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PUBLIC SERVICE COMMISSION

1912

VOL. III

EVIDENCE

RE

REPORT OF THE COMMISSIONERS

PRINTED BY ORDER OF PARLIAMENT .



OTTAWA

PRINTED BY C. H. PARMELÆ, PRINTER TO THE KING'S MOST
EXCELLENT MAJESTY

1913

[No. 57—vol. iii—1913.]

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PUBLIC SERVICE COMMISSION

1912

EVIDENCE

RE

DISMISSAL OF R. E. COOK

Department of Public Printing and Stationery

OTTAWA, Tuesday, January 30, 1912.

PRESENT:

The Commission met this morning at 10 o'clock.

Honourable A. B. MORINE, K.C.
R. S. LAKE, Esq.

ROBERT EDGAR COOK, sworn.

By the Chairman:

- Q. How old are you, Mr. Cook? A. 44 years of age.
Q. You are married and have a family? A. Married, three children.
Q. When did you first enter the public service? A. December 1887.
Q. In what position? A. Compositor.
Q. Was there a Government Printing Bureau at that time? A. No, sir.
Q. When did the government start the Printing Bureau? A. The Bureau was ready for occupation in 1889.
Q. When did you enter the Bureau? A. On the 1st of July, 1889.

By the Chairman:

- Q. You were one of the original staff? A. The original staff, yes.

By Mr Lake:

- Q. You gave evidence on an examination held by Mr. Murphy, the Secretary of State in 1910? A. I did.
Q. And the examination took place in July? A. July, 1910.
Q. What position in the Bureau did you occupy at that time? A. No official position, clerk in charge of the work that was sent outside.
Q. And your grade and salary? A. Second division sub-division "A", salary \$1,800.
Q. You say that you had no special official position? A. No official position.
Q. What do you mean by that, you had an annual salary? A. Oh, yes, but no title or branch.
Q. You were a simple clerk in the office? A. Yes.
Q. But in fact you were in charge of what? A. The printing and binding which, through pressure of work in the Bureau, had to be sent outside for execution, also the lithographing, engraving, &c., that was sent out.
Q. Sent out to be done by contract or otherwise, outside the Bureau? A. Outside.
Q. How long had you been in charge of that work? A. About three years.
Q. You had been placed there while Dr. Dawson was King's Printer? A. Yes.
Q. And when being placed there you were nominally under the charge of the superintendent of printing? A. I was.
Q. Mr. MacMahon? A. Yes, sir.
Q. When Dr. Dawson placed you in charge of that work, was there some objection on the part of the superintendent of printing? A. There was. At first it was Dr. Dawson's intention to create a separate branch. The superintendent of printing pointed out to him that the Act of Parliament called for all class of work to be

handled under his supervision. The King's Printer gave way and placed the new room under the superintendent of printing.

Q. But did the superintendent actively exercise any control over it? A. No.

Q. You were allowed in practice to report straight to the King's Printer, and subject to his orders, you were practically in charge of that work? A. Yes, sir.

Q. That is the real position. On the examination before Mr. Murphy, then Secretary of State, in July, 1910, you were not sworn, were you? A. No, sir.

Q. Do you know whether Mr. Parmelee was sworn? A. He was not when he gave evidence in my presence.

Q. And as a matter of fact, the Secretary of State himself has said that none of the evidence was taken on oath. That is the case as far as you know? A. It is.

Q. Speaking in parliament on January 30, 1911, replying to a question by Mr. Northrup, I find Mr. Murphy made this reply. Mr. Northrup's question was:

"For what cause was Mr. R. E. Cook dismissed from the service?"

Mr. Murphy made the following answer:

"For disobeying instructions, wasting public moneys, placing orders outside the Bureau without securing competitive prices and for untruthfulness and incompetence." (Hansard, 1910-11, page 2673).

Q. Do you plead guilty or not guilty to that charge? A. Not guilty.

Q. At the time of your examination by Mr. Murphy, were you informed of any specific charges having been made against you by anybody? A. I was not.

Q. Were you told directly what complaint anybody had to make? A. I was not.

Q. Except so far as you might infer from the questions addressed to you, were you informed what was the subject of inquiry in reference to yourself? A. No, sir.

Q. You were not represented by counsel? A. No, sir.

Q. After the inquiry, what was the first thing that you heard flowing from it?

A. After my giving evidence in the minister's office?

Q. Yes, after you had given evidence? A. I was suspended for three months shortly after, a few days after.

Q. In what way? A. I was notified by the King's Printer.

Q. Were you told what you had been suspended for? A. I was not.

Q. How long did your suspension last? A. Three months.

Q. Then did you report? A. I was not permitted to report. On my return to the city, I found a four line letter of dismissal in the letter box at my residence.

Q. Sent by the King's Printer? A. Sent by the King's Printer.

Q. You heard nothing directly, either from the minister or any person under the minister from the time of your examination until your suspension? How long was it from the day you gave evidence until your suspension? A. About a week.

Q. About a week. In the printed volume called "Inquiry into the Affairs of the Department of Public Printing, 1910," and the Debates in Parliament, have you any means of knowing what complaints were made against you? A. None.

Q. Or for what cause you were dismissed? A. None whatever.

By Mr. Lake:

Q. Have you ever been officially informed as to why you were dismissed? A. I was not, I made inquiry of the King's Printer who informed me that he had been given no reason by the minister.

By the Chairman:

Q. Mr. Parmelee said that he had been given no reason by the minister?
A. Yes.

By Mr. Lake:

Q. In fact he professed ignorance as to why you had been dismissed himself?
A. He did.

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Q. When did Dr. Dawson cease to be King's Printer? A. About 18 months prior to my dismissal or thereabouts.

Q. And Mr. Parmelee was appointed immediately after he withdrew? A. Not immediately. The acting King's Printer was Mr. MacMahon, who was Dr. Dawson's successor.

Q. Soon after? A. Soon after.

Q. That would be about the beginning of 1909?

By the Chairman:

Q. You desire an examination on oath into these various subjects? A. I do.

Q. And have requested the Commission to hold it? A. I have.

Q. In the inquiry in July, 1910, Mr. Thomas Mulvey, Under Secretary of State for Canada was examined? A. He was.

Q. Were you in the room when he gave his evidence? A. I was.

Q. And heard it? A. I heard it.

Q. Reference was made during Mr. Mulvey's examination to a return ordered by the House of Commons on motion of Mr. Armstrong? A. I know the Armstrong return.

Q. That return was moved for by Mr. Armstrong on November 24, 1909, in these words: "For a return showing the total amount paid by the Government in each year since 1896 for all printing, advertising and lithographing done outside of the Government Printing Bureau." You remember that? A. I do.

Q. Now a return was prepared in the rough by you, and consultations took place between you and Mr. Mulvey concerning that return? A. They did.

Q. There was some difference of opinion between you and Mr. Mulvey as to what should be embodied in that return? A. There was.

Q. The substantial difference as I gather from Mr. Mulvey's evidence was that he wished the return to show only the amount actually paid for the printing and the lithographing done outside the Bureau? A. That was the point. He objected to the inclusion of the paper necessary for the printing.

Q. And to some expenses in obtaining the material, such as express and freight &c.? A. Exactly.

Q. You contended that the return asked broadly for the entire expense of obtaining printing, advertising or lithographing outside the Bureau, and Mr. Mulvey contended that you should stick to the particular words of the motion and should not include in the return any of the expense of obtaining that work or even of the paper upon which that work was done? A. That is the point exactly.

Q. Although all these expenses and the cost of paper would be an expenditure by the government outside the Bureau? A. They were.

Q. As a matter of fact in some cases the cost of the paper would be shown in the invoice distinct from the cost of the printing or lithographing? A. It would.

Q. In some cases would the cost of the job be a fixed amount inclusive of both printing and paper? A. It would where the job had been put out for tender.

Q. Then in making a return of the work done by tender, if you tried to separate the cost of printing or lithographing from the cost of paper you could only do that by some sort of calculation of your own? A. Exactly.

Q. There would be nothing in the invoice to show any separation by the men who did the work? A. Nothing whatever.

Q. Consequently in case of such a separation in the return it would be mere guesswork? A. Purely.

Q. And to give the return the form which Mr. Mulvey thought it should take did involve an amount of calculation and guesswork to prepare that return, did it not? A. In many cases.

Q. That is the actual fact? A. It is.

Q. So that the return as prepared finally under Mr. Mulvey's instructions did not represent the expenditures as they had been made, but in the way you have pointed out really represented calculations made by him or by you or by somebody in the Bureau? A. That was the fact.

Q. In the evidence of Mr. Mulvey at the inquiry in July, 1910, I find him saying this:

"The return as prepared showed miscellaneous expenditures for express and telegraph and all that kind of thing."

Then Mr. Murphy asks him this question: "Purchases made at Rosenthal's and Birks"? And Mr. Mulvey answered:

"Quite so, and it showed also the cost of paper which was used on printing done outside the Bureau." What is meant by purchases made at Rosenthal's and Birks'?

A. Visiting cards for ministers and deputy ministers.

Q. Paid for by the Bureau? A. Paid for by the Bureau.

Q. And coming, therefore, within the very words of the return, 'printing, lithographing done outside the Bureau? A. Yes, sir.

Q. Were these visiting cards in the name of the minister or his office? A. Visiting cards, official and otherwise. There are two classes of cards prepared for the ministers, their personal names and also the minister of whatever department it may be.

Q. And are these cards entirely ministers' cards? A. Ministers and deputy ministers only.

Q. Can you suggest why such an expenditure as that should not have been put into the return? A. I am certainly of the opinion it should be in the return.

Q. The reason I ask is that I am unable to understand why the minister should have asked a question in a tone of astonishment or objection to such things being in the return, and I thought possibly you might suggest why he took that tone. In any case you prepared the draft return with these things in and Mr. Mulvey objected to it? A. He did.

Q. And you explained your view of the matter? A. I did, in the presence of the King's Printer, in Mr. Mulvey's office.

Q. And you were overruled by Mr. Mulvey? A. I was.

Q. And you helped to prepare the return in the form he wished? A. The staff of my room came back, Mr. Mulvey came to the Bureau and personally made the corrections in that return from accounts placed before him by myself.

Q. So far as you were concerned in the matter did you refuse to obey his instructions? A. No, sir.

Q. Or make yourself unpleasant in any way whatever? A. I did not.

By Mr. Lake:

Q. Is Mr. Mulvey in charge of the Printing Bureau? A. He has nothing to do with it in any way.

Q. He holds no official position in regard to the Printing Bureau? A. Mr. Mulvey is the Under Secretary of State. The King's Printer is also a deputy minister, equal in standing, and in full charge of the Bureau under the same minister.

Q. Do you know whether the Under Secretary of State has any special duty to perform in connection with the preparation of returns for parliament from all the ministers? A. It is his duty to collect these various returns and to send them to parliament.

Q. To see that they are in the form that they have been asked for? A. I would not care to answer that, I would rather think it was his duty to forward the returns as supplied by the various departments.

By the Chairman:

Q. Some questions were asked Mr. Mulvey in your presence concerning work done by the firm of W. G. Rochester & Co.? A. Yes sir.

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Q. That is a company in Ottawa? A. A lithographing company in Ottawa.

Q. What class of work do they do? A. General lithographing.

Q. And they did some work for the Printing Bureau, passed out by you from time to time? A. They did.

Q. Was there in the department what was known as a patronage list? A. There was.

Q. Supplied under the administration in power in 1910? A. Certain letters initiated by the minister were forwarded by us to be placed on the file.

Q. As firms to which patronage was to be given from time to time? A. Exactly.

Q. Would the Rochester Co. be one of these firms? A. It was.

Q. Have you any private interest in the Rochester Co.? A. None whatever.

Q. Were you receiving pay from the Rochester Co.? A. Not one dollar directly, indirectly or in any other way.

Q. Were the members of that Company particular friends of yours? A. The manager I became acquainted with in the course of our business communications only.

Q. I wish to ask you a comprehensive question. Had you any personal reason whatever, outside of the proper discharge of your duties as you understood them for giving work to the Rochester Co.? A. None whatever.

Q. On November 20, 1908, Mr. Murphy addressed a letter to the Acting King's Printer, in which he said:

"Representations were made to me on behalf of the Rochester Lithographing Company to the effect that while the firm was promised about one-third of the lithographing work which the government requires to have done, it has not received this portion or anything like a fair share of the work in question. Please let me know what the facts are regarding this line of work, and what firms have executed it, say during the last two years, and in what proportion the work has been allotted." You remember that letter? A. That letter was addressed to the acting King's Printer. It was not handed to me, it was simply read to me over the counter at our office door.

Q. By the acting King's Printer? A. Who retained it.

Q. You have no copy of it in your possession? A. I have not.

Q. Did the acting King's Printer add anything to the matter by way of direction or explanation? A. Not to my recollection.

Q. Were you aware that that firm was promised about one-third of the lithographic work? A. No sir, I was not aware of that.

Q. Did you hear, either before or after, that there had been such a promise? A. I heard from Mr. Rochester himself that they had been promised a certain amount of work.

Q. Did he say by whom? A. Mr. Low, the member of parliament, and Mr. M. J. O'Brien, I think he said visited the minister and some promise was made to them. Mr. Rochester's brother I think was with them when they visited the minister.

Q. What minister would that be? A. Hon. Chas. Murphy.

Q. Hon. Charles Murphy himself. Up to the date when the acting King's Printer read this letter to you, had that firm, The Rochester Lithographing Company, received a quantity of lithographing work? A. Its ordinary small share.

Q. It had received some? A. A small share.

Q. Afterward did it receive a larger share? A. A little larger.

Q. Was there any special reason why they should receive more? A. I was under the impression it was the minister's wish and consequently gave them what new work came in.

Q. How did you obtain that impression? A. It was my recollection of the reading of the letter.

Q. You say that you consequently gave them a share of the new work that came in? What do you mean by that term "new work?" A. In the lithographing business,

cheques, are for instance, engraved with the first order. Future orders, as a consequence, go to the office holding the engraving. Under the existing circumstances, at the Bureau I could not send to the Rochester Company any of the repeat orders unless I incurred the expense of re-engraving cheques already on stone. In trying to carry out the wishes of the minister as I understood him I sent this new work to that firm for execution.

Q. In Mr. Mulvey's evidence on July, 1910, referring to the Armstrong return for parliament which was being prepared, Mr. Mulvey says that you told him that you had instructions that all new work was to be given to the Rochester firm. Did you tell him that? A. I told him that I was sending the new work to the Rochester firm with the idea that that firm was not getting as much work as the minister would wish, and I gave him that explanation as to why more had not been sent.

Q. As to why it had not been sent to the Rochester Co.? A. Exactly.

Q. How did that question arise? A. I had visited the Under Secretary of State.

Q. Mr. Mulvey? A. Mr. Mulvey in connection with, I am not sure whether it was the Armstrong return or not. The question of the handling of that class of work in the Bureau came up and I made that explanation to him. I later visited him with the complete file from the Bureau, showing all the cheques that were already engraved on stone, and which could not, without incurring expense for re-engraving be sent to that firm.

Q. The point I want to get at is this. You say that you explained to him why more had not been sent to that firm. Did he ask you for an explanation why more had not been sent? A. He was questioning me as to how the work was handled in the Bureau and reading that letter.

Q. Of Mr. Murphy's? A. Of Mr. Murphy's. I naturally gave expression to that statement, gave that as the reason.

Q. Gave the letter as the reason why? A. Why the new work had not been sent to Rochester.

Q. But you were still not directly answering that question. Mr. Mulvey uses the words "all new work," as though you had told him that all new work was exclusively to go to the Rochester firm? A. Not of necessity.

Q. Did you use any expression to Mr. Mulvey which was intended to convey the idea that Mr. Murphy had directed you to give the new work exclusively to the Rochester firm? A. I have so expressed my belief to him.

Q. Your belief is what? A. That the new work was to be sent to the Rochester firm.

Q. All new work was to be sent to the Rochester firm? A. All new work such as they could handle. They never touched map work.

Q. But you conveyed to Mr. Mulvey your belief that all new work which the Rochester Co. could handle should be sent to that Company by the desire of Mr. Murphy? A. I did.

Q. In so expressing yourself you were relying on the letter from Mr. Murphy to the acting King's Printer, which you had not seen but had heard read? A. I was.

Q. And to the best of your knowledge and belief did you correctly represent your impression of that letter to Mr. Mulvey? A. I repeated to Mr. Mulvey exactly my recollection of it.

Q. From the minister's questions and Mr. Mulvey's answers I gather that the minister was under the impression that you had intentionally misrepresented him to Mr. Mulvey as ordering work to go exclusively to one firm. In the words you used or in the manner of your use of those words, did you attempt to create the feeling in Mr. Mulvey's mind that Mr. Murphy had a personal object in confining the work to the Rochester Company? A. No, I offered that explanation as a reason for not sending more work to the firm, believing that the minister desired it to be done.

Q. Then you were trying to exculpate yourself from an implied fault rather than to impugn the motives of the minister in any way? A. I certainly was doing so.

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Q. You were afraid, in other words, that complaint might be found with you that you were not sending enough to that firm? A. That is the fact exactly.

Q. And you were trying to explain that only new work could be sent to them without great loss? A. That is the point.

By Mr. Lake:

Q. You were summoned to Mr. Mulvey in connection with a return which had been asked for by parliament and which it was his duty to present to parliament? A. I was.

Q. And during your communications with him in regard to that return the conversation branched off and you happened to speak of the work which was being given to the Rochester Lithographing Co.? A. That was it exactly.

Q. You were not summoned to him especially in connection with the Rochester Company? A. No.

By the Chairman:

Q. There was some question in the inquiry before Mr. Murphy concerning pamphlets printed by the *Gananoque Reporter*? Do you remember the matter? A. I do.

Q. To briefly come to the point, the *Gananoque Reporter* was given an order to print 100,000 pamphlets? A. They were.

Q. Mr Parmelee was King's Printer at that time? A. He was.

Q. Did he know that the *Gananoque Reporter* was to do the work? A. He did.

Q. Did you consult him about giving the work to that paper? A. I did.

Q. It was work which was to be done outside by somebody? A. It was.

Q. And was similar work done outside by other people? A. Yes, sir.

Q. Who, for instance? A. The *Brantford Expositor* was one, the *Smith's Falls Record*, I think is the name of the paper and several others west of Toronto.

Q. How did the prices given to the *Reporter* compare with the prices paid to others? A. They were on the same basis exactly.

Q. The complaint against you which seems to be implied by the questions of Mr. Murphy on that inquiry comes down to this, that the printing of these pamphlets for which the *Reporter* was paid, was in fact, done by the *Ottawa Free Press*? A. It was.

Q. And that the *Ottawa Free Press* did the work for \$200 less than the *Reporter* was paid by the department? A. That is so.

Q. As a fact when the payment came to be actually made for the work you knew that the *Free Press* had done the work? A. I did.

Q. And you knew that the *Free Press* was receiving a smaller amount than the *Reporter* was being paid? A. I did.

Q. Was the price paid to the *Reporter* an excessive price? A. It was not, it was a 48 page booklet at a cost of 11-10c. a book, that cost to cover boxing for shipment to the old country, and delivery at the department here free of all charge.

Q. Did you have any reason whatever at the time you gave the job to the *Reporter* to suspect even that the *Reporter* was not going to do the work on its own press and in its own office? A. None whatever.

Q. You had been at the office and had inspected the machinery, &c., of the office? A. I had.

Q. And were satisfied that it was quite competent to do the work? A. It was.

Q. Was it, in fact, quite able to do the work? A. It certainly was.

Q. Did you then or at any time suspect that the work would be farmed out as it is called? A. No.

Q. Then when did you first hear that the *Free Press* was going to do the work? A. When the manager of the *Free Press* phoned me as to what he would do with the proofs.

Q. The manager of the *Free Press*? A. Yes, sir.

Q. At that time had the order been given for some time to the *Reporter*? A. Ten days or two weeks.

Q. Had the copy been supplied? A. Supplied to the proprietor of the *Reporter*.

Q. Sent to him by mail? A. No, he visited the Bureau.

Q. Did he mention to you then that he was not going to do it in his own office? A. No, he did not.

Q. When the *Free Press* told you they had it, what did you do? A. I told the manager to send the proofs on to the Bureau, that they would have to be transmitted by us to the Department of the Interior.

Q. To the Department of the Interior, for which the work was being done? A. For which department the work was being done.

Q. You told the manager of the *Free Press* that? A. I told the manager of the *Free Press* that. He sent it to me, and in that way I was aware that they were doing the work.

By the Chairman:

Q. What do you mean precisely by that? A. Mr. Barker intimated to me that he was doing the work.

Q. The manager of the *Free Press*? A. Yes.

Q. Had you had any previous conversations about that time with Mr. Barker concerning work of any kind? A. Mr. Barker visited the Bureau the morning the King's Printer gave me the final instructions to send that order to the *Gananoque Reporter*. He was looking for press work and complained that his press room had been standing idle for a week or two. I explained that we had no work to give him, but I told him I was sending out an order to the *Gananoque Reporter* which, had he been sooner on the scene, might possibly have been turned in his direction. He asked to see it. I showed it to him. He asked what we were paying for it and I told him. He said, the *Free Press* was willing to undertake the work at cost price, owing to the condition of affairs in their establishment, that their press men were walking around idle and they were afraid to suspend them for fear their rival concern, The Mortimer Co. would employ them. He gave me a figure as to what he would be willing to do the work for.

Q. Was that figure more or less than the *Reporter*? A. Less. The *Reporter* had already been notified that the job was theirs.

Q. Less by how much? A. About \$200.

Q. The same price apparently at which he really did the work for the *Reporter*? A. Yes.

Q. The *Free Press* newspaper was at that time supporting Mr. Murphy and his government? A. Strongly.

Q. At the time this conversation actually took place with you did you know that the *Free Press* required the work very much? A. I know that Mr. Barker was in the habit of coming to the Bureau if things got abnormally slack in their establishment.

