take in Kaien Island, for that matter.

Mr. W. S. Gore—*Continued.*

Q.—So that there was sufficient on the map to indicate that there might be channels there which were not shown, and islands there? A.—No, there is nothing there to indicate there might be an island in there whatever.

Q.—Well, I will ask the stenographer to read over what you have said (reads over preceding questions). A.—Yes, my answer is quite applicable. There is nothing on this map to indicate that there is any island in there.

Q.—There is something to indicate that there might be, as I have just had read to you? A.—My answer was not intended to be an answer to that part of the question. I did not intend to say that there may be other channels or islands in there. There is nothing to show there that there are any.

Q.—There is, at east, something to show that there is one unsurveyed channel there which might, as you say, run into all sorts of ramifications? A.—I was merely consenting to your own language. I cannot see it on the map. There is nothing whatever here to indicate there is anything beyond that which is on the map. This is not closed, and it might be closed within 100 yards of that opening.

Q.—And it might not be closed within 100 miles; that is true, too, isn't it? A.—Possibly.

Q.—Did you have a very long conference with Mr. Green on that? A.—I don't think so.

Q.—Have you any distinct recollection of what he said with regard to it? A.—No.

Q.—At that time you were convinced, or you know that it was claimed, that there was an island there. Kane's application was for lands on the island, and not on the peninsula? A.—Oh, yes; I knew at that time it was claimed to be an island, and later publication of the charts show that is so.

Q.—What is the date of this later publication that shows Kaien as an island? A.—I could not tell you.

Q.—Well, have you a copy of it in the Department? A.—Presumably they have.

Q.—Can you give me about the date of it? A.—Well, I have not looked at it for a long time, and really don't know.

Q.—Has it been published since 1891? A.—Oh, yes; that is certain. 1891, that was the map we had.

Q.—That is 1867 and 1870? Now, was there any chart between that and 1891? A.—I don't know. This was the chart we had in the office. There may have been charts which navigators used which we did not have in our office.

Q.—But there is a later chart now in the office? A.—I think so.

Mr. Macdonald (addressing Chairman): I would like, Mr. Chairman, to have that chart produced. Not only the latest, but all the charts.

Mr. Garden: Yes—Cape Caution to Port Simpson. That request would be addressed to the Surveyor-General, would it not, Mr. Gore? A.—Yes.

Mr. Ross: Mr. Gore, while we are waiting for this other plan, I will ask you a question or two. Now, that conversation with Mr. Vernon that you spoke of to Mr. Macdonald, you cannot remember the exact language? A.—No.

Q.—Well, it would be of interest to this Committee to know the general trend of that conversation? A.—I really could not tell you of any particular conversation. I was the Surveyor-General, or the Deputy Commissioner, at the time. At any rate, I was the confidential adviser of the Chief Commissioner at that time. I was his deputy, whether it was by name or merely as Surveyor-General, I cannot just recall.

Q.—Well, then, you don't remember what the conversation was? A.—No, I don't remember what the conversation was.

Mr. Paterson: When was that Indian Reserve established, Mr. Gore? A.—I don't remember the date of it.

Q.—Was there a description of it in the reserve? A.—Oh, yes. It was shown on the map here.

Mr. Garden: The advertised description would be fixed by some land surveyor, the topographical features of the land? A.—I suppose it would be set out in the Minute of Decision of the Indian Reserve Commissioners; that is where you will find that.

Q.—Does that letter refresh your memory as to the date you first had that conversation with Mr. Green about this reserve (handing witness letter of Mr. Kane)? A.—It was approximately about that date.

Q.—That is, the 6th June, 1904? A.—Yes.

(Chart requested by Mr. Macdonald produced.)

Dr. Young (examining later chart produced): I see here the mention of Kaien Island? A.—That was drawn on by hand in the office here.

Mr. Garden: That is the same chart; that was done in the office? A.—Yes, it was done from some information we have got about it.

Dr. Young: That is the same as that other chart.

Mr. Paterson: Not quite. There are some corrections here—1879—this is not the same chart.

Mr. Macdonald: So is this one 1879.

Q.—When was this chart corrected in this way? A.—I really could not tell you. Mr. McKay, the Surveyor-General, would be able to tell you.

Q.—Was it not done within your time? A.—I presume it was, but I do not know when those blue lines were put on there by hand. It was not done by me.

Q.—Who would that be done by? A.—Probably by Mr. McKay.

Q.—Well, how long has Mr. McKay been in the office? A.—Oh, he has been in the office for 15 years, I suppose.

