

THE ROYAL COMMISSION

IN RE

The Alleged Employment of Aliens in Connection
with the Surveys of the Proposed Grand
Trunk Pacific Railway.

Report of Commissioner

AND

OTHER DOCUMENTS.

PRINTED BY ORDER OF PARLIAMENT.



OTTAWA:

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Diagram—C. P. R. part through Rocky Mountains.	

ORDER *RE* APPOINTMENT OF COMMISSIONER.

PRIVY COUNCIL,
Canada.

EXTRACT FROM A REPORT OF THE COMMITTEE OF THE HON-
OURABLE THE PRIVY COUNCIL, APPROVED BY THE
GOVERNOR GENERAL ON THE 23RD MAY, 1904.

On a Report, dated 19th May, 1904, from the Minister of Labour, representing that numerous complaints have been made to the effect that aliens, not being *bona fide* residents of Canada, have been and are being employed to make surveys and perform other work in connection with the proposed National Transcontinental Railway to the exclusion of Canadian citizens and British subjects; that it is expedient to ascertain whether, and if so, to what extent the said complaints are well founded, and for that purpose that an enquiry be made to ascertain the name, nationality, nature and time of employment, remuneration and actual *bona fide* residence at the time of employment of each person heretofore or at present employed in respect of said surveys or other work; and also that an enquiry be had as to the names of all Canadians or *bona fide* residents of Canada who may have made application for any such employment as aforesaid; the nature of the appointment applied for, and the result of such application.

The Minister therefore recommends that it be referred to His Honour John Winchester, Senior Judge of the County Court of the County of York, in the Province of Ontario, as Commissioner under the provisions of Chapter 114, Revised Statutes of Canada, entitled "An Act respecting Enquiries concerning Public Matters," to hold and conduct such enquiries with all the powers conferred upon Commissioners by said Act; the said Commissioner to report his findings to the Minister of Labour with all possible despatch.

The Committee submit the same for approval.

(Sgd.) JOHN J. MCGEE,

Clerk of the Privy Council.

The Honourable
The Minister of Labour.

COMMISSION.

(Sgd) MINTO.

CANADA.

EDWARD THE SEVENTH.

By the Grace of God, of the United Kingdom of Great Britain and Ireland
and of the British Dominions beyond the Seas.

KING, Defender of the Faith, Emperor of India.

To all to whom these presents shall come, or whom the same may in any-
wise concern :

GREETING :—

WHEREAS by a report of the committee of Our Privy Council for Canada approved by our Governor General on the twenty-third day of May, one thousand nine hundred and four, an extract of which is hereto annexed, provision was made as in said extract set forth for an investigation by Our Commissioner hereinafter named to ascertain the names, nationality, nature and time of employment, remuneration and actual *bona fide* residence at the time of employment of each person heretofore or at present employed in connection with the surveys of the proposed Grand Trunk Pacific Railway, and also as to the names of all the Canadians or *bona fide* residents of Canada who have made application for such employment, the nature of the employment applied for and the result of such application.

NOW KNOW YE that we by and with the advice of Our Privy Council for Canada do by these presents nominate, constitute and appoint His Honour John Winchester, Judge of the County Court of the County of York, in the Province of Ontario, to be OUR COMMISSIONER to conduct such inquiry. And we do hereby under the authority of the Revised Statutes of Canada, Chapter 114, intituled "An Act respecting Inquiries concerning public matters," confer upon you our said Commissioner the power of summoning before you any witnesses and of requiring them to give evidence on oath, orally or in writing, or on solemn affirmation if they are persons entitled to affirm in civil matters and to produce such documents and things as you Our said Commissioner shall deem requisite to the full investigation of the matter into which you are hereby appointed to examine, inquire into and investigate.

TO HAVE, HOLD, exercise and enjoy the said office, place and trust unto you the said John Winchester together with the rights, powers, privileges and emoluments unto the said office place and trust or right and by law appertaining during pleasure. And we do hereby require and direct you to report to Our Minister of Labour of Canada the result of your investigation, together with the evidence taken before you and any opinion you may see fit to express thereon.

IN TESTIMONY WHEREOF We have caused this Our Letters to be made patent and the Great Seal of Canada to be hereunto affixed—Witness:
Our Right Trusty and Right Well Beloved Cousin and Councillor The Right Honourable Sir Gilbert John Elliot, Earl of Minto and Viscount, Melgund of Melgund, County of Forfar, in the Peerage of the United

Kingdom, Baron Minto of Minto, County of Roxburgh, in the Peerage of Great Britain: Baronet of Nova Scotia; Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, etc., etc., Governor General of Canada.

AT OUR GOVERNMENT HOUSE, in the City of Ottawa, this Twenty-third day of May, in the year of Our Lord one thousand nine hundred and four, and in the fourth year of Our Reign.

BY COMMAND.

(Sgd.) JOSEPH POPE,
Under Secretary of State.

(Sgd.) E. L. NEWCOMBE,
Deputy to the Minister of Justice,
Canada.

Letter Transmitting Report of Commissioner.

TORONTO, January 26, 1905.

TO THE HONOURABLE

SIR WILLIAM MULOCK, K.C.M.G., M.P.,
Minister of Labour,
Ottawa.

SIR :

I have the honour to transmit to you the result of my investigation as Special Commissioner appointed in the matter of the alleged employment of aliens in connection with the proposed Grand Trunk Pacific Railway, together with the evidence taken before me and documents produced.

I have the honour to be,

Sir,

Your obedient servant,

(Sgd) JNO. WINCHESTER,
Commissioner.

REPORT OF COMMISSIONER.

To the Honourable,

Sir William Mulock, K.C.M.G., M.P.,
Minister of Labour, Ottawa.

Toronto, January 26th, 1905.

SIR,—

I have the honour to report that on the 26th May, 1904, I received the Royal Commission issued to me, bearing date 23rd May, 1904, authorizing me to ascertain the names, nationality, nature and time of employment of each person heretofore or at present employed in connection with the surveys of the proposed Grand Trunk Pacific Railway, and also the names of all the Canadians or *bona fide* residents of Canada who have made application for such employment, and the nature of the employment applied for. The Commission was accompanied by the following letter:

Ottawa, May 26th, 1904.

"SIR,—

I have the honour to enclose herewith Royal Commission referring it to you as Commissioner to enquire into the alleged employment of aliens by or on behalf of the Grand Trunk Pacific Railway, and more particularly set forth in the Commission.

The Government desires the enquiry to be thorough and expeditious. Doubtless it will not only facilitate the work, but also add to the convenience of witnesses if you should sit at different places throughout the Dominion, but as Montreal is, I think, the Company's headquarters, it might be advisable for you to begin the enquiry at that city, and thereafter, as the case proceeds, to continue it at other points in Canada.

Inasmuch as the investigation is a general one, applicable to both specific and other cases of alleged violation of the law, I would ask that you report from time to time on the conclusion of the investigation into each case.

Yours faithfully,

His Honour,
Judge Winchester,
Toronto.

WM. MULOCK,
Minister of Labour."

Extent of Enquiry.

Pursuant to the desire of the Government expressed in the above letter I at once made arrangements to prosecute the enquiry with all expedition, and appointed Monday, the 30th day of May, 1904, at 12 o'clock noon at the Court House, in the City of Montreal, the headquarters of the proposed Grand Trunk Pacific Railway, for the commencement of such enquiry, and forwarded the following notice for publication, that is to say:

"As Commissioner appointed by the Government of Canada to enquire into the names, nationality, nature and time of employment, remuneration and actual *bona fide* residence at the time of employment of each person heretofore or at present employed in connection with the surveys of the proposed Grand Trunk Pacific Railway, and also as to the names of all Canadians or *bona fide* residents of Canada who have made application for such employment and nature of the employment applied for, and the result of such applications, I hereby give notice that on Monday, the 30th day of May, 1904, at 12 o'clock noon at the Court

1* G. T. P.

House, in the City of Montreal, I will commence such enquiry and continue the same at the said city and at the City of Winnipeg and other places as may from time to time be announced.

Information from any person in a position to give testimony in regard to the matter of enquiry is respectfully invited.

All communications should be directed to me in care of the Department of Labour, Ottawa.

JOHN WINCHESTER,

Commissioner."

Ottawa, 26th May, 1904.

This notice was immediately forwarded to and inserted in the first issue of the newspapers after they received the same, namely in Montreal, *The Montreal Herald, Le Canada, and La Presse*; in Toronto, *The Globe, The Mail and Empire, The World, The Star, The Telegram and The News*; in Winnipeg, *The Manitoba Free Press, and The Telegram*; in Vancouver, *The Vancouver Daily Province and The World*. I also prepared special subpoenas for service upon witnesses, and had some forwarded to Montreal and Winnipeg.

At the hour appointed I opened the enquiry in Montreal, and continued same, examining witnesses and the correspondence relating to the application and employment of engineers in connection with the surveys referred to in the Commission, until the evening of the first June. The following witnesses were examined, namely: John R. Stephens, the Assistant Chief Engineer of the Grand Trunk Pacific Railway, H. M. Goodman, draughtsman in the Assistant Chief Engineer's office; William E. Mellen, Chief Clerk in the same office; Charles M. Hays, second Vice-President and General Manager of the Grand Trunk Railway Company; Henry W. Walker, Auditor of the Grand Trunk Railway Company; William H. Biggar, Solicitor of the Grand Trunk Railway, and Eugene P. Quirk, and Albert L. Ghysens, two engineers, *bona fide* residents of Canada, who had applied for positions as engineers but had been refused employment, these two gentlemen being the only applicants who appeared before me during such sitting.

After the examination of Mr. Stephens I considered it necessary in the interests of the enquiry to proceed at once to Winnipeg, leaving Montreal on the morning of the 2nd June. Upon arrival at Winnipeg I immediately made arrangements to continue the investigation on Monday, the 6th June at 2 P.M. At this place I was joined by Mr. H. M. Mowat, K.C., who had in the meantime been retained by the Government as Counsel to assist in the enquiry. The enquiry was opened on the 6th June and continued on the 7th 8th and 9th June, during which time I examined twenty-one witnesses, of whom nine were *bona fide* residents of Canada, namely: W. G. Kerle, H. Harding, F. T. Bagshaw, Wm. Mann, Wm. E. Mann, G. W. Winckler, Frank Girdlestone, Cecil Goddard, Geo. L. Griffith. These nine gentlemen had applied for positions as engineers, etc., and of these W. G. Kerle, Wm. Mann, Wm. E. Mann, C. Goddard and G. L. Griffith had been at one time appointed, but they were not then in the service of the Grand Trunk Pacific, owing to the refusal of the Company to continue to employ them. In addition to these Mr. J. Woodman's name had been submitted but rejected. Six of the witnesses were employees of the Grand Trunk Pacific, namely: G. A. Kyle, S. H. Mason, B. E. Johnston, Alex. Eggo, James H. Bacon, B. R. Kelliher, the remaining witnesses being John G. Sullivan, F. F. Bus-

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teed, and J. A. Hesketh, engineers in the service of the Canadian Pacific Railway.

Finding it impossible to obtain the attendance of the staffs forming parties working at a distance from Winnipeg in less than ten days time I immediately proceeded to Edmonton, to continue the enquiry at the Division office there. I arrived at Edmonton on the evening of the 11th June, and immediately made arrangements to open the enquiry on Monday, the 13th June.

Accordingly the enquiry was opened on the 13th June and continued until the evening of the 15th June, during which time I examined sixteen witnesses, fifteen of whom were in the service of the company, namely: C. C. Van Arsdol, E. R. McNeill, E. McD. Mellen, A. S. Going, J. Armstrong, F. S. Rossiter, Gilbert Murray, E. H. Dodd, J. D. McVicar, C. H. Hall, Jas. Hislop, R. A. Henderson, L. E. Silcox, W. J. Glanville and C. E. Matthews. In addition to these Mr. Alex. J. McLean, the Engineer, of Edmonton, was examined. His name appears on the list of applicants subsequently obtained in Winnipeg. He, however, was not appointed.

From Edmonton I proceeded to Regina to meet with a number of parties that I had arranged to examine at that place, and on the 17th June I examined ten witnesses, all of whom were in the service of the company, namely: C. W. Stuart, L. C. Gunn, P. J. Barnett, B. H. Savage, P. Talbot, W. E. Colladay, J. C. Baxter, A. S. Street, W. M. Anderson and E. G. Smith.

From Regina I returned to Winnipeg, and continued the enquiry there on the 20th, 21st, 22nd and 23rd June, examining twenty-four new witnesses, as well as re-examining six of the witnesses examined on the previous occasion. Of these new witnesses twelve were in the service of the company, namely: Alex. G. Allan, F. W. Fink, J. A. Green, P. T. Gill, C. M. Bull, A. A. Meador, F. O. Parsons, H. J. Perrin, J. A. Heaman, C. D. Fairchild, S. J. Mayo and L. A. Darey; and five were *bona fide* residents of Canada and were applicants for positions as engineers, but were not employed, namely: Z. Malhiot, S. Adkins, A. M. Morgan, John Irvine and Denston Gibson; and the remaining new witnesses being T. Turnbull, R. Fowler, R. C. McPhillips, Engineers, and Chas. Southern.

From Winnipeg I proceeded to North Bay, arriving there on the evening of the 25th June, and immediately made arrangements to continue the enquiry on Monday, the 27th June. On the 27th June I examined fourteen witnesses, of whom eleven were in the service of the company, namely: Geo. A. Knowlton, C. F. Hannington, T. C. Taylor, W. F. Graham, G. Marryatt, A. N. O'Kelly, D. S. McLeod, L. Jandrow, J. M. Fotheringham, E. R. Brabeck and G. W. Stadly; and one who had been in their employ but whose services had been dispensed with, namely: J. P. Pim; the remaining two witnesses being R. A. Russell and R. Laird, Engineers.

From North Bay I proceeded to Montreal, having appointed the 30th June to examine a number of witnesses that I had subpoenaed for that date, but in consequence of the inability of counsel for the Grand Trunk Railway to attend the enquiry I adjourned same until the 4th July, and proceeded to Ottawa to examine the witnesses there according to an appointment previously issued. On the 2nd July I examined in the City of Ottawa five witnesses, namely: Collingwood Schreiber, H. A. F. McLeod, T. C. Keefer, H. Holgate and Ambrose Duffy, the latter although a *bona fide* resident of Canada, and an applicant for a position as engineer, was refused employment.

On the 4th July I continued the enquiry at the City of Montreal and

examined eight new witnesses, namely: J. M. Shanly, Prof. C. H. McLeod, P. W. St. George, E. Marceau, W. J. Sproule, J. A. U. Beaudry, E. Berryman and Brian D. McConnell, and re-examined two of the witnesses previously examined, namely: Charles M. Hays and J. R. Stephens. Among the new witnesses the three last named being *bona fide* residents of Canada had applied for positions of engineer, but their applications had not been accepted.

On the 13th July I continued the enquiry in Toronto, and examined nineteen witnesses, eleven of whom, R. W. Leonard, J. H. Armstrong, Thos. E. Hillman, Cecil B. Smith, A. H. N. Brace, A. F. McCallum, J. A. Paterson, John McCunn, J. L. Boyd, H. G. Dimsdale and A. L. McLennan were *bona fide* residents of Canada, and had made application for the position of engineer upon the survey—Mr. J. A. Paterson on behalf of his brother—but their applications had been rejected; the remaining eight witnesses being W. T. Jennings, Wm. MacKenzie, F. H. Keating, Prof. J. Galbraith, Joseph Hobson, James McDougall, Harry Crewe and A. W. Campbell.

On the 16th July the enquiry was continued at Kingston, where I examined fourteen witnesses, of whom eight were *bona fide* residents of Canada and had applied for positions as engineers, but whose applications had not been accepted, namely: John L. H. Bogart, A. D. McRae, M. Ferguson, U. Fairlie, Harry Belcourt, H. Osborne, John Seers, Alex. McLennan, the remaining witnesses examined being: T. W. Nash, Hon. W. Harty, A. K. Kirkpatrick, Major Panet, J. W. Cochrane and Prof. Carr-Harris.

On the 20th July I re-examined Mr. Hays, Mr. Stephens and Mr. Walker at Montreal, and on the 3rd August I examined Mr. Hugh D. Lumsden at the City of Toronto, having been unable to examine him previous to that date owing to his absence from the Province. I endeavored to examine Sir Sandford Fleming, but was unable to do so owing to his absence from home on his way to England. In consequence of my inability to examine him I wrote him the letter dated 11th July, 1904, set forth in the minutes of evidence herewith, and received from him a reply thereto, dated July the 15th, also set forth in the said minutes of evidence. In my letter to him I stated that the questions propounded by me, and his answers thereto would appear in my report to the Government. Upon the receipt of the letter from Sir Sandford Fleming, and learning he had delayed his visit to England, I forwarded a copy of my letter to him and his reply thereto, to Mr. W. H. Biggar, K.C., accompanied by the following letter:

Toronto, 27th July. 1904.

"MY DEAR SIR,—I have appointed 11 A.M., of the 3rd August, 1904, at my chambers in the City Hall, Toronto, for the examination of Mr. Hugh D. Lumsden in the Grand Trunk Pacific investigation.

I enclose herewith a copy of a letter sent by me to Sir Sandford Fleming and of his reply thereto which I intend using in connection with my report to the Minister of Labour and if you wish to cross-examine Sir Sandford in respect to such letter I will have him subpoenaed for that day also.

Kindly let me know at the earliest moment as to your desire in this respect, and please address me at Toronto."

Yours faithfully,

JOHN WINCHESTER,
Commissioner."

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W. H. Biggar, Esq., K.C.,
Grand Trunk Railway,
Montreal, Que.

To this letter no answer was received.

During the examination of all the witnesses, with the exception of Mr. Lumsden, counsel appeared on behalf of the Grand Trunk Railway, and took part in the examination of witnesses, with the exception of the witnesses at Ottawa, where counsel for the Railway did not, although appearing, take part in the examination.

Interim Reports.

During the progress of the investigation I reported from time to time as requested by your letter of the 26th May, 1904, recommending the deportation of certain American citizens on the ground of their being subjects of a foreign country, and having been allowed to land in Canada, contrary to the provisions of the Act restricting the importation and employment of aliens, which Act, 60-61 Vict., Chap. 11, Sec. 6, as amended by 1 Edw. VII., chap. 13, sec. 3, reads as follows:—

"The Attorney General of Canada, in case he shall be satisfied that an immigrant has been allowed to land in Canada contrary to the prohibition of this Act, may cause such immigrant, within the period of one year after landing or entry, to be taken into custody and returned to the country whence he came, at the expense of the owner of the importing vessel, or, if he entered from an adjoining country, at the expense of the person, partnership, company or corporation violating section 1 of this Act."

The names, occupations, addresses of said persons and date of reports are as follows:—

Goodman, Herman Mark; Draughtsman; Montreal, Que.; 1st June, 1904.

Mason, Sherman Hurd; Draughtsman; Winnipeg, Man.; 7th June, 1904.

Van Arsdol, Cassius C.; Division Engineer; Edmonton, Alta.; 13th June, 1904.

McNeill, Edward R.; District Engineer; Edmonton, Alta.; 13th June, 1904.

Mellen, Edward McD.; Chief Clerk; Edmonton, Alta.; 13th June, 1904.

Colladay, Walter Earl; Assistant Engineer; Regina, Assa.; 20th June, 1904.

Baxter, John C.; Transitman; Regina, Assa.; 20th June, 1904.

Anderson, Walter M.; Topographer; Regina, Assa.; 20th June, 1904.

Gunn, Luther Collins; Transitman; Regina, Assa.; 20th June, 1904.

Talbot, Peter; Topographer; Regina, Assa.; 20th June, 1904.

Fink, Frederick W.; Transitman; Winnipeg, Man.; 21st June, 1904.

Green, John A.; Leveller; Winnipeg, Man.; 21st June, 1904.

Mayo, Stanley J.; Rodman; Winnipeg, Man.; 21st June, 1904.

Meador, Amos A.; Draughtsman; Winnipeg, Man.; 21st June, 1904.

Parsons, Frederick O.; Leveller; Winnipeg, Man.; 21st June, 1904.

Bacon, James H.; Harbour Engineer; Port Arthur, Ont.; 5th July, 1904.

Taylor, Thomas C.; Assistant Engineer; North Bay, Ont.; 5th July, 1904.

Gailor, Charles F.; Assistant Engineer; North Bay, Ont.; 5th July, 1904.

Sprague, D. D.; Assistant Engineer Party 18; Edmonton, Alta.; 18th July, 1904.

Douglas, Kyle; Transitman Party 18; Edmonton, Alta.; 18th July, 1904.

Callaghan, John; Assistant Engineer Party 17; Edmonton, Alta.; 18th July, 1904.

Haro, H. T.; Transitman Party 17; Edmonton, Alta.; 18th July, 1904.

Nicholson, R. H.; Draughtsman Party 18; Edmonton, Alta.; 18th July, 1904.

Benjamin, W. W.; Axeman Party 14; Edmonton, Alta.; 18th July, 1904.

Applications of Bona Fide Residents of Canada.

In my investigation as to the applications made by *bona fide* residents of Canada to the Head Office at Montreal I discovered applications from at least 100 Canadians, or *bona fide* residents of Canada for positions of engineer on the survey, and a large number of applications for subordinate positions such as those of transitmen, draughtsmen, topographers and levellers. In Winnipeg I discovered eighteen applications from Canadians *bona fide* residents of Canada for the positions of engineers in charge of parties, five of these had been appointed, and seventy-eight applications for subordinate positions such as those of transitmen, draughtsmen, topographers and levellers and 250 for rodmen, chainmen, etc., etc., all Canadians.

In Edmonton, the number of applications received from *bona fide* residents of Canada were, engineers 16, transitmen, draughtsmen, topographers and levellers 34, and a large number for rodmen, chainmen, axemen, etc., etc. In North Bay the number of applications for engineers from *bona fide* residents of Canada were 12, transitmen, draughtsmen, levellers and topographers 48, and rodmen, chainmen, axemen, etc., 31.

At the conclusion of the examination of Mr. Stephens and Mr. Hays in Montreal on the 1st June, I wrote, on the 2nd June, to the engineers whom they stated had been offered positions but who had refused to accept same, requesting them to inform me as to the facts concerning such offers and why the offers had not been accepted by them. To my enquiries I received replies from Mr. Hugh D. Lumsden, Cecil B. Smith, John A. Paterson, James M. Kennedy, J. A. U. Beaudry, Thomas E. Hillman, R. W. Leonard, J. J. Collins, and a number of others, and in consequence of their contents I considered it necessary to examine these gentlemen with reference to the statements made by Mr. Hays and Mr. Stephens in their evidence before me.

Appointment of Assistant Chief Engineer.