Q. Did you know that at that time the *Free Press* had a staff that had no work to do? A. No, sir, I did not.

Q. Did you have any reason to suppose that it might do work very cheaply if you went to it? A. I had no knowledge or reason to think that such was the case.

Q. Had the *Free Press* ever done work for the Bureau through you? A. They had.

Q. Had they ever, so far as their prices were concerned, been singularly cheap? A. No sir. They never made an offer like that before.

Q. When giving the order to the *Reporter* had you any suspicion even that you might get that work done by the *Free Press* or somebody else at a lower rate than you were paying the *Reporter*? A. No, sir.

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Q. Then you were in this position when Mr. Barker spoke to you about his desire for some work under special conditions, that the order had actually gone to the *Reporter*? A. Yes.

Q. Did you intentionally intimate to Mr. Barker or think at the time that he might go and sub-let this work from the *Reporter*? A. No, sir, I did not.

Q. You were not trying to give him a hint to go to the *Reporter* and get the job were you? A. No. I had trouble with Mr. Britton, the proprietor of the *Reporter* in arriving at a fair amount for the execution of the work. Mr. Britton first asked in the neighbourhood of \$2,000 for the work, and could hardly understand where he could make a profit at the amount I allowed, \$1,160.

By Mr. Lake:

Q. What did you base that amount upon? A. I struck an average between a 32 page pamphlet and a 64 page pamphlet, sent out from the Bureau to other firms. I split the difference between these two prices.

Q. Prices charged by other firms for printing similar pamphlets, only of different sizes? A. Exactly.

By the Chairman:

Q. What was the total amount of the contract with the *Reporter*? A. \$1,160.

By Mr. Lake:

Q. What is the usual procedure in such cases? I would suggest that the Department of the Interior requires a certain number of pamphlets, for which they submit a sample to the King's Printer. The King's Printer, then, I presume, calls for you or some other official. You might go on from there? A. The King's Printer calls for me, gives me the requisition and the copy, and intimates the offices which the orders are to be sent to. Usually, from his conversation, I understood that the minister had previously given him the names of these offices.

Q. For this particular kind of work? A. For this particular kind of work, immigration pamphlets.

Q. In this particular case he would probably instruct you to give it to the *Gananoque Reporter*? A. No, in this case we had one pamphlet for which we had received no instructions. I asked the King's Printer in this case for permission to send it to the *Gananoque Reporter*. I served a portion of my apprenticeship in that office and asked him to allow it to be sent there. He consented.

Q. You went then and saw the *Reporter*? A. Mr. Parmelee questioned the ability of the *Reporter* office to execute the work. I told him that I was going to Toronto that night, I would stop off and examine the plant, taking the next train to Toronto, which I did. They had facilities for the satisfactory execution of the work and I so reported to him on my return to Ottawa when he gave instructions to send them the order.

By the Chairman:

Q. Mr. Parmelee is a practical printer, is he not? A. Yes.

Q. He was before he entered the office? A. He was.

Q. Did you report when you came from the *Reporter* office the figures at which it had been agreed the work should be done? A. I did.

Q. And all surrounding circumstances as far as you knew them? A. Completely.

Q. And he authorized you to close a contract with them? A. He did.

By Mr. Lake:

Q. It seems to me that you were employed on very responsible work considering your official position and the pay you were receiving. Can you inform us why this class of work was given to you? A. This class of work naturally belongs to the ac-

countant's branch, but owing to the fact that the accountant is not a practical printer it was transferred to a separate room from the accountant's branch and placed under my supervision.

By the Chairman:

Q. Who is the accountant? A. Mr. Frigon.

Q. How long has he been in that position? A. About three years.

Q. Was he the accountant at the time you were placed in charge of this branch?
A. No, his predecessor, Mr. Barrette, was then accountant.

Q. Was he not a practical printer? A. He was not a practical printer either.

Q. Then you say that neither the former nor the present accountant was a practical printer? A. That is the fact.

Q. And you have been in the accountant's office? A. I had.

Q. You were a clerk in that office? A. From 1892.

Q. And before Mr. Dawson put you in charge of this branch separately you had something to do with the same kind of work? A. I had looked after the auditing of the printing, not the lithographing accounts.

By Mr. Lake:

Q. You looked after that under the direction of the then accountant. Was the then accountant a practical printer? A. Mr. Gliddon, the late accountant was a practical printer. The Act respecting the Department of Public Printing and Stationery, R.S.C., Chap. 80, section 12, provides:

"No person shall be appointed accountant unless he has a competent knowledge of bookkeeping and accounts and has had at least five years' experience in the measuring and auditing of printing and binding work, either in a printing or publishing establishment, or in the service of the Parliament or Government of Canada."

Q. You say that neither the late nor the present accountant has had any such experience? A. I do.

By Mr. Lake:

Q. Do you know whether they were appointed by Order in Council? A. They were both appointed by Order in Council.

Q. Have you seen the Order in Council appointing them? A. I have not, but no names appear on the Civil Service list except of officials appointed by Order in Council.

Q. At the time you were placed in charge of this branch of the work, did the then King's Printer tell you that he desired you to take charge of this branch of the work because the accountant at the time had not had sufficient experience with it? A. He did not express it in exactly those words.

Q. Did he give you any reason for asking you to take charge? A. Yes, the growth of the work was one reason for the change. The work had increased from \$25,000 or \$30,000 a year to \$350,000. That was one reason why new quarters had to be found, and in finding new quarters they combined the auditing and the ordering.

Q. The department, you say, was established in 1889? A. It was.

Q. Is it still running under its original organization? A. It was when I left the department, the present conditions I cannot speak of.

Q. Had there been any reorganizations carried out by departmental officers while you were in the Bureau? A. No.

Q. Or by any persons appointed outside to reorganize the two offices? A. No, sir.

Q. Had there been any changes in the Act in regard to the distribution of duties of the different officers during that time? A. No, sir, not to my knowledge.

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Q. I understand you to say that this branch of the business had increased from \$30,000 a year to upwards of— A. The \$30,000 is for the outside work, not for work executed in the Bureau. The outside work had grown from \$30,000 to \$350,000 per annum.

By the Chairman:

Q. The Department of Agriculture published a work called *Farm Weeds*? A. Yes, sir.

Q. In what year? A. The first edition would be published about six or seven years ago at least. The last edition would be in 1908.

Q. The work was done by what firm? A. The lithographing was done by the Toronto Lithographing Co..

Q. The printing? A. The printing and binding by The Mortimer Co. in Ottawa.

Q. The copy for that work was prepared by the Department of Agriculture, I presume? A. It was.

Q. And in the regular course it goes to the Printing Bureau either to be done at the Bureau itself or where work cannot be done there to be let out by you? A. Yes, sir.

Q. And with regard to this issue are you aware of any order or arrangement that the lithographing was to be done outside the Bureau but the printing and binding were to be done inside? A. When the lithographing was first put out it was the expectation that the printing and binding would be executed in the Bureau.

Q. Why was that not done? A. Owing to pressure of work in the Bureau.

Q. Who put it outside to be done? A. The King's Printer.

Q. Directly? A. Through myself.

Q. Through yourself, the King's Printer that year being? A. Mr. Parmelee. I may explain that the plates did not reach the Bureau until 1909, that work takes a considerable time. The lithographed plates were finished ready for the printing and binding in 1909.

Q. Then of course nothing could be done in the way of printing and binding until after you had received the plates. A. No, sir.

Q. When you received those plates was it by Mr. Parmelee's direction that they were given to the Mortimer Co.? A. Yes, sir.

Q. Was that done by tender or by simple contract without tender? A. Simple contract without tender.

Q. Then in such a work as that should the imprint of the King's Printer be on it? A. Well, it has been the custom to place the imprint on all government publications.

Q. And why was it omitted in this case? A. I was not aware that it was omitted until my attention was drawn to it by, I think, the Hon. Charles Murphy.

Q. You had no interest in the Mortimer Company? A. None whatever.

Q. Were they on the patronage list of the late government? A. They were.

Q. By Mr. Murphy's direction? A. Long before Mr. Murphy came there. I may say that the Mortimer Company have been doing government work for 30 years.

Q. In a speech in the House of Commons on April 25, 1911, Mr. Murphy referring to the printing and binding being done by the Mortimer Co., says:

"I discovered that this change in the arrangement had been made by Mr. Cook without my knowledge and approval, and as I believe without the knowledge and approval of the King's Printer at the time the book was presented to me." Is it true, as stated there, that the King's Printer did not know or approve of the contract being given to the Mortimer Co.? A. The King's Printer certainly knew about it and discussed the matter with Mr. William Mortimer, of the Mortimer Co.

Q. At the beginning of 1910, the Department of Agriculture desired to have a book issued, called *Farm Grasses*? A. Yes, sir.

Q. And as a matter of fact the lithographing for that work was done by the Toronto Lithographing Company? A. No sir, that is the work the Hon. Charles Murphy stopped.

Q. And it was not later done by that Company? A. Not to my knowledge. I do not know who executed the work, but I stopped it in the hands of the Toronto Lithographing Company.

Q. And it was over that work that a dispute arose and an inquiry took place? A. Yes, sir.

Q. In his speech dated April 25, 1911, Mr. Murphy said: "I insisted that tenders be asked for." You notice that he does not say there to whom he insisted, but it is open to the implication that it was to you? Was it with you that Mr. Murphy had the conversation at the beginning of that work when he spoke of tenders? A. No, sir.

Q. You know from the evidence given by Mr. Parmelee and the question of the minister, that the discussion he refers to took place with Mr. Parmelee, the King's Printer, did it not? A. Yes, sir.

Q. At page 271 of the Inquiry into the Affairs of the Department of Public Printing and Stationery, Mr. Murphy asks Mr. Parmelee concerning an interview between Mr. Murphy, the Hon. Mr. Fisher and Mr. Parmelee, at which interview Mr. Murphy suggested that prices should be obtained from English and American firms. You take it that that is the occasion to which Mr. Murphy refers when he says he insisted on tenders being asked for? A. It must have been.

Q. Did he insist to you that tenders should be asked for? A. I never saw or spoke to the minister concerning that order until I went up to the King's Printer to report.

Q. About February 28, 1910, you went to Toronto to see about this work of lithographing *Farm Grasses*? A. Yes, sir.

Q. By whose direction did you go to Toronto? A. By direction of the King's Printer.

Q. For the special purpose of finding out about this work? A. Yes, sir.

Q. Did you take the plates with you? A. The copy for all the plates was given to me by the King's Printer.

Q. He gave them to you and you went to Toronto? A. Yes.

Q. What were you told by the King's Printer to do when you went there? A. To get prices from the Toronto Lithographing Company, and from the Copp, Clark Co., but that the work had to be given to the Toronto Lithographing Co. absolutely and positively. The reason he gave was that the previous edition had brought many letters of commendation to the Minister of Agriculture, and he was anxious that this book should be the equal if not the superior of the previous one, and our experience had shown that the Toronto Lithographing Company was the only concern that we knew of competent to give us those results. Consequently the King's Printer gave me definite instructions. It was a matter of conversation on more than one occasion. I may explain here that the requisition for *Farm Grasses* came down to the King's Printer and was by him sent to the minister and held by the minister for six weeks or more before it came back to the King's Printer, who then gave me these instructions.

Q. You mean then that the delay in the hands of the minister made the time short for getting the work out? A. It did.

Q. Was there any special object in getting it out early? A. Mr. Clark, the seed commissioner in the Department of Agriculture, had especially requested us to save as much of his appropriation as possible.

Q. His appropriation for the financial year of 1909-10? A. Which would lapse on the 31st day of March, following.

Q. And he was anxious to get the work done as far as possible in order that the appropriation for that year could be used for the work? A. Exactly.

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Q. Then you say that the delay on the part of the minister had made it necessary that you should act promptly when the copy came back? A. It did.

Q. You have told me you went to Toronto with instructions to get prices. Now what did you do at Toronto? A. I submitted the drawings to the Toronto Lithographing Company. I first secured an offer from that Company. I then submitted the drawings to the Copp, Clark Co., and in mentioning the Copp, Clark Co. I refer to Mr. Cameron and Mr. Young. They intimated that they were in no better position to execute that work than they had been to execute a previous order of a similar character upon which they had failed. I also brought up the subject of paper and told them the necessity of having it delivered in time to save the appropriation. They declined to tender.

Q. The Copp, Clark Co.? A. Yes.

Q. And later they wrote a letter dated March 2, 1910, and addressed to the Assistant King's Printer, in which they say: "That on account of not having in stock the special paper asked for by Mr. Cook, and not being able to get it in time, we are reluctantly compelled to relinquish any thought of doing this work for you in the stipulated time"? A. That was the fact, also the fact that they did not care to place on record their inability to execute the work.

Q. What arrangement did you make with the Toronto Lithographing Company, I do not mean what figures, but what arrangement did you make at that time? A. I went back to the Toronto Lithographing Co. after having interviewed the Copp, Clark Co., placed the drawings in their hands and instructed them to cable for the paper which they led me to believe was procured from the old country. I gave them verbal instructions to proceed with the work as expeditiously as possible, subject to similar conditions exactly as for the previous similar work, that was the drawing up of a contract and the signing of the same by the minister and their company.

Q. Would the payment for the paper be separate from the payment for the lithographing? A. It would.

Q. It would be the subject of a separate contract? A. It was embodied in the same order.

Q. But it would be the subject. A. It was to be paid for at a rate per pound.

Q. To be paid over by the department to them? A. Yes.

Q. And no matter who did the printing, the department would have to provide and pay for the paper, would it not? A. It would.

Q. A special kind of paper? A. Special paper.

Q. Had you ever bought the same kind of paper? A. From that company?

Q. Yes? A. Repeatedly.

Q. From any other company? A. No, sir.

Q. At any time? A. No, sir.

Q. Have you any means of comparing the prices for the paper with any other companies' prices? A. On my return to Ottawa I submitted the quotation received from the Toronto Lithographing Company, which was \$1,100 less than the offer on similar work executed the previous year. The King's Printer sent me with a sample sheet of paper to the superintendent of stationery, Mr. Gouldthrite. In Mr. Gouldthrite's office were Mr. O'Connor, the confidential clerk of the Hon. Charles Murphy, and a Mr. Reid, of the Howard Smith Paper Co., Montreal. Mr. Gouldthrite handed the sheet of paper over to the expert, Mr. Reid, and asked him to pass his judgment upon the paper and to tell him what it would be worth per pound. Mr. Reid examined it and explained that owing to it being roughed, one of the processes in the lithographing, he was not able to give a definite figure, but he would judge somewhere about 12c. a pound. I had arranged to purchase it at 9½c. a pound, and I went back to the King's Printer and reported the conversation which had taken place in the stationery office in the presence of these three gentlemen.

Q. Later on did you get certain American firms to give you a price on paper? A. They explained that they would have to submit the samples to the mill and

were not in a position to quote unless I gave them time to send the samples to the manufacturers.

Q. But later still I find in the report that they did give some prices for paper?
A. Not the American firms, at least not to me. The only American company that quoted was the Hayes Lithographing Company, of Buffalo, which asked 10c. The same price was asked by the Howard Lithographing Co., Montreal.

Q. Did you get a price from the Mortimer Co.? A. I think we did.

Q. How was the price for lithographing arranged, so much a plate? A. So much a plate. For a certain number of copies of each plate, a rate of 15,000 copies for \$140, and after that a rate of \$5 per thousand for press work, sheets of nine plates, \$5 a thousand for each colour for the printing of sheets of nine plates each.

Q. You say the price you got from the Toronto Lithographing Co. for *Farm Grasses* was considerably cheaper than the previous order for *Farm Weeds*?
A. Yes, sir.

Q. And later on still you did get some prices quoted verbally, by some Buffalo and New York lithographing firms for the plates? A. Yes.

Q. In these cases quoted by the two Buffalo firms and two New York firms, were the prices higher or lower than those of the Toronto Lithographing Company?
A. Considerably higher.

Q. You also got an offer from the Mortimer Co., of Ottawa? A. Yes, sir.

Q. Was that higher or lower? A. Higher.

Q. So, as a matter of fact from all the inquiries you made later on, even, the Toronto Lithographing Company's figures both for paper and for work were cheaper than any other? A. They were.

By Mr. Lake:

Q. Were all these offers in writing? A. Yes, sir.

Q. Are they all on record in the department? A. They are.

Q. I notice in Mr. Murphy's speech in the House in his question to you on the Inquiry, and in your replies, some distinction that is running in your mind between giving an order for the work and getting a contract. When you say in the evidence before the Inquiry that you did not give a contract to the Toronto Lithographing Co. you mean that the original contract was not drawn up and signed at that time?
A. No contract, nothing but verbal instructions.

Q. There was nothing at the time but verbal instructions? A. No, sir.

Q. Later on, so far as you know, was a written contract concerning this work entered into with that company? A. I do not know.

Q. But you did get verbal instructions at that time in February for them to commence the work? A. Yes, sir.

Q. Apparently that exceeded your authority. At the time you went up there, you were told, you said, to get prices? A. Yes, sir.

Q. What explanation have you to offer for that? A. My instructions were to place the work with those people.

Q. You mean your instructions from Mr. Parmelee? A. From Mr. Parmelee.

Q. There is no manner of doubt in your mind that you were clearly and positively instructed by Mr. Parmelee to give them the work? A. Not the slightest doubt in my mind whatever.

Q. When you returned from Toronto what explanation did you make to Mr. Parmelee? A. I told him exactly what I had done, and the offer made by the Toronto Lithographing Company, which I had received in writing.

Q. Did you, as a matter of fact, leave the copy with them? A. Yes, I did.

Q. Did you tell him that you had left the copy with them? A. I did.

Q. Do you remember now distinctly telling him that fact? A. I do.

Q. He did not ask you for the copy back again at that time? A. He did not.

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Q. In Mr. Parmelee's evidence at the Inquiry, in July, I find at page 272 that he says:

"Q. * * * * The contract for the work had actually been given to the Toronto Lithographing Company, is that correct? A. Not to my knowledge. Mr. Cook did not lead me to believe anything of the kind. I think he said that a contract could be made on such and such a basis, but there was certainly no contract made with my authority, or as far as I know with yours."

In view of that I want to ask you some questions. No written contract had been entered into? A. No, sir.

Q. But you had given the Toronto Lithographing Co. an order to proceed with the work? A. Verbally.

Q. Verbally, yes. That was the contract to do the work was it not? A. It might be so construed, although the official contract was to be drawn up and signed after the arrangement had been submitted for the minister's approval.

Q. With whom was that stipulated? A. Mr. Frank Stone, of the Toronto Lithographing Co.

Q. And you had agreed that a formal contract would be drawn up, submitted to the minister for his approval and then signed, but in the meantime, the delay for that was not to prevent the work from going on? A. The work was to go ahead with all possible expedition.

Q. And your order to them to go ahead with the work implied that the department would pay the money? A. Exactly.

Q. Referring to Mr. Parmelee's statement you did tell him, I presume, that a contract could be made on the basis you named? A. I did.

Q. And no contract, in your meaning of a written evidence of the contract was made at that time? A. No sir.

Q. But did you clearly tell him that you had ordered the work to be done, and that a formal contract was to be submitted to be signed by the minister? A. I certainly did.

Q. At page 272 of the Inquiry Report I find Mr. Parmelee being asked this question:

"Q. Is it not a fact that prior to obtaining prices from a few Canadian firms, and from firms in Buffalo and New York, the Toronto Lithographing Co. had been told that they had the work and were given instructions to order paper required for the work, and they actually did order the paper? A. (Mr. Parmelee) Not to my knowledge. I have no knowledge to that effect except what Mr. Cook told me afterwards."

Q. You have already said that you told Mr. Parmelee immediately upon returning from Toronto at the end of February or the 1st of March? A. I did.

Q. Did you tell him that the Toronto Lithographing Company were to order the paper? A. I did.

Q. And that it had been ordered, as a matter of fact? A. That it had been ordered, and would be delivered in time to save the appropriation.

Q. Was it then that you showed the sample of paper to him and these other persons? A. It was.

Q. And you explained that the order was to be sent at once so that the appropriation could be saved from lapsing at the end of March? A. Yes.

By Mr. Lake:

Q. Was this all verbal? You put none of it down in writing? A. Verbal.

By the Chairman:

Q. Nobody was present when you reported to Mr. Parmelee? A. Nobody.

By Mr. Lake:

Q. Were you in the habit of giving verbal reports when employed on these things? A. I was.

Q. And not putting them in writing at the same time? A. Not of putting them in writing.

By the Chairman:

Q. Mr. Clark, the seed commissioner, you say made the representation to you about the danger of the vote lapsing? A. He did.

Q. He is still in the Department of Agriculture? A. He is.

Q. And can he be got to give evidence on this point. At the time you came back from Toronto there was only just time enough to get that paper from England if the vote was not to lapse? A. That was all the time that remained.

Q. And if you delayed after your explanations about the matter to Mr. Parmelee there would be no object at all in explaining would there? A. There would not.

Q. Explanations would be too late in the course of a week or ten days? A. It would have to be done at once.

Q. Mr. Parmelee says: "Some time afterwards Mr. Cook said to me that some paper had been ordered. I asked him if that committed us to the Stone Lithographing people. He said no." The "afterwards" seems to refer to your return from Toronto. Was your report to Mr. Parmelee immediately after or some time after that return? A. Immediately after.

Q. Did he ask you if that committed you to the Stone Lithographing Company? A. Such a question never was asked me.

Q. And did you ever say it did not? A. I never did.

By Mr. Lake:

Q. Could this company have started any work on this business until the paper was received? A. Oh yes, the preparation of the lithographic stone was in progress all this time.

By the Chairman:

Q. During the month of March, 1910, you wrote letters to the Toronto Lithographing Company. You also wrote one dated March 11 to the seed commissioner. These letters indicate that the work was then in hand by the Toronto Lithographing Company. Were copies of those letters as they were written placed upon the file in the office? A. Yes, sir.