Q.—And he would have charge of that kind of work? A.—He is the Chief Draughtsman there.

Q.—Then you think that your first interview with Mr. Green about the reserve was about June, 1904? A.—Well, I have nothing to impress the date on my mind whatever.

Q.—Well, you say that it was in connection with Mr. Kane's application? A.—Yes.

Q.—And this is the letter of the 6th June, 1904, written by the Chief Commissioner to Mr. Kane, and reading as follows:—"Referring to your application, dated 21st March, 1904, to record 160 acres of land situated on Kaien Island, Coast District, I beg to say that the same has been refused, for the reason that

Mr. W. S. Gore—*Concluded.*

the lands applied for were reserved from sale or settlement on the 12th day of October, 1891." At all events, this conversation would be after the 19th January, 1904? A.—I really have nothing to impress the date on my mind at all. It may have taken place before that date.

Q.—But you see Mr. Kane's application was the 21st March, 1904? A.—Yes.

Q.—It could not have been before that date? A.—That was the date of his application?

Q.—Yes. A.—The first time he applied for it, was it?

Q.—Yes, the first time he applied for it. Haven't you any distinct recollection of the occasion? A.—I have a distinct recollection of talking with Mr. Green about that reserve, and of showing him that chart, but as to what date it was I could not tell you.

Mr. Paterson: How do you account for this line stopping here? A.—I don't account for it at all. I don't account for anything in the way of a pencil line. I do not know what it is for.

Q.—Well, this stops here east of Kaieni Island? A.—I could not say. It has not been drawn by me, and I could not give you any authority for it. There are india rubber marks all over it; if you look down at it you will see india rubber marks on it.

Mr. Macdonald: I suppose you had no other conversation with Mr. Green about it, except the one you have referred to? A.—I don't remember any particular conversation.

Q.—Or with the Premier? A.—I don't know that I ever had any conversation about it with the Premier.

Q.—Or with the Attorney-General? A.—No, nor I do not think I had any with him.

Witness stands aside.

MR. JAMES ANDERSON, testimony continued:—

Mr. Macdonald: Mr. Anderson, have you found your other bank books or cheque stubs? A.—There is one I found, Mr. Macdonald, the last one.

Q.—The last one? A.—Yes.

Q.—Will you produce it, please? (Witness produces same). This commences number 6, commencing 7th November, 1905, and ending January 8th, 1906? (Document above referred to marked as Exhibit "N.") I notice by your bank deposit book, Mr. Anderson, between the 15th December, 1903—the date of the first deposit—and the 21st November, 1904, you deposited \$10,927. Is that money that was supplied by Mr. Larsen? A.—What were those dates again?

Q.—Between the first deposit, the 15th December, 1903, and the 21st November, 1904,—no, perhaps I am not right—you have between those dates deposited \$19,627.50. That is not what I want. Your first stub book produced commences on the 3rd August, 1904. Your first deposit was made on the 3rd December, 1903. Now, you say you were not able to find your stubs or cheques between the 3rd December, 1903, and the 3rd August, 1904? A.—No, sir. I have produced everything I have.

Q.—Now, will you look at your books and say whether I am correct in saying that for the period between the 3rd December, 1903, and the 3rd August, 1904, there was deposited \$10,928? A.—That is probably correct. Mr. Macdonald.

Q.—Checked out nearly \$12,000? A.—I have not made an estimate of the figures.

Q.—Well, that may be correct? A.—It may be correct.

Q.—And you can easily ascertain that by checking up your books, by checking up your deposit book? A.—Yes.

Q.—But you have not got your books for that \$11,745 checked out between those periods, have you? A.—I have produced all the cheques I have, Mr. Macdonald.

Q.—Now, can you account for their loss or disappearance? A.—Except the fact that I did not retain them, or did not keep them for any purpose.

Q.—Now, you were to produce a copy from the bank deposit book of deposits which were not shown in these books. Have you got that? A.—Yes, sir.

Q.—What is the date of the last deposit shown in those two books? A.—February 16th, 1905.

Q.—Then this commences on the 15th March, and continues up to the present time? A.—Yes, sir.

Q.—The columns are not added up in this? A.—They are carried forward, I believe, Mr. Macdonald.

Q.—Just look at it and say whether that will show the total deposits for that period? A.—If it would show which, sir?

Q.—The total amount of money deposited during that period? A.—Oh, yes.

Q.—This is not added up at the end? A.—No, not added up at the end, but I say the balances are all carried forward.