With reference to the employment of engineers in connection with the location of the Grand Trunk Pacific Railway Mr. Hays in his evidence before me stated that this being a Canadian work and other things being equal, it was his desire that Canadian engineers should have the preference, and in order to carry out this policy he sent for Mr. Hugh D. Lumsden through Mr. Hobson, the Chief Engineer of the Grand Trunk Railway, with a view of employing Mr. Lumsden to take charge of the proposed work. A meeting was arranged and attended by Mr. Lumsden, Mr. Hobson and himself; at that meeting he offered the

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position of engineer in charge of the survey to Mr. Lumsden, Mr. Lumsden refused to accept such position on the ground that he did not wish to give up the position that he then occupied with the Canadian Pacific Railway.

In connection with this offer to Mr. Lumsden I found amongst the correspondence produced by the solicitors for the Grand Trunk Pacific Railway a letter from Mr. Collingwood Schreiber, Deputy Minister and Chief Engineer of Railways and Canals, Ottawa, to Mr. Hobson, the Chief Engineer of the Grand Trunk Railway, dated the 26th December, 1902, in which he stated:—

"The following engineers whose names I give would, I think, be acceptable to you for the positions I have placed opposite their names:—

Lumsden, Hugh, Toronto, Engineer in charge of surveys.

McLeod, Henry A. F., Ottawa, Engineer in charge of surveys.

Archibald, Peter S., Moncton, Engineer in charge of surveys.

O'Dwyer, J. S., Moncton, Engineer in charge of party.

Caddy, J. S. V., Ottawa, Engineer in charge of party.

Duffy, Ambrose, Ottawa, Engineer in charge of party.

McNaughton, C. E., Coteau DuLac., Transitman.

Brophy, John, Ottawa, Transitman.

Dickey, James A., Amherst, N.S., Transitman.

McCarthy, W., St. Peter's, C.B., Transitman.

Ruel, T., Charlottetown, P.E.I., Transitman.

Wise, A., Coteau Landing, Leveller.

Wilford, F. R., Cardinal, Que., Leveller, etc., etc."

Upon producing this letter to Mr. Hays he stated that he remembered seeing the letter and being examined in connection therewith stated as follows:—

"Q. Do you remember whether any positions were offered to any of these men? A. Yes, of the gentlemen that Mr. Schreiber recommends there was one sent for and offered the position Mr. Stephens occupies.

Q. Which gentleman was that? A. Mr. Lumsden.

Q. He was your selection for that position? A. Yes.

Q. What was the result? A. He declined.

Q. Why? A. He was connected with another company.

Q. Was the question of salary discussed? A. Yes.

Q. This Mr. McLeod of Ottawa? A. I am not sure about him. This letter of Mr. Schreiber was to Mr. Joseph Hobson, our Chief Engineer, and the matter was handled by Mr. Hobson.

Q. So that what you say about Mr. Lumsden would be— A. Mr. Lumsden had Mr. Hobson's very strong endorsement and as he was a very good man he was ready to try and arrange for him?

Q. Now, were there any others in Canada that were consulted by you in any way? A. No, I do not know directly that any of the applications were discussed by me."

On the second day of June, immediately after the adjournment, I wrote to Mr. H. D. Lumsden as already stated enquiring as to the nature of the position that was offered to him, and the salary attached thereto, and in reply I received a letter that placed the offer in a different light from that set forth in Mr. Hays' evidence, and I considered it necessary to examine Mr. Hobson which I did at Toronto on the 13th July, as follows:—

"Q. You are Chief Engineer of the Grand Trunk Railway system? A. I am.

Q. For how many years have you been Chief Engineer? A. I have been of the whole Grand Trunk for the past eight years, eight years from 1st February.

Q. When the Grand Trunk Pacific system was being considered were you consulted with by Mr. Hays or any one on behalf of that company or organization, or whatever you may call it, with reference to the employment of engineers? A. Yes.

Q. When was that? A. I cannot remember the exact date, it would be at the very inception of the work.

Q. That would be in 1902? A. I think it would be, yes.

Q. What positions were there that you were consulted about? A. The position of engineer to take charge of the survey, as I understood it to be the engineer of the new work.

Q. Did you recommend any one for that position? A. Yes.

Q. Whom? A. Mr. Lumsden.

Q. In consequence of your recommendation what was done, or what took place? A. Mr. Hays asked me to arrange with Mr. Lumsden to call upon him at the Windsor Hotel.

Q. Did you do that? A. Yes.

Q. Were you present when they met? A. Yes.

Q. What took place at their meeting? A. Well, there was some conversation between Mr. Lumsden and Mr. Hays. Mr. Hays explained what was in contemplation, that is the extension of the Grand Trunk to the Pacific Coast, and asked him, at least proposed, I do not exactly know how that was, however, he gave him to understand that he wanted to get an engineer to take charge of the work and asked him if he would accept it.

Q. What work was specified? A. Well, the surveys particularly at that time I think.

Q. Do you remember the amount of salary offered? A. Yes.

Q. How much was offered? A. \$4,000.

Q. Did Mr. Lumsden accept or decline the offer? A. Well, Mr. Lumsden I rather think before the salary was actually named, I rather think Mr. Lumsden said he would not be able to accept, that he had made other arrangements, and I think it was after that that the salary was offered; it may have been before.

Q. However, that salary was offered and the position was that of Assistant Chief Engineer? A. Yes.

Q. Under you? A. Yes, I do not think there was any title specially given, but he was to be engineer under me, that is what I understood, and that is what he understood I believe.

Q. And the salary was \$4,000? A. \$4,000.

Q. There is no doubt about that being mentioned? A. There is no doubt about the \$4,000 being mentioned.

Q. Then after Mr. Lumsden declined to accept that offer were you consulted with reference to the appointment of any other gentlemen? A. No."

Upon cross-examination by Mr. Mowat he gave the following evidence:
"Q. I understand you to say that from your recollection of the conversation at the Windsor Hotel with Mr. Lumsden, Mr. Hays and yourself, you are not quite prepared to say whether Mr. Lumsden refused the position or simply showed disinclination? A. My understanding was that Mr. Lumsden was precluded from accepting it by reason of his having obtained another position before.

Q. But would you go so far as to say that the question of salary was not mentioned by Mr. Hays to him? A. The question of salary was mentioned, \$4,000.

Q. Because I may tell you this, that I believe what will be said by Mr. Lumsden, though I have not seen him, is that it was because he was given to understand that the position was worth only \$4,000 that he declined it,

would you be in a position to contradict that? A. That I cannot say, no, I am not in a position to say what passed through Mr. Lumsden's mind.

Q. Then what you are saying is that the conversation was all dovetailed together? A. Yes, it was a very short conversation, my recollection is Mr. Lumsden said he could not accept it by reason of his having accepted another appointment, and I thought that that reason alone was sufficient to determine Mr. Lumsden not to accept.

Q. One would think that if Mr. Hays were discussing with a sincere desire to get Mr. Lumsden he would have discussed the question of salary? A. I think Mr. Hays did discuss that with a sincere desire to get Mr. Lumsden.

Q. Then if you could recollect why apparently, according to you, the question of salary was left to the end? A. I think it was, it was one of those conversations that I did not know there was going to be so much hinging upon it, but my recollection is that Mr. Lumsden first of all mentioned that he could not accept because he had got another engagement.

Q. Then if Mr. Lumsden's recollection as to this is definite, as he says it is, you would not like to put your recollection against his? A. I certainly would not."

The examination of Mr. Lumsden held on the 3rd August with reference to this interview and offer was as follows:

"Q. Mr. Hobson, Chief Engineer of the Grand Trunk, told us in the course of this Commission that he was consulted by Mr. Hays of that railway in regard to the appointment of an Assistant to himself, and that he asked you to meet Mr. Hays on a certain occasion; have you a recollection of that occasion? A. Yes.

Q. How long ago was that? A. On the 23rd May, 1902.

Q. What means have you for recollecting so definitely as that? A. My diary.

Q. Have you got your diary here? A. Yes.

Q. Will you look up the entry of May 23rd? A. Yes—I have it here.

Q. Read it? A. (Reads) "Friday, 23rd, in Montreal, down to G.T.R. general offices and saw Hobson; also met him and Hays at Windsor at six. He offered me \$4,000 a year as assistant to Hobson. I declined. Left at ten for Toronto."

Q. What was your understanding of that position worth \$4,000 a year or the nature of its duties? A. I understood it maintenance under Mr. Hobson.

Q. And Assistant to Mr. Hobson on maintenance of the Grand Trunk? A. Yes.

Q. Nothing to do with the location of the Grand Trunk Pacific. A. The Grand Trunk Pacific at that time so far as I know had never been mentioned, I never heard of it being contemplated.

Q. You were not inclined at that time to swap the position on the C. P. R. for that on the Grand Trunk on maintenance? A. No.

Q. And therefore declined? A. Yes.

Q. The position of Assistant to Mr. Hobson which would rather call for engineer in chief of the new Grand Trunk Pacific, was afterwards accepted by J. R. Stephens at \$7,500, had that offer been made to you would you have considered it worth considering or tempting? A. If it had been made with the understanding that it was construction of the Grand Trunk Pacific I dare say I would have entertained it."

And on further examination the following evidence was given:—

"Q. Who invited you to meet on the 23rd May, 1902, at the Windsor Hotel? A. Mr. Hobson.

Q. There you met Mr. Hays with Mr. Hobson? A. Yes.

Q. What was the conversation that took place between you at that time? A. Well, I cannot remember all the conversation, but I remember that in talking to Mr. Hobson before I met Mr. Hays at all I told Mr. Hobson I did not think there was any use of my seeing Mr. Hays, because I did not feel inclined to switch over to the Grand Trunk.

Q. What were you doing at that time? A. I was with the Canadian Pacific.

Q. Mr. Hobson said Mr. Hays explained what was contemplated, that was the extension of the Grand Trunk to the Pacific Coast, and gave you to understand that he wanted to get an engineer to take charge of the work, and asked if you would accept it—do you remember that? A. No mention made of Grand Trunk Pacific or any line to the Coast that I remember of.

Q. Your recollection is there was no such— A. No such thing mentioned, in fact I never heard of it until some few weeks after this offer was made to me, that the Grand Trunk contemplated building a continental line.

Q. Do you know how the salary came to be mentioned? A. My recollection is that Mr. Hays asked me what I was getting and I think I told him; it was less than \$4,000, and he offered me \$4,000, but I told him that it was the work more that did not suit than the salary. I do not know that I told him that, but I led him no doubt to believe that, that I did not care for maintenance, in fact I told Mr. Hobson before I saw Mr. Hays that.

Q. Were you in a position at that time to have undertaken this great work of locating the Grand Trunk Pacific line had a proper salary been offered you? A. Oh, yes, the Canadian Pacific would have relieved me of my position with them; I always had an understanding with them and have still.

Q. That you could be relieved of that? A. Yes.

Q. And that work would have had its inducements to you I suppose much greater than the work in which you were interested at that time? A. Yes.

Q. Such a large undertaking as that would no doubt have been considered by you very favorably? A. Yes.

Q. Why was the \$4,000 offered, if you told them at that time, as Mr. Hobson thinks you did, that you would not undertake a change at all? A. They did offer me a salary, Mr. Hays said he would give me \$4,000, that I was to think over it and if I changed my mind in two or three weeks to let them know.

Q. But you are quite sure the position Mr. Stephens now occupies was never offered you? A. I do not know what position Mr. Stephens occupies.

Q. He is Chief Engineer of this Grand Trunk Pacific? A. I was never offered anything in connection with the construction of the transcontinental road.

Q. Or the location of it? A. Or the location of it.

Q. You are definite upon that? A. Yes."

Mr. Hays in his further examination held on the 20th July, referring to the offer of \$4,000 to Mr. Lumsden said:—

"There has been a great deal said, Mr. Mowat, about Mr. Lumsden and that offer of \$4,000. If any more would have suited Mr. Lumsden better he never mentioned the question of salary. He did not enter into it at all. He had a better position. If he wanted more than \$4,000 he never mentioned it."

Mr. Hays, without further effort to obtain the services of a Canadian engineer to take charge of the work, on the 2nd day of December, 1902,

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wrote to J. W. Kendrick, third Vice-President of the Atchison, Topeka & Santa Fe Railway, Chicago, Illinois, as follows:

"December 2nd, 1902.

"DEAR MR. KENDRICK,—You have undoubtedly read in the press plans for the extension to the Pacific Coast. Do you know of any one whom you can recommend to me as a good man for probably assistant engineer in connection with that work. I want some one who is honest and trustworthy, with good experience as locating engineer, and somewhat familiar with the character of the country to be traversed, and it has occurred to me to trouble you about the matter because of your long experience on the Northern Pacific and probable acquaintance with engineers having the qualifications referred to. Do you mind saying to me confidentially what you know of Mr. Graham, formerly with the Northern Pacific, I believe, and now with the B. & O. I do not know him personally at all, but his name has been given to me as one who would meet our requirements.

I hope I am not troubling you too much in this matter, but shall be glad to reciprocate in any way opportunity may offer."

Yours truly,

CHAS. M. HAYS."

In reply Mr. Hays received the following letter:—

The Atchison, Topeka & Santa Fe Railway System,
Third Vice-President's Office.
At Los Angeles, Dec. 9, 1902.

'Personal and Confidential.'

Dear Mr. Hays,—Replying to your personal letter of December 2nd, I believe that Graham is a very good man, and that he would satisfactorily fill the position.

We have in our employ a man named J. R. Stephens; Mr. McHenry, Chief Engineer of the Canadian Pacific, can tell you about him, as he worked under McHenry for some years, but I also know him very thoroughly. He is about thirty years of age, a graduate of Stevens Institute at Hoboken, and I consider him a very competent man. He has had a great deal of experience in the West, and served for a time on the Northern Pacific, having charge of some of its difficult mountain work.

Stephens can probably stay with us as long as he wishes to; Mr. Dun, our Chief Engineer, told me that he thought of bringing him to Chicago (he is now in Oklahoma), and put him in the office as Assistant, but as I feel very kindly disposed towards him. I should be glad to assist him in improving his condition. Should you care to address him in connection with the subject referred to, you can do so in care of James Dun, Chief Engineer, Atchison System, 77 Jackson Street, Chicago, Ill.

I give you Mr. Stephen's name because it is quite possible that you may not be able to secure Mr. Graham on account of his connection with the Baltimore & Ohio. No one else occurs to me at this writing.

Yours very truly,

(Sgd.) J. W. KENDRICK,
Third Vice-President."

"Mr. Chas. H. Hays,
Second V. P. and G. M., G. T. Ry.,
Montreal, Que.

Failing to obtain Mr. Graham, who is an American, Mr. Hays telegraphed Mr. Stephens to come to Montreal, and offered Mr. Stephens the position of Assistant Chief Engineer of the Grand Trunk Pacific Railway at a salary of \$6,000, which was increased to \$7,500, and accepted. Mr. Stephens accordingly entered the service of the Company on or about the 20th February, 1903. Mr. Stephens is an American citizen and was not personally acquainted with this country nor with Canadian engineers residing in Canada, his whole life having been largely spent in the United States with the exception of two or three years he spent in South Africa. Both he and Mr. Hays state that when he was engaged he was told that this being a Canadian work and other things being equal, Canadian engineers should have the preference, that the Company desired first the question of capability, merit, and experience to govern in selecting the men, but that being equal the Canadians must have the preference. Mr. Hays added in his examination:

"That, I may say, is our policy, and has been my policy in connection with the operation of the road since I have been here. Canada has been somewhat unfortunate in respect of having a very small territory to draw from in any work of great importance where we wanted to get the latest ideas, and I think it is in the interest of Canadians, and Canadian works that in everything we do we should get the best and latest experience and information to carry it out. Where you are building a house, a hotel, a manufactory or a railway it is the interest of every one that the latest expert knowledge and experience should be brought to bear in conducting the work. That is our position and has led us to send outside of the country to get that information which could not be had here."

In answer to the question:—

"But have we no men in Canada quite as well qualified to do this work?" Mr. Hays stated:—"There are naturally men of that character, but they are all very busy, and disinclined to give up their present occupations."

He was further examined as follows:—

"Q. I have gone over a list of 100 applications from Canadians in your office? A. Yes.

Q. Of course you did not go into the qualifications of each individual when they applied? A. The head of the Department, Mr. Stephens, would do that.

Q. Now, if your policy has not been carried out your instructions have been disobeyed? A. That is a natural conclusion.

Q. And the carrying out of the policy has been left in Mr. Stephens hands? A. Just so.

Q. I suppose the fact of his being an American would have an influence with him as to the appointment of persons whom he would employ? A. That is a matter for you to judge yourself."

Mr. Stephens explained as to his employment by stating that he was telegraphed for by Mr. Hays, and has been in the employment of the Grand Trunk Pacific Railway since February, 18th, 1903. His examination as to his salary is as follows:—

"Q. How much salary was offered to you by Mr. Hays when he employed you? A. He offered me \$6,000 a year."

Q. And that is the salary being paid you now? A. Yes."

I subsequently examined Mr. Walker, the auditor of the Grand Trunk

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Railway, with reference to the salaries paid to the different officers, and I found that instead of \$6,000 being paid to Mr. Stephens as he swore, he was receiving \$7,500. Subsequently I examined Mr. Stephens as to Mr. Walker's evidence as follows:—

Q. You told me the other day as to your salary being \$6,000 a year; Mr. Walker brings it in as \$7,500; is that correct? A. The remark I made I would like to quote, I was offered \$6,000 a year.

Q. You wished me to understand your salary was \$6,000? A. No, I misunderstood you only.

Q. What is your actual salary? A. \$7,500."

Appointment of Harbor Engineer.

On the 30th May I examined Mr. Stephens with reference to the appointment of engineers in connection with the work, and was informed by him that up to that time he had appointed three division engineers, namely G. A. Kyle, G. A. Knowlton, and C. C. Van Arsdol; Kyle and Knowlton having been employed in March, 1903, and Van Arsdol in August, 1903, that these three men were from the United States, although he claimed Mr. Knowlton was a Canadian, that he also appointed a Mr. Colladay engineer in charge of a party, from the States, and Mr. Goodman, draughtsman, in his own office, who had been appointed while in the United States by Mr. Kyle and subsequently promoted from Winnipeg at an increased salary to the head office in Montreal, that he had also appointed a Mr. Bacon as Harbor Engineer. The evidence with respect to Mr. Bacon is as follows:—

"Q. Where is he? A. He has been looking over the harbor business. he is on the railway survey in connection with the Grand Trunk Pacific.

"Q. Where is he from? A. I cannot say, I think from Florida.

Q. How long has he been here? A. Since last August.

Q. What do you pay him? A. We pay him \$300 a month.

Q. Is he an engineer? A. Yes, he is a specialist.

Q. What is his name? A. James H. Bacon.

Q. What is the nature of his special work? A. Looking after harbor propositions; he is not a railway engineer at all.

Q. Where is he a graduate from? A. I could not say.

Q. Is he up in years? A. I do not know that he is a graduate, and I do not know his nationality, he may be an Englishman; he is at Port Arthur.

Q. Is his work such as it would be impossible to get any one in Canada to do it? A. Well, I think it would be difficult to do so for this reason, when I started here I asked several of the prominent engineers to accept a similar position, and they invariably told me they were fully occupied at better wages than we could pay them.

Q. Is your knowledge of the engineers in Canada sufficiently wide to let you know whether they could fill these positions? A. Personally?

Q. Personally? A. I might be weak on that point. I have consulted Mr. Tye and others and took their advice, and Mr. Tye informed me he would be perfectly willing at any time to testify in writing or verbally that I had employed every Canadian engineer he had recommended.

Q. Still you did not limit yourself to employing only those he recommended? A. No, I would not do that.

Q. Now, is not \$300 a month a pretty good salary for an engineer? A. Yes, but it is only a temporary job.

Q. Supposing Bacon is an American citizen, could you not have ob-

tained a Canadian equally well qualified to do the work he is doing? A. I have made an effort.

Q. Now, can you tell me from whom you enquired about a man to do the work which Mr. Bacon does? A. No, it is a matter of general talk.

Q. Have you consulted Mr. Tye? A. No, I never talked to Mr. Tye of this harbor man.

Q. Can you remember any one? A. No.

Q. Have you had applications from Canadian engineers who have been declined? A. Yes, we have had some we have declined."

Being cross-examined on the 4th July with reference to the above statements Mr. Stephens stated the only persons he remembered appointing on Mr. Tye's recommendation was Mr. Alexander McLennan, as assistant engineer in charge of the party north of North Bay. He was then examined with reference to Mr. Bacon:

"Q. Will you tell me the names of the civil engineers whom you did ask to take Mr. Bacon's place; before you answer that I will read what you said: 'When I started here I asked several of the prominent engineers to accept a similar position, and they invariably told me they were fully occupied at better wages than we could offer them—does that refer to Mr. Bacon?' A. I wish to correct that testimony; we had an engineer in Mr. Bacon's position in the west before Mr. Bacon came, and he resigned that same work.

Q. Then I understand you to say this answer you gave is not correct? A. I would like to correct that.

Q. In what way? A. I would say we had an engineer in the west looking up harbors. His name was Mr. J. H. Gray, and he looked up the matter of harbors.

Q. But you see, Mr. Stephens, the question asked you was very clear, 'Is his work such as it would be impossible to get any one in Canada to do it?' And you answered, 'Well, I think it would be difficult to do so for this reason, when I started in here I asked several of the prominent engineers to accept a similar position'—Now, who were those prominent engineers you asked as harbor engineers, or if you don't think that answer correct? A. That answer is incorrect, I did not intend to answer it in that way.

Q. In what way did you intend to answer? A. I simply meant to state the position was a difficult one to fill, that we had a man engaged on there, but he resigned, and after he had resigned I made arrangements with Bacon.

Q. But you said, 'When I started here I asked several of the prominent engineers.....and they invariably told me they were fully occupied'—there is no man in that? A. I meant that entirely different from the harbor proposition. I meant it with reference to division engineers.

Q. Now, then, that being the case and so correcting your evidence in that respect, what prominent engineers did you ask to accept the position of division engineers say at North Bay, at Winnipeg or Edmonton, at a salary of \$4,000, mentioning to them the salary, who were the prominent engineers? A. There were three; we had there Mr. Kyle, Mr. Knowlton, and Mr. Van Arsdol. I asked Mr. Leonard, Mr. Smith, and Mr. Alexander Stuart to accept these positions.

Q. Mr. R. W. Leonard, Mr. Cecil B. Smith, and Mr. Alexander Stuart, what was the result? Did Mr. Leonard accept? A. He did not.

Q. Did he refuse? A. He did.

Q. Did Mr. Cecil B. Smith refuse to accept? A. He did.

Q. Did Mr. Alexander Stuart refuse to accept? A. He accepted, but before I had consummated the arrangements with him the Company he was with raised his salary and retained him. He told me he was perfectly

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willing to come with me and admitted the obligation, but I stated I would excuse him because he was getting more than I would offer him.