Q. Did you have any discussion during that month of March with Mr. Parmelee about the work after coming back from Toronto? A. Yes, sir, every day for a week following my return and my report to him, I interviewed him in his own office to find when he was going to make a report to the minister. He did nothing all that week. The week ensuing I again broached the question to him and we went three afternoons to the House of Commons in an endeavour to get the Hon. Sydney Fisher and the Hon. Charles Murphy together in order to make the report concerning the *Farm Grasses* order. Not succeeding in getting them, the following Monday, that was the Monday of the third week after my return from Toronto, Mr. Parmelee said we would have to report to the Hon. Charles Murphy in his own office, which we did.

By Mr. Lake:

Q. By whom were the letters signed? A. Letters to the Toronto Lithographing Co. transmitting proofs were sent through our room. They would be signed by me.

By the Chairman:

Q. What did you desire to see the ministers for precisely. What was the object of Mr. Parmelee and yourself in going to see the ministers? A. I had no idea of why he wished to have the Hon. Sydney Fisher present.

Q. What did he explain was his reason why you and he should go and see Mr. Murphy? A. To have him sanction what had been done and to have the contract prepared and signed.

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Q. Are you aware when a contract was prepared, if at all? A. The previous similar work had been covered by a contract prepared by Mr. Osborne, a lawyer selected by the Hon. Charles Murphy. He came to my office and I gave him the necessary information. The contract was submitted to the minister and sealed and completed in the minister's own office.

Q. Then in this case, you would naturally presume that Mr. Murphy after hearing Mr. Parmelee and you, would give some directions for the preparation of a contract if he approved of what had been done? A. That was my expectation.

Q. That was your object in going? When did you and Mr. Parmelee succeed in finding Mr. Murphy, and where? A. In his own office, more than two weeks after my return from Toronto.

Q. Did you go there voluntarily by arrangement between you and the King's Printer? A. We went by arrangement with the King's Printer.

Q. Between you and the King's Printer? A. Exactly.

Q. What took place? A. I reported to Mr. Murphy what I had done in Toronto. So soon as I informed him of the action I had taken he flew into a rage and turning to the King's Printer said that he had not ordered this work to be given to the Toronto Lithographing Company. In explanation I said I had followed the instructions given me by the King's Printer. Mr. Parmelee shrugged his shoulders and said he did not think I would go quite so far. Mr. Murphy said to the King's Printer: "You have not followed out the arrangement made in Mr. Fisher's and my presence."

Q. He said to Mr. Parmelee? A. Yes.

Q. Did that seem to be the cause of his anger at the time? Was he very angry at the time? A. He was.

Q. He spoke in an angry way? A. He did.

Q. And what did you gather from his manner and his words was the cause of his anger, or did you gather any cause at the time? A. I gathered that he had given the King's Printer instructions which had not been followed out.

Q. Did he say at that time what instructions he had given? A. He did. He said that he had instructed him to get prices from both American and English firms.

Q. And what reply did Mr. Parmelee make? A. He did not make any verbal reply. I explained that that was the first intimation I had had of that fact.

Q. And Mr. Parmelee you say, said nothing on that point? A. Nothing on that point that I recollect.

By Mr. Lake:

Q. Were you in the habit of asking English and American firms for prices? A. No, sir.

Q. It had never been done before to your knowledge? A. We on one or two occasions had got prices for small orders of work from Rand, McNally & Co., of Chicago.

Q. But never in England? A. Never in England for a great many years. Dr. Dawson a few years after he came in got a few prices from England for copper map engraving, but it had not been the practice.

By the Chairman:

Q. In your previous evidence about this matter at page 277 of the Inquiry, you say that Mr. Parmelee acknowledged to you that he had not told you the circumstances of his conversation with the Hon. Mr. Fisher and Hon. Mr. Murphy. You were asked:

"Q. When did Mr. Parmelee make that acknowledgment?" And you answered: "After we left the minister, and were walking through the park on our return to the Bureau." Then you were asked:

"Q. You had some conversation as to what had taken place inside? A. Exactly."

Q. Did Mr. Parmelee then repudiate your conduct at Toronto? A. Not at all. He confined himself as to how we were going to get out of the difficulty we were in, as to what firms we could go to for prices, as the minister had ordered him to do.

Q. Did Mr. Parmelee before the minister on that occasion say that you had gone too far? A. He did.

Q. Was there any conversation about that after you came out between you two? A. I certainly broached the subject to him and insisted that I had simply followed my orders, and he did not reply.

Q. Did he deny that you had followed your orders then? A. No, he did not answer it.

Q. Did he make any explanation of his conduct in saying before the minister that he had not done so? A. Not at all, the question that was bothering us at the time was what firms we were to go to for prices. That was the question discussed most of the way from the minister's office to the Bureau.

Q. Did he exhibit any anger or annoyance with you for having said that he did give such orders? A. Not the slightest.

Q. Did Mr. Parmelee ever afterwards reprimand you in any way for what you had done? A. He did not.

Q. Did he, either in word or manner, give you any form of explanation as to the dispute which had arisen between you and him in the minister's presence? A. No, he did not.

Q. Neither by way of excuse or of palliation? A. No.

Q. When the minister told Mr. Parmelee that his orders on the matter of tenders had been disobeyed, did Mr. Parmelee deny that he had received such orders? A. He did not.

Q. Or say why they had not been carried out? A. No, sir.

Q. You are aware that page 271 of the Inquiry, Mr. Parmelee says this to the minister in explanation of the interview between Mr. Murphy, Mr. Fisher and Mr. Parmelee: "I remember that some discussion took place in regard to getting prices from English and American firms. I pointed out that it would be impossible to go to England for prices on account of the distance and the length of time required. I remember that there were two or three interviews, I do not remember which you refer to." Did you hear Mr. Parmelee give his evidence before the Inquiry? A. No, sir.

Q. In your evidence at page 277 you say to the minister: "I told you at the time (meaning when you and Mr. Parmelee were in the minister's office) that the paper had been ordered." Did you mean by that that you did not tell him at that time that the work was being done? A. I told him that the complete work was in the hands of the Toronto Lithographing Company.

Q. And that the paper had been ordered? A. And that the paper had been ordered.

Q. Your evidence does not mean that you told him only about the paper being ordered? A. Not at all. The paper and the lithographing were understood to be combined on the one order.

Q. But they would be paid for separately? A. Not necessarily.

Q. There was a separate price by quantity for each? A. Yes.

Q. Because the paper according to the arrangement made at that time would be printed on by somebody else, the Toronto Lithographing Company would not do the printing, would they? A. No.

Q. Except of the plates? A. The lithographing.

Q. As a matter of fact when the paper came along, ordered by the Toronto Lithographing Company where did it go to? A. The paper for the plates went to the Toronto Lithographing Co., the paper for the text came to the Bureau.

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Q. All of which was according to order? A. According to order. The two orders for paper were combined, that is the plates and the text paper, in order that the colour throughout the book might be uniform.

Q. At the interview in the minister's office, you and Mr. Parmelee being present, the minister said it did not follow that the paper would be accepted and you had exceeded his instructions or had acted without his instructions? Is that the fact? A. It is.

Q. What did you do after leaving that office concerning the work in the Toronto Lithographing Company's office? A. I proceeded to Toronto on the instructions of the King's Printer who supplied the necessary funds for travelling expenses and took the copy from the Toronto Lithographing Company, stopping the work. They intimated that they had already received a letter from the Hon. Charles Murphy to the same effect.

Q. Why did you go personally to Toronto? A. In order to proceed from there to Buffalo and other American cities to secure prices in compliance with the Secretary of State's explicit order.

Q. To get prices? A. Yes.

Q. But you did not need to proceed to Toronto to get to Buffalo? A. I had to go to Toronto to secure the drawings to submit to the American firms. There was only one set of drawings and they had to be submitted to the firms for them to prepare an offer.

Q. Well then, was it Mr. Parmelee who told you to go to Buffalo and these places? A. It was.

Q. Did he simply tell you to go to Buffalo or New York or what did he tell you? A. He told me to go and get prices. He gave me an absolutely free hand to go where I saw fit, anywhere to get firms competent to execute the work who were prepared to give a price. Those were my instructions.

Q. He might have told you to go there without telling you to go to Toronto to get the plates? A. You could not secure prices for the work without securing the original drawings and submitting them to the new firms that you were asking for prices from.

Q. Did Mr. Parmelee at that time know that these drawings were at that time in Toronto? A. Certainly he did.

Q. Referring to the interview in his office, Mr. Murphy in his speech on April 25, 1911, at page 7733 of Hansard, says: "He said something on that occasion about paper having been ordered and as that excited my suspicion I made inquiry later on and heard at the Bureau that Mr. Cook had been in Toronto and that some arrangement had been made with the Toronto Lithographing Company but just exactly what, no person seemed to know." Now you notice that that statement by Mr. Murphy seems to imply that you had not told him that at the interview about the arrangement made with the Toronto Lithographing Co.? A. I certainly did.

Q. Then Mr. Murphy says: "I then wrote to the Toronto Lithographing Company stating that I had heard in an indefinite way that an official had gone to their place of business and had made some arrangement with them regarding the paper." Did you know that Mr. Murphy wrote to the Company? A. The Toronto Lithographing Co. so informed me on my arrival there, the second day after our interview with Mr. Murphy.

Q. The second day after your interview with Mr. Murphy, the Toronto Lithographing Co. told you that they had heard from Mr. Murphy? A. They did, that day. When we left Mr. Murphy's office it was too late to secure an advance for the necessary travelling expenses, and consequently I could not leave for Toronto until I secured those funds from the Finance Department.

Q. And when you got to Toronto you found the letter to which Mr. Murphy refers was already there? A. It was.

By Mr. Lake:

Q. When did they receive it? A. They received it immediately after my arrival.

Q. Did you see the letter? A. No, I did not.

By the Chairman:

Q. When you stopped in your narrative you had got over the point where you had gone to the United States, had you not? A. Yes.

Q. At Toronto you took away the copy which you had given the Toronto Lithographing Company, and of course they would not be able to go on and do any work at that time without it? A. No, sir.

Q. At that time were any of the plates completed? A. Not nearly completed.

Q. Well, but did you tell the company that the minister had disapproved of what you had done? A. I did.

Q. And what did you say to them as to their future work? A. To stop work immediately and to give me the copy.

Q. And what did you say would, or might, happen later on? A. I made no arrangement with or statement to them. I simply told them that my action had been disapproved of by the minister and that he had ordered me to stop the work.

Q. Did they make any complaint to you or any demand upon you at that time? A. No.

Q. So they would have no claim for damages or anything of that sort? A. No. They of course expressed their opinion that the order belonged to them, and they expected at that time they would ultimately receive it.

Q. Well, up to that time you were dismissed from the department, had that company received the work again? A. No, sir.

Q. Do you know whether it did ultimately get the work again? No, I do not, I made inquiry occasionally but I never could find what disposition had been made of the work.

Q. Do you know whether the company made any claim for damages on the department later on? A. No, I do not.

Q. At Buffalo you called on the Hayes Lithographing Company and the Matthews-Northrup Company? A. I did.

Q. And from each of these firms you received a written offer? A. No. From the Hayes Lithographing Company I received an offer both for the lithographing and the paper, but the Matthews-Northrup Company explained that they were not in a position to execute that kind of work.

Q. Then in New York you called on Trautman, Bailey & Blampney, and on Stahl & Jaeger, and each of them gave you a bid? A. They did.

Q. For both printing and paper? A. No, for lithographing only.

Q. From each of these New York firms you received a bid in writing? A. I did.

Q. At the time? A. At the time.

Q. You brought those bids home with you? A. I did.

Q. And did you place them all before the King's Printer? A. I did.

Q. When you returned? A. I did.

Q. Then you made out a typewritten sheet of these prices which had been given you? A. Yes, sir.

Q. In the form in which it is shown at page 337 of the Inquiry into the Affairs of the Printing Bureau? A. (After examining volume.) That is it.

Q. Entitled: "A summary of tenders received for printing an edition of *Farm Grass* plates." I find also in that summary, besides the firms mentioned, you have a bid from the Mortimer Company, Ottawa, both for the printing and for the paper?

A. Yes, sir.

Q. Did you in April receive an offer from that company? A. I did.

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Q. Were these several offers, as far as you know, bona fide quotations at which they were willing to undertake the work? A. They were.

Q. Or to buy the material, as the case may be? A. They were.

Q. The minister in his speech on April 25, as reported at page 7733 of Hansard refers to these as "alleged tenders." Do you know any reason for not calling them tenders? A. I do not.

Q. Or to buy the material, as the case may be? A. They were.

Q. And they were in writing? A. They were.

By Mr. Lake:

Q. Do you know what was in the minister's mind? Have you any idea what he was thinking of, when he spoke of these alleged tenders? A. I have. The minister evidently had the idea that the whole lot of them were cooked tenders.

By the Chairman:

Q. Bogus tenders? A. Bogus tenders.

By Mr. Lake:

Q. Do you think he honestly believed that? A. He thought that the whole lot of them were simply produced to prove the Toronto Lith. a fair and reasonable price.

By the Chairman:

Q. You think he had in his mind the idea that you had gone out afterwards to obtain evidence to support the reasonable price you had obtained from the Toronto Lithographing Company? A. I believe he thought that.

Q. Is that true? A. It is not true.

Q. The minister in his speech just referred to says: "I demanded that I should be shown the invitation to tender and the replies"? A. He sent Mr. O'Connor to the King's Printer asking to be shown those invitations to tender.

Q. Yes, but in this speech he is speaking apparently of the time when you made your appearance in his office? A. I did not make my report to the minister at all. I made it to the King's Printer and never saw the minister in conjunction with the affair after my first interview.

Q. Before you had gone to New York at all? A. Before I had gone to New York at all.

Q. Then this statement here: "Some weeks later Mr. Cook again made his appearance in my office," is not correct? A. Never went near him.

Q. To whom did you give that statement of tenders? A. To the King's Printer.

Q. The minister in that speech goes on to say: "I then inquired how he had got his prices and he said he had gone round and got them verbally." Did you ever make that statement to him? A. I never made it.

By Mr. Lake:

Q. Do you know the position Mr. O'Connor held. Did he belong to the Secretary of State's department? A. He did.

Q. Was he a clerk, do you know his standing? A. First Division B. Clerk.

Q. Employed in the private office of Mr. Murphy? A. I don't know where his office was; I never met him there.

Q. You have no idea what his actual work in the Secretary of State's office was? A. A sort of intermediary between the minister and the Bureau. The minister never visited the Bureau. Mr. O'Connor came for any information which the minister might require.

Q. Mr. O'Connor is not the minister's private secretary? A. No, he is not.

Q. And you do not know whether he is employed as assistant to his private secretary? A. No. Nothing further than that he came for all the information the minister required?

By the Chairman:

Q. Now, the minister in his speech on April 25, 1911, reported at page 7734 of the Hansard, says: "I found a number of the firms whose names appear on Cook's list had not only not submitted tenders, but had not been asked to tender." Is that true of any firm on that list? A. It is not.

Q. Now we come to what is known as the Mortimer incident. Mr. W. H. Mortimer gave evidence which begins at page 297, and in that evidence it appears that two letters were written by the King's Printer to the Mortimer Company, dated April 20, 1910, one asking for a price per pound for paper, and the other asking for a tender for the engraving and printing. Then there is a further letter dated June 10, 1910, to the Mortimer Company from Charles Murphy, dated August 16, 1910. From the last named letter it appears that the Mortimer Co. had, by letter dated April 22 last, given prices for an edition of *Farm Grasses*? A. Yes, sir.

Q. The two letters dated April 20 for the Mortimer Company, signed by Mr. Parmelee were written by you? A. They were.

Q. By whose directions? A. The King's Printer.

Q. And the reason for the writing of these letters of April 20, to the Mortimer Company is explained by Mr. Parmelee himself in his evidence at page 275 of the Report of the Inquiry into the affairs of the Department of Public Printing and Stationery? A. I do not just recollect what his evidence there is. (After examining evidence referred to). That is correct, yes.

Q. In that evidence Mr. Parmelee says to Mr. Murphy: "I took it that you wanted these people notified, so that they would have it on record, and if they wanted to know anything more they could communicate with us." By these people, he means the people that could give the prices? A. I believe so.

Q. Then Mr. Parmelee is asked: "Was that your own view or Mr. Cook's"? And he answers: "It was my own view"? A. I believe that.

Q. Is that statement true that the writing of these letters was the view of Mr. Parmelee? A. It is true.

Q. And they were the instructions of Mr. Parmelee to you? A. They were.

Q. At page 275 of the evidence referred to, the minister asks this question: "My instructions were to this effect substantially, that, as the original instructions given in Mr. Fisher's room had not been carried out, and as there was nothing on the file to show how the transaction began, I wanted a letter written to place on the face of the file showing what Mr. Cook had asked each tenderer from whom he had asked tenders. That was what my letter of June 9 asked for, and its terms certainly did not lend themselves to any such interpretation as was placed on them here. Was it not Mr. Cook who suggested the writing of these letters in June"? You heard that question asked of Mr. Parmelee, that I have just read to you? A. No, I was not present.

Q. Were you not present during Mr. Parmelee's examination? A. I was not.

Q. At no part of this examination of Mr. Parmelee? A. At no part of Mr. Parmelee's examination.

Q. You had no opportunity of questioning Mr. Parmelee? A. I did not know until the report was published what he had said.

Q. And you had no opportunity of combating Mr. Parmelee's testimony? A. No chance whatever.

Q. But Mr. Parmelee was allowed to be present during the whole of your evidence? A. He was.

Q. Then Mr. Parmelee, at page 275, is reported to have given this answer: "I cannot say as to that. Mr. O'Connor was here and what I wanted to get at was just what you needed to complete the file, and Mr. O'Connor came back and said that what you wanted was a letter showing that these specifications and invitations to tender had been submitted to these firms. This letter, as stated in my letter to you,

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is in confirmation of the oral invitation to tender, and the specifications were sent so that if they wished to protest and say that they had not been given a fair show, there would be something to show." Now, who was the Mr. O'Connor there referred to? A. The minister's confidential clerk.

Q. Do you mean to say that he is one of the permanent staff of the Secretary of State's office? A. I do.

Q. Did he come to the Bureau and see you and Mr. Parmelee about this matter?

A. He came to the Bureau to the King's Printer's office, and the King's Printer sent for me to come to his room.

Q. To talk about this matter of a file? A. To talk about the matter of the file.

Q. And what was said there? A. Mr. O'Connor was asked what the minister really wanted. It was discussed between the three of us, and the result was that the minister insisted on having formal letters sent to each firm.

Q. Yes, what else? A. Those letters were written and signed by the King's Printer.

Q. Written by you? A. Written by me and signed by the King's Printer.

Q. Were they discussed by the King's Printer when he signed them? A. They were.

Q. And sent with his full approval? A. With his full approval and the letter copied, and that letter sent with a covering letter signed by myself explaining that they were purely formal and were intended merely to place on the file in our department the fact of the verbal submission of that work to each firm for tender.

Q. A covering letter, you say, was sent by you? A. It was. It was dated the day it was sent out. The other letters were dated on the days that the work was submitted to each firm.

Q. The letters signed by Mr. Parmelee? A. The letters signed by Mr. Parmelee.

Q. Did Mr. Parmelee see the draft of the covering letters that were to be signed by you? A. He did.

Q. And did he approve of them? A. Yes.

Q. Those covering letters were a true explanation from your standpoint of the reasons why you were sending letters signed by Mr. Parmelee dated so much earlier? A. They were.

Q. Now, on the 10th of June, as I have just mentioned, Mr. Murphy wrote a letter to the Mortimer Company, saying: "I am informed by the King's Printer that in April last there was sent to you an invitation to tender for a new edition of *Farm Grasses*." Now Mr. Murphy had, on the 9th of June, been presented with the file from the Bureau containing all the letters signed by Mr. Parmelee, and covered by letters signed by you in the manner you have just described? A. Yes.

Q. So that, when he says in that letter of the 10th June, "I am informed by the King's Printer that in April last there was sent to you an invitation to tender", if the King's Printer had informed him that there was sent a written invitation to tender in April last, it would not be true, would it? A. No, it would not.

Q. The invitation to the Mortimer Company in April was verbal and not in writing, and the reply of the Mortimer Company was in writing, dated April 22? A. Yes, sir.

By Mr. Lake:

Q. The reply to your verbal invitation to them to tender? A. Was in writing.

By the Chairman:

Q. Dated April 22? It seems probable does it not, that Mr. Murphy's letter that he was informed by the King's Printer, &c., means that by examining that file which he received on June 9, it appeared on the file as if a letter had been sent? That is the meaning you would take? A. That is the meaning I would take.

Q. But you say that letter had been sent after a consultation with his confidential man, Mr. O'Connor? A. It was.

Q. Now do you remember Mr. William Mortimer talking with you in the Printing Bureau in April about this business? A. Yes sir. Mr. William Mortimer discussed the *Farm Grasses* order at various times during the two weeks that the matter was in a state of statu quo, and no secret was made of the fact that a reduced price of \$1,100 had been secured from the Toronto Lithographing Company.

Q. Now in the Mortimer Company's letter dated August 16, there appears to me to have been a confusion in the mind of the writer of that letter, Mr. A. E. Mortimer, as to dates. In the first place, the conversation you had in the Bureau was with Mr. William Mortimer? A. Mr. William Mortimer.

Q. Was Mr. A. E. Mortimer present? A. He was not.

Q. He says in that letter: "At an interview in the Printing Bureau in April last, Mr. Cook stated to our Mr. William Mortimer that you had given a contract for the edition of *Farm Grasses* to the Toronto Lithographing Company, and that as the contract amounted to more than \$5,000 you desired to have on file correspondence showing that you had invited tenders for the work, and that the Toronto Lithographing Company was the lowest tenderer. Mr. Cook added that this correspondence was required in case a question was asked about the matter." Now, whatever conversation took place with any of the Mortimer firm concerning the desire to have correspondence on the file showing what had been done, must of taken place some time in June, as shown by the questions of Mr. Murphy and the replies of Mr. Parmelee. Do you remember having some discussion with one of the Mortimers about the desire to get the file straightened out? A. I do.