Q.—The balances are carried forward after the cheques are deducted from the deposits? A.—Yes, every transaction is shown here.

Q.—Now, then, have you exhausted your search for documents? A.—I have a few telegrams here which I discovered. This exhausts my search.

(Bank statement as handed in by witness marked as Exhibit "O," and telegrams marked as Exhibit "P.")

Q.—The \$10,000 that you got, Mr. Anderson, a year ago from Mr. Larsen, was that deposited in the bank? A.—Yes.

Q.—And shown in that statement? A.—Yes, sir.

Q.—That is shown there? A.—Yes, sir, it is.

Q.—Now, Mr. Anderson, I want to bring you back to the time in June, or July, when you were in Montreal interviewing Mr. Morse and Mr. Hays, when Mr. Bodwell was there. Do you remember that time distinctly? A.—I remember the time. I was in Montreal at that time, sir.

Q.—I think you have told me that you did not have an interview with Mr. Morse and Mr. Hays, or either of them, when Mr. Bodwell—the three of you were all together at one time? A.—I don't remember having an interview where the three of us were together at one time.

Mr. James Anderson—*Continued.*

Q.—Do you remember having an interview with Mr. Hays? A.—I met Mr. Hays once or twice.

Q.—At his office? A.—Yes, sir, at his office.

Q.—Yes, who were present? A.—Mr. Morse was present at one interview, and Mr. Stevens was present at one interview.

Q.—Mr. Stevens, was he present on both occasions? A.—No, I do not think Mr. Stevens was present on both occasions; he was present on one occasion.

Q.—Now, have we got from you the only two interviews that you had with Mr. Hays? A.—I think so.

Q.—Just the twice? A.—Yes, I think so.

Q.—Mr. Morse was present on one occasion, and Mr. Stevens was present on another? A.—I think Mr. Morse was present on both occasions.

Q.—Yes. Mr. Morse was present on both occasions. Mr. Bodwell was not present, however? A.—No, sir.

Q.—What was the object of those two interviews? A.—No particular object, sir, except to discuss this matter.

Q.—Well, presidents of railways, you know, don't send for men and have interviews with them without any object in view. What was the object? A.—To discuss the land in the vicinity of Kaien Island and Lima Harbour.

Q.—Is that all? A.—Yes.

Q.—Just tell me, in your own words, what was said between you and Mr. Hays on that occasion? A.—I could not recall the words that were used. I know the substance of the interview.

Q.—Well, give me the substance of it? A.—We were discussing the townsite situation, and where the terminus would be located, and as to whether it was to be definitely located there, and Mr. Hays said he could not say at that time that it would be until he and Mr. Morse had made a personal examination of the ground. He asked me to describe the ground, which I did, and we talked over the question of the terminus being established at that point.

Q.—Yes, is that all? I want you to exhaust yourself on it. I want you to tell me what took place, and all that took place. A.—That is the substance of the conversation.

Q.—Anything else? You can't remember anything else? A.—No, not definitely, no.

Q.—Your position in the matter, or your relation to Mr. Larsen as a partner of his in acquiring the townsite, or doing what you did towards acquiring the townsite, was not discussed; A.—No, I don't think it was. I don't remember its being discussed.

Q.—Do you say it was not? A.—I would not say it was not. I don't remember how it came up, but we discussed Mr. Larsen—his name was mentioned in the interview. We discussed Mr. Larsen, and what Mr. Larsen was doing.

Q.—But the question of what you were to get out of it was not discussed? A.—No, sir.

Q.—In no shape or form? A.—No, sir, not at that time.

Q.—In neither of these two interviews? A.—No, sir.

Q.—Any suggestion made that you were to get anything, or that you were entitled to anything? A.—No, sir.

Q.—Either by Mr. Morse or Mr. Hays? A.—I don't remember.

Q.—Now, I want you to be careful upon this point? A.—I say I don't remember at any time when I discussed this matter with Mr. Hays of discussing anything like that.

Q.—I am speaking of only those two occasions on which you saw Mr. Hays? A.—I never mentioned it to Mr. Hays.

Q.—But you discussed it with Mr. Morse? A.—I may have. Mr. Morse discussed it with me afterwards.

Q.—Yes. After these interviews that you had with Mr. Hays? A.—Yes. Mr. Hays told me that Mr. Morse was going to be in full charge of everything in connection with the matter.

Q.—Now, you see, Mr. Bodwell has said this: "The matter went along, and Mr. Anderson had some interviews of his own"—he is speaking of that trip to Montreal—"and the result was that an arrangement for the time being was entered into, based upon the conditions as to whether or not the Company would eventually acquire the terminus." (Page cv.)