Q. Where is he now employed? A. I think he is assistant engineer of the Great Northern under Mr. Hill."

I examined Mr. Bacon in Winnipeg on the 8th June, 1904, as to his appointment when he gave the following evidence:

"Q. You are now employed on the Grand Trunk Pacific? A. Yes.

Q. In what capacity? A. In harbours and terminal sites.

Q. That is your exclusive work? A. Yes.

Q. When were you appointed? A. I was appointed last August, 1903.

Q. Do you remember how you came to be appointed? A. I received a telegram from Mr. Stephens asking me if I would accept a position.

Q. Where were you employed at that time? A. In the United States as a member of the U. S. Government survey on rivers and harbours in Georgia and Florida.

Q. Would you mind telling us whether you improved your position by coming? A. I improved it slightly, yes.

Q. Do you know how Mr. Stephens came to telegraph you? A. It is stated in the telegram that Lederle had informed him.

Q. And finally what terms were agreed upon as to amount of salary and as to length of employment? A. There was no agreement as to length of time, it was stated my employment should last three or four months, and the salary was to be \$300 per month and expenses.

Q. And you are now getting \$300 per month? A. Yes.

Q. How long have you been employed in the hydrographic service of the United States? A. About 15 years.

Q. That has been your special calling? A. Yes.

Q. Any employment in connection with the locating or building of railways? A. Not during that time.

Q. Has your experience extended over tide water as well as lake water? A. Tide water only.

Q. What were the terms of your engagement in the United States? A. It was practically a permanent position as long as I chose to keep it.

Q. And you did not sacrifice it by coming here? A. Oh, no, I obtained a leave of absence, my employment here was only to run three or four months, and that was understood at the time.

Q. And that leave of absence has been continued? A. No, it has expired.

Q. Are you a citizen of the United States? A. Yes, I am.

Q. Always lived there before you came to Canada? A. Yes."

I accordingly on the 5th July, 1904, reported Mr. Bacon as in my opinion coming within the Alien Labor Law.

Appointment of Divisional Engineers and Clerks.

Mr. Stephens had in his examination as to the employment of engineers previously given the following evidence:—

"Q. Have you visited the United States in your endeavors to get men? A. No, sir, I never attempted it, never thought of it, that is the very last idea that ever entered into my mind. This is one thing I am certain of.

Q. Did you personally invite any one from the United States to come over? A. Yes, after I had exhausted every effort to get others here.

Q. Because you could not get Canadians to do it? A. Yes.

Q. Do you know whom? A. I invited Kyle; I invited Van Arsdol, I did not invite Knowlton.

Q. Did you invite Mr. Nutting? A. I do not know, as I said.

Q. You did not invite Mr. Colladay and Mr. Bacon? A. No.

Q. Mr. Goodman? A. No.

Q. Any other engineers? A. Not to my knowledge.

Q. Do you know of any one who has been invited, outside of yourself of course,—you were invited yourself, I think Mr. Hays invited you? A. Personally? Let me answer the first question: I do not know of any except those I mentioned.

Q. You do not know of any one in whom you had an interest in bringing here? A. Not invited.

Q. And Mr. Hays invited you to take your present position? A. Yes."

On the second day of his examination Mr. Stephens gave the following evidence:—

"Q. Now, I was going to ask you something about the correspondence, but have not gone through the whole of it, and there is no necessity in taking up any more of your time till I get all the correspondence, one thing about which you are very emphatic, that is you have not in any way invited American engineers? A. On the contrary I want to be very emphatic on that point. I have absolutely as far as possible declined all the suggestions and offers we have had, and when you look through the correspondence you will see that has been done, and I never contemplated such an idea, and never thought of it.

Q. Have you ever visited the States with a view of getting any of these engineers? A. Absolutely no.

Q. While in Chicago on your visit there have you asked to be put in communication with any engineers? A. No, it was accidentally, simply passing through Chicago, and got into conversation with engineers, just the same as I would talk to Canadian engineers if I met them.

Q. But you never suggested their making application? A. Never asked them.

Q. I understand you to be very emphatic about that? A. I talked about the work in general conversation, but I never went there for the purpose of employing any American engineers."

My examination of Mr. Stephens as to the employment of his Chief Clerk is as follows:

"Q. Mr. Mellen is your Chief Clerk? A. Yes, sir.

Q. Where was he before you employed him here? A. He was with me on the Santa Fe.

Q. And you employed him when you came here? A. He came up at the same time, or a few days later than I did.

Q. What was the result? A. I told him to go to work, and I put him on the pay roll, that is all there was to it.

Q. That was after you were employed? A. Yes.

Q. And that was after you came here? A. Yes, he came subsequently.

Q. You do not know how soon? A. Within two weeks.

Q. What salary does he get? A. \$125.

Q. Have you any other man on the survey parties from the Santa Fe Railway? A. None others than I have mentioned; there are myself, Mr. A. G. Allan, Mr. Hancock, who has gone, Mr. Mellen.

Q. That was all? A. Yes.

Q. These came from the Santa Fe? A. Yes, they worked on the Santa Fe Railway."

Subsequently I discovered Mr. Mellen's salary had been increased \$25 a month, thus making it \$150 per month, although Mr. Stephens had stated

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it was only \$125 per month. On his attention being called to that fact he admitted that it had been increased, and that he was now receiving \$150 per month.

After examining the correspondence with reference to the employment of the engineers I continued Mr. Stephens examination on the first June as follows:—

“Q. Now, with reference to the employment of the different engineers, you stated Mr. Kyle was an American, he was employed in the States by you? A. Yes.

Q. You urged his appointment? A. Yes, I asked him, subsequent to my interview with Mr. Smith.

Q. Who is Mr. Smith? A. Chief Engineer of the power plant at Niagara Falls.

Q. What has he to do with the appointment of engineers on this Grand Trunk Pacific? A. Nothing whatever, except he was offered the position before Mr. Kyle came. He refused.

Q. Who offered him the position? A. I did.

Q. Have you any letters showing you offered it to him? A. No, it happened in Mr. McGuigan's office. Mr. McGuigan introduced him to me, and we had a talk and he declined the offer.

Q. When was that, do you remember? A. It must have been in March, 1903.

Q. I find among the correspondence a telegram from you to Mr. Kyle dated 11th March, 1903—he was at that time in the Northern Pacific office, Tacoma, Washington—offering him \$4,000 a year for two years' work, do you remember sending that? A. Yes.

Q. This was after you offered the position to Mr. Smith? A. Yes.

Mr. Kyle sends the following telegram:—

“Will accept position offered, if can get Western position and salary is commensurate with position”—you answered it by offering him the \$4,000, and asking him when he can report here? A. Yes.

Q. Then on the 11th March, 1903, he answered by telegram as follows:

“Will report as soon as can arrange to have my position filled. Will let you know soon as can.” A. Yes.

Q. You replied on the 12th March, the next day,

“All right, can you get Van Arsdol as Assistant at \$175 and expenses?”

A. Yes, Van Arsdol declined that offer.

Q. You wanted to get Van Arsdol here too? A. Yes.

Q. As Mr. Kyle's Assistant? A. Yes.

Q. That same Van Arsdol is now Division Engineer at Edmonton? A. The same man.

Q. Then Mr. Kyle telegraphed you on the 13th March:—

“Darling says cannot relieve me until 25th inst., will that answer? If not will endeavor hurry matters?” A. Yes, I remember having received that.

Q. You replied on the 14th March, ‘All right, 25th will answer. What transportation will you require, and where shall I send?’—that was your answer to Mr. Kyle? A. Yes.

Q. Then you wrote and arranged about transportation for himself and family? A. Yes.

Q. And Mr. Kyle has been Division Engineer ever since with headquarters at Winnipeg, getting here about 2nd April, 1903? A. Yes.”

Mr. Kyle was examined by me in Winnipeg on the 6th June and subsequent dates. He stated he had known Mr. Stephens since 1890 or 1891, that they had both been on the same road at that time, being the Northern Pacific.

he being locating engineer and Mr. Stephens construction engineer, and that that acquaintance had continued up to the present time; that in 1895 he went to South Africa on a telegram from Mr. Stephens, who had gone there about a year previously; that he remained there for three years, Mr. Stephens returning shortly before. He stated in his evidence that it was the policy of the company and his policy to appoint Canadians in preference to others, and that he has always carried out such policy. The evidence, however, conclusively shows that he did not carry out that policy as fully as he should and could have done had he so desired. One or two letters which he had written to friends in the States indicate clearly his mind with reference to Canadian engineers. On the 15th May, 1903, he wrote to Mr. Hugh Allen, Pocatello, Idaho, as follows:—

"Dear Sir,—I have just received your letter of the 26th April applying for a position on the Grand Trunk Railway. I am sorry to say at present there is nothing that I can offer you, as all of the parties are filled. The policy of the company is to use Canadians and English wherever we can do so consistently, but think that later on we will have to import some American brains in order to carry the thing out successfully. As soon as anything comes up I will be glad to let you know. I should think it would be about three months before there would be any liability of needing any more men."

On the 8th October, 1903, he wrote to Mr. Frank L. Davis, 1818 North High Street, Tacoma, Washington, as follows:—

"Dear Sir,—I beg to acknowledge receipt of your favor of the 1st instant. I am sorry that there is nothing I can offer you at present, but later on there might be a vacancy where I could place you, and will be glad to let you know if anything occurs. We are in the unpleasant situation where it is advisable to fill the minor positions with natives, and are therefore rather handicapped."

This feeling with regard to Americans and Canadians seems to have permeated those in the Winnipeg office about that time, for we find Mr. H. M. Goodman, an American citizen who had been brought from the States to Winnipeg by Mr. Kyle as chief draughtsman, and subsequently transferred from that office to the head office in Montreal by Mr. Stephens, in a letter dated 5th December, 1903, addressed to Mr. W. H. Hayden, Tacoma, Washington, writing as follows:—

"As to the possibility of your brother Charles securing a position on G. T. P. surveys I can advise you no better than have him apply to Mr. G. A. Kyle, Division Engineer, G. T. P., Winnipeg, Post Office Box 68, and have him state his Alaska experience, and what position he would like to try for. This is his best chance, but I will say in advance that the Canadians are making a great howl against Americans taking away their jobs, so that the officials of the R. R. are filling what positions they can with Canadians, but they sometimes plug up their ears and take an American."

In consequence of the statements made by Mr. Stephens with reference to the offers made by him to Mr. Cecil B. Smith as above set out I wrote Mr. Smith as already stated, and in answer received from him the letter set forth in the minutes of evidence herewith, and Mr. Stephens was examined thereupon on the 4th July as follows:—

"Q. Did Mr. Smith refuse the position of Division Engineer? A. So I understand.

Q. There was a conversation between you? A. Yes, in Mr. McGuigan's office.

Q. Was Mr. McGuigan there too? A. I think he was.

Q. Anybody else? A. I don't think there was.

Q. Mr. Smith does not so understand it, and I have a letter written

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on the 4th June, 1904; you will give what statement you like concerning it (letter read as in minutes of evidence); now in view of the very definite statement of Mr. Smith what do you say as to the memory of the subject and the interview—you will not contradict this? A. That letter is not in evidence.

Q. Only as to the statement, can he make such a statement? A. But that is not evidence.

Q. Have you made such a statement? A. No, I did not; I mean that Mr. Smith misunderstood me, and perhaps I misunderstood. My recollection of that interview is this, that I wanted to get Mr. Smith, and he spoke about his engagement there at Niagara Falls, and he said he was getting more money or as much; I understood he was getting some \$3,600, and he said he had a fascination for railway work and would like to come with us, but that as he had his family and everything in shape at Niagara Falls he would prefer to remain there.

Q. That is what your recollection is? A. That is my recollection.

Q. Do you remember his coming back to get you down to terms? A. No, I do not.

Q. You do not recollect that—"Later in the day I met him and Mr. McGuigan, and endeavored to obtain from Mr. Stephens a definite offer stating salary which he was prepared to give, but was not able to obtain anything definite?" A. I do not recollect anything about that.

Q. At that time had not \$4,000 been fixed as the salary of a division engineer? A. It had.

Q. Did you mention that sum to Mr. Smith? A. I did.

Q. You think you mentioned it? A. I would say from the recommendation that I would be very glad to have understood it as he understood it, and to have had him for the Grand Trunk Pacific.

Q. On account of his reputation as engineer? A. Yes.

Q. I do not suppose you desire to go down on record here as saying that what Mr. Smith stated is not true, it is simply a matter of recollection? A. Just a misunderstanding between us."

Mr. Smith was examined on the 13th July with reference to this matter, as follows:—

"Q. There was something said by Mr. Stephens about his desire to appoint you; he spoke in a complimentary way of what he had heard of your achievements, and he said he had a desire to appoint you to a position on the Grand Trunk Pacific; do you recollect any conversation with him on the subject; how did you come to go to him if that was so, and when? A. Well, there was a meeting arranged for by Mr. McGuigan between Mr. Stephens and myself; I think that was in February, 1903.

Q. And you went to Montreal? A. Yes.

Q. And saw Mr. Stephens? A. Yes.

Q. Did you make it known to him that you would like a position on this staff? A. Well, that was the understanding of my trip there.

Q. I understood you had applied for a position in November, 1902? A. Yes, I had put in an application for the chief engineership in November; that was acknowledged by Mr. Hays.

Q. Was that the only position you would have accepted? A. No, not at that time.

Q. You would have been content with a division? A. Yes.

Q. Was an offer made to you in this conversation in February? A. No, there was no offer made to me.

Q. Tell us what occurred, what was the net result? A. Well, we had a short conversation about the employment of railroad engineers in general,

and he drew from me what my salary was at that time, and then he practically dismissed me, and said that as I knew salaries for railroad engineers were very low, and he had nothing to offer me that would be an inducement—

Q. And there would be no use— A. In making an offer, and I met him a few minutes later in Mr. McGuigan's office, and I endeavored to draw from him an offer just for the sake of having it, but he said there was no use in making an offer, and he did not care to do so.

Q. I think you will have to tell us then what was the sum you mentioned as being your salary? A. My salary at that time, that is the straight salary, was \$3,600, but I have other engineering work that I am doing at the same time.

Q. And the moment he heard that he said there was no use in troubling about it? A. Yes.

Q. And you went back for the purpose of trying to get a definite arrangement? A. Well, that came up incidentally, I was waiting at Mr. McGuigan's office to speak to him before I left Montreal, and Mr. Stephens came in.

Q. You thought you would clinch it if it was possible to do so? A. I endeavored to do so, that was the idea.

Q. You say you talked with Mr. Stephens over the engineers and engineering problems in Canada? A. Yes.

Q. Did Mr. Stephens seem familiar with engineers in Canada and their work? A. I do not think so, not from the way he spoke, I don't think he knew anything about Canadian engineers. He referred to having a large number of applications in his hands. I said that of course I understood there would be no difficulty in getting lots of men.

Q. You have now improved your position? A. Yes.

Q. \$4,000 would not be tempting? A. No.

Q. At the time you had that conversation with Mr. Stephens it would have been so? A. I would have accepted that position at that time."

I also wrote to Mr. R. W. Leonard with reference to the offer made to him, and in consequence of his reply I examined him on the 4th July with reference to same, when he gave the following testimony:

"Q. You have heard it stated that Mr. Stephens said he only employed American engineers on the Grand Trunk Pacific when he exhausted every effort to get Canadians? A. Yes.

Q. That he could not get Canadians to do it? A. Yes.

Q. You heard that statement? A. Yes.

Q. What is your experience of the matter or did you let it be known to him that you were available for employment on this railway? A. In the latter part of March 1903 I called on Mr. Hays who requested me to go and see Mr. Stephens, as he thought Mr. Stephens would like to see me. He sent one of the young men up from his office to introduce me to Mr. Stephens and Mr. Stephens discussed with me his proposed organization for his engineering staff.

Q. You had never met Mr. Stephens before that? A. No. He stated he was thinking of appointing five district engineers to cover the whole territory, and asked me if I was available to take one of those positions. I told him I was, and he told me he was not then in a position to actually make the appointments, but he would communicate with me when he was.

Q. Did you leave him? A. I left him and left my address.

Q. Did you ever see him again, and did you ever hear from him? A. I did not hear from him, and a few weeks later when in Montreal I called upon him. He told me he had appointed his entire staff, and all his district engineers. I asked him if my name was amongst them. He said no.

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Q. Then you accepted your present position? A. I accepted the position which I am in at present.

Q. I am told, in fact I think Mr. Stephens said, that he did offer you a position later on? A. In July 1903 I got a telegram from him which I have: "Montreal, July 16, 1903. If you are not permanently engaged I would like to get in touch with you." To which I replied from St. Catharines, "Am profitably engaged here, but not bound to reject better things." He answered July 24th, "Think can offer you division at \$4,000. Can you meet me here, St. Lawrence Hall, Sunday, to talk over, returning Sunday night. If so pay fare and take receipt. J. R. Stephens."

Q. Were you in a position to accept that offer? A. I met Mr. Stephens in reply, and talked the matter over with him, but I told him that I could not afford to accept it.

Q. Could you have accepted it at that sum in April or June. A. Yes.

Q. You would have been willing? A. When I first applied."

Mr. Stephens during his examination on 1st June gave the following evidence as to the appointment of Mr. Knowlton as Division Engineer:

"Q. Then Mr. Knowlton was employed about the 22nd April 1903 by you as Division Engineer? A. I think so, it was about that time.

Q. Where was he when he was employed by you? A. He was with the New York Central.

Q. Did you ask him to go into the service of the Grand Trunk Pacific? A. I do not remember that, I asked his brother, his brother decided to accept a position on the New York Central as assistant chief engineer. Then the other brother came up and I had a talk with him and engaged him here.

Q. He was however in the employ of the New York Central when you employed him here? A. Yes.

Q. Do you know he is an American citizen? A. I do not know.

Q. Have you heard that he was? A. I do not know that he is an American citizen; I understand he is a Canadian; if he is an American I do not know; you will have to ask him."

Mr. Knowlton being examined at North Bay on the 27th June gave evidence as to his appointment, as follows:

"Q. How did you come to Montreal, Mr. Knowlton? A. The Chief Engineer of the New York Central wired me to report to Mr. Stephens in Montreal.

Q. Who is Chief Engineer of the New York Central? A. H. Fernstrum.

Q. Is your brother on that line? A. He is working there now.

Q. Because Mr. Stephens in his evidence before me in Montreal said that he had asked your brother to take employment on the Grand Trunk, and instead of his coming you were sent, is that correct? A. Well, I do not know anything about that. The first I knew about this was I received a telegram from Mr. Fernstrum.

Q. You were then in the employ of the New York Central? A. Yes.

Q. As Division Engineer? A. As Assistant engineer on maintenance of way and construction.

Q. At what salary? A. \$200 a month and expenses.

Q. When was that? A. I think I went to work for them in January, some time in 1903, about the 16th or 17th January.

Q. And remained until——? A. Until April. I left Kerwinville on April 19th.

Q. And immediately reported to Mr. Stephens? A. Yes, sir.

Q. Did you inform him why you reported to him? A. I told him I had a wire from Mr. Fernstrum.

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Q. You told him who Mr. Fernstrum was? A. He knew who he was, of course.

Q. Your brother's name was mentioned? A. I think it was.

Q. Where was Mr. Stephens when you first knew him in the States, on what line? A. That is personally on the Santa Fe, I have known of him for a good many years.

Q. You were on the Missouri, Kansas & Oklahoma at that time? A. Yes.

Q. And from there you went to the New York Central? A. Yes.

Q. Your family were living in California? A. Yes, sir.

Q. Since coming here you have had your family brought here? A. Yes.

Q. Did the Grand Trunk Pacific give you transportation for your family? A. Yes, sir."

With reference to his nationality he gave the following evidence:

"Q. You had been a resident of the United States for how long? A. 28 years.

Q. Before that I understand you had been in Canada? A. Yes, sir.

Q. Where were you born? A. Near the town of Knowlton, in the Province of Quebec.

Q. Were your people American citizens? A. No, sir, Canadian.

Q. You were ten years old then when you went with your parents to the States, to what State? A. Ohio.

Q. Is your father living? A. Yes.

Q. Is he an American citizen? A. Yes, sir.

Q. Do you know when he took out papers? A. I understand he was not obliged to take out any papers as his father was an American who had moved to Knowlton, Quebec, my father being six years old.

Q. And you understood he did not require to take out any papers? A. No.

Q. And I suppose during your residence in the States you had all the privileges and rights of an American citizen? A. Yes.

Q. Voted at different times? A. Yes.

Q. For the President? A. Yes.

Q. On several occasions? A. I think twice.

Q. And in the State elections? A. Whenever I was long enough in a place to gain residence I voted."

Mr. Stephens' examination on the 1st June was continued relative to the appointment by him of engineers. With reference to the divisional engineer at Edmonton, Mr. Van Arsdol, his evidence is as follows:

"Q. Then, as to Mr. Van Arsdol? A. You have Mr. Van Arsdol's record; I think he is an American; I know that.

Q. The first writing I find from you to Mr. Van Arsdol is a telegram dated the 30th June, 1903. He was at that time at Hoquiam, Washington. It is as follows:

"It may be can offer you position similar to Kyle's. If you are in a position to accept how soon could you come?"—you remember sending that telegram? A. Yes.

Q. Now, on the 3rd July he replied from Leviston, Idaho, by wire as follows:

"Will accept offer if desired; can leave on ten or fifteen days' notice."

Then on the 14th July you wired him at Tacoma as follows:

"All right, will offer same terms as Kyle, provided you can arrange amicably with Darling. Please wire when you leave."

Q. You sent that telegram? A. Yes.

Q. On the 13th July he wired you from Hoquiam:

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"I have wired Darling, and will advise you how soon I can leave."

Q. Who is this Mr. Darling referred to in these different telegrams? A. He is chief engineer on the Rock Island System. He was at the time chief engineer of the Northern Pacific.

Q. On the 20th July Mr. Van Arsdol telegraphed you:

"Have arranged satisfactorily to leave here about August 1st. Please instruct?" A. Yes.

Q. In answer to that telegram you wired on the 22nd July:

"All right, will wire where to report later." Then on the 25th July you wired Van Arsdol:

"Please report at Winnipeg as soon as possible, and advise this office. I have arranged for Chief Clerk."

Q. That is all the correspondence? A. Yes."

It appears in the evidence subsequently taken before me that the chief clerk Mr. Stephens had arranged for as telegraphed Van Arsdol was a Mr. Mellen, his own chief clerk's brother, whom he had invited to come from Arizona, and who was an American citizen, and had arrived at Montreal on or about the 15th July, ten days previous to this telegram to Van Arsdol.

It also appears from the evidence that previous to the appointment of Mr. Van Arsdol as division engineer at Edmonton, Mr. Stephens requested Mr. Kyle to enquire as to the ability and qualifications of Mr. John Woodman, engineer, Winnipeg, with a view of appointing him division engineer. Mr. Kyle gave the following evidence in connection therewith:

"Q. Who is Mr. Tye? A. Mr. Tye is chief engineer of the C. P. R.