Q. Which Mr. Mortimer? A. Mr. William Mortimer.

Q. You also remember the occasion when the Mortimer Company's letter was written? A. I do.

Q. And was that conversation with Mr. William Mortimer? A. It was.

Q. But these two conversations were not on one and the same occasion? A. They were not.

Q. But were separated by a couple of months? A. Yes, sir.

Q. At the conversation that you had in April, when you were getting prices, you could not in the nature of things have talked with Mr. William Mortimer about your correspondence file, could you? A. No, sir.

Q. When you had the first conversation with Mr. William Mortimer over prices, did you tell him that the contract had been previously given to the Toronto Lithographing Company? A. I did not. I told him in general conversation during the two weeks that the matter of the Toronto Litho. order was held up by the King's Printer, and while we were waiting for an opportunity to submit it to Mr. Murphy what was going on.

Q. You told him in other words of the difficulty that had arisen? A. Exactly. No, no, there was no difficulty at that time. We were awaiting an opportunity to submit the Toronto Litho. prices to the minister, and William Mortimer being a daily visitor to the Bureau, this conversation took place casually.

Q. But I am talking about the occasion when the Mortimer Company gave you prices? A. That was later. But the Mortimer Company were aware of every move that had been made in the matter.

Q. Well then, there were several conversations with the Mortimer Company? A. There were.

Q. In one of them you told Mr. Mortimer of the price you had received from the Toronto Company? A. I did.

Q. And that you were waiting for the confirmation of the minister? A. I did.

Q. And that price you told him had been extremely low? A. Yes, sir.

Q. What did he say to that? A. I can't say that I remember that any special remark was made.

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Q. But you did go later to the Mortimer Company for a price? A. Yes, Mr. William Mortimer was called to the Bureau, I never visited their place in all the years I was in the office.

Q. You mean to say he was called to come down to the Bureau? A. Yes.

Q. Who met him at the Bureau? A. I did.

Q. And was it you who asked him for a price? A. It was.

Q. And did he give it to you in writing at the time? A. No, he went away to their office and prepared it.

Q. Now the Mortimer Company say in a letter to the minister, dated August 16, 1910, signed by A. E. Mortimer, that their figures were not in the nature of a tender. Is that true? A. I understood thoroughly that their figures were in the nature of a tender.

Q. That letter goes on to say that it was to be used merely for the purpose of justifying the giving of the contract to the Toronto Litho. Company as explained to our Mr. William Mortimer by Mr. R. E. Cook? A. [That was not so.

Q. Now, the Mortimer letter, dated August 16, referring apparently to the conversation between you and Mr. William Mortimer, when you were explaining the desire to have the correspondence file set right, contains these words: "Mr. Cook added that this correspondence was required in case a question was asked about the matter. Mr. Cook asked Mr. Mortimer to put in a tender slightly higher than the Toronto Lithographing Company, and as the tender of the latter company had been placed on Mr. Cook's desk where Mr. Mortimer could see it, the latter copies the figures and returning to our office made up a tender as requested by Mr. Cook." Now at the time Mr. William Mortimer talked with you about putting in a price, the correspondence which was required in case a question was asked about the matter was not thought of or talked of apparently? A. It was not.

Q. Nor until two months later? A. Certainly not.

Q. The conversation when Mr. William Mortimer was asked to tender or to give a price was in April? A. It was.

Q. The conversation about the correspondence and setting the file right was in June? A. It was.

Q. Was the tender of the Toronto company placed before Mr. Mortimer? A. It certainly was not.

Q. Did you show it to him? A. I did not.

Q. If he saw it, was it by any desire on your part? A. It was not. He says I laid it on my desk so that he could see it. As a matter of fact my desk is over six feet away from the counter. There was a counter at the entrance of our office, and that counter Mr. Mortimer never was allowed to go behind. He could not see it.

Q. Have you since asked Mr. William Mortimer about the contents of this letter dated August 16? A. Mr. William Mortimer, shortly after, left the city for his health, and has since been in Calgary or somewhere else in the west.

Q. You have never met since, in Ottawa or elsewhere? A. I have never seen him.

Q. Did you know anything about this letter before the evidence taken at the Printing Bureau inquiry was published and circulated? A. Not a word.

Q. Were you asked by Mr. Murphy any question about it? A. Never.

Q. Have you asked Mr. A. E. Mortimer anything about it? That is, the Mr. Mortimer who signed the letter? A. I did.

Q. When did you ask him? A. I met him on the street, on Sussex street, shortly after the report was published.

Q. What did he say to you? A. He wanted to shake hands. I refused and asked him what he meant by the publication of such a damnable concoction—that is the word I used to him. He replied that he wanted to explain that that letter was compiled in the minister's office, and he was forced to sign it.

Q. Did he say by whom it was compiled? A. By the Honourable Charles Murphy.

Q. And he said he was forced to sign it? A. He said he was forced to sign it.

Q. Did he tell you how he was forced to sign it? A. No. The inference was that he would lose the patronage.

Q. He did not say how it was, but you understood he would lose patronage? A. Exactly.

Q. You will notice that it was Mr. W. H. Mortimer who gave the evidence? A. I noticed that.

Q. Were you present when Mr. Mortimer gave this evidence? A. No, sir.

Q. And you had no chance at that time or since to answer it? A. No, sir.

Q. Mr. Mortimer says that on receiving a letter dated June 10 from Mr. Murphy he phoned to you, and you asked him to come down and see you, that he went down and asked you what was meant by the minister's letter, that you were not surprised, but gave him to understand that it was to complete certain files for the minister. So far, is that statement correct? A. That is correct.

Q. He goes on to say that you asked him to go and see the King's Printer and immediately afterwards told him to wait until you went in yourself. You then left him to see the King's Printer and afterwards gave him two letters, both antedated, which are the two letters dated April 20 asking for offers? A. They are the ones.

Q. Did you ask him to see the King's Printer? A. I cannot say that I remember doing so. I may have done it.

Q. Did you go in and see the King's Printer? A. I went in for the letters.

Q. You went in for the letters? A. That is my recollection.

Q. Was there any reason why you did not wish him to see the King's Printer? A. None whatever.

Q. The only purpose for his coming down had been to get an explanation of what the minister's letter meant? A. Exactly. I would say here that Mr. Mortimer was forced to transact all his business over the counter in our office, in the presence of all of the clerks.

Q. Forced by whom? A. Forced by myself. I never visited that institution in the years that we did business with him, never crossed even the threshold.

By Mr. Lake:

Q. Were there always clerks present at interviews you had? A. They were there always in the room.

Q. You never remember an interview at which there were not clerks present? A. No, the clerks were always present.

By the Chairman:

Q. And your conduct on that occasion in giving him these two letters of April 20, was in pursuance of the directions which the King's Printer had given you? A. It was.

Q. Both of the letters were signed by the King's Printer himself? A. They were.

Q. For the purpose which he explains in his own evidence? A. Yes, sir.

Q. In the speech made in the House by Mr. Murphy on April 25, reported at page 7735 of Hansard, the covering letter written by you, dated June 11, and sent to these various tenderers, is said by the then minister to have been sent without the knowledge of the King's Printer. Was that statement true? A. It was not.

Q. That letter you have already said was written by you, approved by the King's Printer, and signed by you upon his order? A. It was.

Q. The Honourable Mr. Murphy, at the same page that I have just quoted from, referring to the order given to the Toronto company, says that you went to the firm and took the copy away from them, which is true? A. It is.

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Q. And he adds that you made an arrangement with them, the Toronto company, to return it, so that they might proceed with the work? A. No such arrangement was made.

Q. In his speech the then minister refers to a letter written by Stahl & Jæger to you asking you to return a coloured plate, and a reply by you dated May 25, 1910, to Stahl & Jæger, and in your reply you say the contract has not yet been awarded. Was that true on May 25? A. It was.

Q. The order to the Toronto Lithographing Company had been withdrawn by you? A. It had.

Q. And no action had been taken by the minister? A. None.

Q. Then you say: "As soon as the successful tenderer is known you will be advised of the fact." You were there stating a mere procedure of the office? A. I was.

Q. You would have advised them if a contract had been closed with anybody? A. Yes.

By Mr. Lake:

Q. Could you have accepted these tenders in the usual way, being in the form in which they had been put in? A. We could.

Q. In some of the departments there is a rule that they will only receive tenders on a certain form. A. Such procedure has not been the custom in the Printing Branch of the Bureau.

By the Chairman:

Q. Then on the 11th June, 1910, you also sent to Stahl & Jæger one of the letters asking for tenders, about which you had given evidence? A. Yes.

Q. And that letter was sent like the others by the order of the King's Printer? A. It was.

Q. Did you make a statement to the Mortimer Company that the Honourable Mr. Murphy was having trouble with his colleagues about this contract? A. I did not.

Q. Mr. Murphy sarcastically says in his speech at page 7736 of Hansard: "And this gentleman"—meaning you—"in order to assist his minister, if you please, to carry out a dishonest transaction, extracted these prices from different firms and got the alleged tender from the Mortimer Company". Now, did you ever represent to any of the tenderers that you were endeavouring to assist the minister to carry out a dishonest transaction? A. I did not.

Q. From your standpoint, when you obtained prices from the different firms, was it perfectly honest for you to do so? A. It was.

Q. And perfectly fair and bona fide for you to do so? A. It was.

Q. The situation was that the minister, having objected to your conduct in giving the work to the Toronto Lithographing Company, you had gone and taken it away from that company? A. I had.

Q. And acting upon the instruction of the King's Printer, you were endeavouring to find what prices could be got from other people for that work? A. I was.

Q. And at that time, if the minister wished to accept any of those other offers, he was legally in a position to do so? A. He was.

Q. He had himself said that the department was not bound by what you had done? A. He said so in my presence.

Q. And the Toronto Lithographing Company did not say that the department were bound by it? A. Not to me.

Q. And Mr. Murphy's speech on April 25th: "I made inquiry later on and heard at the Bureau that Mr. Cook had been in Toronto and that some arrangement had been made with the Toronto Lithographing Company. To protect the department and myself I then wrote to the Toronto Lithographing Company stating that I had heard in an indefinite way that an official had gone to their place of business and had made some arrangement with them regarding the paper, and that as he had done so without any authority the department and its head would not recognize any trans-

action that may have been entered into by him." And you say that when you went to Toronto on your way to get prices from the other firms, you saw the letter from Mr. Murphy in the hands of the Toronto company? A. No, they told me they had such a letter. I did not see it, but the company told me that they had received such a letter from the minister.

Q. The previous day? A. The previous day.

Q. Then so far as you know, or are concerned, there was no reason whatever why the offers of any of these persons who gave prices should not have been accepted by the Secretary of State if he wished to? A. No reason.

Q. You referred a moment ago to some trouble that you had with the Under-Secretary of State, Mr. Mulvey. There was some difference of opinion between you and the Under-Secretary of State relating to the return to parliament. Either before or after that time did you have some difference of opinion with him about another matter? A. I did, about an order which he gave me to send an advance of \$5,000 to the *Montreal Herald*.

Q. Now when did that take place? A. On the 9th July, 1910.

Q. That would be—? A. While the investigation was in progress.

Q. While the inquiry was in progress at which you gave evidence? A. Yes.

Q. Do you remember the day of the month on which you gave evidence? A. No, sir.

Q. July 7th was the day on which Mr. Mulvey gave evidence. That was on Thursday. Now what day was it you say you had the conversation with him? A. Saturday, July 9th.

Q. Where did it occur? A. In my office in the Bureau.

Q. Just describe in your own words what took place? A. About eleven o'clock, or a little after, Mr. Mulvey came in, called me over to the counter, and ordered me to send the *Montreal Herald* \$5,000 on account.

Q. On account of what work? A. Immigration work which was in progress in the *Herald* office.

Q. What was the nature of the work? A. Immigration pamphlets.

Q. Was the *Herald* working on a contract for such work? A. It had received the order direct from the Honourable Frank Oliver, who gave the work personally to Mr. Brierly of the *Herald*.

Q. Was that according to the rules and regulations? A. No. Of late years the regulations have required that that work should all be ordered from the Bureau.

Q. Is not that requirement in the Act itself? A. Yes. The only exception permitted by Act of Parliament is for Intercolonial printing, which may be done outside.

Q. I will quote the Act: R.S.C., Chapter 80, Section 16, says: "A Government establishment shall be organized at Ottawa, and shall be under the management of the Superintendent of Printing, in which establishment all printing, electoral typing, stereotyping, lithographing and binding and ther work of a like nature required for the service of Parliament and the several Departments of the Government, shall be executed, and that applies to all printing for Government Departments, except for the I.C.R. and the P.E.I. Railways." A. It does.

Q. The Act is 3 Edward VII, 1903. Now, you say that the practice had been and has been since, generally speaking, that such work as this would be done through the Bureau; that is to say, whether it was printed inside or outside the Bureau, it should go down to the Bureau to be handed out and to make the contract? A. Yes, sir.

Q. And this particular work had been handed to the *Montreal Herald* from the Department of the Interior? A. Yes, sir.

Q. When you say that the Honourable Frank Oliver gave it, are you speaking from knowledge that he did so, or do you mean that the department gave it? A. From the information given me by Mr. Brierly, the Managing Director of the *Montreal Herald*.

Q. Who told you that Frank Oliver had given it to him? A. He did.

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By Mr. Lake:

Q. He told you personally that Frank Oliver had personally given it to him? A. He did.

By the Chairman:

Q. When had it been given out, about what time? A. Oh, it had been given out some considerable time before the *Herald* disaster, I do not know the exact date, but some months.

Q. Would that disaster be about the time of Mulvey's application to you? A. No, some considerable time before it.

Q. And the work had been going on for some time, apparently? A. It had.

By Mr. Lake:

Q. When were you officially informed that the work had been given? A. The covering requisitions stating the prices arranged for were sent to the Bureau, and we, in the regular course, sent a covering order to the *Montreal Herald*. A copy was given direct to Mr. Brierley.

By the Chairman:

Q. Then your department had nothing to do with the making of a price? A. Nothing whatever.

Q. Do you remember what the price was? A. No. There were quite a number of pamphlets on the order, each having a rate of its own.

Q. Have you since compared these prices with other prices? A. No, sir, I have not. I was suspended within one hour, and the information has not been available since.

Q. Within one hour of your dispute with Mr. Mulvey? A. With Mr. Mulvey. I refused to send the money, explaining that I had no accounts, no samples of the work, incomplete delivery receipts, and not having made the arrangements, I was not aware that any such sum was due the *Montreal Herald*, and in addition to that I was aware that the Interior Department had already illegally advanced the *Herald* \$5,000.

Q. On account of what? A. On account of that same work.

Q. Now, who had told you that? A. Mr. J. S. Brierley.

Q. Mr. J. S. Brierley himself? A. Himself.

Q. When had he told you that? A. Some weeks prior to Mr. Mulvey's visit to the Bureau.

Q. Under what circumstances did he make that statement to you? A. He was visiting the Bureau, and in conversation asked me how I proposed to fix it up.

Q. How you proposed to fix up the fact that he had got the money? A. Yes.

Q. And did you make any attempt to fix it up? A. I did not.

Q. You had nothing whatever to do with it? A. I had nothing whatever to do with it.

Q. When you made the statement to Mr. Mulvey, did he admit his knowledge of it? A. He would not listen to the arguments that I was endeavouring, or the explanations that I was endeavouring to make to him, and left the office in a rage.

Q. At that time you had no invoice, or bill of account, from the *Herald*, showing what they claimed to have done? A. Nothing of that nature at all.

Q. You had no statement whatever showing how much they claimed to be due to them? A. No, sir.

Q. You had received none of the work so as to judge of its quality? A. No, sir.

Q. You had received no information from any source, so as to know what amount they had done? A. I had not. I knew that some deliveries had been made from delivery receipts sent to us, but only a few.

Q. Some deliveries had been made to the order of the department? A. Of the Department of the Interior.

Q. But not from any order given by you or sent through you? A. But they were confirmed by the fact of our sending a covering requisition to the *Montreal Herald*, but we were not responsible for the instruction.

Q. The requisition for these pamphlets would come to you from the Department of the Interior? A. Yes. We would file it and send a regular Bureau order ordering the work.

Q. This is ordering the delivery of the work? A. Yes, ordering the printing.

Q. To whom would the pamphlets be delivered from time to time? A. They were delivered to the steamship companies in Montreal.

Q. What time of the day was it when Mr. Mulvey came to you? A. Somewhere between eleven and twelve o'clock.

Q. On Saturday? A. On Saturday morning.

Q. Was the King's Printer in his office? A. He was.

Q. Was the accountant in his office? A. He was.

Q. Did you suggest to Mr. Mulvey that it was his duty to see either one of those gentlemen? A. No, sir, I did not, I did not get a chance to.

Q. Why, just tell us all the circumstances. A. Mr. Mulvey gave his order.

By Mr. Lake:

Q. Do you remember the form in which he gave this order?

By the Chairman:

Q. Tell us as nearly as possible what was said and done? A. His exact words I do not recall, but they were to the effect—it was a command to send \$5,000 to the *Montreal Herald*.

Q. When he gave this command what did you say? A. I explained that I could not do so, that I had no accounts, nothing to certify to, or send to the accountant, who would, in the ordinary course of events, forward the cheque. I could not send the cash or the cheque; I had nothing on which to place my endorsement.

Q. What had you to do in connection with the sending of a cheque, according to the practice of the department? A. Nothing whatever with the sending, except that I endorsed an account "O.K." which meant—

Q. You mean to say that in order to have a cheque sent the practice would be for you to endorse an account? A. It was.

Q. And what course would it go through then? A. It would be mailed to the accountant, who would transfer it to our department for checking.

Q. Transferred it to you for checking? A. Yes, it would then be returned.

Q. Signed by your O.K. if it were right? A. Yes, together with a sample of the work to the accountant, and is issued in due form.

Q. Who would issue in due form? A. Who would issue the cheque of the department.

Q. Then what would be required of you at that minute when Mr. Mulvey spoke to you was that you should certify that the amount was due to the *Herald* Company? A. The necessity arose to manufacture an account if I did not have it.

Q. What you would be instructed to do would be to certify that the amount was due to the *Herald*? A. Exactly.

Q. And you said that you could not certify because you had nothing to certify on? A. I had no evidence that the amount was due.

Q. What answer did he make?—A. He said: "It is the minister's order." I said, "I cannot help that". I said, "I have nothing to certify, I cannot do it. I will telegraph the *Herald* at once and get the necessary documents."

Q. What reply did he make to that? A. He turned on his heel and went out without making any reply.

Q. Did you telegraph to the *Herald*? A. I did.

Q. Immediately? A. Immediately.

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By Mr. Lake:

Q. Would a copy of that telegram be on the file? A. A copy of that telegram is on file at the Bureau.

By the Chairman:

Q. You say that you were then suspended? A. At half-past twelve the King's Printer came to my office and informed me that he wanted to see me before I left at one o'clock, the usual closing hour on Saturday. At one o'clock he informed me that I was suspended for three months.

By Mr. Lake:

Q. Did you ask him the reason? A. I did, and he replied that the minister had given no reason.

Q. Nothing more than that? A. Nothing more than that.

Q. Mr. Mulvey has the rank of deputy minister, although I understand from you he is not your direct superior, is that the case? A. That was the case.

Q. What was your general demeanor towards him? A. Were you respectful on that occasion? A. On that and all occasions. So much so that the King's Printer, in Mr. Mulvey's own office, said to me how I managed to keep my temper. My reply to him was — Mr. Mulvey had not left the room — that I must keep my temper with a man with the rank of deputy minister.

Q. On what occasion was this? A. That was on the occasion of the Armstrong return. I had at all times treated him as a superior should be treated.

By the Chairman:

Q. On the occasion of the Armstrong return? A. What gave rise to such a suggestion by the King's Printer? A. The display of temper by Mr. Mulvey, and our apparent inability to frame an answer to that return that suited the gentleman.

Q. Was he rough with you on that occasion? A. He was.

Q. Angry and annoyed, with you? A. He was.

By Mr. Lake:

Q. Have you any idea as to what made him so angry on the occasion he asked you to certify to an account for \$5,000 for the *Herald*? A. No reason that I was aware of.

Q. But when you very respectfully declined to certify to any account, he burst into a passion? A. He did.

Q. Quite evident to all who were there? A. No doubt of it.

Q. And turned on his heel and left the office? A. He did.

By the Chairman:

Q. Were others present at the time? A. All of the clerks were in my room. Just what observation they took of the matter I do not know.

Q. What clerks were in the room? A. Mr. J. T. Neville, Mr. Consitt, Mr. Daly, Mr. McClory, and Mr. Heaslop.

Q. Did none of them speak to you, or did you speak to none of them in particular, after Mr. Mulvey had retired, with reference to the incident? A. Oh, yes, we discussed it generally amongst ourselves.

Q. Can you remember persons with whom you discussed it? A. No, none in particular. The clerks in general were discussing it, and also my suspension.

Q. You could not have discussed the two at the same time? A. Oh, no, later on.

Q. But the question was, did you discuss it after Mr. Mulvey went out? A. Immediately I spoke of the order I had given me and the impossibility of fulfilling it.

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Our desks were all right round in a square, like this: (Illustrating by a gesture) and in discussing it with one all heard the conversation.

By Mr. Lane:

Q. Then in regard to your dismissal, are we to understand that you were dismissed without any charges made against you and without any official notice as to the reason of your dismissal? A. I will give you the—

By the Chairman:

Q. Your suspension was verbal? A. Verbal.

Q. Your dismissal is in writing? A. Yes, sir. Here is the letter of dismissal.

Witness produces letter.

KING'S PRINTER, CANADA,
OTTAWA, September 28th, 1910.

R. E. COOK, Esq.,
33 Melgund Ave.,
Ottawa, Ont.

DEAR MR. COOK:

I am instructed to advise you that you have been dismissed from the service of the Department of Public Printing and Stationery from this date.