Mr. Ross: What page is that?

Mr. Macdonald: Page 133. (Continuing.) Now, what have you got to say about that? A.—I haven't anything to say.

Q.—Have you anything to say about this? A.—About which?

Q.—This statement of Mr. Bodwell's—"The matter went along and Mr. Anderson had some interviews of his own, and the result of that was that an arrangement for the time being was entered into, based upon the conditions as to whether or not the Company would eventually acquire this terminus, or take some other one." Now, what were those arrangements. What arrangements were based upon the condition as to whether they would take the terminus or not? A.—Mr. Morse made an arrangement whereby, if they decided to take that as their terminus, they were to pay Mr. Larsen and myself a certain sum, which was not carried out at all.

Q.—What was the sum? A.—\$40,000.

Q.—\$40,000. Mr. Morse made that arrangement with you? A.—Made it with Mr. Larsen, of course.

Q.—Was Mr. Larsen present at the time he made that arrangement? A.—Well, he was in Montreal, but he did not stay very long. He was only there for a day or two, and he saw Mr. Morse while there.

Q.—Well, now we have something tangible. You did have an interview with Mr. Morse? A.—Yes, sir.

Q.—At which you discussed whether you were going to profit by what had been done? A.—Simply discussed it from the point as to what they considered our services were worth.

Q.—As to what you had done in getting this townsite in the shape it then was? A.—Yes.

Mr. James Anderson—*Continued.*

Q.—And it was agreed between you that you and Mr. Larsen were to get \$40,000? A.—That was the understanding.

Q.—Was that in writing? A.—I think it was.

Q.—Where is that writing? A.—The agreement was afterwards cancelled altogether.

Q.—But what became of the writing? A.—Mr. Larsen had it, and I think Mr. Larsen told me it was destroyed. He had arranged with Mr. Morse that we should not receive anything from the Grand Trunk Pacific in any way, shape or form.

Q.—Now, who were the parties to that written agreement? A.—Mr. Morse signed it on behalf of the Grand Trunk Pacific.

Q.—Yes, and who else signed it? A.—Mr. Larsen and myself—no, Mr. Larsen did not sign it. I signed it on behalf of Mr. Larsen. Mr. Larsen did not know of it at the time he left Montreal.

Q.—So that, without Mr. Larsen knowing anything of it, you entered into that written agreement with Mr. Morse, Vice-President of the Grand Trunk Pacific? A.—Yes, sir.

Q.—By which you and he were to get \$40,000? A.—Yes, if they took Kaien Island.

Q.—That \$40,000 was not to go to you personally? A.—No.

Q.—Larsen was to share in it? A.—Yes.

Q.—Are you sure of that? A.—Yes, perfectly sure.

Q.—That was the time Mr. Bodwell was down there? A.—Yes, Mr. Bodwell was there at the time.

Q.—Now, this is what Mr. Bodwell said that he said to Mr. Hays on the same occasion.

Mr. Eberts: He does not say it on the same occasion.

Mr. Macdonald: Well, I did not say he said it was on the same occasion. I am speaking of the same occasion.

Mr. Eberts: You said "This is what Mr. Bodwell said to Mr. Hays on the same occasion."

Mr. Macdonald: That was the time you and Mr. Bodwell were down there in Montreal together—that is right? A.—Yes, sir.

Q. (Reading evidence of Mr. Bodwell)—" 'In so far as —' " Now he is speaking of Mr. Hays. Page 131: " 'In so far as Mr. Larsen is concerned, I am perfectly certain he does not care anything about getting anything out of this transaction from you. I have always understood him to be of the opinion that these lands were to be obtained as they have been obtained, and to be turned over to this Company, and no stipulations whatever required of you, it being just a matter for you to consider. If you think there has been any work done for you which ought to be properly compensated, that is a matter for you to consider, but Mr. Larsen does not intend to make any such a demand, and I am certain that he does not care.' I said he was a man of large means, this was not the reason he had for going into this transaction. From what I had heard, I knew Mr. Larsen had been there, and seen Mr. Hays, and I said: 'Notwithstanding that, I feel sure I am representing his real opinions in the matter, and that you need not consider him at all, and so far as Mr. Anderson is concerned, he is here on the spot, and you can talk with him yourself, and you can come to any conclusion you like. I am only speaking of Mr. Larsen.' " (Page civ.) Now, notwithstanding that Mr. Larsen did not want anything, and that you were there on the spot, and could make your own arrangements, you say that your agreement included a division of the \$40,000 with Mr. Larsen? A.—The agreement included Mr. Larsen and myself. We were associated together.