Q. And who is Mr. Sullivan? A. The division man in Winnipeg on the C. P. R.

Q. Are they Americans? A. I do not think Mr. Tye is.

Q. There is no doubt about Mr. Tye and Mr. Sullivan being Americans? A. I do not know.

Q. Now, Mr. Stephens requested you to make enquiry about Mr. Woodman, his ability and qualifications as engineer, in July 1903? A. Yes, sir.

Q. What was the result of the enquiry? A. I think there was a letter that was written that showed that.

Q. A letter from Winnipeg, dated 31st July 1903, addressed to J. R. Stephens, Assistant Chief Engineer, Montreal. It reads:

'Dear Sir:

Answering your wire of the 27th inst., requesting me to look up John Woodman, civil engineer, as to his ability and qualifications for division engineer, I had a personal conversation with Mr. Woodman, and find that he now has an office in Winnipeg, and is making architectural engineering a specialty. Mr. Woodman was formerly division engineer on the C. P. R. in charge of maintenance of way located at Winnipeg. I enquired of Messrs Tye and Sullivan as to his ability, and both of them seem to agree that he was not a very desirable man. My only impression of him is that he would not be a satisfactory man as division engineer.

Yours truly,
(Signed)

G. A. Kyle,
Division Engineer.'

Q. When did you enquire of Mr. Tye and Mr. Sullivan as to Mr. Woodman? A. About the date I got the letter.

Q. Where did you see them, was Mr. Tye here at that time? A. Yes.

Q. And that is what they informed you? A. Indirectly.

Q. What do you mean by indirectly, what did they say? A. Well, I was making enquiries as to his ability as division engineer.

Q. You were making enquiries as to his ability as division engineer, whether he would be qualified as division engineer? A. Yes.

Q. That was before Van Arsdol was appointed? A. Yes.

Q. Had you been appointing a division engineer at that time? A. Yes, sir.

Q. Mr. Knowlton? A. Yes.

Q. But there was another division created subsequent to Knowlton's and that was at Edmonton? A. Yes.

Q. It was therefore with reference to Woodman's ability and qualifications as division engineer that you enquired of Mr. Tye and Sullivan? A. Yes, and understood from them he was not a desirable man.

Q. Can you give me their statement? A. This is the substance of it, in that letter, I cannot just remember the exact words.

Q. And your impression was in consequence of what they told you? A. I got my impression from conversations I had with Mr. Tye and Mr. Sullivan, and that was part of my idea. I had a talk with some others, I do not know with whom, I think Mr. Griffith.

Q. And you think Mr. Griffith gave you to understand he would not be a desirable man? A. That was the impression I got from my conversation.

Q. Did Mr. Griffith give you any explanation as to what he thought of Mr. Woodman's qualifications and ability? A. He was in some of the work for him.

Q. Where? A. On the C. P. R.

Q. Any others you recollect? A. I do not remember any others.

Q. And that was the report you sent to Mr. Stephens with reference to Mr. Woodman? A. Yes.

Q. How long after this was Mr. Van Arsdol appointed division engineer? A. I do not know exactly when Van Arsdol came, I think in August.

Q. August 10th 1903? A. Yes, sir.

Q. That is the only division that has been formed since then? A. Yes.

Q. Your letter to Mr. Stephens was dated 31st July, 1903, and Van Arsdol was appointed about 10th August, 1903? A. About that time."

John G. Sullivan was examined with reference to his statement to Mr. Kyle, and the following evidence was given by him:

"Q. What position had Mr. Woodman on the C. P. R. when you knew him? A. I did not know his title, I understood he was engineer in charge of maintenance of way.

Q. From Port Arthur west to the Rocky Mountains? A. I do not think so, yes, I think he was on the western division.

Q. Do you know anything as to his ability as division engineer? A. I cannot say.

Q. Would you say he was not a very desirable man for that position? A. It would be rather presumption on my part to say that, I do not know enough about the man, the only way you can learn a man's qualifications as an engineer is to have him working with you. Mr. Woodman is a friend of mine and I would not care about saying whether he is competent or not.

Q. Never had any dealings with him as an engineer that would enable you to state his qualifications? A. No, sir.

Q. Did you ever state that he was not a very desirable man for division engineer? A. I don't think I did, not in that many words; I mean to say that our company did not try to keep him when he left. He was not kept by our company.

Q. You did not use the term that he was not a desirable man as division

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engineer? A. I don't think I did.

Q. You did not tell Mr. Kyle? A. I may have told Mr. Kyle of the circumstances, I don't think I used these words.

Q. Mr. Kyle wrote: "I enquired of Mr. Tye and Mr. Sullivan as to his ability, and both seemed to agree that he was not a very desirable man?"

A. That might be, they might seem to agree.

Q. Did you agree to the statement that he was not a very desirable man? A. We may have given that impression.

Q. What did you state to have given that impression? A. I do not know, the only thing I can say, he evidently did not give satisfaction to this company.

Q. Do you know that he did not give satisfaction to the company? A. I was led to suppose that.

Q. By whom? A. By certain remarks. I think I heard rumors in Montreal that he was the lightest division engineer they ever had.

Q. From whom did you hear that in Montreal? A. I think I heard it from several.

Q. Who were they? A. Mr. Tye, Mr. McHenry.

Q. So that your opinion as to his qualifications is that he was not competent nor had sufficient ability for a division engineer on the Grand Trunk Pacific? A. I do not think Mr. Woodman has the qualifications for the reason that a division engineer on the Grand Trunk should be a fairly good locator.

Q. And you have not the slightest experience of what he is able to do? A. I did not consider that.

Q. That is the position, you have not the slightest knowledge of his ability as an engineer, and yet you undertake to say that he is not a desirable man? A. You ask me my opinion?

Q. What is the fact? A. Well, I did know that Mr. Woodman had done very little locating, and one cannot locate without experience.

Q. What locating has he done to your knowledge? A. I do not know.

Q. Therefore you cannot say, he may have done a great deal besides what you know—is not that a fact, we must only get at facts? A. Well, you asked my opinion.

Q. I ask you for your opinion founded on facts, not mere rumors, that is not evidence at all—I want evidence? A. Why did you ask me for my opinion?

Q. Because you gave your opinion to Mr. Kyle and I am entitled to know on what basis you formed that opinion, you say you have no knowledge of his locating work as an engineer, and yet in your opinion he is not a desirable man for locating engineer? A. Engineers are somewhat like other men, and we know any man who has made his mark in his line."

Mr. Woodman in his examination stated that his first experience was in 1884 in connection with the construction of the C. P. R., on the north shore of Lake Superior, until 1895, when he came up to Manitoba and went on surveys of the Manitoba and south-western lines, and was engaged in the survey and construction of these lines, and since then he had been engaged on the maintenance of way, rather, the Bridge and Building Department of the C. P. R., and then on maintenance of way on the North Bay and Manitoba lines, and was finally appointed division engineer on the C. P. R. in 1897 for the western division comprising about one-half the mileage of the whole C. P. R. system from Lake Superior to the summit of the Rockies, close upon 4000 miles. He remained division engineer until the division was split in two in 1903. Since then he had been in private practice.

Q. Did you apply for a position on the Grand Trunk Pacific? A. No

sir, I never applied for any position on the Grand Trunk Pacific.

Q. And how is it your name was mentioned? A. I do not know how my name was mentioned to Mr. Stephens. I had no correspondence with the Grand Trunk Pacific or any of their engineers.

Q. Were you looking for a position at all? A. I was just starting for myself at the time, and I was open to engagements if a satisfactory offer was made.

Q. Would \$4,000 have been a satisfactory offer? A. I think I would have considered that was at the time.

Q. And accepted it? A. Yes, although I do not regret it since.

Q. Were you aware that your name had been considered? A. I never understood it had or had not been; I was a little suspicious when Mr. Kyle came to my office one day last summer as to his feeling about it, but he never intimated directly that my name was being considered, nor that there was a vacancy as Division Engineer."

Mr. Woodman who was re-called after the evidence had been given by Mr. Sullivan, was examined in connection with that, and the following evidence given by him:

"Q. Mr. Woodman, yesterday we had Mr. J. G. Sullivan here, and Mr. Sullivan in his examination as to his opinion on your qualifications as an engineer was not altogether complimentary, and he made some stighting remarks about you, but as I gathered from the evidence they were more from what he heard than evidence; will you let us know what you have to say as to your employment on the C. P. R., he having quoted Mr. McHenry as authority for his statement about you? A. Mr. Sullivan called me up last evening and apparently wanted to apologize for the remarks he had made and smooth things over with me. I asked him what the statements were and he told me he regretted having made them. I merely knew Mr. Sullivan as a brother officer, in the C. P. R. Our duties did not bring us in close touch at all. He had the construction department, I the maintenance of way; so it was a great deal of presumption on Mr. Sullivan's part to give his evidence.

Q. He rather wished to call attention to your lack of locating knowledge? A. In that he was expressing an opinion about a matter he knew nothing about. I have worked for two of our best men, George Winston on the North Shore of Lake Superior and E. E. Stuart. I came out to this country with Mr. E. H. McHenry of the C. P. R.

Q. To this western country? A. Yes, was on their location on the western branch. We spent the entire year under canvas. We commenced in November and got through our work on the following November on that particular occasion. We located and built extensions from Elm Creek, which I think is one of the best lines the C. P. R. have in the country to-day, and we built a line from Manitou west. The Manitou crossing is one of the heaviest gradients we had in the country. If Mr. Sullivan had known this he would not have expressed himself as he did. I might say I went through the preliminary survey between Regina and Saskatoon on the Prince Albert road, and then from there on a number of minor branches. I succeeded Mr. Stuart on his death here, and though the company were not locating a great many lines there I had the entire charge of the location and construction of the smaller branches."

The following letter was then read, written by Mr. E. H. McHenry to Mr. Woodman, dated 17th March, 1903:

"I am sorry that your personal feelings in this matter prompted you to tender your resignation, and trust you will secure a position elsewhere that will be more to your liking. On the part of the company and myself I wish

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to express my appreciation of your knowledge and ability in carrying out the extensive and important works under your care over so great a proportion of the mileage of the C. P. R. system, and I hope you will feel at liberty to ask me for any favors desired in the way of references, testimonials or otherwise.

(Sgd.) E. H. McHENRY,
Chief Engineer."

Mr. WOODMAN: I did not ask Mr. McHenry for that letter. I have a letter written in a similar strain from Sir Thomas Shaughnessy.

Q. To what did he refer in mentioning personal feelings? A. The decision, I suppose, not to remain with the company after the splitting up of the division. I had what I considered the best division of the road, comprising as I said yesterday nearly 4000 miles, and I think occupying the position that I did would have been quite sufficient for Mr. Stephens and Mr. Kyle without discussing the matter with American friends who were here instead of taking up the matter with me. When Mr. Kyle came to my office last year when he was looking for information regarding the country, if there was any position open he might have mentioned it, but he may have his own reasons for not offering it to me."

Mr. Woodman produced the following letter, a subsequent letter from Mr. McHenry, addressed to Mr. Kendrick, dated Montreal April 2nd, 1903:

"Mr. J. W. Kendrick,
Third Vice-President, A. T. & A. F. Ry.,
Chicago, Ill.

Dear Mr. Kendrick:

This will introduce Mr. J. W. Woodman who has been many years in the service of the C. P. R. Company acting in the capacity of division engineer. He has voluntarily resigned his position with the Canadian Pacific for personal reasons, and desires to re-engage with your company if possible. During his service with this Company he had charge of a great variety and amount of important work within the limits of the western division, which comprises nearly one-half the mileage of the system, or about 4000 miles. I can conscientiously recommend him to your favorable consideration.

Yours truly,
(Sgd.) E. H. McHENRY,
Chief Engineer."

Q. That was given by Mr. McHenry on the date mentioned? A. Yes."

Appointment of Office Engineer

The examination of Mr. Stephens was continued as follows:—

"Q. Then as to Mr. Allan who is office engineer at Winnipeg, you say he is an Englishman? A. He is English.

Q. Where was he when you employed him? A. He was with the Santa Fe.

Q. You had known him there, you were on that road at the same time? A. Yes, at the same time.

Q. You also wrote asking him to come? A. Yes.

Q. In fact you went out of your way and wrote to his superior officers to relieve him so that he would come? A. I believe so.

Q. There is a telegram dated the 11th April 1903 from you to A. G. Hemstreet, Eastern Oklahoma office, Guthrie, Oklahoma, U. S. A.:

"Mr. Dun wires, Will consider my application for A. G. Allan. Kindly ar-

range if possible." Who is Mr. Hemstreet? A. He is engineer in charge of construction on the eastern Oklahoma Railway, which is a part of the Santa Fe System.

Q. On the 22nd April Mr. Hemstreet replies to your message:

"Will release Allan on May 15th"? A. Yes.

Q. Then on the 17th April you received a telegram from Allan, "My resignation sent Hemstreet yesterday, have written you"? A. Yes.

Q. Then you received a letter from Mr. Allan dated 16th April in which he explains that he interviewed Mr. Hemstreet and he was unwilling to relieve him. Mr. Allan says, "I agreed to stay till May 15th, so please rely on my being with you after that date." This letter covered a copy of a communication sent by Mr. Allan to Mr. Hemstreet dated NewKirk O. T., April 17th 1903, which reads as follows:

"Dear Sir:

I have been working under Mr. Dun continuously for nearly six years, have been entrusted with some large jobs, been promoted many times, so naturally do not feel very enthusiastic about leaving him, but Mr. Stephens is about to build a Transcontinental Railway with a lot of mountain work in an English Colony, and I feel will give me a good place at the front. If it will not inconvenience you I would like to go about May 15th, as I can arrange by that time to leave everything in firstclass shape." Then Mr. Allan had been there for several years? A. He has been in the States for a long time, I do not know how long.

Q. Do you know if he has become an American citizen? A. I do not know, I do not think he has become an American citizen.

Q. Then Mr. Dun, Chief Engineer, writes to Mr. Hemstreet:

"Dear Sir:

Mr. J. R. Stephens wired wanting to know whether we could secure him Mr. A. G. Allan after he finishes Osage Nation work. Will you kindly advise and find out whether Mr. Allan desires to go. I think we can give him a position fully as good as he now has after the Osage work is finished?" A. Yes.

Q. Then you enclosed him transportation, Chicago to Montreal, and do you know what day he arrived here? A. I cannot say, I could consult the records."

Mr. Alexander George Allan being examined at Winnipeg on the 21st June 1904 gave evidence: -that he was born in Madras, India, in 1865, and from there went to England, and lived there until 19 years of age, when he came to America, going out to Dakota territory first. His first experience in engineering was in 1885 or 1886, on some ditching work in Northern Colorado. He was educated for an engineer.

"Q. What was the last work you were engaged on in the United States? A. I was connected with the Atchison, Topeka & Santa Fe Railway.

Q. When did you become naturalized as an American citizen? A. 1898.

Q. Where at? A. At Coleraine, Colorado. I was Chief Engineer then for the National Land Irrigation Company.

Q. You are still an American citizen? A. Yes, sir.

Q. How long have you known Mr. J. R. Stephens? A. Mr. Stephens was appointed to the Santa Fe somewhere close to first October, 1901.

Q. And you were under him at that time? A. I was transferred from the maintenance of way to construction.

Q. He had charge of construction? A. Yes, for the territory of Oklahoma.

Q. How long did you remain under him? A. Until he left the Santa Fe in February 1903.

Q. Was he district engineer or what? A. Engineer in charge of construction; there is no such thing as district or division engineer. I was division engineer.

Q. And he was engineer in charge? A. Yes."

This Mr. Allan is the gentleman of whom a witness, Cecil Goddard, an engineer in Winnipeg, and who had been employed in the Grand Trunk Pacific office in Winnipeg as draughtsman, gave the following evidence:—

"Q. Well, now that I have asked this question will you let us know whether in your opinion there has been a distinct intention in the division office here to discriminate against British subjects, is that your belief? A. Mr. Stephens came here and told me to hold on, but when I saw the number of foreigners who came from the other side and put ahead of me I got discouraged, but was advised to still hold my position down. Mr. Allan I looked upon as a friend, but after what Mr. Kyle had told me at last I left.

Q. Are these all the facts on which you base that opinion? A. Well, in discussing matters here on different occasions there were very nasty criticisms made as to Canadian loyalty.

Q. Very nasty criticisms as to Canadian loyalty, by whom were the criticisms made? A. In general conversation.

Q. Between whom? A. Mr. Allan and myself.

Q. Those observations were made by Mr. Allan? A. Yes.

Q. As to Canadian loyalty? A. Yes, on one occasion when I requested a holiday for the 24th he wanted to know why we kept the 24th May, and I told him it was the King's Birthday, and he said "Why do you keep that blackguard's birthday?"

Q. You got hot? A. Yes, I did."

Although Mr. Allan was in the room when this evidence was being given and heard it, and was re-called as a witness subsequently he did not deny it.

Mr. Hays being asked about this conduct said "Certainly I should have very little use for a man who used that sort of language."

APPOINTMENT OF DISTRICT ENGINEER.

Mr. Stephens was further examined as follows:—

"Q. Then with reference to Mr. McNeil, District Engineer, you wrote to him to come? A. I think he was employed by Mr. Kyle, if I remember the matter right.

Q. Do you know where he was when he was employed? A. He was with the Great Northern.

Q. At what point? A. Somewhere in Montana.

Q. Havre, I think, is the name? A. Yes.

Q. Here is a letter from Mr. McNeil dated 8/9/1903, is that the 8th September or 9th August? A. I do not know what it is; the only thing I can account for Mr. McNeill is that Mr. McNeill was engaged on the 4th September. I am sure it was written in August because I remember asking Kyle about him.

Q. The letter here is dated Havre, Montana, 8/9/1903, and is as follows:—

"Mr. John R. Stephens,
"Assistant Chief Engineer, Grand Trunk Railway,
"Montreal.

"Dear Sir,—Mr. Alexander Stuart, Res. Eng., Spokane, advises that he has mentioned my name to you in connection with positions you have to offer as division engineers on the Winnipeg and Coast Division. As I understand the situation you wish to secure men to take charge of 500 miles division, and whose duties it will be to explore, locate, and construct the line. I beg to say I am severing my connection with this road to take effect just as soon as a successor can be secured, and am open for propositions from other roads....."

Q. Who is this Mr. Alexander Stuart? A. Mr. Alexander Stuart was offered a position here with a salary of \$4,000, but when we made that offer they immediately raised him to \$5,000, so he thought he would refuse us.

Q. He is still at Spokane? A. He is still with the Great Northern and Assistant Engineer.

Q. Upon receipt of that letter what did you do? A. I think Kyle took action. I was on the west coast, and the letter came to the office here and Mr. Kyle took action.

Q. He is, you have already stated, an American citizen? A. Yes.

APPOINTMENT OF ASSISTANT ENGINEERS.

Q. Mr. Colladay wrote to you on the 13th March, 1904, from Decatur, Ill., and said, "I was sorry I did not get more of a visit with you while you were in Chicago, but of course circumstances were such that I could not?" A. Yes.

Q. Then you wrote him on the 15th March as follows: "I am unable to say just when I shall be able to offer you a position, but will advise you later on. And then on the 2nd April you wrote—it appears in the meantime you had engaged him because you say, "I have requested transportation for you from Chicago to Winnipeg to be sent to you direct?" A. Yes, I met him in Chicago as I passed through that city the other day, and had a talk with him, and offered him a position. He re-placed a relative of Mr. Kyle's, Mr. Heaman (Mr. Stephens afterwards corrected himself by stating that he had intended Mr. Raymond Heckman instead of Mr. Heaman.)

Q. You stated further in your letter to him, "I can give you a position as locating engineer at a salary of \$175 per month and field expenses, salary to begin after you report for duty. If this is agreeable please report to Mr. George A. Kyle, Division Engineer, Fort Garry Court, Winnipeg, Man., at your earliest convenience?" A. Yes.

Q. He then replied on the 6th April as follows:—

"Decatur, Ill., April 6th, 1904.

"Yours of the 2nd inst. received and contents noted. I accept position as locating engineer at salary stated and will leave Decatur, Ill., on the 11th inst. for Winnipeg, Man., by Chicago. Thanking you very much for your offer, I remain,

"Yours very truly,

"(Sgd.) W. E. COLLEADAY."

It appearing from the correspondence that Mr. Pim, who had been returned as a British subject, had been discharged from the service, and that Mr. C. F. Gailor was appointed in his place by Mr. Knowlton, Division Engineer at North Bay, the following examination took place:—

"Q. Do you know how Mr. Gailor was appointed? A. I did not know.

Q. You are not aware he is an American? A. No.

Q. Did he apply to you for a position, do you know? A. He may have applied to the office, but I have no personal recollection. Mr. Knowlton made the appointment."

Mr. Knowlton's examination in North Bay with reference to Mr. Gailor is as follows:—

"Q. Party number 7 is Mr. Gailor's, when was he appointed? A. I do not just remember the date, but it was in May or April, the latter part of April (1904).

Q. C. F. Gailor? A. Look at the pay roll and you will see it there.

Q. In your own office there is Mr. G. W. Stadly, Chief Draughtsman? A. Yes, sir.

Q. He, I understand, is an American citizen? A. Yes, he was employed at the Soo for a time....."

"Q. Now, with reference to Mr. Gailor you had not known him previously? A. No.

Q. I see a letter here from him to Mr. George W. Stadly, dated Schuylersville, N. Y., March 18th, 1904,—probably through the same source, the Syracuse agency—

"I am advised you are in need of a locating engineer and would like to furnish you with a little information concerning my ability, experience and character in this line, which enables me to make application for the position. Will say I have had seven years' experience in this line, and am perfectly familiar with all the details concerning location, construction, etc., and have just finished locating a trunk line through the mountains of West Virginia, for the Wabash System, and have many instruments and can furnish best of references, as I am strictly sober and reliable in every way, and am not afraid of hard work or rough country, as I have experience of these things. Was Assistant Engineer on 20 miles of work for the Rutland Street Railway Company, and can either give you letters of recommendation or refer you to my former employers, as I think they will give you good satisfaction, and report at once if you wish. Should I prove unsatisfactory after a fair trial it would cost you nothing for my services."

You wrote to him on the 5th April, 1904:—

"Dear Sir,—Your letter of the 18th ult. addressed to Mr. G. W. Stadly has been referred to me, and in reply will state that I have nothing to offer you. They object very seriously to employing men from the United States, and in view of the fact that the greater portion of my work is on the Government section I am obliged to act accordingly?" A. Yes.