Yours faithfully,
(Sgd) C. H. PARMELEE,
King's Printer and Controller of Stationery.

By Mr. Lake:

Q. On receiving the letter of dismissal, you asked Mr. Parmelee why you were being dismissed, but that gentleman said he did not know? A. Yes, sir, that is the fact

Q. Mr. Parmelee is your official head, the only official head of your department?

A. Mr. Parmelee is the only official head, King's Printer and deputy minister, Department of Public Printing and Stationery, under the Secretary of State

Q. And the Under-Secretary of State has no control, as such over the Department of Printing? A. None whatever.

Q. You never have any instructions from the deputy head of any other department? A. Never.

Witness retired.

Commission adjourned.

OTTAWA, WEDNESDAY, January 31, 1912.

FORENOON SITTING.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

JOHN DALY, called, sworn and examined.

By the Chairman.

Q. You are an employee of the Printing Bureau? A. Yes, sir.

Q. And you have been there for a number of years? A. Yes, sir.

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Q. You are employed in the same office as Mr. R. E. Cook? A. Yes, sir.

Q. Prior and up to the time of Mr. Cook's suspension? A. Yes, sir.

Q. Do you remember a call made by Mr. Thomas Mulvey of the State Department to the Printing Bureau about July 1910? A. With reference to?

Q. In which a conversation took place between him and Mr. Cook? A. With reference to anything particular?

Q. With reference to something which he wished to do—I do not want to lead you—I want to see if you remember? A. I remember him there once, yes.

Q. Can you remember the subject of the conversation on that occasion? A. I think it was in connection with paying something in advance to the *Herald*.

Q. The *Montreal Herald*? A. Yes, sir, that is as far as my recollection goes.

Q. Will you tell us to the best of your recollection what took place? A. I think that Mr. Cook required some receipts before he would issue any payment of money.

Q. How had the matter about the payment of money come up? A. Well, as far as I understand it, Mr. Mulvey wanted to advance some money to the *Herald*. I think there was a fire or something, if my recollection is right.

Q. A fire at the *Herald* office, and Mr. Mulvey wanted to advance some money? A. On some work that was done.

Q. And what do you remember took place about it? A. I think Mr. Cook objected that it was irregular to do so until such time as he had receipts showing that the work had been delivered, or part of the work delivered.

Q. Do you know what Mr. Mulvey said to that? A. I do not know. I cannot say as to what he said, but I think it hung fire for a considerable time, for a short time, pending the receipt of the receipts that Mr. Cook wanted. That is my impression.

Q. Was Mr. Cook suspended soon after that? A. Mr. Cook was suspended, I think in July.

Q. Can you recall when? A. A short time after.

Q. Shortly after that Mr. Cook left, after the conversation took place? A. Yes.

Q. Might it have been on the same day that Mr. Cook was suspended? A. It might have been on the same day or the next day, I can't remember.

Q. Can you recall what day of the week it was? A. No, I cannot.

Q. Well now, what was the manner of Mr. Mulvey in the conversation with Mr. Cook? A. I think his manner was a request that he do so.

Q. A request can be couched in an order or in a gentle way? A. Of course he was dealing with Mr. Mulvey, I cannot say exactly.

Q. Did you gather that there was any excitement or annoyance on the part of either party? A. I guess if Mr. Mulvey didn't get his wish there must have been annoyance on Mr. Mulvey's part.

Q. I am asking whether you observed anything that day? A. No, I cannot say that.

Q. Nothing that struck you particularly? A. No, sir.

Q. Did anything take place in the office after Mr. Mulvey went over the matter? A. I think Mr. Cook spoke to him about the matter. He asked him if we had receipts, or something to that effect. We had no receipts at the time and the matter rested.

Q. There were no accounts at the time? A. I am not sure, the account might have been in, but we did not have any receipts covering them.

Q. What do you mean by receipts? A. Receipts that the goods had been delivered.

Q. An advance in those circumstances would be contrary to the practice of the department? A. Well, yes, unless we had receipts showing that the goods had been delivered.

Q. After Mr. Cook's suspension was the money sent to the *Herald*? A. Yes.

Q. Immediately after? A. Upon us receiving the receipts that the goods had been delivered.

Q. The receipts did come? A. Yes, I understand as far as my recollection will go, receipts came just before the advance was paid.

Q. Do you remember whether that day after the conversation took place and Mr. Cook was suspended any message was sent to the *Herald* requesting vouchers? A. Well, I cannot say as to whether they had been sent, but that would be our order of procedure to immediately inquire.

Q. That would be the natural order of procedure?

By Mr. Lake:

Q. I would like to ask if any printers requiring jobs, that is asking for work, came to your office are they kept on other side of the counter? A. Mr. Cook had the King's Printer form a partition on the inside so that they could not get in, because accounts and everything would be on his desk. If they got in they could see everything that transpired, and for that reason I think he had Mr. Dawson put up a partition so that they had to stand outside of the partition, a little counter.

Q. And no man was allowed inside? A. They were not allowed in, but sometimes some of the clerks coming in or going out would leave the door a little bit ajar and if some came they would push their way in. I know on some occasions Mr. William Mortimer pushed his way in. Mr. Mortimer was a pretty hard man to keep out.

By the Chairman:

Q. Do you remember Mr. Mortimer calling there in April, 1910 about a publication called *Farm Grasses*? A. I do not remember that. I know he was there two or three times a week sometimes, but whether about *Farm Grasses* I cannot say.

Q. In a letter which was written concerning a transaction in which Mr. William Mortimer had a part, it was said that Mr. William Mortimer saw a tender which had been made by somebody else about the work on these *Farm Grasses*, that he got the figures, and afterwards used them in his own tender. Now, do you know anything at all about that transaction? A. Nothing whatever. I would like to ask a question, do you mean by that to state or insinuate that Mr. R. E. Cook laid that tender in such a place that Mr. Mortimer could see it?

Q. In that letter to which I refer that insinuation is made? A. Knowing Mr. Rory Cook for twenty-five years I would say I do not think Mr. Rory Cook would do anything of the kind, would do anything like that for Mr. Mortimer or for anybody else. That is my statement.

Q. You and Mr. Cook were together for quite a long time in that office? A. In the same office, working as a clerk under him since 1907.

A. And that office would be the one which had the giving out of printing and lithographing to be done outside the Bureau? A. Yes, sir.

Q. And during the whole of that time did you see anything which in your opinion was blameworthy on the part of Mr. Cook? A. Nothing but what was praiseworthy in the interests of the government.

Q. You found him an efficient—? A. Yes, sir, always looking after the interests of the government in everything he did.

Q. From your knowledge of Mr. William Mortimer's conduct when visiting the office at different times, and your long knowledge of Mr. Cook, if Mr. Mortimer made a statement insinuating that he had been allowed to see tenders in order that he himself might make a tender, and if that statement were denied by Mr. Cook? A. I would take Mr. Cook's word.

Q. Since you were requested yesterday to come here, have you had any talk with Mr. Cook about your evidence? A. I only got the request to come here ten minutes before I put on my coat.

Q. And you did not see Mr. Cook until you came to this office? A. No, sir.

Q. Have you brought with you the book full of correspondence in relation to *Farm Grasses*? A. Yes, sir.

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Q. So far as you know is it all that is in the Bureau? A. Yes.

Q. Do you find there any letter or letters, dated in April, 1910, addressed to certain persons in the United States of America asking for tenders or prices? A. No, sir, I find here letters of April 29 asking for prices.

Q. That is what I want? A. There are two letters here, April 20, asking for prices.

Q. You find no letters to American firms? A. No, sir.

Q. File 11,557 and File 13,824 contain the only papers now in the Bureau regarding *Farm Grasses*? A. Yes, sir.

Witness retired.

C. H. PARMELEE, called, sworn and examined.

By the Chairman:

Q. You are the King's Printer? A. I am.

Q. Appointed when? A. First of February, 1909 at least I assumed office then.

Q. You gave evidence in an inquiry held by the late Secretary of State, the Honourable Mr. Murphy, on July 7, 1910? A. Yes, sir, about that date.

Q. That evidence was not on oath? A. Not on oath.

Q. Referring in that evidence to a discussion which had taken place within the precincts of the House of Commons, when the Honourable Mr. Fisher, the Honourable Mr. Murphy and yourself were present, you gave some evidence about a direction by the Hon. Mr. Murphy, that prices should be got for a work called *Farm Grasses*? A. Yes, sir.

Q. In the Hon. Mr. Murphy's questions he said, 'You were requested to obtain prices from English and American firms doing that class of work.' In your reply you said, "I pointed out it would be impossible to go to England for prices on account of the distance and the length of time required." What had length of time to do with the matter? A. Well, we were in a hurry and wanted to get this work out as soon as possible, and the calling of tenders from England would carry it over the period. It was in this way, Mr. Chairman, the Department of Agriculture had an appropriation of \$6,000 for printing, and the Seed Branch, of which Mr. Clark was the superintendent was very anxious to get out this book called *Farm Grasses*. He wrote to Mr. Cook and myself that if we could get that placed so that he could avail himself of that appropriation before it expired on 31st March he would use the money and would not have to ask an appropriation for the following year. If we had taken that procedure it would have made it absolutely impossible to meet the views of the department in that respect.

Q. At that interview with Mr. Murphy did you explain the reasons why English prices could not be got on the grounds you have just mentioned? A. On the grounds I have mentioned, yes. I think at the same time I explained that it was practically impossible to go outside of Canada to get it done.

Q. For what reason? A. Well, the same reason as far as the United States are concerned. We did not know any particular firm doing this particular kind of work—it is not the ordinary kind of lithographing work. That was my opinion and I so expressed it. I may say this—possibly it is where some of the trouble began—I perhaps did not treat going outside for tenders as seriously as I should have done. To tell the truth I thought what I had said was according to the information I had, though I had no express authority for thinking so.

Q. But you were satisfied from the whole course of the conversation that it was not necessary for you to go for English prices in order to satisfy the minister? A. No, sir.

Q. In not sending out you acted then in perfect good faith? A. I did.

Q. Believing that the whole conversation justified you in not doing so? A. Yes, I may have been wrong in that, and I want to be perfectly fair. I may have assumed a conclusion too soon.

Q. You may have assumed the conclusion too soon? A. Yes.

Q. And later on from the tenor of the minister's examination on this occasion you would gather that he was annoyed that you had not done so? A. Yes.

Q. But up to the time of this examination in July, 1910, you had not any thought that he was annoyed on that particular feature? A. Except that when Mr. Cook and I went up with the arrangement we had been able to make—

Q. Some time in April? A. Then he said we must get prices.

Q. That was the first time you thought there was any objection, so far as not inquiring for English prices is concerned that was for the reasons you have given, and from your deliberate conviction that it was useless to try it? A. Yes.

Q. Concerning that class of work, the Toronto Lithographing Company had the previous year done *Farm Weeds*? A. *Farm Weeds*, and done it very well. As a matter of fact I have seen some English and American publications, and they were very much inferior to that which the Toronto people got out.

Q. It is a very beautiful work, we have seen it here. Now, wouldn't there have been great difficulty in looking over the proofs of plates if that work had been done in England? A. Yes, the proofs would have to be passed back and forth, we cannot tell how many times that would be necessary, a great many times.

Q. Occasioning great delay? A. And occasioning great delay, yes. Proofs of that character have to be passed back and forth. It depends how well the engraver does his work in the first place, but it is always subject to corrections.

Q. I suppose for the purpose of getting tenders on such work, it would have been necessary to show the English tenderers the plates that you had, for instance? A. Show them the copy.

Q. You would have to show them—? A. They would have to see the copy.

By Mr. Lake:

Q. The original drawings? A. The original drawings.

By the Chairman:

Q. As you had only one set of those original drawings? A. One set.

Q. They would have to be sent to England and got back, and sent to America and got back again, and to Canadian offices and back again?

By Mr. Lake:

Q. They would have to be sent to every separate tenderer? A. Yes, and then we would begin the operation over again with another firm.

By the Chairman:

Q. When you say there was only one set of original drawings, they were very fine drawings done by an artist? A. Yes, and were very valuable.

Q. And I presume the mere passing back and forth in the mails would be dangerous? A. It would be dangerous, it would expose them to the risk of loss.

Q. And wear and tear? A. I am not sure about that, but I know it would be exposed to the danger of loss.

Q. The minister at that inquiry asked a question concerning the work on *Farm Weeds* the previous year to this effect: "Had he not at the interview referred to made it clear to you that everything that was done should appear in writing, and that letters were to be written for prices? Your answer was: "I presume it did take place, though I cannot say absolutely." By that answer did you mean to imply that

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your memory about the matter was not clear? A. Well, no, I think it could be put stronger, I had no recollection of any such thing.

Q. As a matter of fact, Mr. Cook had gone with your approval to Toronto for the purpose of obtaining prices, had he not? A. Yes.

Q. And that would be inconsistent with any knowledge on your part that prices were to be obtained by correspondence, would it not? A. Well, yes, I have no recollection of that particular question he puts to that particular effect. If I had a perfect recollection I was not going to say it had not taken place. I had no recollection then, and I have not now.

Q. The form of his question asserted a recollection by him that it had taken place, and you had no recollection of it, and answered in that way? A. Yes.

Q. I am putting this question, you did send Mr. Cook to get prices. You would not verbally, of course—he might bring back a letter—but you sent him to get the prices and you would not and you did not do that with any thought that you were not obeying the directions of the minister? A. No, sir, As a matter of fact I sent Mr. Cook because I wanted him to be in charge of the plans, and he could go from one office to the other, one object being to save time, and the other being to safeguard the drawings themselves.

Q. Then when he went to Toronto he carried those plates with him? A. Yes, the drawings.

Q. The drawings I should say—for the purpose of showing them to get prices. After his return he reported to you? A. Yes.

Q. And then were any attempts made to see the minister? A. Well, perhaps not so soon as they should have been. I was sick for a week or ten days, and then Easter came on, and I made two or three attempts to get Mr. Murphy and Mr. Fisher to meet together, as I considered that Mr. Fisher was interested in the whole project. I may say for Mr. Cook that he urged me two or three times to try and hasten the thing through. That was the chief reason of the delay. There was no idea of withholding from the minister, or doing anything that was not perfectly fair and above board in the matter.

Q. Mr. Cook says that you and he went on two or three occasions to the House of Commons to try to see Mr. Murphy and Mr. Fisher in good faith. Is that correct? A. That is correct.

Q. Then on March 26, 1910, the minister appears to have written to you a letter which he quotes as follows: "Since the date of the interview I have not heard anything further about the matter. I would like to know in what position it now stands." There is no answer in writing to that. But was there any answer by your action? A. Yes, to the best of my recollection we had made attempts once or twice before that date, and had failed to see him and Mr. Fisher—I would not be absolutely certain as to that—but after receiving letters, Mr. Cook and I started out again and eventually we did succeed in seeing him.

Q. Where was it? A. Well I am not so sure that it was in his own office, the departmental office, or the House of Commons. I should think it would be at his own office.

Q. Did you take the plans with you? A. I believe Mr. Cook took the specifications and the prices he had been told to obtain, that is my recollection.

Q. And the plans, I mean the drawings and sketches? A. I am not so sure about that, I fancy not.

Q. As a matter of fact, where were they at the time? A. I think that transpired in Mr. Cook's evidence.

Q. Don't tell us anything but what you know. Now just see if you cannot dissociate your mind from what Mr. Cook told you afterwards. A. I don't know that it ever occurred to me where they were. Talking of the plans to Mr. Murphy would convey no information to him.

Q. Had he previously seen them at all? A. I do not think so.

Q. You cannot now recall that you knew where the plans were? A. No, I cannot.

Q. Now what happened at that meeting? A. Mr. Murphy absolutely refused to take it into consideration at all. He said he must have prices.

Q. Well, what prices, be a little definite? A. Competitive prices.

By Mr. Lake:

Q. To take into consideration? A. Tenders or competitive prices, at least that is what I understood.

By the Chairman:

To take what into consideration? A. The arrangement that Mr. Cook had made with the Toronto Lithographing Company.

Q. Well, did Mr. Cook say he had made any arrangements? A. Well, he brought back prices, I suppose you can call it an arrangement. They were willing to do it at these prices. In the form of tender was I think a quoted price on certain specifications.

Q. You say Mr. Cook had taken up a schedule? A. And a specification simply setting out certain things that must be done.

Q. Yes, a specification, but he had taken to the meeting with Mr. Murphy a summary of the quotations he had received up to that time? A. Yes.

Q. Is that the document referred to on page 337? A. No, that is a subsequent matter.

Q. Did he take up anything in writing to that interview? A. It is so long ago I can hardly remember.

Q. To the best of your recollection? A. I cannot recollect. He must have had the figures in some form or other. I do not think they were in the form of an official document. I know I did not read an official report but when Mr. Cook went up there he had I think all the information, those figures.

Q. He had something anyway? A. I suppose he must have had.

Q. Did he report the prices at which the Toronto company were willing to do the work? A. I cannot recollect, he must have done so.

Q. You must remember the effect of that conversation you held that day? A. The thing that impressed itself on me was the fact that he refused to discuss the matter at all, and sent him back to get competitive prices or tenders, so how far—

Q. If he refused—let us get down to the reason—If he refused to discuss the matter at all and sent you back to get competitive prices, then there must have been a statement in some form of some prices by somebody, mustn't there? A. There must have been, yes.

Q. In effect, wasn't what he said this: "I won't consider giving it to the Toronto company until you bring further prices before me." A. That was the effect of it.

Q. It follows from that that Mr. Cook had reported to him a definite price named by somebody? A. Yes.

Q. He wanted further prices?

By Mr. Lake:

Q. And that somebody was the Toronto Lithographing Company? A. Yes.

By the Chairman:

Q. Now do you remember anything being said at that interview by Mr. Cook concerning what had been done by the Toronto company? A. In respect to *Farm Weeds?*

Q. *Farm Grasses?* A. No, I have no recollection.

Q. Anything said about paper? A. At that interview?

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Q. Yes? A. I think so, yes.

Q. What was said, do you remember? A. I do not remember what was said particularly at that interview, I know what Cook said to me.

Q. Before you went to that interview? A. Well, I suppose it was, yes.

Q. What was that? A. Mr. Cook reported to me that he could get, or had got, these Stone people to order the paper in England, a particular paper we needed for the text of the book, at 9½ cents a pound, and he also reported to me that he considered it is an excellent bargain for the reason that for the paper used in the *Farm Weeds*, which was precisely the same paper, we had to pay 10 cents, and I presume that is what he reported to the minister. I have no vivid recollection.

Q. I understand that is what you believe he mentioned to the minister at that date? A. Yes.

Q. This paper was a special quality wasn't it? A. Yes.

Q. And it would have to be ordered from England? A. That is what I was given to understand, yes.

Q. That is what you, as a printer, would believe, would you not? A. Yes.

Q. It was desirable from the standpoint of the Department of Agriculture to have that out before the end of March? A. Well, yes, at least in time to pay out of that year's appropriation.

Q. Which would end at the 31st March? A. Yes, we have a few days later in which accounts can be paid.

Q. But even at the best, ordering paper of that kind from England in order to get it out here, and get your invoice, and get it paid, would require at least a month, wouldn't it? A. Fully a month.

Q. And you would be clipping the time very short? A. Yes.

Q. So there would be a pressing necessity from that standpoint for rushing it? A. Yes, in order to accommodate and oblige the Department of Agriculture and give them a good service.

Q. In any case, no matter who did the printing, it would be desirable for the department to get that kind of paper and have it on hand? A. Have it on hand.

Q. As I understand it, it was intended that the lithographing should be done outside the department? A. Yes, because we do not do any lithographic printing. That would have to be done by the Stones or somebody else.

Q. And it was intended to do the printing of the ordinary reading matter inside the Bureau? A. Inside the Bureau.

Q. So in ordering paper, you would order paper for the lithographing. A. Yes, the plate paper.

Q. The plate paper would go to the people doing the lithographing, and the printing paper would come to the Bureau, and it would all be ordered at the same time? A. Yes.

By Mr. Lake:

Q. Why didn't the Bureau themselves order that paper? A. Well, I can hardly tell you. At this time, it was considered that we had to get the paper, and the Toronto Lithographing people were buying that paper. They are able to provide it and get it quickly. They had their mills in England and were prepared to get it, while we had no means of putting a rush order through.

Q. Stone is the other name for the Toronto Lithographing Company? A. Yes, it was Stone in those days.

By the Chairman:

Q. From your knowledge of the printing business and particularly the paper used the previous year in *Farm Weeds*, do you say that the price of 9½ cents per pound was a reasonable and fair price? A. I could not swear to that, I am not an expert on paper, Mr. Morine. I relied on Mr. Cook's judgment on the matter which I considered

good at the time, and which I consider good still. I also relied on the integrity of one of the most honourable firms in Canada. I wanted to get the paper at a fair commercial value.

Q. Have you learned, or have you any reason whatever at the present minute to doubt that that was a fair price for the paper? A. I have no personal knowledge, Mr. Morine. I did understand that during the investigation held by Mr. Murphy he had a couple of experts here, who came to the Bureau and got samples from the Bureau, and I presume made a report to him, although I did not see it. So far as I am concerned, I have no knowledge but that the paper is what it purports to be and that the price is fair and just.

Q. You have no suspicion even that it was not a fair price? A. No, no suspicion even.

By Mr. Lake:

Q. If this arrangement had been carried out completely with the Toronto Lithographing Company, they would have sent an order to England for the paper? A. They did so, as a matter of fact.

Q. Part of that paper would be delivered to the Bureau, and part to them? A. For this reason, Mr. Lake, we intended to print the text, that is the descriptive matter of the work, at the Bureau. We do that. The lithograph printing is an entirely different process. We have no lithographic press, and the Toronto Litho. were lithographic people and would have made the plates, and then we insert the plates in the reading matter when we get the text printed, and bind it together and make a volume.