Q.—Did the agreement include any division between you? A.—It did not include any division between us. It took us collectively.

Q.—Mr. Larsen, of course, did not sign the agreement? A.—No, he did not sign it. I signed it for Mr. Larsen and myself.

Q.—You signed Mr. Larsen's name to it? A.—Yes.

Q.—You had his power of attorney to do this? A.—Yes.

Q.—You had his power of attorney? A.—Yes.

Q.—And you signed Mr. Larsen's name to it? A.—Yes.

Q.—Mr. Larsen had been there just before that? A.—Yes, just before that.

Q.—Did he authorise you to enter into any agreement? A.—He authorised me to make an agreement, at the request of the Grand Trunk Pacific officials.

Q.—Well, wasn't the position that Mr. Larsen took this—that in so far as he was concerned, as Mr. Bodwell puts it, he had nothing to ask, and in so far as you were concerned, he wanted you to get something—that was that the position Mr. Larsen was taking? A.—No, sir.

Q.—That was not Mr. Larsen's position? A.—That was not the position he took with me, sir.

Q.—Did you get a copy of that written agreement? A.—I got a copy, yes, sir.

Q.—What did you do with it? A.—I handed it to Mr. Larsen.

Q.—When? A.—When I got back to Spokane, after coming home from that trip.

Q.—He had only one copy? A.—Yes.

Q.—You got one of the original copies, I suppose? A.—Yes.

Q.—Signed copies? A.—Yes.

Q.—And you made no copy of it to keep for yourself? A.—No, sir.

Q.—Are you sure of that now? A.—Yes, quite positive.

Q.—You are quite positive you made no copy of it to keep? A.—Yes.

Q.—And you handed the agreement over to Mr. Larsen? A.—Yes.

Q.—I suppose you had a discussion with Mr. Larsen about its contents? A.—When I returned to Spokane?

Q.—Yes. A.—Yes, sir, I had a discussion with him.

Q.—And he was satisfied, was he, with what you had done? A.—Not exactly. He said he thought that we ought not to take anything from them at the time. He said he was quite satisfied to have done the work for them, so long as he was reimbursed in connection with the surveys; that was all that he cared for.

Q.—I see—that was all that he cared for? A.—Yes, sir.

Mr. James Anderson—*Continued.*

Q.—That is, he did not want to take the money? A.—Well, I don't know exactly.

Q.—That was the conclusion you came to? A.—That was the conclusion I arrived at.

Q.—That he did not want to take any part of the \$40,000? A.—Yes, sir. He seemed to think that it would be better if we cancelled that part of it altogether.

Q.—Why would it have been better? A.—I suppose Mr. Larsen was looking towards his future relations with the Grand Trunk Pacific. He was anxious to get contracts on the road.

Q.—Yes. However, you were not looking forward to any contracts? A.—Well, no.

Q.—You saw Mr. Bodwell, of course, after that agreement was signed and before you arrived back home? A.—Yes.

Q.—You travelled on the same car with him? A.—Part of the way.

Q.—Did you tell him about the agreement? A.—Oh, yes; he knew about the agreement.

Q.—Let me see—was it Mr. Bodwell that drew up the agreement? A.—No, sir; I do not think so. I thing Mr. Biggar, of the Grand Trunk Pacific, was the one who finally drew it up.

Q.—Was it submitted to Mr. Bodwell for his approval before signing it? A.—I could not say. I would not be certain, but I think he saw it before it was signed.

Q.—By the way, is your wife in town? A.—No, sir.

Q.—Where is she? A.—She has gone south to California.

Q.—When did she go? A.—Last Saturday night, sir.

Cross-examined by Mr. Eberts, counsel for witness:—

Q.—Mr. Anderson, your relations with Mr. Larsen were very friendly, weren't they? A.—At all times.

Q.—And have you known him for quite a number of years? A.—Yes, for quite a number of years.

Q.—Where did you know him first? A.—I knew him at Spokane, and during the time he was constructing the Nelson and Fort Sheppard Road.

Q.—Now, was he a friend of yours at that time? A.—Yes, sir.

Q.—And you knew him intimately? A.—Yes.

Q.—Now, when you talked of your expeditions up North, Kaïen Island was not the only place you went to, was it? A.—No.