Then Mr. Gailor wrote you from Mechanicville, N. Y., on the 12th of April, 1904, in answer to yours of the 5th:—

"Dear Sir,—Your letter of the 5th inst. has been received and contents fully noted. In reply will say that although I have been in this part of the country for some time I call my residence at St. Catherines, Ont., so do not consider I am a native of U. S. Should this be of any help to you in that line I would be pleased to hear from you further"? A. Yes.

Q. Then you wrote him in answer to that on the 21st April saying you expect to be in need of a locating engineer some time from the 1st to 15th May, and would like him to give answers in regard to the following questions:—

"Are you what we call a good bush man, and have you ever handled parties where supplies and camp outfit are handled by canoes and packers. You are probably aware that the country through which we are running lines is a wilderness at present, and any one taking a position with us must expect to endure maximum hardships. I am not making this statement to discourage any one taking the position, but I wish to state plainly what they must expect if they take on this work."

Then Mr. Gailor writes on the 23rd April answering that, and on the 26th April you acknowledged his letter and said,

"Your letter of the 23rd inst. to hand and I note what you say in regard to your ability to handle parties in a difficult country. I can offer you the following position in charge of preliminary and location work, salary \$175 per month and expenses, after leaving North Bay, and transportation to North Bay from any point on the Grand Trunk system you may designate."

On the 28th April, 1904, he writes:—

"I accept your offer and will come as soon as you give me notice. So think it would not take longer than three days after starting."

You write him in answer. "I enclose transportation from Niagara Falls to North Bay. Niagara Falls is our nearest point to Buffalo, as we have running rights only in that city. I will wire you when to leave."

On the 10th May you telegraphed at Mechanicville, N. Y.

"Arrange to report North Bay as soon as possible."

Q. That forms the contract with Mr. Gailor? A. Yes.

Q. In employing Mr. Gailor you accepted his word as to his experience and ability? A. Yes, sir.

Q. You did nothing else than that? A. Nothing only that I knew the country he had been through, having been through it myself, and I was satisfied he had the experience that would enable him to handle a party here.

Q. Where was Mr. Gailor at the time he was employed? A. I think in New York or Pennsylvania.

Q. He was the gentleman who applied to the engineer Employment Agency in answer to the advertisement which Mr. Stadly had inserted in that paper? A. I do not think there was any paper or advertisement attached to the agency.

Q. What was the nature of the agency? A. There are several of these agencies throughout the country. A man just puts his application there and they correspond with him if anything turns up.

Q. How did Mr. Stadly come to try the agency. A. I do not know, only he has an application there himself I believe.

Q. In consequence of Mr. Stadly's action you received a number of letters? A. He received letters.

Q. And handed them to you? A. Yes.

Q. What steps did you take? A. I took no steps.

Q. In consequence of their being American citizens? A. Yes.

Q. What about Mr. Gailor? A. He wrote me his home was in St. Catharines.

Q. When did he actually write you that, now look over his first letter and see, he does not say that he is not an American citizen? A. I think so, I am not sure.

Q. Read that letter and see exactly what he does say. "Although I have been in this part of the country for some time I call my residence at St. Catharines, so do not consider I am a native of the United States." A. He does not say he was an American citizen.

Q. He does not say he is a British or Canadian subject? A. He has not been frank.

Q. That is you told him you could not communicate with any one who was an American citizen? A. Something like that.

Q. As a matter of fact he was then and is now an American citizen? A. I do not know, all I can say is if I had known I would not have given him a position here.

Q. How soon would it take to get him in here? A. About three weeks.

Mr. C. F. Hannington, District Engineer at North Bay, gave the following evidence:—

"Q. Do you know Mr. Gailor? A. Yes, I took him to the line the other day.

Q. Is he an American? A. He told me the other day he was born in the Eastern States.

Q. Did he tell you he had ever taken out papers in Canada? A. I did not ask him."

Mr. John Armstrong, Engineer of St. Catharines, testified before me at Toronto as follows:—

"Q. A Mr. Gailor was appointed in charge of party number 7, assistant engineer up near Port Arthur, at \$175 a month. When he applied he was told by Mr. Knowlton that as his division was within the Government section that he had to be careful about the appointment of Americans and that that would be in his way. Mr. Gailor wrote back saying, "I call myself of St. Catharines, if that will do me any good," and a few days afterwards Mr. Gailor was appointed in charge of this party—do you know Mr. Gailor? A. I do.

Q. Where did you meet him and what do you know of him, and is he of St. Catharines or is he an American citizen or a British subject or, what do you know of him? A. He was assistant engineer for me on the Hudson Valley Railway.

Q. New York State? A. Yes, had charge of six miles there on construction.

Q. What had his previous attainments been? A. Before I put him in charge of the six miles he was a transitman.

Q. Somewhere else in the States? A. No, on that line, transitman for me.

Q. And where did he come from? A. He came from Mechanicville, N. Y.

Q. Was he an American subject? A. Yes.

- Q. And not of St. Catharines? A. No, had never been there.
- Q. Is he a man of attainment as a locating engineer in charge of a party? A. I would not say that he could assume that office.
- Q. When was he employed by you? A. In 1902.
- Q. And when did his employment cease with you? A. It terminated in 1902.
- Q. Then did you ever hear from him after that? A. Yes, he went to Rutland and was engaged on an electric railway there in Rutland, and I fancy that is how he came to meet Mr. Knowlton, and I think about a month or six weeks before he went north on the Grand Trunk Pacific he wrote me a letter applying for a position.
- Q. Another position with you? A. Well, he did not specify where, but he had applied to me for a position and I wrote him at the time and told him I had not any opening for him.
- Q. And that was how long before he was employed by Mr. Knowlton? A. I think about a month or six weeks previous to the time he went on the Grand Trunk Pacific.
- Q. Under Mr. Knowlton? A. Yes.
- Q. He is now receiving \$175 a month and expenses, what was he receiving with you? A. As transitman he was receiving \$90 a month, and when I put him in charge of the construction work I gave him \$100.
- WITNESS: I would like to make a remark if it is not objectionable; I do not see very well how Mr. Gailor could deceive Mr. Knowlton, they both came from the same place. There is no doubt in my mind that Mr. Knowlton employed Mr. Gailor because they were both in Rutland.
- Q. Were they engaged in the same place in Rutland? A. Not on the same railroad.
- Q. There is no doubt they knew each other? A. No doubt about it.
- Q. You do not know whether they knew the nationality of each other? A. No, but I assumed that.
- Q. I am desirous of knowing whether Mr. Knowlton knew Mr. Gailor in Rutland? A. I cannot answer that question.
- Q. You do not know whether he knew Mr. Gailor in Rutland or not? A. No.
- Q. What line was Mr. Knowlton on? A. He was on the line controlled by Mr. Webb, the Rutland road, but Mr. Gailor was on the Rutland Street Railway electric line.
- Q. At the same time? A. At the same time.
- Q. That is two years ago? A. Two years ago."

EFFORTS MADE TO SECURE AMERICAN ENGINEERS.

In further examination of Mr. Stephens at Montreal on the 1st June with reference to his actions in employing American citizens the following evidence was given:—

"Q. I understood you to say the other day that you did not do anything for the purpose of obtaining American engineers by visiting the States for them? A. No, I only know what has been done in that way as indicated in the correspondence.

Q. Which is indicated in the correspondence which I have read? A. Yes, with this exception that passing through Chicago once or twice I met some engineers and spoke to them.

Q. Here is a letter from Mr. H. W. Parkhurst, dated Chicago August 5th, 1903: do you know Mr. Parkhurst? A. Yes, I was introduced to him, the first time I met him in Chicago.

"Dear Sir,—Referring to your visit of this morning enquiring for competent locating engineers I take pleasure in introducing to you Mr. J. P. Coleman, who has been engaged with this Company for several years, and who is entirely familiar with location work, and who may possibly suit your purposes.

"Very truly yours,
(Sgd.) H. W. PARKHURST,
"Eng. of Bridges and Buildings."

Q. Is that correct? A. Yes, I went there and was introduced by an old friend, and I told him I would like to see Mr. Parkhurst personally, and I met him and he started this talk about locating engineers, and the matter came up incidentally.

Q. You did not call on him for that purpose? A. I did not go for this purpose.

Q. While you were there you made these enquiries? A. Yes, at the same time I saw Mr. Alexander Stuart and two or three others.

Q. You asked them to introduce you to a competent engineer? A. Yes, I asked them to furnish me with the names of competent locating engineers just the same as I asked Mr. Tye here to make recommendations.

Q. And Mr. Parkhurst wrote that letter? A. Yes.

Q. Do you know Mr. Rice? A. No.

Q. Now Mr. C. E. Carpenter, of Topeka, Kansas, writes you in September, 1903:—

"Mr. E. S. Rice, Civil Engineer, informs me you want a number of locating engineers, and asked me to write you." Now, do you know that Rice? A. Yes, I have seen him, he is office assistant of the Santa Fe in Chicago. When I went there I had a talk with him at the same time with Parkhurst and others.

Q. You went around with Parkhurst, Rice and others; do you remember Lederle, or Mr. Warder? A. No.

Q. The last is secretary of one of the societies? A. I do not remember him, I may have met him.

Q. Do you remember Mr. Bainbridge? A. Yes, I have met him.

Q. You were enquiring of these gentlemen, about getting locating engineers? A. Yes.

Q. And in consequence of that these applications were made to you? A. Yes, some of them.

Q. There was also a Mr. Sesser, do you remember him? A. No, I do not remember Mr. Sesser.

Q. He also states Mr. Rice was desirous of getting engineers for you. On the 6th August he writes:—

"I have been advised that you are in need of engineers to take charge of 200 miles of your lines, and I wish to make application. I wish to refer you to the conversation you had about me with Mr. Rice, of Chicago." So that you were really desirous of getting some engineers? A. I made enquiries.

Q. Was that part of your business in Chicago? A. No, no part.

Q. Up to that time you had not obtained any engineers for the road? A. I had some in August, I was there about July.

Q. They wrote in August and September, but Parkhurst wrote on the 5th August, so that it must have been in August you were there? A. Somewhere in July or August.

Q. Who is Mr. Lederle? A. Mr. Lederle is a civil engineer I met in Chicago accidentally. He had just returned from the Phillipine Islands.

and we began discussing the question of engineers, and he took me around and introduced me to some of his friends.

Q. Mr. O. E. Strelhow, on the 14th August, 1903, wrote you from Demopolis, Alabama:—

“Mr. George A. Lederle informed me that you are in need of some locating engineers to put on your extension to the Pacific Coast. I would be glad to accept a position as locating engineer if you still have a vacancy, and the position would carry sufficient salary to justify a change.” Had you asked Mr. Lederle to get you locating engineers? A. No, I just suggested the thing to him.

Q. Then why did these men write in this strain? A. They must have found out in some manner that we were in need of engineers.

Q. How can you account for their using the names of Messrs. Rice, Parkhurst, and Lederle? A. I did not intend it.

Q. And then Mr. Parkhurst saying “Referring to your visit of this morning,” you did not know Mr. Parkhurst before? A. I did not know Mr. Parkhurst before.

Q. How do you account for it then? A. He must have misunderstood it.

Q. And then Mr. Strelhow states, “Mr. George A. Lederle informed me you were in need of some locating engineers”—had you asked him? A. Lederle went with me to Parkhurst.

Q. Had you seen Lederle before? A. No. (Mr. Stephens subsequently stated that he was mistaken in stating that he had not seen Mr. Lederle before; he stated that Mr. Bacon was brought into Canada through Mr. Lederle.)

Q. Then there is Mr. F. A. Bainbridge, who writes from Gilbertsville, Ky.,—he omits the date, but the letter is of 1903; he states:—

“Gilbertsville, Ky., 1903.

“Mr. J. R. Stephens,

“Prin. Asst. Eng., Grand Trunk Ry.,

“Dear Sir,—My friend Mr. George A. Lederle whom I met on the train last evening asked me to recommend a locating engineer. I recommended Donald Rounsville, C. & N. W. Ry., Kaukauna, Wisconsin, and promised Lederle to write you this, etc., etc.”

Now, we have Rice, Lederle, Parkhurst and Warder all trying to get men for you? A. Yes.

Q. And you say you did not give them any instructions or express any desire that they should do so? A. I do not say I did not have a talk with Lederle and ask if he could obtain locating engineers, and the thing was done informally, and there was no direct obligation made unless he did it himself.

Q. There is a letter from Mr. J. L. Lancaster, of Cairo, Ill., do you know him? A. Yes.

Q. He says, “I am advised by my friend Mr. Bainbridge of the Illinois Central Railroad that you are looking for a good locating and construction engineer”? A. Yes, Lederle is the man who took that up for me, but he was not authorized to do so.

Q. Now you offered a position to Mr. F. Meredith Jones of Willet's, Cal.; do you know Mr. Jones? A. Yes, I know him personally.

Q. He is an American? A. Yes.

Q. He was unable to take the position at that time? A. Yes.

Q. What position did you offer him? A. I do not remember. I have in mind giving him one of the district engineerships.

Q. He was on the Santa Fe with you? A. Yes.

Q. He writes on the 30th September, 1903:—

"I have just learned you have sent me an offer of a place through Mr. Dun's office. I write to thank you and to say I hope at some other time to find employment with you." Mr. E. P. Watkins, of St. Paul, he also applied to you on April 6th, and you wrote to Mr. John F. Stevens, of Chicago, and also to Mr. Alexander Stuart, Seattle, as to his ability? A. Yes.

Q. That was with a view to employing him if he was qualified? A. Yes. I wished to get recommendations."

The evidence taken on the 30th and 31st May and 1st June, 1904, at Montreal, disclosed that there were three Americans engaged in the Montreal office, namely, John R. Stephens, Asst. Chief Engineer, W. E. Mellen, Chief Clerk, and H. M. Goodman, Chief Draughtsman. Messrs. Stephens and Mellen having been resident in Canada for upwards of one year did not come within the provisions of the Alien Labor Act, but Mr. Goodman coming within the Act I reported on the 1st June, 1904, that in my opinion he was subject to deportation. He has since left the country.

ALLEGED EFFORTS TO OBTAIN CANADIAN ENGINEERS.

Mr. Stephens on being further examined on the 4th July as to his efforts to obtain Canadian engineers stated that he used his efforts through Mr. McNab (Chief Draughtsman of the Grand Trunk Railway), Mr. Tye, and others, whom he thought knew and were acquainted with the railway situation in Canada.

Q. What others? A. I do not remember except occasional talks with engineers I happened to meet. I visited Mr. Tye's office several times a week consulting about these applications. I also know I had Mr. McNab telephone to the Canadian Society of Civil Engineers asking about applications and references. So far as my recollection goes there are one or two names.

Q. Do you remember of what you spoke? A. Yes.

Q. I suppose they were the only two you consulted? A. I don't know, there are others but I do not recollect.

Q. There is no name on your pay rolls that you can identify with Mr. McNab's recommendation? A. No."

Being asked why he did not write to the Canadian Society he stated the reason was that his communications with the Society were by telephone through Mr. McNab.

Q. Then when you say you exhausted every effort to get engineers or assistants in Canada you mean you had a conversation or conversations with Mr. Tye and Mr. McNab? A. Yes.

Q. And others you recollect? A. No, nothing so specific. I had so many conversations with different people. I have talked generally with a good many.

Q. I find among the one hundred Canadian and British applications that were made for positions on the Grand Trunk Pacific by engineers there are 28 full members of the Canadian Society of Civil Engineers and 12 associate members of that Society, that is 40 members of that Society, did you know that? A. No, I did not.

Q. Did you inquire into their qualifications at all? A. No, except through Mr. McNab's references to the society through the secretary or the lady who I understand is charged with the records there.

Q. They have a book there, have you seen it? A. No.

Q. You could have seen it? A. Yes.

Q. Did you tell Mr. McLeod's secretary of that? A. Not directly, we telephoned directly to the office.

Q. Did you know that any one of these gentlemen was a member of the society? A. Which one?

Q. Any one of the 40 names I read out to Mr. McLeod? A. I presume they would state if they were members when making their applications.

Q. Why did you not employ any of these 40? A. I do not know.

Q. Have you no other or better reason? A. No.

Q. Was it because you were employing Americans instead? A. Not at all.

Q. You did employ these Americans? A. We did employ some.

Q. At the time of these applications and subsequently? A. Yes, they have been employed.

Q. With your knowledge? A. Yes.

Q. And approval? A. Yes.

Q. So that we have to-day yourself as chief engineer and we have three division engineers, two district engineers, one harbour engineer, one office engineer, all Americans? A. I think so.

Q. Don't you know that as a fact? A. Yes.

Q. Only one Canadian out of nine of the high positions? A. I do not know whether Knowlton is an American or a Canadian.

Q. Why is it you don't know that? A. Because I have not entered into any enquiry.

Q. As far back as April you were asked to make an enquiry as to the nationality of these men; did you do so? A. We did."

UNSUCCESSFUL CANADIAN APPLICATIONS.

In addition to the applications of Mr. C. B. Smith and R. W. Leonard, a large number of other capable Canadian engineers unsuccessfully applied for positions to Mr. Stephens, while he was doing all in his power to obtain engineers from the United States, as above set out. Among those applying were: Thos. E. Hillman, James A. Paterson, James H. Kennedy, J. H. Armstrong, and Mr. McCarthy, about whose abilities there apparently was no question. There were also at least 40 members or associated members of the Canadian Society of Civil Engineers of whom Prof. C. H. McLeod, the Secretary of the Society, although apparently an unwilling witness testified that they should all be and many of those he knew were capable of taking charge of parties on the survey. Among the names mentioned by him as so qualified are:

Names.	Date of Application.
Armstrong, H. W. D.	Jan. 17th, 1903.
Armstrong, J. H.	Febry., 1903.
Armour, John F.	Jan., 1904.
Beaudry, J. A. U.	Nov., 1903.
Bruce, Arthur M.	April, 1903.
Berryman, E.	Nov., 1902.

Names.	Date of Applications.
Caddy, J. St. V.	July, 1903.
Cartwright, C. E.	Jan., 1903.
Crawford, Wm.	April, 1903.
Carry, H.	May, 1903.
Duffy, Ambrose,	Dec., 1902.
Drury, E. H.	May, 1903.
Hillman, T. E.	March, 1903.
Hibbard, F. A.	March, 1904.
Hill, A. E.	July, 1903.
Kennedy, J. H.	Sept., 1903.
Miles, C. LeBee,	May, 1903.
Mitchell, C. A.	Febry., 1903.
McConnell, B. D.	July, 1903.
Moberley, Frank	Dec., 1902.
McCarthy, Wm.	March, 1904.
Murdoch, Wm.	June, 1903.
Perry, J. R.	Aug., 1903.
Smith, Cecil B.	Dec., 1903.
Stephens, Arthur,	May, 1904.
Szlapka, Henry.	May, 1903.
True, Abbott	July, 1904.
Walsh, E. J.	April, 1903.

As to some of these names he stated that they were well qualified to act as Division Engineers. The Associate Members he could not speak with accuracy as to their attainments. Their names are as follows:—

Names.	Date of Applications.
Abbott, Chas. A.	Jan. 17, 1903.
Bogart, J. L. H.	Feb., 1904.
Bowden, W. A.	Feb., 1904.
Black, J. D.	Feb., 1903.
Chalmers, J.	April, 1903.
Campbell, W. F.	March, 1903.
Evans, R. R.	Jan., 1903.
Greene, N. Hanson	Feb., 1903.
Jorgenson, J. E.	May, 1903.
Lewis, D. O.	Oct., 1903.
McDougall, A. C.	July, 1903.
Norman, Wm.	April, 1904.
Ross, D. A.	March, 1903.

The remaining Canadian applicants for positions of engineer whose names appeared in the Montreal office are:—

Names.	Date of Applications.
Bamford, C. F.	July, 1903.
Beatty, Jas. E.	March, 1903.
Bowen, C. H.	Jan., 1904.
Brady, James	June, 1903.
Bagshaw, F. T.	Nov., 1902.
Bardsley, F.	June, 1903.
Barrow, A. R.	Dec., 1902.
Blelcove, Sydney	April, 1903.
Brebner, Allan	Sept., 1903.
Brokovski, E. F.	Dec., 1903.
Boyd, E. J. L.	May, 1903.
Campbell, W. G.	Sept., 1903.
Crossman, D. M.	Nov., 1903.
Cotton, Col. A. F.	Aug., 1902.
Collins, J. J.	May, 1904.
Dimsdale, H. G.	May, 1904.
Dibblee, C. F.	June, 1903.
Gough, Richard T.	May, 1904.
Graham, W. J.	Jan., 1903.
Gray, J. H.	Feb., 1903.
Hamel, F. H.	Feb., 1903.
Hamilton, James M.	Nov., 1903.
Haycock, E. B.	Nov., 1903.
Husenott, C.	July, 1903.
	May, 1904.
Harris, Ralph Carr	Nov., 1903.
Hickman, Deverell	
Jodoin, Edward	Nov., 1903.
Lane, W. F.	March, 1903.
Leclerc, Paul	Jan., 1904.
Mackenzie, H. J.	Dec., 1902.
McDonald, Wm.	Dec., 1903.
MacLennan, A. L.	April, 1904.
Paterson, J. A.	July, 1903.
Pilsworth, J. A.	March, 1903.
Ponton, A. W.	April, 1904.
Pickering, F. A.	Oct., 1903.
Proctor, A. F. S.	Nov., 1902.
Roberts, J. Morris,	Sept., 1903.
Secretan J. H. E.	March, 1903
Simard, O.	Dec., 1903.

Names.	Date of Application.
Simpson, John.	March, 1903.
Stanton, H. G.	Jan., 1903.
Stewart, C. E.	Jan., 1903.
Valois, Gustave.	Jan., 1904.
Wilgar, W. P.	Sept., 1903.
Winser, F. Scott.	Jan., 1903.
Wright, W. H.	March, 1903.

Mr. McCarthy had been appointed as an engineer in charge, but having resigned from that position he subsequently applied to be appointed a division engineer. Mr. Stephens in his examination of the 1st June with reference to this gentleman gave the following evidence:—

“Q. Now Mr. McCarthy, of Ottawa, has applied for the position of division engineer, what have you done with reference to his application. A. Mr. McCarthy was with us for some months, and when he came in he had some disagreement with Mr. Knowlton and he left our service. I have not the slightest objection to say he will get work again if he will come back. He is a good man, and recommended by a number of engineers, eminent engineers, such as Mr. Lumsden and even Mr. Hobson I think is favorable.

Q. That is the reason he was employed, and Mr. Schreiber speaks highly of him, and recommends him; he was not employed as division engineer? A. He was not employed as division engineer.

Q. He applied for a division engineership since he left you? A. Yes.

Q. Is he capable of taking charge of a division? A. I think he is capable of taking charge of a district, not a division.