Q. What makes me feel like asking the question is why should not the Bureau have ordered that paper, and save the profit which no doubt the Toronto Lithographing people would make on the order passing through their hands? A. To the best of my recollection, it was done in the first place to meet the wishes of the Department of Agriculture in securing the spending of part of that appropriation before it expired or lapsed. It had to be English paper. The Bureau is not in the habit of buying English paper, except a little hand-made paper. We have no connection with the mills, and it would have been impossible for us to secure prices and have it delivered in time to accomplish that object. On the other hand the Toronto Lithographing Company have connection with English mills, are importing that paper, and are in a position to do what we wanted done.

By the Chairman:

Q. Do you remember what the minister said concerning the paper at that interview? A. No, I have no recollection that anything was said about paper. The recollection I have about that first interview was that he absolutely refused to entertain anything, and sent me back to get prices in the most peremptory manner. That is the only thing of which I have anything like a vivid recollection.

Q. Following that interview in Mr. Murphy's office, what was done? A. Well, I instructed Mr. Cook to get tenders. At that time we knew of no firms, he simply had to go out and hunt them up, and after discussing it with me we knew there was one firm in Buffalo that we thought possibly could do the work, and we were sure that in a city so large as New York there might be other firms and he went away on my instructions and received tenders.

Q. Would there be any firms in Toronto that might tender? A. No, the only firm in Toronto that could were the Clark Company. I understand that they were not eager to tender, because they had tried the *Farm Weeds*, and had fallen down on it.

Q. Well. Mr. Cook went away, and when he came back he reported to you? A. Reported to me.

Q. Do you remember where he went? A. He went to Buffalo and he went to New York.

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Q. And to Toronto? A. Well he went to Toronto, I think to get the drawings that were in the hands of the Toronto Lithographing Company, thence to Buffalo, and thence to New York.

Q. The prices which Mr. Cook reported to you were afterwards made into a little statement of tenders? A. Yes.

Q. Which appears at page 337 of the inquiry? A. Yes, that is it.

Q. And he brought back some letters from those parties? A. Yes, giving prices.

Q. Obtaining their prices? A. Yes.

Q. Was a meeting held with the minister to show him the prices you had received? A. Yes, to the best of my recollection, Mr. Cook and I went up to his office, Mr. Cook with that tabulated statement and letters and form of specification.

Q. What took place then? A. Well, I am unable to say except that it was held up. Nothing came of it, no Order in Council was passed, I was not asked to prepare a recommendation to Council and then sign that. The inquiry was begun.

Q. At that interview, the minister, I take it, did not decide to accept or reject any of those tenders? A. No.

Q. Do you remember what he said about the figures that were placed before him? A. No, I don't know that he expressed any opinion.

Q. So far as you can remember, he made no objection about the matter? A. No objection and no approval.

Q. And gave no directions as to the work? A. No.

Q. Has the work ever been done? A. The plates are being made.

Q. By whom? A. Under a new contract, the Montreal Lithographing Company.

Q. When was that contract given out? A. It was given out some months ago.

Q. During 1911? A. During 1911, yes.

Q. So that the work which might have been published in 1910 is not yet published? A. No, it is not yet published.

Q. Can you from memory say how the price of the work now being done compares with the Toronto company's? A. We invited tenders from the same American firms that we asked to tender before. A great many were asked—the Mortimer people, the Toronto Litho., and the Montreal Lithographing Company. The difference in price was a mere bagatelle as between the Stone and the Montreal Company, Stone being next, speaking from memory, about \$300 or \$400 more on what is really a very large contract, you know.

Q. The American companies' tender were all higher? A. All higher, yes.

Q. And the Mortimer Company higher? A. Higher, yes.

Q. Can you remember how the Toronto Lithographing Company's tender compared with the tender they gave Mr. Cook? A. It was the same, it was a repetition.

Q. It was a repetition. Then the amount of difference in price at which the Montreal company is now doing it, and the price at which the Toronto Lithographing Company offered to do it in 1910 is a mere bagatelle? A. A mere bagatelle.

Q. Have you yet received any proofs of the work of the Montreal Company? A. Yes, their work is in progress, we have received proofs.

Q. How do the plates compare in quality with those done by the Toronto Lithographing Company? A. I am unable to tell that. All I know is that these proofs come to us, they are sent to the experts in the Department of Agriculture, the Seed Branch, and thus far they have been accepted, and I take it to mean that the work is being satisfactorily done.

Q. You don't mean to be taken as an expert? A. As to the relative merits of the two I cannot do that.

Q. Now has the Toronto Lithographing Company made any demand upon the Bureau for damages in relation to the first arrangement? A. No damages, it has made a claim for the paper furnished, with naturally interest on it. The account has been running nearly two years, and they have made a claim, but for what work they

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have done I would not be so sure of this. I have not seen the account for some little time. The matter has not been adjusted, I am waiting for Mr. Stone to come down. In discussion, they said they would make a claim for their profit, but I am not sure whether that is in the invoice or not. I am under the impression it is not.

Q. The profits they might have made? A. Might have made.

Q. So far as the paper is concerned, you got it and kept it? A. We have it.

Q. And of course they should be paid for it, that is being used I presume? A. We are going to use it when this work is ready.

Q. What became of the paper which went directly to the Toronto company for the plate work? A. It is in their possession yet, but when it is paid for it will be subject to our orders, it will be sent to Montreal.

Q. And the claim for interest is because they expended money in buying it, and have not been paid? A. Have not been paid.

By Mr. Lake:

Q. It will be sent to Montreal? A. If the printing is done in Montreal.

By the Chairman:

Q. In the examination of yourself before Mr. Murphy, I find both in the questions and in the answers by you a considerable amount of insistence on the word 'contract' as to whether a contract had been made with the Toronto Lithographing Company. Now that the word is open to misunderstanding and to two meanings. First, so far as the word may mean the written evidence of a contract signed—A. That is what I had in mind, of course.

Q. So far as you knew then, or know now, no contract was ever signed with the Toronto Lithographing Company? A. No, no written order.

Q. You know now there was no written contract and no written order? A. No written order.

Q. I find reported on page 272 of the inquiry, a question by the minister, "Now my information is from Mr. Stone of the Toronto Lithographing Company, that some five or six weeks prior to the time at which these prices were obtained by Mr. Cook," meaning by "these prices" the prices obtained from the American and other firms, "the contract for the work had actually been given to the Toronto Lithographing Company. Is that correct?" to which you answered, "Not to my knowledge. Mr. Cook did not lead me to believe anything of the kind. I think he said that a contract could be made on such and such a basis, but there was certainly no contract made with my authority, or as far as I know, with yours." Now you are using that word "contract" in the sense of? A. Of a formal written order or written contract.

Q. I suppose, Mr. Parmelee, the truth is that in handling that matter you relied very greatly on Mr. Cook? A. Naturally, I had confidence in his judgment and experience.

Q. You found him in the office when you went into your present position as King's Printer in 1910? A. Yes.

Q. You knew he had been there a considerable time and had experience of the work? A. Yes.

Q. And you had not had much experience of the work at that time? A. He was specially commended to me by my predecessor, Dr. Dawson, as being a very able and very faithful official, which I always found him to be.

Q. Believing him to be such, and your own experience showing him to be such, you left the management of this in his hands? A. Yes, largely.

Q. And you intended, I presume within reasonable limits, he should exercise authority and get the work done expeditiously? A. Certainly.

Q. And up to the time of this inquiry you did not believe that Mr. Cook had been guilty of any bad faith towards you or the department? A. None whatever.

Q. Do you believe it yet that he was? A. I do not.

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Q. The situation was such at that time that you were anxious to push the work?
A. Certainly.

Q. You knew that the Toronto company were capable of doing first-class work, and you believed that their prices were reasonable, and that the firm was an honourable one. You were satisfied then under all the surrounding circumstances that what was done was properly done? A. Yes, properly done, only requiring the approval of the minister to put it into proper effect.

Q. Are you still satisfied that what was done was properly done? A. I am satisfied that if the tender had been accepted at the time, it would have been done months and months before it was, and taking everything into consideration, the saving would have been considerable.

Q. So far as these formalities are concerned in not obtaining the approval of the minister step by step, they were not intentional disobedience? A. No, on the contrary they were all done with the idea of securing the most satisfactory service, and were done along the lines of practice of the department for many, many years, and there was no idea on the part of Mr. Cook or myself to deceive the minister or even to withhold information from him. We treated it up to that point as the ordinary routine of doing business with outside people. To go back a little, the *Farm Weeds*, of which we have spoken, the best publication, I think, of its kind in the world, had been done by the Stone people after other firms had been given an opportunity. The only firms in Canada who could do it had been unable to do it, and had given it up. The Stone people took hold of that and after some difficulty—they had some difficulty in getting proper artists, it is an entirely new class of work—they turned it out to the satisfaction of everybody, and to the satisfaction of Mr. Fisher, and one of the things Mr. Fisher insisted upon was that he should have a work equal in every respect to *Farm Weeds*, Mr. Cook assured me from his experience that nobody but the Stone people could do it. The only thing was that we get the work at a price fair to the government. That is the whole story. The whole procedure might have been a little irregular, that is taking a technical view of it, but instead of being bad faith, there was good faith and a desire to serve the Department of Agriculture and to discharge our duty to the very best of our ability.

By Mr. Ducharme:

Q. And as far as you know, the same used to be the practice? A. Yes, that is the old practice.

By the Chairman:

Q. You have just said in this matter that you and Mr. Cook acted according to the constant practice of the department? A. Yes.

Q. You had not then been in the practice of getting the approval of the Secretary of State for the work you did from time to time? A. Not in Mr. Scott's time, that was never exacted. In this connection it was the intention—I thoroughly understood that when it got the approval of the minister, the amount being over \$5,000, we should go through the formality of securing an Order in Council.

Q. And that, of course, you expected to get when? A. When we got the minister's approval. Then I would make a recommendation to Council respecting all the circumstances, and the prices we obtained, and all about it for the approval of Council.

Q. But in making arrangements beforehand it would not be according to practice to go and bother the minister about every step of the way? A. No.

Q. This attitude of Mr. Murphy towards this matter and towards you in this matter, came then as a surprise to you? A. It did.

Q. It seemed to be much more exacting in its nature than anything you had done up to that time? A. Yes.

Q. The next question I want to draw your attention to is this, some time in June, the 9th as it appears, 1910, you received a letter from the minister asking for a copy

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of the letter sent by Mr. Cook to all the business houses from whom he asked prices for the edition of *Farm Grasses*; you remember getting a letter? A. Yes.

Q. And then you returned a file with a letter attached to the face of each tender, ending with your signature, and marked "copy". You remember that? A. Yes.

Q. In your examination in July, 1910, you were asked about this matter, and you explained—when you received the letter of June 9 you had a consultation with Mr. O'Connor about it, was that the date? A. About that date.

Q. It must have been that date, because it was June 9, and you replied the next day almost. After receiving the letter of June asking for the file of letters, did you see and discuss the matter with Mr. O'Connor? A. I did, to the best of my recollection, Mr. O'Connor came down before that letter was written I think, with a letter from Mr. Murphy in his own handwriting, something to this effect, that if letters formally asking for tenders to those people had not been written they must be written. I think that was the purport. Of course that letter I have not got. That is not on any of our files, and I understand from that, that what he wanted in connection with the file was some evidence that those people had been asked for tenders. After consulting Mr. Cook I decided that they had undoubtedly been asked to tender, and I wrote this letter confirming the invitation to tender. Mr. Murphy made a great point of the fact that I dated it back when the invitation was given. Whether that was the right way or wrong, there was no bad intention on my part or Mr. Cook's. It was simply that these people would know.

Q. Some time before the letter dated June 9 from the minister to you asking for the file, Mr. O'Connor had brought you a private letter from Mr. Murphy? A. Yes.

Q. Which is not on the files? A. Not on the files.

Q. Asking you to do what? A. If I can remember exactly the language, it was this, if the parties asked to tender have not already been asked in writing, it should be done, or something to that effect. I took that to mean that he wanted that on the file to show that they had been asked to tender. The invitation having been oral, Mr. Cook having gone to these people with the contracts and the specifications, they had nothing in their possession to show that they had been invited to tender officially and there was nothing on the files either and after consulting Mr. Cook we drafted that letter, and we dated it about the time the oral invitation was given.

Q. Mr. Murphy had been informed by Mr. Cook, and you in your interview with him, when you were reporting the prices that had been got that those prices had been obtained verbally? A. Yes.

Q. Consequently when he asked you it was later on. He wanted something to put on the files to show that these people had been invited. Whatever was done would have to be done, but that was later than the verbal offers of which you were speaking? A. Of course I cannot say what was in his mind, but what was conveyed to me in the letter was that he wished to have an official letter on the files showing that these people had been legally invited to tender. I was sure that they had been invited to tender, and we drafted that letter and sent it to the firms in confirmation of the oral invitation to tender.

Q. Mr. O'Connor brought that to you at the Bureau? A. Yes.

Q. Mr. O'Connor is employed in the State Department, is he not? A. Yes.

Q. And you and he discussed as to what was necessary? A. I presume I did. I didn't expect to get much information from him. I may have discussed it with him to see what the minister meant. What I did draw from it was my own conclusion. I was not guided by anything he told me. What he did tell me I have forgotten.

Q. It was your own conclusion from the letter? A. From the letter.

Q. And therefore the decision to write a letter and date it back was your thought? A. Yes.

Q. And your own device? A. My own device.

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Q. That could not deceive the minister, because he knew that the tenders had been obtained verbally? A. I presume he knew it, but I did not know that he knew it.

Q. Doesn't it appear from the fact that he asked you to put something on the files to show what had been done that he knew it had been done verbally? A. I do not know what was in his mind.

Q. Now, then, these firms receiving in June a letter dated April would naturally be puzzled if there was no explanation? A. I think the letter, the contents of the letter, would explain it, wouldn't it? I have not seen the letter for so long I have forgotten it. It was our intention as evidence to them that we were acting in good faith and that they should have some official evidence that they had been invited to tender.

Q. Let me see the file, please, containing the letter written to these people? A. So far as I recollect the letter, its whole purport was to advise those firms that the oral invitation to tender on this particular work was confirmed by this official letter I was sending them, so they would have some evidence that they had been invited to tender.

Q. Mr. Daly says he can find no letters on the file to American firms. If there were any such letters to American firms can you account for their absence or their whereabouts at the present moment? A. No sir, I cannot account for it.

Q. Do you know if anybody had them out of the Bureau? A. Yes sir, the minister had them.

Q. In 1910, about the time of the inquiry? A. Yes, sir, he had the files, I do not know if he had those letters.

Q. Wasn't a letter sent to the Mortimer Company, of Ottawa, in the same manner asking them for prices? A. I do not say, I do not think the wording was the same, but the meaning was substantially the same.

Q. I did not ask you as to the wording of the letter, I asked you if a letter was not sent? A. Oh, yes.

Q. In other words, in June, 1910, a letter dated April 20 was sent to the Mortimer Company concerning prices for *Farm Grasses*? A. Yes.

Q. And the object in sending that letter was the object you have described, of placing the letter on the file in pursuance of what you understood to be the wishes of the minister? A. Yes.

OTTAWA, April 20, 1910.

GENTLEMEN,—

"I take pleasure in submitting for your inspection 27 drawings of *Farm Grasses*. If after examination you desire to put in a tender for the engraving and litho. printing of an edition of same in accordance with the specification hereafter attached, same will be given due consideration when the time comes for placing the order."

Yours truly,

(Sgd.) C. H. PARMELEE,

King's Printer and Comptroller of Stationery.

That letter is addressed to the Mortimer Company, Ottawa, Ontario. Now in effect the letters to the American companies were of the same tenor? A. Yes.

Q. And your only object in sending the letters at the time they really were sent was to get on the file in some written form what had really taken place? A. What had really taken place.

Q. Then it would be necessary, would it not, sending these letters two months after they were dated that some explanation should be made to the recipients of the reason why that letter was sent to them? Yes, well, I fancy in the case of the Americans to the best of my recollection the letter did show why it was sent.

Q. The letter itself? A. That is to the best of my recollection, I cannot swear to it. Of course the Mortimers are in a little different position, they are in the Bureau every day, they know just how we do business. The Americans are in a different

position. The invitation to tender opened their eyes, and they expected great things from it.

Q. I want you to charge your memory, don't you know from what you have heard since that the letter to the American companies was accompanied by a covering letter from Mr. Cook, sent by himself explaining why these ante-dated letters were sent?
A. Yes, I remember.

Q. You remember now? A I remember now perfectly well. That is where I got the two things mixed. I knew the communication we had with them explained why this letter was sent, but I thought it was in the letter itself. I know now. This was a covering letter from Mr. Cook, whom those people had met personally.

Q. For the purpose of carrying out your idea of correcting the file, the original letter, or rather the letter sent and signed by you could not contain such a statement?
A. No.

Q. Because, dated as such a letter would be, April 20, you could not explain that on June 9 you wanted to correct your file? A. No.

Q. Consequently some sort of covering letter explaining the transaction was necessary? A. That is so.

Q. And such a letter Mr. Cook sent? A. Yes.

Q. In sending that covering letter he would be merely carrying out the design you had in meeting the minister's wishes? A. Precisely.

Q. These parties had all made a tender in writing at the time of the verbal offer to them? A. Yes.

Q. And in June, getting the letter dated April 20, but at the same time getting Mr. Cook's explanatory covering letter, they made no further reply at that time?
A. No.

Q. Now, in that matter, both you and Mr. Cook acted with the best intentions, didn't you? A. Certainly.

Q. You had no intention to deceive anybody whatever? A. No, certainly not.

Q. You only wanted that the file should be as perfect as it could be made?
A. That is it exactly, as a record, that is what took place.

Q. And the method of doing that is entirely your own conception? A. Entirely.

Q. You believing that you were obeying the minister's wishes in that matter?
A. Yes, and at the same time doing no injustice to anybody, or deceiving the minister or the firms or anybody else.

Q. And not trying to cover up anything? A. No.

Q. In the examination in July 1910, the minister asked several questions directed to show how persons receiving in June a letter dated in April would think that the department are gone crazy. You remember those questions? A. Yes.

Q. Is it a sufficient answer, does it not explain that, that the covering letter would apprise those people receiving these letters of the object of these letters. That explains all the difficulty in the matter? A. Yes.

Q. Mr. Cook's covering letter deprived the transaction of that view which otherwise might have been taken of it? A. That is the view with which it was done.

Q. I mean the view that the persons receiving the letter would be astonished?
A. Absolutely.

Q. Did Mr. Cook on his visit to Toronto, when he went to get the drawings and to carry them on, to get prices from the other people, tell the Toronto Litho. people not to proceed with the work? A. I have no personal knowledge.

Q. When he came back, did he report that to you? A. I presume so, I cannot recollect all those things. All those things, the relations between Mr. Cook and me in these matters, were verbal in the course of discussions and consultations, so I cannot charge my memory with every detail.

A. Your Bureau has a great number of people employed? A. Yes, we have 900 people.

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Q. And a tremendous amount of detail? A. An enormous amount of detail.

Q. You must find it extremely hard to remember very clearly matters that happened some months ago? A. Well, when I meet 25, 30 or 40 people a day, I cannot remember everything.

Q. You don't pretend that your memory for these matters is very clear? A. Not at this distance.

Q. Well, I want particularly to draw your attention to a matter mentioned in the inquiry of July 1910, namely, some correspondence with a New York firm named Stahl & Jæger. On the 24th May, that firm wrote to Mr. Cook asking him to advise if the contract for *Farm Grasses* had been given out, and on 25th May, 1910, Mr. Cook replied to that firm. The correspondence appears on page 7735 of Vol. IV. of Hansard, 1910-11. In his letter Mr. Cook says: "The contract has not yet been awarded." That was true wasn't it? A. That was true.

Q. "As soon as the successful tenderer is known, he will be advised of the fact." Until Mr. Cook was suspended, and for a long time afterwards, no tender was accepted? A. None accepted.

Q. In view of all that had occurred, do you see any misstatement in those quotations from Mr. Cook's letter? A. None whatever, it was the only possible letter he could write under the circumstances.

Q. On one occasion the *Gananoque Reporter* was given a contract to print some immigration pamphlets? A. Yes, sir.

Q. And it has been explained, and I presume is the fact, that the work was given to the *Reporter* after Mr. Cook had mentioned the matter to you? A. Yes, with my approval.

Q. According to the practice of the Bureau at that time, was work of that kind done in the Bureau, or done outside? A. Both. We are supposed to do everything in the Bureau we possibly can. Outside orders depend on the state of work inside the Bureau. Immigration pamphlets to a large extent have been given out, though we do some in the Bureau.

Q. Can you remember at that time whether you were filled up with work in the Bureau? A. We were.

Q. And consequently you would be giving that work out to somebody in any case? A. Somebody in any case.

Q. In giving work of that kind, do you proceed invariably by tender or contract, or how? A. That depends. We do where it is possible or where it is necessary. In the case of these immigration pamphlets, they are to a large extent repeat orders, and prices have been fixed already in the past by competition. We have the records, and know what they have cost in that way, and in a case like the *Gananoque Reporter* we give it out at the competitive prices.

Q. Is there anything in the law which requires that you shall put such work up to tender or contract? A. No.

Q. Whether you do or not is entirely a matter of discretion for you? A. Discretion, yes, that is under \$5,000. I think work over \$5,000 requires an Order in Council.

Q. Is that regulation made by an Order in Council? A. Order in Council. I believe it may be in the Public Works Act.

Q. You understand there is a regulation of some department requiring that work bringing more than \$5,000 for one job shall be given out by tender or contract? A. Yes, by contract.

Q. But apart from that, you know no law that requires that they should be given out by tender or contract? A. No, I do not.

Q. And as a matter of fact you give out large quantities of printing under that stipulated sum from time to time without tender or contract? A. Without tender or contract, though as far as possible, where the circumstances call for it, we get these competitive prices and the lowest competitor receives it. We have always to keep in

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view—lithographing is different from other classes of work—we have to judge the offices that have the facilities. It would be nonsense to ask an office to tender on a job when we know perfectly well it has not the plant or the facilities for and cannot give us the service we must get. The service, that is the first idea, so in receiving tenders or prices we go over carefully the lithographing establishments that have the facilities for doing our work, then we ask them for prices and we see to getting the service we ask for at the least possible cost.