Q.—Now, taking the map of the country. Do you remember doing some survey work at Nassoga Gulf?

A.—Yes, sir.

Q.—Was that for Mr. Larsen in connection with this same transaction? A.—Yes, sir.

Q.—And Nassoga Gulf is some distance from Fort Simpson? A.—Yes, sir.

Q.—Above Naas River? A.—Just below the mouth of the Naas.

Q.—I thought it was above. Speaking from memory, I would say it was above. I would like to get the map. Well, that Nassoga Gulf is on the Naas River? A.—Yes.

Q.—And you made surveys of that? A.—Yes, sir.

Q.—Now, who carried on those surveys for you? A.—Mr. Twigg.

Q.—The surveys were made by Mr. Twigg. And for that work Mr. Larsen eventually paid through you? A.—Yes.

Q.—Now, were you ever on Queen Charlote Island also? A.—Yes.

Q.—Did you take up land on Queen Charlotte Island for him? A.—No.

Q.—But you went over there prospecting for him? A.—Yes.

Q.—For timber? A.—Yes.

Q.—Did you take up any timber limits for him? A.—No, sir; not at that time.

Q.—Any afterwards? A.—No, sir.

Q.—You then came down and made examination of the Coast with reference to coal, didn't you, for him? A.—Yes, sir.

Q.—And you staked some coal for him just at the northern end of Vancouver Island? A.—No, I did not stake any, Mr. Eberts.

Q.—You purchased some? A.—We purchased it in this way—we took a bond on some coal locations.

Q.—Yes, you took a bond from some parties that had them? Now, speaking of the coal, was this a big body of coal—10 to 8 feet coal? A.—No, only a prospect.

Q.—There was only a stringer of coal? A.—Yes.

Q.—When talking to the public of coal land, was this a sort of a seam that you could take coal out of and sell? A.—No, sir.

Q.—It was only a stringer of coal? A.—That is all.

Q.—And in your dealings with Mr. Larsen you took that coal over yourself? A.—Yes.

Q.—And have you paid out a lot of money on it since? A.—Yes.

Q.—And so far as any right in it is concerned, it is in you? A.—Yes.

Q.—Now, speaking of this transaction in Montreal, which Mr. Macdonald has examined you on. Mr. Larsen did not remain in Montreal at that time, did he? A.—No, sir.

Q.—Did he go down there specifically to meet you there? A.—No, sir; he went down to get some business done down there, at that time. He came down with Mr. Foley, his partner, to interview Mr. Tie.

Q.—Who is Mr. Foley? A.—One of his partners.

Q.—And he came down to interview Mr. Tie, and he is who? A.—He was the Chief Engineer of the Canadian Pacific Railway Company.

Q.—So it was not by any arrangement you saw Mr. Larsen in Montreal, at all? A.—No, sir.

Q.—Then he left Montreal, did he, before you did? A.—Yes.

Q.—And Larsen left you generally to fix up matters? A.—Yes, sir.

Q.—And you left Montreal with Mr. Bodwell and came West, and came immediately to Spokane? A.—Yes, sir.

Q.—And Mr. Larsen was there? A.—Yes.

Mr. James Anderson—*Continued.*

Q.—And you saw him and showed him this agreement? A.—Yes.

Q.—Did Mr. Larsen tell you at that time he would have none of it? A.—He told me at that time he thought it better not to take anything from the Grand Trunk Pacific.

Q.—He then told you he intended to take nothing from the Grand Trunk Pacific Railway Company? A.—Yes, sir.

Q.—Do you know as a fact as to whether he did get anything from the Grand Trunk Pacific road, except those survey expenses? A.—He told me he did not.

Mr. Macdonald: What he told you is not evidence. Bring Mr. Larsen here, and we will let him tell everything he knows.

Mr. Eberts: It is all very well for you to get that bluff in. If he could travel he would be here, and you know it. But you know that he is in a dying condition.

Mr. Macdonald: My learned friend knows very well that what Mr. Larsen said to him is not evidence.

Mr. Eberts: It has gone in for what it is worth, any way.

Mr. Eberts (continuing): Did you ever get a cent from the Grand Trunk Pacific except the \$2,500 that you have told us you got from them for surveys? A.—No, not a cent.

Q.—Not one dollar. And you got nothing else from Mr. Larsen, in so far as your profit in the transaction was concerned, except the \$10,000? A.—Not one cent.

Q.—Not one dollar. Now, with reference to these bank-books; you will see there are certain entries there. Will you show me in this bank-book the first entry of the \$10,000? A.—Yes.