Q. You would not agree to appoint him to a division? A. Not without trial.

Q. Can you get any better recommendations than he has? A. No.

Q. And he is a British subject? A. I do not think he has applied for such a position.”

With reference to Mr. Paterson, Mr. Stephens was examined as follows:

“Q. Then there is Mr. James A. Paterson, he is a Canadian, although at present in West Virginia, desirous of returning to Canada on account of health; he has a number of very superior references? A. Please let me see, I do not know him; I do not know that Mr. Paterson. I met his brother. He would not accept.

Q. What position? A. Locating engineer.

Q. At what salary? A. \$175 per month.

Q. What position did he ask for? A. I do not know.

Q. When did you offer him that position? A. About 1st March, 1903, he was here personally, I am speaking of his brother not himself; he is in West Virginia.

Q. Was it on 1st March, 1903. A. Yes, when I saw his brother.

Q. That was prior to the receipt of these letters? A. I do not know how the correspondence was dealt with.

Q. It was dealt with in no way, you referred it to Mr. Knowlton, and Knowlton replies: “Yours of the 21st regarding J. A. Paterson received. As requested I have seen Mr. Russell”—Who is Mr. Russell? A. Chief Engineer of the Temiscaming and Northern Railway for the Ontario Government.

Q. (Letter still continued.) “And he informs me he is not personally acquainted with Mr. Paterson but knows of him and what he does know is

satisfactory. He was on the surveys several years ago and wrote an article regarding the country and surveys, which Mr. Russell informs me is very intelligently written, and he thinks you would be perfectly safe in giving him a position as locating engineer—that was on the 22nd July, 1903? A. Yes.

Q. And nothing has been done since Mr. Paterson's application? A. No."

I wrote to Mr. John A. Paterson, K. C., with reference to Mr. Stephens' statements, and in consequence of his reply and a letter from his brother, James A. Paterson, examined the former on the 13th July, when he gave the following evidence:—

Q. Your brother, I understand, has gone to Virginia? A. Yes.

Q. Do you know whether he was an applicant for employment on the Grand Trunk Pacific Railway? A. Yes.

Q. Have you any letters or correspondence to show that? A. Yes.

Q. What are they? A. I produce a letter written by Hon. Mr. Cox to me. I wrote to Mr. Cox to see if he could get employment. (Letter of Mr. Cox is set forth in the minutes of evidence.)

Q. I see your brother commenced his career as civil engineer with the late Mr. Ingles, of the Suez Canal? A. Yes, I may state he was practically expatriated because he could not get work in Ontario. He wanted to stay in Ontario; he is a British subject.

Q. He was practically expatriated on account of not being able to get this work? A. Yes. He is willing to come back, anxious to come back; always has been.

Q. Did you see Mr. Stephens yourself? A. No, I did not.

Q. He stated before me early in the investigation that he had offered you a position for your brother? A. Oh, that is a mistake, because that is all I have got from Mr. Stephens, this letter.

Q. You never saw the gentleman at all? A. No.

Q. Do not know the gentleman? A. Do not know him at all. Mr. Stephens is quite mistaken about that."

Mr. Stephens on being further examined on the 4th July, in this connection stated as follows:—

Q. At your last examination, Mr. Stephens, you stated you had offered Mr. Paterson a position on the line which he refused to accept. Now, I have received a letter from Mr. Paterson's brother stating no position was offered? A. I think we have some correspondence which I wrote him, and offered him a position which he declined.

Q. That was not the statement you made before, Mr. Stephens; Mr. Paterson came down to Montreal? A. I have got the wrong man in my mind.

Q. Then that is your explanation? A. That is all I have to say; I may have the wrong man in my mind.

Q. What you stated was that it was a verbal offer, not by correspondence; you did not make any verbal promise or any verbal offer to either of the Patersons? A. Not to my recollection.

Q. Have you any telegram or letter to show you made a written offer to either? A. I think so. If I have written him it will be in my office.

Q. There was two Patersons, John A. Paterson and James A., which was it? A. I cannot recollect.

Q. They both say you made no offer to them of any position? A. I think I did.

Q. They state positively you did not? A. I think I offered them by telegram; I have every one of the papers.

Q. You stated it was done verbally? A. I think I offered by telegram.

Q. To whom did you send it? A. To one of these gentlemen.

Q. Both say they have no offer? A. Where are they now?

Q. One in Toronto and one on the other side? A. Before I answer this I would like to look up and see about the telegram.

Q. Senator Cox wrote to you about Mr. James A. Paterson and Mr. Hobson recommended him? A. I did not have these gentlemen in mind, if it was not the engineer who called on me I do not remember."

With reference to Mr. Hillman's application Mr. Stephens in his examination gave the following evidence:—

"Q. You remember Mr. Hillman's application endorsed by Mr. Hobson? A. Yes, I do.

Q. A Canadian? A. I did not refuse.

Q. Did you not refuse? A. No.

Q. Have you appointed him? A. I have not.

Q. He was out of employment? A. I did not understand, he resides in Kingston.

Q. No, he resides in Hamilton, Mr. Hobson recommended him most strongly? A. Well, Mr. Hillman came down to see me, and I did not understand at the time of my conversation with Mr. Hobson and Mr. Hillman that he desired such an appointment.

Q. Mr. Hillman asked for an appointment and you refused to give him anything? A. So he says.

Q. Yes? A. Well, I misunderstood him.

Q. As you say you misunderstood Mr. Smith? A. Yes.

Q. Mr. Hobson told you Mr. Hillman was a man of position and standing? A. I did not understand that he wished to be appointed from a conversation.

Q. Mr. Hobson tells me entirely different, Mr. Stephens; which of you is correct? A. Oh, I think I am correct.

Q. And Mr. Hobson incorrect? A. I think probably that we misunderstood each other."

Mr. Hillman in his examination with reference to his application, gave the following evidence:—

"Q. In 1902 when the location and construction of this Grand Trunk Pacific was first broached were you available for employment as engineer? A. Yes.

Q. Did you make that known? A. I made an application in December, 1902.

Q. To whom did you apply? A. I applied to Mr. Hays through the Chief Engineer, Mr. Hobson.

Q. What was the result? A. The reply to that letter was from Mr. Hobson. I have his reply you speak of. (Letter dated 1st December, 1902, and answer thereto, set forth in the minutes of evidence.)

Q. Did you hear from him again, or anybody? A. No, sir, not till the following March.

Q. Was that the time that the telegram was sent to you? A. Yes.

Q. Is this the telegram, March 12th, from Montreal:

"Mr. Stephens would like to see you in Montreal on Saturday morning, re Grand Trunk Pacific surveys. I am sending pass to-night. Joseph Hobson."? A. Yes.

Q. And the letter of the same date, confirming this telegram from Mr. Hobson; then did you go to Montreal? A. I did.

Q. Whom did you see and what happened? A. I saw Mr. Stephens, introduced myself to him.

Q. Did he ask you as to your knowledge of the country or qualifications, or anything of that sort? A. Yes, he asked me if I was familiar with the country east of Winnipeg.

Q. Did he ask you what you were doing as to your present position, or anything? A. Yes, I was asked what I was doing at that time, and I told him I had a private practice in Hamilton.

Q. What was said as to that? A. He said he thought it was very strange I should wish to give up private practice and take employment on the Grand Trunk Pacific.

Q. What was the net result of this telegram of Mr. Hobson's? A. Well, there was no offer made me whatever.

Q. No offer made by Mr. Stephens? A. No.

Q. I understood Mr. Stephens to say when questioned about this in Montreal that he understood from your conversation that you would not be willing to take a position; what do you have to say to that? A. Well, I cannot see that he could possibly have been under that impression; there was nothing said to convey that impression.

Mr. Hobson, in his evidence relating to the same matter, stated as follows:—

"Q. (Referring to Mr. Stephens): After he came did he consult with you as to the appointing of engineers along the line? A. No, I think the only person about whom he spoke to me as far as my recollection goes was Mr. Hillman.

Q. You had recommended Mr. Hillman for appointment? A. I had recommended Mr. Hillman for appointment, yes.

Q. Did you know Mr. Hillman's qualifications? A. Yes.

Q. What do you say about that? A. They were very high indeed as a constructing engineer.

Q. What about his qualifications as a locating engineer? A. And I believe he is a good locating engineer, too, but I speak of him in the highest terms as to his constructive ability."

With reference to Mr. J. H. Armstrong's application, Mr. Armstrong in his evidence stated as follows:

"Q. Did you apply or let it be known you were available (for a position in the Grand Trunk Pacific location work)? A. I applied to Mr. Hays in December, 1902, for the position of engineer in charge of the work.

Q. Would that position alone have been acceptable? A. That is a similar position to what I had on the Canadian Pacific formerly.

Q. Did you have any testimonials to show him what your capacity was? A. My application was endorsed by the Hon. Geo. A. Cox.

Q. What was the result of the application? A. I received a reply from Mr. Hays stating he had received my letter to Mr. Cox, and as soon as the work started he would advise me.

Q. Did he advise you? A. No.

Q. Did you lie by or did you give any other intimation you were available? A. In March, 1903, I wrote my application to Mr. Hobson, I think between the time I wrote Mr. Hobson and the time he received it Mr. Stephens was appointed. Senator Gibson advised me to write to Mr. Hobson.

Q. And on his recommendation— A. I did so.

Q. Although nominated by Mr. Cox and Mr. Gibson you did not receive the position you desired? A. That terminated the correspondence with Mr. Stephens and myself. I have had correspondence with Mr. Hobson since that.

Q. At any rate that letter of April 3rd from Mr. Stephens stating that he had placed it on file was the last you had heard? A. Yes."

Mr. Stephens with reference to this application stated in his evidence as follows:—

"Q. There are about 100 applications from Canadians that I have gone through, one is from a Mr. Armstrong, of St. Catharines, J. H. Armstrong, Box 70; do you remember him? A. I do not remember him.

Q. Do you remember what you did upon receiving these applications from Canadian applicants? A. I filed them with the others classifying them as nearly as possible, according to their ability and experience.

Q. Did you enquire into the ability and experience and qualifications of each of these men and see whether they were capable of doing the work they applied for? A. In so far as I had the personal appointment I did, and made sure of it; in so far as division engineers were concerned they appoint their subordinates and I have to rely upon them.

Q. Did you send these applications to the division engineers? A. Yes, if they received the applications they referred them to me when they asked for a position."

In reference to the application of Mr. Kennedy, Mr. Stephens gave the following evidence:—

"Q. Then there is also Mr. James H. Kennedy, of St. Thomas, do you remember him? A. No.

Q. It was forwarded to you by Mr. Logan who wrote to Mr. Hays, and you sent it to Van Arsdol? A. Yes, if the record shows it.

Q. The record shows you sent it on. Mr. Van Arsdol writes on the 29th October, 1903, "Referring to my letter of October 8th, relative to application of Mr. James H. Kennedy, of St. Thomas, Ont., I have not yet provided for engineers to take charge of locating parties. When the work of surveys commence if Mr. Kennedy is a capable man for this work and desires a position that I shall be glad to have him when the work is commenced." When did that work commence? A. Shortly after that, and Mr. Kennedy was not appointed.

Q. If Mr. Kennedy was not appointed who was appointed? A. The last name on your list.

Q. Then Callaghan was appointed in February, 1903, he is an American? A. I think he is, I do not know.

Q. Mr. Kennedy's qualifications, were they inquired into further than this letter? A. I do not know; the matter was returned to Mr. Van Arsdol."

I wrote to Mr. Kennedy with reference to his application and received a letter from him in which he informed me that he had subsequently been appointed Chief Engineer of the Vancouver, Victoria and Eastern Railway. Prof. Galbraith in his evidence referred to Mr. Kennedy in the highest terms, he having been a graduate of the School of Practical Science, Toronto.

NATIONALITY OF PARTIES COMPOSING THE SEVERAL DIVISIONS.

The evidence shows that while Mr. Stephens appointed the division engineers they usually appointed their assistant engineers, although Mr. Stephens on several occasions also appointed some. The division engineers frequently appointed the other members of the staff under the Assistant Engineers. The staff of a party is composed of an assistant engineer in charge who receives from \$150 to \$175 a month and expenses, transitman \$100 a month, draughtsman, leveller, topographer, each \$75 a month and expenses. The remaining members of the party being, foreman, rodman, chain-man, ax-man, cook, etc., receiving from \$45 to \$60 per month and expenses, are not considered as members of the staff. At the time of the inquiry there were twenty parties namely 1 to 7 inclusive, under Geo. A. Knowlton, division

engineer at North Bay, and C. F. Hannington, district engineer; parties numbered 1 and 2, Thunder Bay District, and 8 to 12 inclusive, under G. A. Kyle, division engineer, Winnipeg; and from 13 to 18 inclusive under C. C. Van Arsdol, division engineer, Edmonton, and R. W. Jones and E. R. McNeill, district engineers.

North Bay Division—(Consisting of the first seven parties.)

The evidence shows that Mr. Knowlton is an American citizen, and was such at the time of his appointment, having been a year in Canada previous to the enquiry no report was made by me concerning him. He receives a salary of four thousand dollars a year. When appointed he was in receipt of \$200 a month and expenses in the United States. Chief Draughtsman G. W. Stadly is an American citizen, but having been a resident in Canada for some years he was not reported. The assistant chief engineer of party number 1 is Mr. T. C. Taylor, who was employed on or about 14th August, 1903. He is an American citizen, and was reported as coming within the statute for deportation. He was appointed by Mr. Knowlton in the place of Mr. Dixon who had previously been in charge and who was also an American citizen but whose health gave way, when he returned to the States. Mr. Taylor was personally known to Knowlton on the Great Northern Railway in Idaho, and he asked him to accept the position of assistant engineer at a salary of \$175 a month and expenses, he receiving at that time the sum of \$125 per month only, and paying his own expenses, in the United States, as instrument man on the Seattle Tunnel.

Mr. Stephens approved of his appointment on the 31st July, 1903, and transportation was provided by Mr. Knowlton both for Mr. Dixon returning to the States and Mr. Taylor coming from the States. The remainder of the staff of party number 1 is composed of Canadians or British subjects.

Party number 2 was originally in charge of a Canadian, Mr. Hannington, who was appointed on or about 10th March, 1903, and who was promoted in May following to the position of district engineer which he still holds. He was succeeded on the 2nd May, 1903, by Joseph E. Tempest, a Canadian, who is still in charge of the party. He receives only \$150 per month and expenses, while Americans namely T. C. Taylor and C. F. Gailor receive \$175 and expenses. His party is composed entirely of Canadians or British subjects.

Party No. 3 was originally in charge of Mr. Alexander McLennan, who was appointed on or about 12th March 1903, and relieved of his position on or about 29th March 1904. He was succeeded by Mr. W. Usborne, a Canadian, who was appointed in April 1904. His staff are all Canadians.

Party No. 4, was originally in charge of an American, C. E. Hill, assistant engineer, appointed sometime in May 1903, but his services were dispensed with and Mr. Boucher a Canadian appointed in his place. Subsequently he was relieved in consequence of his intemperate habits. He was succeeded by Mr. J. D. Nelson, an American citizen who had been appointed in October 1903, transitman, and was promoted. He was subsequently relieved in consequence of his intemperate habits, and W. R. Coldwell was appointed during the inquiry, and is now in charge of the party. He and the remainder of the staff are Canadians or British subjects.

Party No. 5, was originally in charge of Mr. McCarthy who was appointed in May 1903. He resigned his position in November 1903, and Mr. Balloch, a Canadian, was appointed in his place. He was subsequently relieved, and Mr. C. S. Gzowski, Jr., appointed in his place, about 1st June 1904, and subsequent to the commencement of this inquiry. Mr. Gzowski and his staff are Canadians or British subjects.

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Party No. 6, Mr. Nutting was originally in charge of this party. He was an American citizen. He was appointed in May 1903, but grew tired of the work and left in April 1904, when Mr. John S. Tempest was appointed in his place on 1st April 1904 at \$150 per month. Mr. Tempest was appointed while in the United States, but he and his staff are Canadians or British subjects.

Party No. 7, was originally in charge of Mr. Wm. Mayer, an American. He was appointed in May 1903, but was transferred to party No. 12. Subsequently he gave up the work in consequence of the severity of the weather. Mr. J. P. Pim, was appointed in his place, 6th October 1903. Mr. Pim is an Irishman, although he was for a number of years in the United States. He was relieved from his position by Mr. Knowlton and was succeeded in May 1904 by Mr. C. F. Gailor who is an American citizen, and who was at the time of the enquiry in charge of the party at a salary of \$175 per month and expenses. The other members of the staff are either Canadians or British subjects.

Mr. Knowlton in his evidence stated that the reason why he employed Mr. Taylor knowing him to have been an American, and invited him to Canada, was because he could get no Canadian for the position. He admitted having a number of applications from Canadian engineers in his office at the time, among whom were applications from Mr. J. H. Kennedy, Mr. J. A. Patterson, D. O. Lewis, Mr. Baza, Mr. Pierce, Mr. Clifford (who declined a position) J. L. H. Bogart and others, in addition to a list of 5 or 6 sent from Montreal to him. He stated that a Mr. McDonald of Rat Portage was offered the position, but did not come; but upon cross-examination it appears he understood that he was offered the position by Mr. Stephens, but no evidence was produced to show an actual offer had been made to Mr. McDonald. He could not explain why it was the other Canadian engineers had not been offered the position. He stated in his examination to Counsel for the Grand Trunk Pacific that at no time during his connection with the Company in Canada had a citizen of the United States ever been engaged in preference to Canadians, but the fact remained that he passed by the Canadian applications and appointed not only Mr. Taylor but also Mr. Gailor. It is true that on the 17th March 1904 he wrote to Prof. C. H. McLeod of Montreal, the Secretary of the Canadian Association of Civil Engineers, and to Prof. J. L. H. Bogart, of Queen's College, Kingston, asking if they knew any good locating engineers that they could recommend. In consequence of such letter to Prof. McLeod Mr. Henry Carry applied. He was highly recommended by Mr. J. S. Darling, division engineer of the C. P. R., who stated that Mr. Carry worked for him as locating engineer on line changes for grade revision about two months, and while with him did very good work, and he was perfectly satisfied with him, that he was temperate, and a very hard worker, very strict with his men. The only fault he found with Mr. Carry was that he was a great talker and wanted everything exactly so, but that he did not think this would hurt him any as a locating engineer, and he would recommend him as being a very good man. Prof. McLeod did not send a list, although he had at least four Canadians entered on his roll from the beginning of 1904, two of whom were applicants for positions on the Grand Trunk Pacific, namely John McCunn and B. J. Forrest. It appeared subsequently from Prof. McLeod's examination that he made no attempt to seek for engineers for Mr. Knowlton, and that he was also in the employ of the Grand Trunk Railway. The correspondence of Mr. Knowlton with another American in March 1904, namely, Mr. W. J. Herbage, Hoboken, N. J. would in-

dicating that he was desirous of employing Americans in preference to Canadians. In that letter he writes:

"Dear Sir:

Your letter of March 15th, to Mr. Geo. W. Stadly, was handed to me. I expect to be in need of a locating engineer very soon. I am paying experienced locating engineers \$175 per month and expenses, time and expenses commencing leaving North Bay. I can furnish you transportation from any point on the Grand Trunk, either Buffalo or Niagara Falls."

On the same day he wrote to Mr. Stephens regarding Mr. Herbage and Mr. Stephens informed him that he did not know Mr. Herbage. In consequence he writes Mr. Herbage on the 19th April regretting he would be unable to do anything for him at present, stating that in consequence of adverse criticism in the press, and in the present session of Parliament in regard to the employment of men from the other side of the line he would readily understand the position Mr. Knowlton was in.

In addition to the Canadian applications for positions of engineers in charge of a party Mr. Knowlton had a number of applications from about 50 Canadians for positions of transitman, draughtsman, levellers, topographers, and about 80 for subordinate positions.

Winnipeg Division---(Consisting of parties No's 8 to 12, and No's 1 and 2 Thunder Bay District.)

The evidence taken shows that in the head office at Winnipeg the following were Americans, namely: Geo. A. Kyle, Division Engineer, Alexander G. Allan, Office Engineer, S. H. Mason, Draughtsman, the two former having been resident within Canada for more than one year prior to my examination were not reported on by me, but S. H. Mason being examined and admitting himself to be an American, engaged on the 17th October 1903, by Mr. Kyle to take the place of Mr. H. M. Goodman, who was transferred to the Montreal office, was reported on the 7th June as coming within the provisions of the Alien Labor Law, and has since left the country. There had been another draughtsman, a Canadian named Cecil Goddard. He was an engineer, and was promised promotion from time to time by Mr. Kyle, but in consequence of Mr. Kyle appointing Americans to positions that Mr. Goddard could properly fill and at a higher salary than he was getting he resigned, and since then has been appointed town engineer to St. Boniface at a salary of \$150 per month, he having only received the sum of \$85 per month from the railway. He had been engaged by Mr. Kyle in September 1903, as draughtsman at \$85 per month, with the understanding that if his services were satisfactory he was to get an increase. His salary, however, was not increased, although his services were considered satisfactory. In his evidence he stated:

"Q. Was it promised (increase of salary)? A. Yes, by Mr. Kyle and Mr. Allan; he told me when Mr. Stephens came up here I would get my increase.

Q. When was that? A. In December 1903.

Q. Mr. Kyle promised to increase your salary? A. Rather promotion from draughtsman to other work, but I saw other men taken into the employment of the Grand Trunk Pacific. I think I spoke to Mr. Kyle on the 3rd May and asked him what chance I had, and he said, "I will tell you the truth, there is very little chance here, and if you can do better elsewhere you had better take it."

Q. Who were the men you say were employed and given positions while you were there and asking for promotion? A. Mr. Fairchild came here and stayed for a little while.

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Q. Where from? A. From Washington; he was well known by Mr. Kyle and Mr. Mason, I think he was rooming with Mr. Kyle.

Q. What was he appointed to at first? A. Topographer.

Q. What salary? A. I think he got \$75 per month.

Q. What is he now? A. He was transitman very shortly afterwards.

Q. How old is Mr. Fairchild? A. About 22 or 23, I think.

Q. Any other gentlemen besides Mr. Fairchild while you were in the office? A. Mr. Heckman.

Q. Mr. Raymond Heckman? A. Mr. Heckman is here now.

Q. What position was he appointed to? A. I think he had charge of a party under Mr. Mayer.

Q. When was that? A. That would be coming around February.

Q. That gentleman is Mr. Kyle's nephew, I understand? A. Yes.

Q. Any other besides Mr. Heckman? A. There was Colladay came up from the States here.

Q. How old is Mr. Colladay? A. A man about thirty, I think; he was given charge of a party."

In consequence of the production of the letters to Hugh Allan and Frank L. Davis set forth in this report Mr. Kyle resigned his position as division engineer on the 8th June, and the same was accepted on or about that date, but on the 20th July I discovered he was still in the office at Winnipeg drawing up a report of work done by him while division engineer, Mr. Stephens stating that it ought to have been finished by that time, but he was unable to give any date when it would be finished or when Mr. Kyle would leave Winnipeg.