Q. This work you gave to the *Reporter* would not be litho. work? A. No, plain printing.

Q. I am asking whether, as a matter of fact, a large quantity of plain printing work is done outside without tender or contract? A. A good deal is done, in two ways, by tender and contract where it is possible to get prices in that way, otherwise by a scale of rates fixed by the King's Printer which on the whole are lower than the current commercial rates operating in Montreal, Toronto and Ottawa.

Q. To go further still, as a matter of fact a large quantity of work is given out by the department as to which the price is fixed by arrangement between the Bureau and the printer? A. Yes.

Q. Of course in that case you are governed by previous prices for the same kind of work, and by your own judgment in the matter? A. Yes.

Q. But a large discretion has in practice to rest with you as superintendent, or rather as the King's Printer? A. Yes.

Q. Now in that matter the superintendent of printing in the department is merely a superintendent of work done in the department, is he not? A. Of course the King's Printer is the head of the department, not the political head, the Secretary of State is the political head. The King's Printer is the superintendent of printing although the Act seems to give the superintendent of printing pretty large powers too.

Q. The Public Printing & Stationery Act, Chap. 80, R.S.C., by section 16, seems to provide that the Printing Bureau shall do all printing? A. Well I presume that was the intention, though they never provided the plant with the facilities to do it.

Q. That section says, "In which establishment all printing, electro-typing, stereotyping, lithographing and binding, and other work of like nature required for the service of Parliament and the several departments of the Government shall be executed". A. Yes, and there is another clause, a modifying clause, which says that the King's Printer shall print or cause to be printed. That clause 16 is impracticable for the mere fact that the government has never provided any lithographing plant or facilities.

Q. You say that clause 16 is impracticable because the government have not provided plant to do lithographing. Will you find that other clause for me? A. There does not seem to be any modifying clause in this Act (referring to the Public Printing and Stationery Act) but it is absolutely impossible to carry out that clause. We carry it out as far as possible.

Q. Then in handing the work out to the Gananoque *Reporter* you followed the practice, before and after, of the Bureau? A. Yes.

Q. You satisfied yourself that the price was reasonable and fair? A. That the price was fair and reasonable.

Q. Later on, the work for which the *Reporter* was paid turned out to have been done by the Ottawa *Free Press*? A. Yes, sir.

Q. You did not know at the time that the *Reporter* was given the job that the *Free Press* was going to do the work, did you? A. No, sir.

Q. So far as you know, that was a subsequent arrangement made between the *Free Press* and the *Reporter*? A. Yes, absolutely.

Q. It is not unusual for persons getting contracts to subsequently get some person else to do the work, is it? A. No, it is not unusual. Of course we cannot in any way prevent it in all cases, but we intend to give it to the people who intend to do it

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themselves. But I cannot help it, once the order is out of my control the man having it can dispose of it, and I would be helpless to prevent it, providing he furnished what we had ordered.

Q. In your contracts with people for doing work you are not in the habit of providing clauses to the effect that they shall do the work and not get anybody else to do it? A. No, we do not find it necessary.

Q. You merely say that if you knew in giving out a contract that the man was going to get somebody else, you would assume that the man was doing it at lower prices? A. No, I would not give it to a man with the understanding that he could farm it out.

Q. But having got what you considered a proper price for the work, if the man afterwards got somebody else who was willing to do it for a less sum, that would not seriously injure the Bureau in any way? A. No, because we have taken care to get a fair and reasonable price.

Q. Certainly. As a matter of fact it might happen that after you had given out a contract at a fair and reasonable price, somebody else would take the sub-contract at a lower rate in consequence of some peculiar condition in which that person might be at the time? A. Yes, and that is particularly true of the printing trade.

Q. For what reason? A. In a great many large offices there is not a steady flow of work, and there are times when they are very anxious, when the presses are half idle, instead of turning men away and keeping the machinery idle, in these circumstances they will do the work at cost or less.

Q. And such jobs taken to fill up their spare time are commonly known as fillers, are they not? A. As fillers.

Q. In the trade? A. Yes.

Q. It does not follow therefore that the man who actually does the printing actually makes any money? A. No, it does not follow, if he is willing to take a job at that price.

Q. In what took place regarding the *Gananoque Reporter*, in view of your knowledge since that time, do you see anything wrong in that matter? A. I certainly do not.

Q. The knowledge that the *Free Press* did the work came to you later than the contract? A. I never could see that it made any difference. We had taken all the proper precautions and if this had been farmed out we could not help it. We had to pay the price and that is all about it.

Q. And if you had known it you had no power to interfere if you had desired to do so? A. None, whatever.

Q. In spite of the precautions you take in such matters, it is not unusual for work to be farmed out, as it is called? A. I would not say it is not unusual.

Q. Cases would occur? A. Cases would occur. We cannot prevent them unless they become common.

By Mr. Ducharme:

Q. Did that contract cost any more with the *Free Press*? A. I do not know. It did not cost any more than we had been able to get it by competition previously. It would depend on circumstances. If we had asked the *Free Press* at the same time as the *Gananoque Reporter* if they were very busy it is probable they would not be able to do it at that price. If we went to the *Free Press* when they were actually out of work, and we could drive a hard bargain—but we do not drive hard bargains in that sense.

Q. But from your general knowledge of printing matters, was the price given to the *Gananoque Reporter* the ordinary price? A. The ordinary price, a fair and just price.

By the Chairman:

Q. Our attention is drawn to a letter dated 10th December, 1910, addressed to Messrs. Stone, Limited, Toronto, that is the Toronto Lithographing Company. An

endorsement is placed on the corner of that letter "Received from Mr. Mulvey, December 16, 1910." A. What is the date of the letter?

Q. 10th December, 1910. This seems to be a copy of a letter which you were requested to sign and send. A. In connection with the *Farm Grasses*.

Q. Yes, in connection with *Farm Grasses*. You might just look at it. A. These specifications were prepared by E. G. O'Connor, who was a typographical expert employed by Mr. Murphy. He prepared these specifications, and these were sent on to the Stone people amongst others.

Q. He prepared this letter? A. Yes, it was sent to all those people.

Q. This is not a specification that has been sent to everybody. It is a special letter sent to the Toronto Lithographing Company? A. Oh yes, I see, that is right.

Q. That letter dated December 10, was sent to you by Mr. Mulvey from the Secretary of State's Department? A. Yes.

Q. Did you sign it and send it? A. I did.

Q. Knowing anything about the matter yourself or merely because you were requested to send it? A. Because I was ordered to send it.

Q. I find this paragraph in that letter to the Toronto Lithographing Company which you sent, "As you have been informed, Mr. Cook's positive instructions were that this work was not to be awarded until after the receipt of competitive tenders based upon properly prepared specifications." Of course that statement in the letter was drafted and sent to you? A. Yes.

Q. And the language is the drafter's and not yours? A. Not mine.

Q. The statement to the Toronto company that it had been informed about Mr. Cook's positive instructions does not refer to anything that you have control of? A. No information came from me.

Q. And you have no information that the Toronto company were so informed? A. They were not so informed through me.

Q. You had no information that they were so informed? A. No, none.

Q. So far as you know personally, Mr. Cook did not receive positive instructions that the work was not to be awarded until after the receipt of competitive tenders based upon properly prepared specifications? A. No.

Q. Then, Mr. Parmelee, this method of putting a draft letter in your hands, and asking you to sign it forced upon you the duty of making statements which were not voluntary? A. No, they were not voluntary.

Q. I find a further statement in that letter, "A further reason for calling tenders is provided by the fact that the Bureau was informed by several of the prospective competitors that better prices can be submitted by them if the specifications are not restricted as to the size of sheet, number of printings, &c., but be left to the discretion of the various tenderers as to how the work should be done". Now had the Bureau meaning yourself, received any such information? A. Yes, I cannot say just exactly what American firms. The Matthews & Northrup people called me over the phone from Buffalo to say that if they could be allowed to say how many printings would be required to get the results, they would be enabled to tender lower than under our specifications.

Q. That would be one. Would there be several? A. That is the only one I have a recollection of now.

Q. That Matthews, Northrup Company had a special process of their own, hadn't they? A. I do not know. Of course we had to follow in this matter the opinion of the agricultural experts, and they claimed you could not get what they required, bringing out all the lines and everything, without eight or nine printings.

Q. I find this statement in a letter sent by you dated October 20, 1910, to the Matthews Company: "However, you stated at the time," the time meaning months before, "that your prisma process was superior to the lithographing process." Conse-

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quently that was a special process. A. We could not accept a tender by that process in comparison with other tenders.

Q. That was the only possible competitor who had mentioned anything to you? A. To me.

Q. Then we come to this, "Better prices can be submitted if the specifications are not restricted to the size of the sheets." Would it be possible to have tenders without restricting the size of the sheets? A. I do not think so. We expect to get the size of the sheet. The size of the book is decided by the department.

Q. You would have to know the size of the sheet? A. Certainly.

Q. You could not leave it to the lithographers to decide the size of the sheet?

By Mr. Lake:

Q. You spoke of a Mr. E. G. O'Connor, what was his position? He has no position, he is employed as an expert in connection with the inquiry by Mr. Murphy.

Q. Has he any position in the Civil Service of Canada at all? A. No. He was supposed to have some knowledge of the printing and lithographing business. Mr. Ducharme no doubt knows him. He was with the *Montreal Star* and afterwards with the *Herald* and subsequently with the Berlin Lithographing Company, but he has not been connected with the trade for many years. He was selected by Mr. Murphy as an expert.

Q. Do you know from what date he was employed by Mr. Murphy? A. He first came to the Bureau some time in July, 1910, but he did not devote himself to the work continuously. He would come for some weeks for one day, some weeks for two or three days. The thing was not actually closed up until last October.

Q. This letter, in regard to which you have been giving evidence, the letter of October, 1910, you say was drafted by Mr. O'Connor? A. I fancy so, to the best of my recollection it was drafted by Mr. O'Connor.

Q. It is a letter in connection with the routine work of the department, is it not? A. No, it refers entirely to this special case of *Farm Grasses*, at that time it was still in the hands of the experts.

Q. When this letter came down to you from Mr. Mulvey, you understood it to be a letter sent by the personal direction of the minister? A. Of the minister, yes.

Q. Had Mr. Mulvey any status in connection with the Printing Bureau? A. None whatever.

Q. This Mr. O'Connor you have been talking of is not the gentleman of that name in the State Department? A. No.

By the Chairman:

Q. You are a deputy minister? A. I am.

Q. And you are the only head of the Printing Bureau, under the minister? A. Under the minister.

Q. Your responsibility is directly to the minister himself? A. Precisely.

Q. Without any intermediary? A. No intermediary.

Q. And all the officials of the Printing Bureau are under your direct control? A. Direct control.

Q. Now is it proper that any directions should be conveyed to any of the officials of the Bureau except through you? A. No, of course as a matter of departmental convenience between the department and the Bureau, the Bureau serves all departments, but anything concerning the general administration and policy has to come through me.

Q. And for the sake of convenience, you permit in an informal way direct communication not to come through you, but where a dispute arises, or a difference of opinion between an official under you and an official of the department as to the proper way of doing something in your Bureau—A. That comes under my control, and is referred to me.

Q. And should be referred to you? A. Yes.

Q. Nobody else in the world has a right to go in and order that official to do anything he does not wish to do unless the matter is referred to you? A. Unless it is referred to me.

Q. Mr. Cook says that in 1910, on the very day of his suspension, Mr. Mulvey of the State Department asked him to send a remittance of \$5,000, or rather to certify for the remittance of \$5,000, to the Montreal *Herald*? A. Yes.

Q. Was the matter mentioned to you before it was mentioned to Mr. Cook? A. No.

Q. Was it mentioned on that same day that Mr. Cook had been asked to sign it? A. I think it was mentioned whether by Mr. Mulvey or Mr. Cook, I know what I did that day, I could not send the money until I had the proper accounts.

Q. Well, on that day that Mr. Mulvey spoke to Mr. Cook about it, the proper accounts were not in the Bureau? A. No.

Q. When you say the proper accounts, you mean the accounts which it was the practice of the Bureau to require before remitting money? A. No, I mean this, the work was practically completed and I wanted the full account to make one transaction of it instead of remitting \$5,000, and leaving unfinished a part of the business. I wanted to certify—it was for the Immigration Branch—I wanted the accounts to go to them and be certified, and come back, and so be paid in the ordinary way.

Q. You subsequently got these accounts? A. In the next three or four days. I myself was anxious to facilitate payment, it was soon after the calamity that befell the *Herald*, and there was no desire to hold it up. On the other hand, I thought it best to do it that way.

Q. In the circumstances as they did in fact exist at that time, was Mr. Cook justified in refusing to certify for the payment? A. I think he was unless he had my approval. He came to me.

Q. He had your approval of it? A. And consulted me about it.

Q. I am speaking now as to the fact. A. If Mr. Murphy sent down an oral order to do a certain thing, it would be my duty to do it unless it was something dishonourable.

Q. Would it be Mr. Cook's duty without referring the matter to you? A. No.

Q. He could not take upon himself the responsibility of neglecting any directions of the department without your approval? A. No.

Q. And knowing the circumstances as you do now, and knowing all the procedure and the whole surroundings at that time, was Mr. Cook right in saying then, "I cannot certify until I receive the receipts and vouchers."? A. He was perfectly right.

By Mr. Lake:

Q. Even when Mr. Mulvey came to him and said, if he did say, that he conveyed the minister's direct instructions to Mr. Cook that he was to send that money, would Mr. Cook be justified, would he be doing his duty in saying, "I cannot do it without Mr. Parmelee's sanction?" A. That is rather a fine question.

By Mr. Ducharme:

Q. Unless they were in writing? A. They were not in writing.

By Mr. Lake:

Q. With reference to Mr. Cook's suspension why did you suspend Mr. Cook? A. I was ordered by the minister, it was not my instruction.

Q. Had you written instructions? A. No, over the telephone.

Q. You had a telephone message? A. Yes.

By the Chairman:

Q. From whom? A. From the minister.

Q. Himself? A. Himself.

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By Mr. Lake:

Q. You knew his voice, you knew it was he? A. Oh yes, quite.

Q. Do you remember the date of the instructions? A. It was on the second Saturday of July.

By the Chairman:

Q. Saturday, 9th July, 1910, and it was late at night? A. No, it was at noon.

By Mr. Lake:

Q. Were you aware that Mr. Mulvey had been in your department? A. I do not think on that occasion I was aware.

Q. Did Mr. Murphy give you the reason over the telephone why he instructed you to suspend Mr. Cook? A. No reason.

Q. Did you ask the reason? A. No.

By the Chairman:

Q. Were you ever given the reason? A. No.

By Mr. Lake:

Q. When you wrote the letter dismissing Mr. Cook, upon what grounds did you write that letter? A. I was instructed to do it.

Q. Were you instructed in writing? A. Now I cannot remember whether I was instructed in writing or whether I was instructed in the minister's office.

Q. If you were instructed in writing would it be on record? A. Yes, it would be on record, but my recollection is that I was not instructed in writing.

By the Chairman:

Q. The dismissal was not your voluntary act? A. No.

Q. Were you asked to concur in it? A. I was not asked to make any recommendation in respect to it.

By Mr. Lake:

Q. Were the reasons given you verbal or written as to why Mr. Cook was to be dismissed? A. No.

By the Chairman:

Q. Was your opinion asked as to his usefulness or otherwise in the department? A. No.

By Mr. Lake:

Q. Was there any Order in Council passed as far as you are aware dispensing with Mr. Cook's services? A. I suppose there must have been, he was in the service.

The CHAIRMAN: I have not yet seen it.

WITNESS: I have not seen it. I would not say that, I cannot recollect.

By Mr. Lake:

Q. Have there been many other cases since you have been King's Printer of dismissals in your department that have been ordered by the minister? A. They were all ordered by the minister direct, that is, all that took place at that time in that connection. Of course I have dismissed employees for misconduct myself in the general administration but they were paid out of the King's Printer advance account, and I had perfect authority to deal with them. But all that were dismissed from the Civil Service.

By the Chairman:

Q. Who were officials of the service? A. Officials of the service were dismissed by the minister.

By Mr. Lake:

Q. Had you occasion to recommend dismissals for failure of duty to the minister, would that be the regular routine? A. That would be the regular routine in the case of a man in the Civil Service.

Q. Have you had a case of that kind? A. No.

Witness retired.

WEDNESDAY AFTERNOON, January 31, 1912.

ALEXANDER EDWARD MORTIMER, sworn. (Printer and Publisher, Ottawa.)

Examined by the Chairman:

Q. Is Mr. William Mortimer, your brother? A. Yes.

Q. Where is he at present? A. In Calgary.

Q. Is he there on business? A. No, he is away for his health.

Q. Has he been there for some time? A. Since last July.

Q. And he is not expected to be back soon? A. We do not expect him to be back before next spring or summer.

Q. You signed a letter dated Ottawa, August 16, 1910, to the Honourable Charles Murphy for the Mortimer Company, Limited, and you signed it "A. E. Mortimer, Managing Director."? A. Yes, about that date.

Q. Do you remember that letter? A. I think I know the letter you refer to.

Q. This is the letter that was printed in the evidence in that former inquiry? A. I saw that.

Q. Did you write that letter? A. Well, I signed it.

Q. That is not the question I asked you? A. No, I did not write it.

Q. Who did? A. I cannot say but I have an idea.

Q. Where did you first see it? A. In the minister's office.

Q. In the office of the Honourable Mr. Murphy? A. Yes.

Q. Mr. Murphy was present? A. Yes.

Q. Was it typewritten? A. Yes.

Q. Do you remember what date it was you saw it there? A. I could refer to any notes and find out the date; I think it was in August.

Q. Probably, it was on the day that the letter was dated? A. I think so, I do not remember looking at the date, but I presume it was dated that day.

Q. How did you come to be in the office of the Honourable Mr. Murphy? A. I had been up there more than once but I am not quite sure what I was brought up for that day. I have an idea it was regarding rates.

Q. You think you were sent for then? A. Oh, I was sent for.

Q. You did not go there voluntarily that day? A. Not that time.

Q. Was the letter written while you were there; was it already written when it was shown to you? A. I think it was already written and read over to me.

Q. Were you there any length of time on that day? A. I might have been there an hour, or an hour and a half or so.

Q. You were conversing all that time with the minister? A. Well, there were others there also.

Q. You mean to say there were others present when the conversation was going on? A. Yes, sir. There was Mr. Murphy, Mr. O'Connor, and Mr. Hyde, the two experts and another; there was a man named O'Connor in the department.

Q. Was there a clerk named O'Connor there? A. Yes, there was O'Connor the expert and another; there was a man named O'Connor in the department.

Both of them being present when the minister was speaking to you? A. Yes.

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Q. And during the conversation? A. Yes.

Q. Who took part in the conversation? A. All of us, except this O'Connor I speak of, the clerk in the department.

Q. After you went up to the department, did you wait long before you were shown into the minister? A. I cannot remember. There were a couple of times when I was brought right in. I do not think I waited any time that day. There are some times I have waited. It is customary to wait.

Q. But on this occasion the hour and a half you have mentioned was while you were in there discussing the matter together? A. Yes.

Q. And the subject of discussion was the letter? A. That was the first thing, and that was only for a few minutes.

Q. Did you sign the letter at the end of that few minutes? A. Yes.

Q. And then you went on with the discussion of other business? A. Yes.

Q. Did you carefully read over this letter when you signed it? A. I read it over and I stated that if I were writing that myself I would write it somewhat differently. He said: That will answer the purpose, that is the truth practically. I said: It will answer the purpose, but it is a little bald or raw, I forget what word I said, but something like that.

Q. Who said it would answer the purpose? A. The minister, meaning it would cover the truth.

Q. That is the meaning you took from it? A. That is the meaning I took from it.

Q. Now, that letter expresses itself to be concerned with statements made by Mr. Cook to Mr. William Mortimer? A. That is it. It is all hearsay so far as I am concerned, that is, as my brother explained it to me.

Q. On that occasion you had no other information, except of the recollection you had of what your brother had said to you? A. Reported to me.

Q. You are supposed to be writing this letter in August, and the statements which the letter concerned had taken place, in one case, away back in April? A. Around April.

Q. And another portion apparently in June? A. What is the reference to June?

Q. I will draw your attention to that in a moment. When you went up to the department the day you signed this letter, you did not know you were being called up to sign the letter? A. No.

Q. And you had no conversation with your brother about these things on that day? A. Well, that I cannot say, but I do not think I had, not on that matter. I am pretty positive I had no conversation with him on that matter.

Q. As a matter of fact, was your brother in town on that day? A. I am pretty sure he was. I do not think he was away that summer at all.

Q. I notice that on September 26 of that summer he was here, because he gave evidence that day? A. He was only away for a week or so on holidays, I am pretty sure he was here that day.

Q. Can you give any reason why you should sign that letter when your brother could have been asked about it himself? A. No, I cannot give any reason for that, other than this: the matter was pertaining to the business, and I looked on it as a foolish thing for him to do, although he did it in good faith not meaning any harm about it, but he has a very nervous disposition and absolutely he could not face the minister, although I understood they were old school chums together.

Q. Did you mean to say Mr. William Mortimer did not go on that day because he could not face the minister? A. Not at all. I asked him to leave matters to me and I would attend to them. I asked him some time previous.

Q. Had there been any previous intimation to you that you would be asked to sign the letter? A. None whatever.

Q. You told us that the letter was already written when you went in there and it starts out with the statement that at an interview in the Printing Bureau in April last, Mr. Cook stated to Mr. William Mortimer. Now, it was apparent from that that you were expected to sign a letter concerning conversations with your brother? A. As you put it. As I understand it, I was up with the minister before. As you put it this whole thing was sprung on me by the minister, whereas before we had talked this matter over.