Q.—There is a statement you put in. Will you point out where that \$10,000, or the proceeds of that, first appears on that statement? A.—This was used in completing the surveys.

Q.—No; just tell us where that \$10,000 first appears on that statement. A.—There it is (indicating on statement.)

Q.—He points out the \$9,787.50. A.—That is, less the exchange.

Q.—It was, Mr. Anderson, less exchange on where? A.—On Helena.

Q.—Now, I find another entry in there—just a moment. Now, where is there another entry in there in connection with this transaction? There is another entry of \$10,554.27, on April 22nd, 1905. Now, can you tell me what that entry is for that is there? A.—Yes, sir.

Q.—What was it for? A.—That was the final accounting between Mr. Larsen and myself of his business. I completed the surveys, and Mr. Larsen made an arrangement with me whereby I completed the surveys, and paid out everything that was required to be paid out of the money which he gave me, and then he had to go away at that time, and he left Mr. Mathews here to act for him in fixing up the dealings between us after all the surveys were made.

Q.—Yes. A.—I disbursed all the sums required to complete the surveys, and paid up all the accounts that were owing for all that work.

Q.—Yes. A.—And then, after completing this, I had a settlement with Mr. Mathews, who was here representing Mr. Larsen.

Q.—And he gave you this? A.—Yes, that balance.

Q.—That balance of \$10,554.27? A.—Yes.

Q.—Now, that other sum of \$9,787.50 was your own money? A.—Yes.

Q.—And that \$10,000 off which was put in your bank-book was money paid out for Mr. Larsen for those surveys? A.—Yes, sir.

Q.—And with the exception of that, there is nothing here but your own private account? A.—Yes, that is all.

Q.—And the larger cheques there were given for surveys? A.—Yes, for surveys, or expenses in connection with the surveys.

Q.—And these amounts will show in the stubs? A.—Yes.

Q.—These amounts will show by the stubs there? A.—Yes, sir.

Q.—There are a lot of other small private matters there? A.—Yes, sir.

Q.—And what is the balance at your credit, \$488.49 at December of this year?

Mr. Garden: That was below the mouth of the Naas, Mr. Eberts.

Mr. Eberts: Yes. Well, it is on Portland Canal. This is Portland Canal, and this is Portland Inlet (referring to map).

Mr. Eberts: Well, now that you have called my attention to that again, Mr. Garden, I will just ask one or two questions. It is described now as Portland Canal, unfortunately. You made surveys of that? A.—Yes.

Q.—Now, just show us exactly where this famous coal land is. A.—It does not show on that map.

Q.—Is it below the 52nd parallel of north latitude? A.—Yes.

Q.—Is it away down on Vancouver Island? A.—It shows on this chart, probably.

Mr. Garden: This only goes to Cape Caution.

Witness: It is just in here (indicating on map).

Mr. Eberts: How many miles from Kaien Island? A.—It goes away up here, and Kaien Island is up on the other side.

Dr. Young: Kaien Island is up at the top.

Mr. Eberts: Kaien Island is up at the top. About what degree north is Kaien Island? A.—I don't know.

Q.—Is it about 250 miles away from Kaien Island? A.—Yes, about that.

Q.—And not in this Tel-cott coal country at all? A.—No, sir.

Q.—You were never in that Tel-cott coal country? A.—When?

Q.—Were you up the Skeena River for Mr. Larsen? A.—Yes.

Q.—And at what other places up there did you go for him? A.—Up at Skeena River—Port Irving, and up at the head of Portland Canal.

Mr. James Anderson—*Concluded.*

Q.—And that is away above the Nassoga Gulf again? A.—Yes.

Q.—Did you go up there for the purpose of looking after timber? A.—Yes, examining timber limits.

Q.—And you were sent up there by Mr. Larsen? A.—Yes.

Mr. Macdonald: So your visit to Montreal was not pre-arranged? A.—How do you mean?

Q.—So your visit to Montreal was not pre-arranged? A.—In what way pre-arranged?

Q.—I do not know in what way. You were asked by Mr. Eberts whether your visit to Montreal was pre-arranged with Mr. Larsen? A.—No, it was not pre-arranged.

Q.—Didn't you get a telegram from Mr. Larsen to meet him there? A.—No, sir, I did not get one from him.

Q.—Who did you get a telegram from? A.—I did not say I got a telegram.

Q.—To go to Montreal? A.—To go to Montreal?

Q.—Yes. A.—That I got a telegram from Mr. Larsen to go to Montreal?