Party No. 8, is in charge of L. R. Orde, who was appointed on the 1st July 1903. He is a Canadian, and his staff is composed of Canadians or British subjects.

Party No. 9, was originally formed by Mr. A. G. Allan, who is now office engineer in Winnipeg, and an American. He was appointed about 6th June 1903, and immediately engaged his own staff by telegraphing to his former transitman on the Santa Fe road in the United States, Mr. H. S. Hancock. Mr. H. S. Hancock brought along with him two Americans, A. A. Meador and F. O. Parsons. Mr. Hancock, although living in the States is an Englishman and has been given leave of absence to visit England where he is at present. — He had been receiving in the States a salary of \$90 a month, Meador \$60, and Parsons \$45, Meador being rodman and Parsons still junior. Mr. Meador has since been promoted to transitman, and Mr. Parsons to leveller, the former at \$100 per month and the latter at \$75. Both these are Americans, and were appointed on or about 25th June 1903. They were reported upon by me as coming within the Alien Labor Act on the 21st June 1904. Mr. Allan resigned as assistant engineer, having been appointed to a position of office engineer at a salary of \$200 per month, and Mr. J. A. Heaman was appointed on the 24th November 1903, and is still in charge of that party. He is a Canadian. The members of his staff, other than Meador and Parsons are Canadians or British subjects.

Thunder Bay Branch, party No. 1, is in charge of C. E. Perry, assistant engineer, appointed on the 1st July, 1903. All his staff are Canadians or British subjects.

Thunder Bay Branch, party No. 2, is under the charge of W. H. Mitchell, assistant engineer, and a Canadian, he having been appointed in January 1904. Mr. Kyle appointed C. D. Fairchild, 20th January 1904, as transitman for Mr. Mitchell. He is an American citizen. He had previously applied to Mr. Kyle for a position on the railway, but the evidence fell short of connecting his application with his subsequent appointment.

and for that reason I considered that he did not come within the Alien Labor Act. In stating his experience as a civil engineer he stated that he had graduated from the Y. M. C. A. course as civil engineer, in Tacoma, and that he had two years experience in ditching in the Klondike. On this party there was a young lad named S. J. Mayo, an American from St. Paul, who was appointed by Mr. Kyle as rodman at \$45 a month on 30th April 1904, in the place of a Canadian named Frank Girdlestone who had been appointed two or three days previously by Mr. Goddard in the Winnipeg office, but whose appointment was set aside in favor of Mayo, who was only 20 years of age. Mr. Kyle appointed him at the instance of a friend of his in Tacoma, Washington. The remaining members of Mr. Mitchell's staff are Canadians or British subjects.

Party No. 10 was filled by B. B. Kelliher, who was appointed by Mr. Stephens as assistant engineer in charge of this party, on or about 15th January 1904. Mr. Kelliher in his examination stated he was an Irishman, but had lived in the United States for about 17 years. He stated he had not become naturalized there, and he was still a British subject. His methods are clearly American. He had been connected with the Northern Pacific before his appointment, where he was acquainted with Mr. Stephens. Immediately after his appointment he wrote to the United States for three of his staff, Messrs. J. A. Green, 3rd May 1904, F. W. Fink, on 13th May, 1904, and P. T. Gill, the two former being American citizens, while the latter was an Irishman, and had been working for Mr. Kelliher for three years in Idaho, U. S. The others of his party are Canadians. I reported Fink and Green as coming within the Alien Labor Act on the 21st June 1904.

Party No. 11, was originally in charge of Mr. B. P. Tilden, an American from Texas or Florida. He was appointed in September, 1903. He left for the South and was succeeded by Douglas Kyle, a brother of G. A. Kyle, division engineer, then transitman to the party. He retained the position for about three and a half months, when at the request of his brother G. A. Kyle, he was transferred to party No. 18, in March 1904, where he now is. Mr. L. A. Darey, the present assistant engineer in charge was appointed on the 1st February 1904, and still is in charge of the party. He and his staff are Canadians or British subjects.

Party No. 12 was first in charge of Mr. William Mann, a Canadian who was appointed in September 1903. He was, however, laid off, and William Mayer, an American citizen, transferred from party No. 7 to this party. Mr. Mayer resigned in January 1904 in consequence of the cold weather.

In Mr. Kyle's examination he gave the following evidence with reference to Mr. Mayer:

"Q. This morning you stated Mr. McVicar was transferred from Mr. Mayer's party to party No. 16, because Mr. Mayer's party had concluded their work? A. They concluded their survey.

Q. I have a letter from you to Mr. McVicar, dated September 8th 1903. It reads:

"I beg to acknowledge receipt of yours of the 6th instant, and am very sorry there was any friction between Mr. Mayer and yourself, but think I can arrange to send you out west as transitman with a party. You can report to W. E. Mann, Edmonton, on the 14th of this month. You will have to pay your fare to Edmonton, after which all expenses will be paid."

Q. He left Mr. Mayer because of friction? A. He did not like to go back to work with Mr. Mayer, and wished to be transferred.

Q. Who did you put in his place with Mr. Mayer? A. I do not remember just now.

Q. I find a letter from you to Mr. Mayer, dated 4th November 1903. It reads:

"Regarding your transitman, as mentioned to you while in Winnipeg, if he is not satisfactory please let me know, and I will send you a good man who is now in Tacoma. I would like to know about this as soon as possible"—who was that gentleman at Tacoma you were going to send? A. He was Mr. Heckman.

Q. Your nephew? A. Yes.

Q. On the 12th November you wrote Mr. Mayer:

"Answering yours of the 3rd instant I hope that by the time you have received this letter that Mr. Raymond Heckman will have arrived at your camp. I think he will make you a good transitman, as he has had quite a good deal of experience. He is to receive \$100 a month. His time and expenses will begin on his arrival at Qu' Appelle on the C. P. R. Of course his expenses after arriving at that point will be paid."

Q. How old was he at that time? A. 22 or 23 years of age.

Q. Where did he graduate from? A. He was not a graduate of any civil engineering school, had taken a course in the correspondence school, and had worked on the Northern Pacific.

Q. Now, I was pleased to see a letter from you to Mr. Mayer on 1st February in which you said: "The men who are coming back from your party are complaining of the treatment they have received while at work. An engineer to be successful should endeavor to get along with the men under him as well as to those to whom he reports, and I would suggest you take this phase of the situation to avoid trouble;" who were the men that were complaining of the treatment they received? A. Several of the men, there were two or three men in the party wrote me letters about Mayer. I heard indirectly also.

Q. What became of Mr. Mayer? A. He resigned because the work was too hard for him to do out on the prairie."

Mr. Raymond Heckman above named and a nephew of G. A. Kyle, was promoted to assistant engineer in charge after William Mayer left in January 1904. He was also an American, and immediately began appointing Americans to his staff. Upon the request of his uncle, Mr. Heckman resigned that position and was succeeded by an American citizen W. E. Colladay, appointed by Mr. Stephens in April 1904, and who is still in charge. The transitman, N. W. Hicks, was an American. He resigned and J. C. Baxter, another American was appointed in his place by Mr. Heckman on the 12th May 1904. The topographer, W. M. Anderson is also an American, and was appointed by Mr. Heckman on the 20th February 1904. E. G. Smith, draughtsman, was appointed in St. Paul, but he stated in evidence that he was a Canadian, having been born in Ottawa.

I reported W. E. Colladay, J. C. Baxter and W. M. Anderson on the 20th June 1904, as coming within the Alien Labor Act.

Edmonton Division—(Consisting of parties No's 13 to 18.)

The evidence shows, as already stated, that Mr. Van Arsdol, the division engineer, appointed 10th August 1903, Mr. E. R. McNeill, district engineer, appointed 4th September 1903, Mr. Edward McD. Mellen, appointed 15th July 1903, the chief clerk, were all Americans, and employed in the United States, and came within the provisions of the Alien Labor Law, and were reported by me on the 13th June 1904, and have since left the country. Mr. R. W. Jones, district engineer for this division, was absent during the investigation, and would not return for some weeks. The evidence of Mr.

W. E. Mann, taken in Winnipeg on the 7th June, was to the effect that Mr. Jones was an American. Mr. Going in his examination on the 15th June at Edmonton stated that Mr. Jones told him that he was born in the State of Iowa. He had been in Canada over the year, and therefore was not reported under the Alien Labor Act.

Party No. 13 is in charge of assistant engineer C. W. Stuart, who, although receiving his education in the United States and practising his profession there for a considerable number of years, is a British subject, and was appointed in Canada by G. A. Kyle on the 6th September 1903. On his staff are L. C. Gunn, transitman, an American employed by Mr. McNeill on 1st February 1904, and Mr. Talbot, leveller, an American appointed by Mr. Van Arsdol on the 11th May 1904. The other members of his staff are Canadians or British subjects. I reported L. C. Gunn and Peter Talbot on the 20th June 1904 as coming within the Alien Labor Act.

Party No. 14, is in charge of assistant engineer James Hislop. He is a Canadian and was engaged September 7th 1903, being the first in charge of that party. Although a Canadian he graduated from Cornell University, New York, in 1886, and spent the greater part of his time since then in the United States. He was in British Columbia at the time of his appointment. His transitman, R. A. Henderson, is an American, having been born in Baldwin, State of Kansas. He was in Canada at the time of his appointment, being appointed by Mr. McNeill, district engineer, on the 11th December 1903, and therefore did not come within the provisions of the Alien Labor Act. Mr. Glanville, his draughtsman, although a British subject, applied from San Francisco for appointment, and coming here was appointed by Mr. McNeill, the district engineer. Mr. McNeill also appointed one W. W. Benjamin, as axeman, on the 19th May 1904, to this party. He had been acquainted with Mr. McNeill in the States, and applied from there, and followed up his application by coming to Canada. The evidence was in my opinion sufficient to show that Mr. McNeill invited him to come to Canada. He is an American citizen, and was reported as coming within the provisions of the Act, on the 18th July 1904. Another American is Mr. William Green, a flagman, who came here with Mr. McNeill in April 1904. His father being a rancher in the neighborhood and he living with his father at the time of his appointment, I did not consider that he properly came within the statute. It appears from the evidence taken on the 2nd June 1904 Mr. Van Arsdol, the division engineer, had reported to Mr. Stephens that Mr. Hislop, the engineer in charge of party No. 14, had proved to be incompetent, and also stating that he had an application recently from H. C. Brice, employed with the Alberta Coal and Railway Co., and that Mr. McNeill was acquainted with Mr. Brice, and that he was satisfied he was thoroughly competent to do the work. Mr. McNeill in his evidence stated that Mr. Brice was an American citizen, and an old friend of his, and that he had recommended him to Mr. Van Arsdol for appointment. This enquiry prevented this scheme from being carried out.

Party No. 15 was formed by appointing Mr. John Armstrong, engineer in charge, on the 1st September 1903. He had been City Engineer for Edmonton previous to that. He is a Canadian, but while his leveller and draughtsman are British subjects, Mr. F. S. Rossifer, transitman and Mr. Gilbert Murray, topographer, are Americans, but having been in Canada upwards of a year did not come within the Alien Labor Law, and were not reported by me. Mr. Murray was appointed by Mr. Van Arsdol, and Mr. Rossiter by Mr. Armstrong, the assistant engineer in charge of the party.

Party No. 16 was originally in charge of William E. Mann, a Canadian, appointed 5th September 1903. On the 19th May 1904 he was succeeded by Mr. Going, who was originally an American citizen, but had become a British subject by naturalization. He had been in the service of the Railway in British Columbia from the 10th September 1903. Mr. Mann was discharged by Mr. Van Arsdol for incompetency. He gave evidence before me at Winnipeg on the 7th June 1903, and when I returned to Winnipeg from Edmonton I found that he had been re-appointed to Mr. Kelliher's position at an increase of salary from \$150 to \$175, by Mr. Stephens, Mr. Kelliher having been appointed district engineer. The remaining members of the staff of party No. 16 are Canadians or British subjects.

Party No. 17 is composed of engineer, transitman, and draughtsman, all Americans, namely: Mr. John Callaghan, the assistant engineer, engaged on the 13th February, 1904; Mr. H. T. Hare, transitman, engaged on the 3rd February 1904, and Mr. Nicholson, engaged about the same time. Mr. Callaghan, Mr. Hare and Mr. Nicholson were appointed by Mr. Van Arsdol, the first on recommendation of Mr. Stephens, the second on the recommendation of Mr. McNeill, and the third on Mr. Van Arsdol's own account. The evidence shows that Mr. Callaghan when first sent out had to return in consequence of the supplies not being forwarded to him at the proper place, or as stated in evidence, "The supplies were there all right but I guess he did not know where to put his hands on them," and thereby losing about three months of service. These men being absent from Edmonton were not examined, the evidence showing it would take several weeks to reach them. I did not consider it advisable to incur that expense, and on the 18th July 1904 I reported them as being liable to deportation under the provisions of the Alien Labor Law.

Party No. 18, is in charge of Mr. D. D. Sprague, an American citizen, appointed by Mr. Van Arsdol on the recommendation of Mr. McNeill, on 1st January 1904. The transitman is Mr. Douglas Kyle, brother of G. A. Kyle of Winnipeg, and an American citizen, who was originally engaged in October 1903. He had previously been with another party. In consequence of their absence on the survey, and the impossibility of reaching them within several weeks they were not personally examined. The evidence as to their nationality being conclusive I reported them on the 18th July 1904, as being liable to be deported under the Act. The draughtsman, D. W. Robinson, engaged February 13th 1904, was said to be a British subject, and had been on the Canadian Northern Railway before being employed on the Grand Trunk Pacific.

At the time of the appointment of these American engineers by Mr. Van Arsdol and Mr. McNeill they had applications from Canadian engineers well capable of filling the positions, some of the engineers so applying being D. O. Lewis, Arthur E. Hill, John Irvine, C. H. Ellacott, F. A. Devereaux, C. S. Moss, all associated members of the Canadian Society of Civil Engineers, also Alfred O'Meara, R. C. Damon, A. O. Osborne, F. D. Smith, E. H. Pearce, Cecil Ewart, A. D. McRae, Jas. H. Kennedy and John MacCunn, the two latter being members of the Canadian Society of Civil Engineers.

In addition to the engineers' applications they had applications from a large number of transitmen, draughtsmen, levellers and topographers,—all bona fide residents in Canada.

HABITS OF ASSISTANT CHIEF ENGINEER.

It having been sworn by Mr. Kyle that he refused to re-employ an engineer, W. G. Kerle, because of his intemperate habits and Mr. Knowlton having reported the dismissal of two engineers and two subordinate officers on

the same ground and having been informed that Mr. Stephen, the assistant engineer, had been guilty of similar habits while in Winnipeg and elsewhere, I examined several witnesses with reference to his alleged intemperate habits, namely: Charles Southern, the constable who attended the Commission in Winnipeg who stated under oath that about nine o'clock in the evening of the 7th or 8th June while it was still light he had picked up Mr. Stephens in front of an hotel, he having fallen in an intoxicated condition, and being watched by a city constable. The next day he again saw him staggering on the street still under the influence of liquor. He was not sure whether it was in the morning or afternoon. The evidence of Mr. Cecil Goddard who had acted as draughtsman in the Winnipeg office for some time shows that on several occasions during business hours Mr. Stephens was seen by him under the influence of liquor and unable to attend to business. He gave one or two instances when that occurred. Mr. G. L. Griffith in his evidence also stated that he had seen him on three distinct occasions when he was unable to attend to business in consequence of excessive use of liquor. It is true Mr. G. A. Kyle and Mr. A. G. Allan being asked whether they had ever seen him under the influence of liquor denied that he ever was in that condition. I place however, no reliance whatever in their testimony. In my opinion one of the reasons why Mr. Stephens obtained American engineers known to himself personally was to shield himself from any misconduct he might be guilty of, and both Mr. Kyle and Mr. Allan were only too willing to shield him.

I had adjourned the taking of a portion of such evidence at the request of counsel for the Grand Trunk Pacific until Mr. Stephens could be present to hear it and deny it, if he so desired, but although Mr. Stephens knew such evidence was being taken he refused to appear before me while it was being given. Subsequently I examined Mr. Stephens in Montreal, as follows:

"Q. Did not Mr. Kyle and Mr. Cameron inform you that you were required at the investigation? A. No sir.

Q. Did they not tell you of the evidence as to your personal habits? A. Yes, sir.

Q. And at the request of Mr. Cameron the session was adjourned until Thursday? A. I had no such understanding with Mr. Cameron.

Q. What was the cause of your refusing to attend at these meetings? A. I had no cause.

Q. You knew the nature of the evidence which was being given? A. Yes.

Q. You did not desire to attend? A. Not personally."

With reference to this matter the following examination of Mr. Hays took place:

"Q. Several of your engineers have been—I counted three assistant engineers, transitmen and others—relieved from duty on account of their habits in taking intoxicating liquors, do you approve of that? A. I approve of their being relieved.

Q. It was stated by several witnesses that Mr. Stephens was in that state in Winnipeg, you were not aware of that? A. Counsel called my attention to that statement and said it was not true.

Q. Counsel is not on oath, these men swore to it, I have no doubt about their statement being true? A. I do not know the witnesses; I am not competent to pass on their reliability.

Q. I saw them and examined them very carefully because it was a very serious matter; do you not think that is a serious statement to make, Mr. Hays,

against any man especially a chief of the road? A. If it is true it is very serious."

Mr. Jennings, being asked his opinion of having at the head of such a work as the Grand Trunk Pacific an engineer who had been sworn to with having been under the influence of liquor at various times, answered:

"I think it is a very bad thing to have a man of that description in charge of any important work. The mere fact of a man taking a glass of whiskey and water when he feels after hours that he needs it I do not consider anything, but as you say he has been under the influence of liquor at times when he should be attending to his official duties then I do not think such conduct should be entertained.

Q. As an engineer in charge of large works, that is what I am asking you with reference to? A. Yes; if you undertake to keep a man of that disposition it would be at a great deal of personal discomfort and annoyance. I have had to put up with that and I speak feelingly about it."

The evidence given with reference to Mr. Stephens' habits only corroborated my own opinion formed while examining him. On the 31st May in Montreal while proceeding with the investigation there I was compelled to adjourn the meeting at the request of the Grand Trunk Pacific counsel to enable him to produce Mr. Stephens. This he could not do, and I again adjourned the meeting until 8 p.m. when I was informed that Mr. Stephens was not in a position to be examined that evening. His condition undoubtedly was the cause of his answering questions in a contradictory manner.

REPRESENTATIONS AS TO EMPLOYMENT OF ALIENS.

The evidence shows that on the 16th June 1903, complaints having been made that American engineers were being engaged and Canadians engineers being refused employment, the matter was brought to the attention of Mr. Hays. Mr. Hays wrote the Right Hon. Sir Wilfrid Laurier as follows:

"I have heard that some of your opponents had on two or three recent occasions made the statement that the engineers and other employees on our Grand Trunk Pacific Surveys were all Americans, and while I shall not take any possible notice of this statement I thought it might be some satisfaction to you to know the exact facts in the case, which are as follows:

We have at present nine surveying parties in the field; of these nine engineers (transitmen) are Canadians, of the nine locating engineers four are Canadians, one an Englishman, one a German and three Americans. Of the entire staff numbering 94, 89 are Canadians, or ninety-five per cent. It is our practice in connection with all our work to give the Canadians the preference where all things are equal as to experience, qualifications, etc."

Mr. Hays being examined with reference to the statements contained in this letter stated that he received the information entirely from Mr. Stephens. The facts were that at the time mentioned—June 16th 1903—there were in the service of the Grand Trunk Pacific the following Americans: J. R. Stephens, Assistant Engineer, G. A. Kyle, Division Engineer, Winnipeg; George A. Knowlton, Division Engineer, North Bay, W. E. Mellen, Chief Clerk at Montreal. Mr. Dixon, an American, in charge of party number one; C. E. Hill, an American in charge of party number 4; Mr. Nutting, an American, in charge of party number 6; Mr. Mayer, an American, in charge of party number 7; and Mr. A. G. Allan, an American in charge of party number 9. Parties numbered 2, 3, 5 were in charge of Canadians; number 8 was not filled at that time; the subordinate officers were Canadians, so that in reality there were only three Canadian locating engineers in charge of parties, while there were five American engineers in charge of parties.

Then on the 12th November 1903, writing to the Hon. the Acting Minister of Railways, Mr. Hays stated as follows:

"As to the nativity of the engineers you will please note that of the 13 engineers employed on the work but three of them are Americans, the others all being British subjects." At that time in addition to the assistant chief engineer, his chief clerk, three divisional engineers, two district engineers, namely, Messrs. McNeill and Jones, Mr. A. G. Allan, office engineer, Mr. H. M. Goodman, draughtsman in Montreal office, Mr. S. H. Mason, draughtsman in Winnipeg office, and Mr. E. McD. Mellen in the Edmonton office, there were Mr. T. C. Taylor, engineer in charge of party No. 1, Mr. J. D. Nelson, transitman in party number 4, Mr. Nutting in charge of party No. 6, Mr. A. A. Meador, transitman, party number 9, F. O. Parsons, leveller, party No. 9, F. S. Rossiter, transitman party No. 15, B. P. Tilden, in charge of party No. 11, Douglas Kyle, transitman, in party No. 11; Mr. Mayer, engineer in charge of party No. 12, and Raymond Heckman, transitman in the same party. The remaining parties were in charge of Canadians, so that out of the 13 engineers in charge of parties on the work there were 4 American engineers besides six subordinates; transitmen, draughtsmen and levellers.

Again on the 21st April 1904, Mr. Hays forwards a list of names given by Mr. Stephens to him to which is attached the following memo:

"Number of men employed on Grand Trunk Pacific surveys, including division engineers and office staffs between North Bay and the crossing of the Saskatchewan River:

Canadians employed	297.
Americans employed	11.

Of this number two have lived in Canada for four or five years respectively. The total number of men employed.....308.

Percentage of Canadians 96½ per cent., Americans 3½ per cent. Besides the above I find that engineers in charge of parties number 13, 14, 15, 16, 17, 18 are Canadians, as follows: "—then follows a detailed list of the office staffs at North Bay Branch and Winnipeg Branch and names of engineers, transitmen, topographers, levellers and draughtsmen in charge of parties No's 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and Thunder Bay Branches 1 and 2, to each of these parties they added the number of the other men in the party, such as rodman, chainman, axeman, packers, drivers, etc., and gave their nationality as Canadians and who are necessarily local men as transportation was not provided for these positions.

The evidence as already set forth shows that this statement and subsequent statements, dated 13th and 18th and 25th May 1904 do not appear to be strictly accurate. I have already set forth the nationality of the members of these different staffs on the 13th November 1903.

On the last of the three dates above mentioned—25th May 1904, the following Americans were employed that is to say:—J. R. Stephens, Assistant Chief Engineer, W. E. Mellen, his chief clerk, H. M. Goodman his chief draughtsman, Geo. A. Kyle, division engineer, Winnipeg; Geo. A. Knowlton, division engineer, North Bay; C. C. Van Arsdol, division engineer, Edmonton; E. R. McNeill, district engineer, Edmonton; R. W. Jones, district engineer, Edmonton. Office staff at North Bay, G. W. Stadiy, chief draughtsman; office staff, Winnipeg, A. G. Allan, office engineer; S. H. Mason, draughtsman; office staff at Edmonton, E. McD. Mellen, chief clerk. Party No. 1, T. C. Taylor, assistant engineer; party No. 4, J. D. Nelson; party No. 7, C. F. Gailor; party No. 9, A. Meador, transitman; F. O. Parsons, leveller; party No. 2 Thunder

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Bay Branch, C. D. Fairchild, transitman; S. J. Mayo, rodman; party No. 10, J. A. Green, leveller, and F. W. Fink, draughtsman; party No. 12, W. E. Colladay, engineer; J. C. Baxter, transitman; W. M. Anderson, topographer; party No. 13, L. C. Gunn, transitman; Peter Talbot, leveller; party No. 14, R. A. Henderson, transitman; W. W. Benjamin, axeman; William Green, flagman; party No. 15, F. S. Rossiter, transitman; Gilbert Murray, topographer; party No. 17, John Callaghan, assistant engineer; H. T. Hare, transitman; R. H. Nicholson, draughtsman; party No. 18, D. D. Sprague, engineer in charge, and Douglas Kyle, transitman, or a total of thirty Americans on the whole staff on the said 25th May 1904, in addition to James H. Bacon, Harbour Engineer.

To re-capitulate:

No.		Americans	Canadians.
1.	Chief engineer,	\$7,500 a year	1.
3.	Div. engineers,	\$4,000 a year, each	3.
3.	Dist. engineers,	\$3,000 a year, each	2.
1.	Office engineer,	\$2,400 a year	1.
1.	Harbour engineer	\$3,600 a year	1.
20.	Asst. engineers	\$1,800 to \$2,100, each	6.
19.	Transitmen,	\$1,200 a year, each	7.
21.	Draughtsmen,	\$900 a year, each	5.
17.	Levellers,	\$900 a year, each	3.
15.	Topographers,	\$900 a year, each	2.
101.		31.	70.

Or upwards of 30 per cent. Americans in these positions.

Even among the axemen, rodmen, etc., who are to a very large extent local men, it has been proven that at least three, namely, Mayo, rodman, Benjamin, axeman, and Green, flagman, were American citizens.

ATTITUDE TOWARDS AMERICAN ENGINEERS.

The correspondence between the division engineers, especially Mr. Kyle, and American applicants showed a warm interest in the American applicants as compared with that taken in regard to Canadian applicants. As an example of the replies to such applications by Americans I would refer to letters from Mr. Kyle set forth in the minutes of evidence herewith. A number of these letters from Mr. Kyle to applicants show offers of work to American engineers, but which were at the time refused. He invited not only his nephew but his brother, both instrument men, and employed them in his division, but after the agitation on the Alien Labor question commenced, believing there were too many members of the same family on the road he requested his nephew Raymond Heckman to resign. He, doing so, obtained a position on the C. P. R. where he now is.

As an example of the letters written by him to American applicants the following may be taken:

Winnipeg, May 23rd, 1904.

Frank J. Pingry,
1904 Hawthorne Avenue,
Minneapolis, Minn.

Dear Sir,—

I have your letter of the 12th instant making application for a position on the Grand Trunk Pacific. I am sorry to say at present there is nothing in my division that I can offer you. All the parties are in the field and we

do not anticipate sending any others. However, later on when construction begins there will be openings for quite a number of engineers. Your references are very satisfactory, and should a vacancy occur will bear you in mind. I would advise you to write to Mr. C. C. Van Arsdol, division engineer, Edmonton, N. W. T. and Mr. G. A. Knowlton, division engineer, North Bay, Ont.

Yours truly,
G. A. Kyle,
Div. Eng.

indicating on the part of Mr. Kyle an intention to appoint Americans when construction work began.

While writing to the American engineers offering them positions at \$175 per month and expenses he wrote to a number of Canadian engineers offering \$150 per month and expenses. (See letters to Mr. E. J. Walsh, Mr. Osborne, and Mr. McConnell, Canadians, and Mr. A. C. O'Neill and others, Americans.)

In addition to the applications sent to him by engineers he also received a number of names from Mr. Stephens in Montreal. In answer to the counsel for the Grand Trunk Pacific with reference to the appointing of Canadian engineers he gave the following evidence:

"Q. On your examination you stated it was your instructions from the first to give the preference to Canadians? A. Yes, that was the instructions.

Q. As early, I think, as only one year ago, May 1903? A. I do not exactly remember the date, but it was always understood we would give the Canadians the preference; that was the understanding I had.

Q. Have you intentionally adhered to that policy? A. My records and the records of my office will show that. For instance, there are 7 assistant engineers, and six of them are Canadians, or British subjects, and the other I did not hire myself.

Take the staff I think roughly—I have not figured that up exactly—there are about 15 per cent Americans and 85 per cent Canadians or British subjects.

Q. When you use the term staff what do you mean? A. I mean all draughtsmen, levelmen, topographers, transitmen and including assistant engineers. By the way I did not hire several of the staff as was brought out in evidence. I claim I have carried out my instructions to the best of my ability under the circumstances, whenever we could obtain them. Of course there are one or two cases where I might have brought in men, that is, probably one or two cases where I might have got somebody if I had looked around, but that is all. In the main I have tried to, and I believe I have followed my instructions to the best of my ability; that was my intention."

Mr. Knowlton also in his correspondence with American applicants wrote them encouragingly, as an instance, a letter written on the 8th July 1903, to Mr. E. L. Sparks, Oklahoma City, as follows:

"Dear Sir:

Your letter of June 29th received and in answer would say that at present I have nothing to offer you. Our company object somewhat to hiring men from the United States at present, as they are still having some trouble about procuring their charter. However, nothing would please me better than to give you the position you ask. I remember you very well; as I told you last summer I tried my best to advance your position, but our mutual friend "Mr. Reagan" would not consent to a change. The country through

which I am running lines is practically unexplored, and one of the toughest propositions I think an engineer can get up against on this continent. It may be possible I can offer you something later on. Keep me advised of your address, so that I will know where to reach you."

I have already referred to the case of Mr. Callaghan, where he lost two or three months because of want of knowledge on the part of the division engineer or those in authority at Edmonton, in looking after the supplies and the location of the country. Mr. McLennan in his evidence at Kingston tells of a similar experience under Mr. Knowlton where about six tons of ordinary survey supplies were left in September until the following June with two men looking after them.

It was stated in evidence by Mr. Hays on the 20th July 1904, that Messrs. Van Arsdol, McNeill and Mellen resigned their positions in consequence of this enquiry and my report on their cases.

CAPABILITY AND AVAILABILITY OF CANADIAN ENGINEERS.

Mr. Hays and Mr. Stephens having stated that they were unable to obtain capable Canadian Engineers to do the necessary work in connection with this railway I made inquiry with reference to the capability and availability of engineers *bona fide* residents in Canada, and examined a number of eminent engineers on that question. The consensus of their evidence is that there was a sufficient number of capable engineers to perform the work as well as, if not better than, the American engineers appointed, and that had reasonable efforts been made by Mr. Hays or Mr. Stephens they would have had no difficulty whatever in obtaining the necessary talent for the work to be performed.

Evidence of that nature was given by the following gentlemen:—

(Examined in Ottawa):

Collingwood Schreiber, T. C. Keefer, H. Holgate and A. Duffy.

(Examined in Montreal):

James M. Shanly, Prof. C. H. McLeod, P. W. St. George, W. J. Sproule, Brian D. McConnell, J. A. U. Beaudry, E. Berryman.

(Examined in Toronto):

H. D. Lumsden, W. T. Jennings, R. W. Leonard, J. H. Armstrong, E. H. Keating, Prof. John Galbraith, T. E. Hillman, Joseph Hobson, Cecil B. Smith, Arthur H. N. Bruce, A. F. McCallum, James McDougall, Harry Crewe, J. L. Boyd, John McCunn, H. G. Dimsdale, Alex. L. McClennand, Wm. Mackenzie, President of the Canadian Northern, and Archibald W. Campbell, Assistant Commissioner of Public Works, Toronto, and others.

(Examined in Winnipeg):

John Woodman, Francis F. Busted, James A. Hesketh, Thomas Turnbull, Zeph Malhiot, R. Fowler, R. C. McPhillips, C. A. Milliken, H. Patterson, John Irvine, D. E. Gibson.

(Examined in Edmonton):

Alex. J. McLean, the town Engineer.

(Examined in North Bay):

R. H. Russell, R. Laird.

(Examined in Kingston):

Thos. W. Nash, A. K. Kirkpatrick, Major Panet, J. L. H. Borgart, Prof. Robert Carr-Harris, Hon. Wm. Harty, and others.

The evidence of Mr. Jennings given on the 13th June may be taken as covering the evidence given by the other witnesses with reference to the question of capability of our Canadian engineers as compared with the American engineers. In his evidence he states:

"My opinion in connection with this whole matter is that there was not the slightest necessity to go outside of Canada for any officer of any degree from the highest to the lowest in connection with the construction of that proposed railway or any other public work in this country, or for harbors, docks, canals, railways, bridges, or any other feature such as electrical, hydraulic or mechanical." Being told that Mr. Stephens said he had exhausted every effort to get Canadians he answered:

"I do not know the gentleman, never heard of him before, nor do I know what method he pursued, but I am sure that he could not have taken the usual vehicle for obtaining such information and such assistance otherwise we would have heard of it. We have in Canada a very large organization (The Canadian Society of Engineers), probably the third in the world, through whose agency assistance could have been rendered. From my knowledge of these organizations in this country . . . I think there would have been no difficulty in obtaining in a trustworthy way the information desired, indeed this feature was partly the cause for the formation of these societies, which were established to assist in these and other matters of an educational and engineering character, not only for the supply of engineers but to assist members of the profession in obtaining continuous work, the practice being that when an engineer finds he is nearing the completion of an undertaking and wishes another engagement he sends to the secretary of such organization a memorandum to that effect. His name is then put on the list which any member or friend through a member may have access to."

With reference to the appointment of American engineers on this road, he said:

"Allowing that two men were alike equal in professional ability, the one conversant with the country and the ways of the country should certainly be better able to get about and do the work for his employers in a more rapid and less expensive way than a stranger. There is no question about that."

With reference to the qualifications of American Engineers as compared with Canadian Engineers Mr. Jennings was asked as to an article in the Cleveland "Plain Dealer," copied into a Canadian newspaper published during the inquiry, in which it was stated:

"The British experts reported that certain routes were impracticable or even impossible. American engineers, fresh from their experience in their own mountainous sections thought and demonstrated otherwise. In consequence the Canadian Pacific did not have to hover on the slope of the Rockies."

Mr. Jennings replied as follows:

"What I wish to say is, I am not speaking in my own personal interest at all, but in the interest of Canadian engineers, I am not an aspirant for any office in this concern, and I am speaking in a thoroughly non-personal manner and for the good of the engineers of this country. Now, this "Plain Dealer's" statement is wrong, and wherever the American locations were followed this country and the Canadian Pacific Railway directly have suffered.

They have a summit of two thousand feet higher than we under the government had. They have a line of railway shorter, but with heavy grades, and thus in reality longer as a matter of haulage. So far as I can see their work was a succession of blunders in that way. A four per cent. grade—just think of building up to the summit of the Rocky Mountains in the belief you

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were getting a two per cent grade and find it four! That is not very good engineering."

Upon being asked as to the availability of Canadian engineers he answered:

"I think that in Canada at the present moment with those salaries we could quite easily get every man necessary to equip two outfits for roads across the continent. Twenty-five years ago for the government works there was no difficulty in getting men. There were always three or four hundred applicants beyond those that could be taken. Since then our country has grown in population; we have more engineers, better trained engineers, and I am safe in saying that we could now get three to one."

Upon being cross-examined by the Counsel for the Grand Trunk Pacific he stated:

"I generally know, and think I am safe in my statement regarding it, the special feature in connection with the new matter, the Grand Trunk Pacific Line is the length of engagement, a point always looked to by those in and out of employment. For instance, a man might be in receipt of the same salary that he would be looking for under new circumstances, but in the new scheme he would see five to ten or fifteen years engagement ahead of him, and that would bear a great deal of weight in his decision. Now, from men I know, I am speaking as definitely as can be spoken to, I am not an employment agent but I meet a great many engineers and employ a good many and get employment for a good many who I do not know personally direct."

Being asked by the same Counsel if there were any American engineers employed on the Canadian Pacific work (the original location and construction) he answered there were half a dozen:

"Q. That does not account for it being so well done? A. No, I do not know that. I am a great admirer of some American engineers, and have had a good deal to do with them, and I am not going to make any assertion or cast any aspersion on American engineers. The coming of those men to the Pacific coast section during construction was probably and relatively speaking just about like the coming of the men on this survey, but in a lesser degree."

Q. The same policy was adopted at that time that has been adopted since to a large extent? A. The Americans have a different method from the Canadians. Their managers have a 'following', as it is called, down to their secretary, whom they take with them wherever they go, and they think no one else on the face of the earth will suit them except those men. That accounts for it. We brought in Americans to carry through our first syndicate scheme, and then our Canadian Company thought wise to bring the men referred to, whose actions were supervised by Canadian engineers; that is so far as part of my construction charge was concerned on the west coast, they were all under me, the very men you speak of."

With reference to the statement of Mr. Stephens that he applied to Mr. Tye and Mr. McHenry with reference to the employment of engineers, Mr. Jennings was asked by Counsel for the Grand Trunk Pacific:

"Q. Then Mr. Tye of the Canadian Pacific would have been a proper man to apply to and Mr. McHenry; they would have been men that could have given him some assistance? A. No, I think their knowledge of Canadian engineers would be exceedingly limited, they are practically Americans, and comparatively new comers to the country."

Q. I was not aware? A. Mr. McHenry is an American.

Q. But not Mr. Tye? A. He is practically so, I have heard.

Q. You would think a man was wise in getting information from them?
 A. I think he would be quite right in going to them after exhausting every other move.

Q. My learned friend has asked you the advantages that Americans would have over Canadians in doing the work, I suppose that is a matter for the men who are paying the amount? A. I should think it would be, but the men who are paying the money should see that they were getting the best value for their money."

On re-examination he was asked:

"Q. Do you find Canadian Engineers equal in ability to the American Engineers? A. Certainly, sir, they are trained in the same way, they are trained more thoroughly I think. Taking them all through I think the young men coming on are better trained. The best evidence of that is we have many of our young men in the States now occupying good positions."

Understanding that Sir Sandford Fleming was on his way to England and that I would be unable to examine him I addressed a letter set out in the minutes of evidence and in answer thereto obtained a statement from him also set out in the minutes of evidence. Although I have set this statement out in the minutes of evidence it is not in a legal sense evidence taken under my Commission and my findings have been arrived at irrespective of same. I may, however, be permitted to give the following extracts from his statement:

After referring to the Railways which had been located and constructed under himself as chief engineer he says:

"All the engineers under me on the Intercolonial, the Newfoundland and the Canadian Pacific Railway explorations, location surveys, or construction, were Canadians. Some were born in the United Kingdom, but all were British subjects and all were residents in Canada or in some portion of British North America when they were engaged. Such engineers were quite equal in ability and generally speaking were fully as capable in the performance of their duties as any engineers from the United States whom I have known. No difficulty was experienced in securing Canadian engineering talent forty years ago for the Intercolonial Railway and since then for the Canadian Pacific Railway. A large number of men have gained good experience on these and other lines. The Military College at Kingston and the Canadian Universities have long been training young men for engineering work and many of them have for years been employed on the survey and construction of railways and other work, and are now quite ready to fill similar positions. I am perfectly satisfied that we have to-day in Canada an ample number of skilled men to carry on and complete the new national railway. As to the rates of salaries mentioned in the questions, they are considerably higher (nearly double in some instances) than the salaries which were paid in my time to the best men of their class on the Intercolonial and Canadian Pacific Railway. I feel confident that such rates of pay should attract an excellent staff of engineers without looking for a field for them.

The work performed by the Canadian engineers on the several undertakings to which I have referred, bears enduring testimony to their attainments. If we turn for a moment to the work of these Canadians between the years 1871 and 1880, in connection with the Canadian Pacific Railway, we have the very best evidence of the value of their qualifications. Moreover, if we follow the enquiry we are afforded the means of comparing their work with the work accomplished in the same field by engineers from the United States.

At the close of the period named, the Canadian Pacific Railway was under active construction at both ends and in the middle. An admirable location for

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it was found through the Rocky Mountain zone with gradients quite as good from end to end as on the railways in a comparatively level country like Ontario. All was accomplished by Canadians without seeking for the smallest assistance from alien talent.

We now reach a date when engineers from the United States were called in and who after controlled the location of a portion of the first transcontinental railway. Fortunately they could make no change in the location of those portions of the line in process of construction by the Government, east of Winnipeg and west of Kamloops; but changes were sought for and made by them with a free hand between Winnipeg and Kamloops. Under the new regime the excellent location of the Canadian Engineers was set aside and on this section a greatly inferior location adopted. Thus it was that the Canadian Pacific Railway has been lowered in its engineering features, especially through the mountains. Thus it was that blemishes of a grave and costly kind have been bequeathed to all future generations, for the blemishes referred to are of a character which time cannot lessen or remove; and thus it is that the daily cost of operating the line for all time has been increased. For these regrettable defects the Canadian engineers are in no way responsible; but to all who know the facts they bring out in striking contrast the results of the labours of the two sets of engineers.

Turning to the Intercolonial Railway from Nova Scotia to Quebec, it is universally recognized by all capable of judging that the engineering character of that undertaking is of a high order, and it is due to my old staff of Canadian Engineers that I should give them full credit for their work. With a full knowledge of the facts I have no hesitation in saying that there is not on the American Continent a more carefully located and constructed line of railway.

I need not multiply examples I give two which have come directly under my personal knowledge in support of the view I have long held and still hold. I am firm in the convictions that the United States Railway Engineers have no qualifications superior to the qualifications of Canadian Engineers, and that the Canadian Engineers have special qualifications and methods for doing effective work under Canadian conditions which are not possessed in the same degree by alien engineers whose training and experience have been under different conditions.

While I know well that our own people are quite capable of constructing our own railways, I have not the slightest dislike for United States Engineers. For more than thirty years I have been a member of the American Society of Civil Engineers and have had the advantage and satisfaction of making the acquaintance, among my fellow members, of men of the highest type whom I greatly esteem and respect. Canada and the United States are very near to each other and they have many ties. We are on friendly relations with our neighbors and give cordial welcome and employment in Canada to citizens of that Country or indeed skilled aliens from any land. We are the gainers eventually if they can teach us anything we do not know, or if they can do anything better than ourselves. All are placed much on the same footing as our own people. If aliens cannot do better work there is no justification for them receiving better pay and a preference to Canadians.

In these few words I have had reference to ordinary cases. The questions I am endeavoring to answer have reference to no ordinary case. Canada is embarking in a great national enterprise involving not simply an enormous expenditure, but an interesting and vitally important national problem—a problem on which to a very great extent hangs the destiny of our country. To solve the problem as it should be solved, will require able upright engineers in full sympathy with our national aims and aspirations.

Why do we want such men?—what need for men of high principles, probity and patriotism?—men who are imbued with the spirit of true Canadians? The answer will be found in the enclosed paper containing my views on the Canadian Transcontinental Railway submitted in October last to the Quebec Board of Trade. I ask you to regard the views therein expressed as part of this letter.

In that paper I allude to the new national railway and point out that its chief object is to connect the Canadian prairie wheat fields with Canadian sea ports by a great modern highway; a highway so perfect in its location and construction that it will amply fulfill the purpose for which it is designed. You will notice that I attach very great, and I am sure no thoughtful well-wishers of Canada will say that I attach undue importance to the labours of the engineers on the proper location of the national line of transport. I regard the engineers as having much in their power for good or evil. Their labours may be crowned with success, or if set about in a perfunctory way, the great national object may be defeated. Obviously the appointment of engineers is not a matter of indifference, as they may practically "make or mar" the designs of the Government and Parliament.

I have said enough to indicate that I would regard it as a national calamity, if the establishment of the national transcontinental railway in its vital parts, fell under the complete control of men who are not Canadians in spirit, men who have no proper appreciation of the national importance of the great undertaking,—or who would prove unfaithful to Canadian interests."

Accompanying this statement are extracts from views of Sir Sandford Fleming contained in a pamphlet entitled "The New Canadian Transcontinental Railway" referred to above and also a profile of that part of the Canadian Pacific Railway between Winnipeg and Kamloops which gives a much clearer idea of the blemishes or defects than even the clear description given by Sir Sandford Fleming as above and also as given by Mr. Jennings.

In addition to the evidence of the engineers above mentioned who were unanimous in stating that Canadian engineers were not inferior to the American engineers for the work in question, and some of whom stated that they were superior, having a better knowledge of our northern country, and that a sufficient number were available for such work at the salaries offered, I examined Mr. William Mackenzie whose firm are constructing the Canadian Northern Railway, and he stated that he did not know a single engineer in connection with that railway who was an American. I also examined Mr. A. W. Campbell, Assistant Commissioner of Public Works for Ontario, and a Civil Engineer, and who had charge of the construction of the Temiscaming and Northern Ontario Railway. He stated that he had no difficulty in obtaining Canadian engineers to take charge of the location and construction of that railway, in fact he had so many applications that he did not know what to do with them.

CONCLUSION.

As the result of the evidence taken before me during the investigation I am of opinion that there was no earnest endeavor made to obtain Canadian engineers for the location of the Grand Trunk Pacific Railway by those having authority to employ such, that had such an effort been made there would have been no difficulty in obtaining a sufficient number capable not only of locating but of constructing the whole work. In the word "engineers" I include all from the chief engineer and harbor engineer to the transitmen, draughtsmen, levellers and topographers. There was, however, a very earnest desire to obtain American engineers for the work, and in some

cases applications were made to the heads of other railway companies to relieve men for the purpose of having them brought to Canada to be employed on this road. I have already stated the number of American engineers so employed. I find also from the evidence that the Canadian engineers are not inferior to the American engineers for the work in question, but having a superior knowledge of the country they are better qualified for that work. I also desire to state that the Canadian engineers are not asking for protection for themselves, but merely desire that no discrimination be made against them. That discrimination has been made against them, in my opinion, there is no doubt.

In concluding my report I desire to express my high appreciation of the able assistance given to me by Mr. Mowat in the conduct of the inquiry.

I have the honor to be,

Sir,

Your obedient servant,

JNO. WINCHESTER,

Commissioner.