Q.—From somebody? A.—No, sir; I simply went down to Montreal at that time.

Q.—With any idea as to what you were going for? A.—I had an idea when I went down that I was going down to consult the Grand Trunk Pacific officials.

Q.—Anything else—and Mr. Larsen? A.—No, sir.

Q.—You did not expect to meet him there? A.—No, sir; he came down afterwards. Mr. Larsen knew, though, that I was going there.

Q.—Yes. How did he know that? A.—I had informed him.

Q.—You had informed him you were going? A.—Yes, sir.

Q.—And you expected to meet him there? A.—No; I did not know whether he would get down there or not. It was after I had been down there for some time that he came down on some other business.

Q.—Now, have you refreshed your memory since you have been here before as to who are the owners of the interests in those lands coloured brown on the map other than your one-sixteenth interest? A.—No, sir; I have not thought of it again. Just as far as I have told you, that is all I know.

Q.—And you are now prepared to pledge your oath that you have no idea as to who the other fifteen-sixteenths are owned by, or who are interested in them? A.—No, sir; I do not know at the present time.

Q.—Did you ever know who owned them? A.—I don't know. As far as my knowledge goes, Mr. Larsen, Mr. Mathews and Mr. Hyman are all the parties that I know of as being interested in them.

Q.—That is the extent of your knowledge? A.—That is the extent of my knowledge, yes, sir.

Q.—Very well: That will do.

Mr. Ross: Mr. Anderson, when did Mr. Larsen first know of your agreement with Mr. Morse? A.—When I was in Spokane.

Q.—Of the agreement you arrived at in Montreal? A.—When I met him in Spokane on my return.

Q.—Well, any conversations between Mr. Bodwell and the Grand Trunk Pacific officials in Montreal must have been before you returned to Spokane? A.—Yes, sir.

Q.—Mr. Bodwell tells us that he told those officials in Montreal that Mr. Larsen did not want any money. Now, on your return to Spokane, and on seeing Mr. Larsen, was that statement of Mr. Bodwell's confirmed by Mr. Larsen? A.—Yes, sir.

Q.—Had you any other plans with regard to the Grand Trunk Pacific, affecting your own future, that you have not told us of? A.—No definite plans, no.

Q.—Were you trying in any way to make a connection with them in the future? A.—I always had an idea of a connection with them in the future when they came out here.

Q.—As a matter of fact, you were trying to secure an agency for the sale of their townsites in this Province? A.—I talked that part of it over with Mr. Morse, but he told me at that time that the Company was expecting to form a Land Company of their own, much in the same way as the Canadian Pacific Railway Company had done, to handle all their own lands and their terminals.

Q.—Well, you had that idea in your mind when you were in Montreal? A.—Yes; I had that idea and I discussed it with him at the time.

Q.—Oh, you had a power of attorney from Mr. Larsen, hadn't you? A.—Yes, sir.

Q.—Was that power of attorney given for this express purpose? A.—Yes, sir.

Q.—Do you mean for your negotiations in Montreal, or was it generally to deal for him in this transaction? A.—No, for my negotiations in Montreal.

Mr. Paterson: Have you got that power of attorney? A.—No, sir; it was cancelled at the time.

Q.—Immediately after the agreement was signed? A.—Oh, no; it was long afterwards when the agreement was cancelled—when Mr. Larsen cancelled the agreement.

Q.—Now, you have spoken here of an interview you had with a newspaper correspondent with regard to a land company, and stated that you had been misrepresented? A.—Yes, sir.

Q.—What reporter was it you interviewed—do you know? A.—The reporter who I interviewed?

Q.—Yes. A.—Mr. Godenrath, of the "Colonist."

Q.—It was an interview with a reporter? A.—Yes.

Q.—You did not write that article out yourself? A.—No, sir.

Q.—And hand it in to the office? A.—No, sir.

Q.—Now, Mr. Anderson, you stated the other day that the interview, which I have called your attention to in the "Colonist," in speaking of your trip up North, was not accurate? A.—Yes, sir.

Q.—Do you know who wrote that interview? A.—Mr. Godenrath.

Q.—You did not write it and take it into the "Colonist" office yourself? A.—No, sir.

Q.—Nor any part of it? A.—No; it was taken in by Mr. Godenrath, as I understand it. Mr. Godenrath interviewed me and wrote it at the time.

Q.—Did he read it over to you after? A.—I do not think so. I cannot recall whether he did or not.

Q.—You cannot recall it? A.—No, sir.

Witness stands aside.