Q. I am asking you if you can give me any reason why on August 16 your brother was not asked to state a fact instead of your being asked to state what was mere hearsay? A. I cannot say about that at all. I have no reason for it.

Q. You say this matter had all been talked over between you and Mr. Murphy some days before? A. Yes.

Q. You asked me a moment ago what the reference to June was and I want to point it out to you if I can make it clear. We have evidence here that on the 9th of June, 1910, the minister wrote a letter to Mr. Parmelee asking for the file of correspondence. Then we have Mr. Murphy's letter to Mr. Parmelee, dated June 10, in which he says that in reply to the first letter the file had been sent to him and he found a certain letter attached to the face of each tender bearing Mr. Parmelee's signature and marked "copy." Then in the printed evidence of the inquiry we have Mr. Parmelee's evidence in explanation of these letters marked "copy" to the effect that they were written in June, but dated in April, because the minister about the 9th of June had expressed his desire to have a file of the correspondence containing some memo. of the verbal conversations which had taken place since with Mr. Cook and certain tenderers in April. Mr. Parmelee states that the idea of sending in June these letters dated in April was entirely his own, because he thought that he was complying with the minister's request to have the files made right. Now, then, upon that statement of fact, I want to draw your attention to your letter, dated August 16 in which you say:—

"At an interview in the Printing Bureau in April, last, Mr. Cook stated to our Mr. William Mortimer that you had given a contract for the edition of *Farm Grasses* to the Toronto Lithographing Company, and that as the contract amounted to more than \$5,000 you desired to have on file correspondence showing that you had invited tenders for the work, and that the Toronto Lithographing Company was the lowest tender."

Now, Mr. Cook makes two statements, first, that in April, he did tell Mr. William Mortimer that he had prices from the Toronto Lithographing Company, and second, that in June, when these letters were sent out, dated April, he did explain to Mr. William Mortimer the desire of the King's Printer to have the file of correspondence set right. Your letter refers to both of these things as having taken place in April, last, when it was impossible that there could have been any discussion about the correspondence, because, as I point out, that did not take place until June, as the evidence shows. Now, how did you come to express the letter in such a way as to say that the conversation about the price received by the Toronto company and the conversation about the correspondence file being set right occurred at the same interview in April. You had better hear that question read over so that you may understand it? A. I think I can grasp that. In April we were led to believe we lost this opportunity of doing that lithographing, and it had gone to the Toronto Lithographic Company, also in April, not the same day or anything like that, I understand that they wanted the files complete, not in the same interview.

Q. Now, I have pointed you out this thing, in order to give you an opportunity of straightening it out, because you are not responsible for the framing of the letter the minister having had it prepared. I point out to you from the letter and the evidence, that the desire to have the correspondence set right was not expressed until

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June? A. Well now, I understand that this estimate of ours was put in before the minister wrote us the letter, at the same time that he wrote the letter to the King's Printer in June, asking us, on this matter of the tender and also referred to why did we put in a separate price for paper as well as for the lithographing.

Q. Do you mean to say that in June the Honourable Charles Murphy wrote you a letter about these matters? A. Yes.

Q. Quite so. But don't let us get confused. Perhaps I will be able to draw your attention to it in this way. On page 275 of the blue book containing the evidence at the inquiry, the minister asked the question concerning the correspondence filed:

"My instructions were to this effect substantially, that as the original instructions given in Mr. Fisher's room had not been carried out, and as there was nothing on the file to show how the transaction began, I wanted a letter written to place on the face of the file, showing what Mr. Cook had asked each tenderer from whom he had asked prices. That was what my letter of June 9 asked for, and its terms certainly did not lend themselves to any such interpretation as was placed on them here."

In answer to that Mr. Mortimer says:

"Mr. O'Connor was here and what I wanted to get at was just what you needed to complete the file, and Mr. O'Connor came back and said that what you wanted was a letter showing that these specifications and invitations to tender had been submitted to these firms."

Then Mr. Murphy asked this question:

"Was that your own view or Mr. Cook's?"

and the answer to that question is:

"It was my own view."

Now, I cite that evidence to you to show you that the action of trying to get the correspondence filed right off took place in the month of June, and I read your letter dated August 16, in which it is made to appear as though Mr. Cook's statements that the contract had been given to the Toronto Lithographic Company, and that it was desired to have on the file correspondence showing the invitations for the tenders, both of these things are made in your letter of August 16 to appear as though they occurred in the same interview in the month of April? A. Well, that I cannot say right off. I know that it was about April that we were told that we could not have the work, that it would have to go to Toronto, and I thought that my brother made up a tender shortly after that. I think the records will show when it was.

Q. That is so, but that is not the point I want you to grasp, that the talk about setting the file of correspondence right was two months after all that had occurred about the tenders? A. Yes.

Q. And that in your letter of August 16 you make it appear as though it had occurred at the same time, and the same interview? A. My letter may be that, but I do not understand it that way. I understood we lost the contract, and it may be a week or two weeks, or towards the end of April, that we were asked to put in a tender to complete the files. That is, as I think it occurred. I think the record would show whether it was done in June or April.

Q. If that paragraph in the letter is open to the interpretation that these things occurred on the same day in April, you are not responsible for the form of that letter? A. No.

Q. And you did not take notice that it conveyed that idea? A. No, I did not take notice it conveyed that idea.

Q. When you received a formal letter from the department, asking you to put in a tender was there any covering letter with it from Mr. Cook? A. When we put in this tender?

Q. No, I do not mean when you actually gave Mr. Cook the figures in the month of April, but when you later received a formal request to date it sometime before you actually received it, asking you to put in something which would set the files right; did you get any further letter, signed by Mr. Cook, explaining why that was needed from you or why this letter had been sent to you? A. I have all that correspondence on my file and I can telephone down and get it up here in ten minutes.

Q. Please do so. You say here in this letter dated August 16: Mr. Cook asked Mr. Mortimer to put in a tender slightly higher than that of the Toronto Lithographic Company—that was all hearsay? A. Yes.

Q. Do you swear now that Mr. William Mortimer told you that? A. Yes.

Q. Was that request, as you understood it, made at the time in April when Mr. William Mortimer was told that the contract had been given to the Toronto company? A. That is what I sent for the correspondence for. I think it was later on, not the same interview.

The examination of the witness was suspended to await the correspondence sent for.

Examination of Mr. MORTIMER, resumed.

By the Chairman:

Q. You have here a letter from Mr. Parmelee dated April 20? A. Yes, there are two of them there together.

Q. I quote from this letter as follows:

OTTAWA, April 20, 1910.

GENTLEMEN,—

“Will you kindly quote a price per pound at which you are prepared to supply paper for an edition of *Farm Grasses* in accordance with specification hereto attached, same to be delivered at the Government Printing Bureau, Ottawa, on or before the 30th of April, 1910.”

Yours truly,

C. H. PARMELEE,

King's Printer and Comptroller of Stationery.

“To the Mortimer Company.”

Q. Was that letter which I have just read, actually received on the day of its date? A. No. From my correspondence I figure it was not received until June.

Q. And then, when it was received in June, was there an explanation why, although received in June, it was dated in April? A. I think that is covered in the letter signed by me to the minister. There is a copy of it attached to that file.

Q. What I want to get at is this. It was in June that you got a letter dated April 20. Now, naturally, unless you had some explanations why it should be dated two months before, you would be surprised and your letter to the minister dated August 16 referred to some explanation that was given to Mr. William Mortimer. Now, was the explanation which was given to Mr. William Mortimer about this letter dated April 20, given in June or in April? A. Do I understand you, when these letters were handed to us, was an explanation given?

Q. Yes? A. I understand the explanation was given in June, because immediately I opened the mail and got the first letter from the minister, asking us to put in a price,

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as soon as I got that in my correspondence, I turned it over to my brother and I said: "here, what does this mean, you had better go down and get an explanation." He went down and received these other two letters.

Q. The letter which you refer to as having started this inquiry by you of your brother is dated 10th June, 1910, addressed to the Mortimer Company, Limited, and signed by Charles Murphy, and is as follows:—

"I am informed by the King's Printer that in April last there was sent to you an invitation to tender for a new edition of *Farm Grasses*. As a contract has not yet been entered into I would feel obliged if you would be kind enough to send me a copy of the invitation in question and of any other correspondence on the subject. I understand you were asked to put in a tender for engraving and litho. printing of the edition mentioned, and at the same time you were asked to submit a separate price for the supply of paper required for the edition in question. Be good enough to let me know what in your opinion was the practical effect of asking for two separate sets of prices. Also, what date was set for filling the contract.

"As I wish to deal with the matter on Monday next, the 13th instant, I would feel grateful if you would send me your reply by return mail."

Yours truly,

CHARLES MURPHY.

THE MORTIMER CO., LTD.,
Ottawa.

Now upon receiving that letter you spoke to your brother and asked him what it meant, and your brother went to the Bureau and received the two letters dated April 20? A. That is as I understand it.

Q. That appears to be correct. Then the explanation made in your letter dated the 16th of August, to the minister, in which you say to him: "You desired to have on file correspondence showing that you had invited tenders for the work, &c." must refer to the June explanation given to your brother? A. Well, no, as I understand it, it refers to the June explanation but his conversation came up away back in April.

Q. Which conversation? A. Between Mr. Cook and my brother.

Q. As to price? A. Yes, at the time he put the tender in. I would understand it was that way, that it was away back in April.

Q. How could it be? A. That is the time he asked him for the price.

Q. But you have just explained now that getting the letter in June you asked your brother what it meant? He went down to the Department in June and then got two letters dated in April with an explanation? A. Yes.

Q. Was not that explanation as to why there were given him in June letters that were dated in April? A. Yes, I see what you mean.

Q. The explanation that they desired to complete the file must have been made in June? A. Yes.

Q. As a matter of fact I may tell you that Mr. Parmelee swears it was? A. Yes, excuse me, I misunderstood you.

Q. It is fair to you that I should explain this: That it had been so apparent upon my reading the letter dated the 16th of August, that whoever drafted this letter had put together as one thing two things which had occurred the first in April and the latter in June, and I thought an opportunity ought to be given to you to explain that? A. I see.

Q. Your explanation would be now that if the language bears that interpretation it was a mistake? A. Yes.

Q. And that for that mistake you are not responsible except that you signed the letter? A. Signed the letter, yes.

Q. There is a further proof that this talk about the correspondence must have been in June, in these words quoted from your letter of the 16th of August: "Mr. Cook

added that this correspondence was required in case a question was asked about the matter"? A. As I understood it that is the explanation that was given in April, not that the minister asked it, although you would think it there that the minister requested that these files should be complete, and as it was over \$5,000 tenders should be asked. I would not understand it in that way. I understood all along, from some years ago that that rule meant that anything over \$5,000 was to be by contract or tender and a lot of it would be taken for granted that these files had to be kept in order. I would not understand that the minister stated that this job was gone to the Toronto Lithographing Company and they had to keep complete files to show there were tenders asked for.

Q. But as a matter of fact, that conversation did not take place and could not take place until June. Please try to grasp the position. In June you received letters dated April? A. Yes.

Q. You draw that to your brother's attention and he goes to the Bureau to find out what the dating back means? A. Yes.

Q. He is told that the reason for it is that they desire to set the files right? A. Yes.

Q. That must have been said in June and not in April? A. That part of it looks right, certainly it was in June.

Q. Mr. Cook stated that this correspondence was required in case a question was asked about the matter—you state that in your letter—now, the correspondence was not required until June, did not take place in fact until June although it was dated in April? A. Yes.

Q. Then Mr. Cook could only have made that statement at the time it was required? A. Yes.

Q. He could not have made it before he asked for the correspondence? A. No.

Q. Then it was evidently in June and not in April? A. Yes.

Q. I was asking you about the end part of the letter. You say: "As the tender of the latter company (meaning the Toronto Lithographing Company) had been placed on Mr. Cook's desk where Mr. Mortimer could see it, the latter copied the figures and returning to our office made up a tender as requested by M. Cook," are you referring now to the figures which were given in April? A. Yes.

Q. Do you mean to imply there that the latter was placed on Mr. Cook's desk in such a manner that Mr. Mortimer could see it for the purpose of allowing Mr. Mortimer to see it? A. No, not for a minute do I wish to imply that, and I do not think my brother did either.

Q. Then you mean to say now, that if the letter conveys that impression that Mr. Cook wilfully put the letter where Mr. Mortimer could see it, you did not mean that in the letter? A. I do not wish to convey that. I only made a plain statement of facts. The letter was lying there, and Mr. Mortimer availed himself of his eyesight.

Q. This is a serious matter for Mr. Cook, you don't mean to imply that Mr. Cook left it purposely there for Mr. Mortimer to see it? A. Not for a minute.

Q. So that there was no collusion between him and Mr. Mortimer? A. I am positive there never was any collusion.

Q. Now, Mr. Cook got prices from the Toronto Company between February 28 and March 2, 1910—the evidence goes to show that those prices were laid before the minister by Mr. Parmelee. The minister objected that further prices should be got; Mr. Parmelee directed Mr. Cook to obtain prices from other people, Mr. Cook then did obtain prices from the Mortimer Company and we have the fact to that point—did you take any part in preparing the prices given by the Mortimer Company? A. No.

Q. It was at that time that your brother saw the Toronto Company's price? A. In April I understood.

Q. And he returned to your office and did he make up your price at that office? A. Yes.

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Q. And your company put in a tender dated April 22, 1910, addressed to C. H. Parmelee, to do that work—that letter I find is signed by W. H. Mortimer, Secretary Treasurer—did you and your brother consult over these prices at the time? A. He claims he did speak to me when he was putting the price in but I do not recollect anything about it.

Q. You don't know in that case whether the price was a bona fide one or a bogus one? A. I am not in a position to say that.

Q. Did your brother ever tell you that it was a bogus tender? A. He told me afterwards that it was put in just to complete the files as I explained there.

Q. Now I have pointed to you several times and you must be seized with it now, that the desire to complete the files did not take place until June and the tender was given in April? A. That is right.

Q. Is it apparent from that that the desire to complete the files had nothing to do with giving in April a tender to do the work? A. It was in April that he put in the price; it was in March we knew we lost the work.

Q. It was in March you knew that Mr. Cook had given it to the Toronto company? A. Yes.

Q. But in the meantime, between March and April, the minister had refused to confirm what Mr. Cook had done and directed that prices should be got, and Mr. Cook went to various places and amongst others applied to you for prices because the minister had refused to confirm giving the work to the Toronto company? A. Yes.

Q. Now I ask you this—you did give prices in April? A. Yes.

Q. And the desire to complete the files about which you are talking, was not expressed until June? A. I see it now.

Q. Do you say now in the face of that that the tender put in by your brother was a bogus one? A. No, I would not now. But if it had come to a decision and I had known the work was given to a competitor you bet I would put in a higher price every time. I would protect him, I would not butt in on him.

Q. That is not the position of affairs and I did not ask you that. I repeat: Mr. Cook had told the Toronto company to do the work; upon the figures being reported to the minister he would not even look at it until further prices had been got. Mr. Parmelee swears he sent Mr. Cook out to obtain further prices and in prosecution of that order Mr. Cook applied to your company for prices and the tender signed by your brother dated April 22 was put in at the time when the Toronto job had been stopped? A. Yes.

Q. Away back in June, two months after that, the desire was expressed by the minister to have the files of correspondence set right, but that had nothing to do with the actual offer which your company had put in in April because with respect to that the files were all right at the time. Now I ask you this: From your own knowledge, and you are on your oath, whether you have been told by anybody that when that offer of April was given it was a bogus offer? A. Well, I would call it a bogus offer.

Q. I do not ask you what you would call it; you evidently don't or won't understand—I ask you this plain question: Whether your brother told you that when he gave that offer of April 22 it was a bogus offer? A. Yes.

Q. Given for that purpose? A. Because it was \$5,000 and over and they wanted that price so as to have one or more other tenders?

Q. And this is the first time you have offered this explanation? A. I did not understand it that way. I have been trying to impress on you all along that that is the way I figure the thing.

Q. That is the way you figured it, but your brother had given his evidence on oath afterwards and he never suggested that. And furthermore your letter dated August 16 does not give that as a reason. The letter which you signed on the invitation of the minister dated August 16, gives a reason for putting in that tender in April that Mr. Cook desired to have the files of correspondence set right. Now you say

that could not have been the reason in April? A. This is the first intimation I have had that the minister refused to accept the price of the Toronto Lithographing Company.

Q. Don't let us get off this point—don't you see from the evidence and correspondence and the manner in which your memory has been refreshed that the desire to have the correspondence filed set right took place in June? A. Yes.

Q. Don't you see then that the desire to have the correspondence set right expressed in June could not be the reason after having given the tender in April two months before; you see that don't you? A. No, I don't; if you allow me to give an explanation.

Q. I will with pleasure. A. When my brother or we put that price in in April we put it in for as we called it, to complete file. There was a further talk of completing files in June when they had to have one or more tenders in April.

Q. And you say that in April the reason that tender was put in was to complete the files? A. Yes.

Q. Did you read these words: "our figures were not in the nature of a tender but were to be used merely for the purpose of justifying the giving of the contract to the Toronto Lithographing Company"—do you repeat that statement now? A. Yes.

Q. You mean now on your oath to assert that you entered into a piece of deception? A. Well I would not say it was meant for that. It is really what it means but it was never meant for that at all between one or the other of them.

Q. But you were consenting, according to your statement, to put on the files an offer which you never intended to make bona fide? A. You mean that we would have refused to fill the order at that price?

Q. Would you have refused to fill the order at that price? A. No, sir, we would have to fill it.

Q. You would have to fill the order at that price? A. Certainly.

Q. In that sense it was not a bogus offer? A. No, it was not a bogus offer.

Q. The price was actual and real? A. The price was actually real.

Q. The point I want to get at is this: When you did give this price in that tender do you now say you used it merely for the purpose of justifying what had previously been done by Mr. Cook? A. I would say yes, to justify.

Q. Then you were helping to make some evidence to exonerate Mr. Cook? A. Well it looked that way but that was not the intention.

Q. Did you give that offer for the purpose of exonerating Mr. Cook? A. No, I would not say that at all.

Q. In any case that language is the language used by Mr. Murphy in preparing the letter? A. That is his preparation.

Q. And the language is not your choice of language? A. Not my choice of language.

Q. If you had to express it over again you would not have done it that way? A. If I had known it was going to go out in public I would never have signed it, I did not know it was going in print.

Q. You have been placed in a most unfortunate position? A. I can appreciate that now, I was not brought before any investigation commission then.

Q. You were not on oath when you were talking with Mr. Murphy? A. No.

Q. Did he explain to you what he wanted the letter for? A. He wanted the facts.

Q. Did he say what use he was going to make of it? A. He said he was not going to make any use of it, if he wanted the facts he would have them. Remember I knew there was an investigation there at the time and I was not the same as I am now; I was not before an investigator at the time, this was up in his own office.

Q. But when you were asked to sign that letter you naturally hesitated? A. Yes.

Q. And you were told by Mr. Murphy he would make no use of the letter? A. Yes, sir.

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Q. If you had thought that use was going to be made of the letter would you have been much more careful? A. I would not sign it. I would say I will take it and write it out myself.

Q. What conversation took place in the minister's office after you signed the letter, what was the conversation about? A. It was principally led off by Mr. O'Connor of Montreal while we were waiting. I said you had better give me a copy of that letter, and he called his stenographer in and was getting a copy made. Then there was some question came up about a 50 cent or a 60 cent rate for composition and he mentioned to the minister that they had made inquiries in the Bureau and that he thought 60 cents a thousand M's was too high. He said he thought it was a fair rate and he referred to me and then we got into some argument and talked about the rate for half an hour. There was nothing more about this.

Q. You have known Mr. Cook in his office in the Bureau for a long time have you not? A. Yes.

Q. And I presume you had a considerable amount of business to do with him? A. I had considerable.

Q. Had you ever any cause to complain of him as a public servant? A. No, not as a public servant.

Q. Have you ever known him to be guilty of dishonesty as a public servant? A. No.

Q. You found him always acting properly; did you ever find him too ready to put your bills through and to pay what you asked? A. I have always found him ready to put the bills through.

Q. If they were right? A. If they were right according to his way of thinking, but we did not always agree on that.

Q. You were not always satisfied? A. No.

Q. When you say you had no cause of complaint of him as a public servant, what do you mean by these words? A. I mean that I thought he was too strict, as I told the minister, and straight-laced.

By Mr. Ducharme:

Q. On the 16th day of August you went to the minister's office? A. Yes.

Q. And you stayed there for an hour and a half? A. Yes.

Q. You said that the letter was signed within the first few minutes that you were there? A. Yes.

Q. And that the main object of the interview had been to discuss something else? A. Yes.

Q. Was it to discuss contracts and that kind of thing? A. It was a general talk regarding prices.

Q. You say the letter was read to you? A. Yes.

Q. Who was it read by? A. The minister.

Q. You signed this letter within two or three minutes of the beginning of the meeting, it being prepared in advance, were the terms of the letter pre-arranged with you? A. Oh no.

Q. You never knew the contents of the letter until the time they were read to you inside the office? A. Remember we had a conversation about it. The minister sprung all this news on me when he first met me.

Q. But the phrasing and contents of the letter were not discussed? A. No.

By the Chairman:

Q. Signing it as you did under these circumstances, the force and meaning of the phrases in the letter did not occur to you at that time? A. It did not occur to me. It looked very much different in print to when it was read to me.

Witness retired.

ROBERT E. COOK re-called:

Examined by the Chairman:

Q. There is one matter I would wish to make clear. On page 271 of the Blue Book of Evidence, when referring to the first interview between the minister, Mr. Parmelee and you over *Farm Grasses*, and the letter which the minister says he wrote to Mr. Parmelee dated March 26, the minister goes on to ask this question: "The next step in the matter, according to my record of it, is that early in April you and Mr. Cook came to my office with some papers and explained to me that prices had been obtained from a couple of Canadian firms and that the Toronto Lithographing Company was the lowest. Do you remember that interview?" Mr. Parmelee's answer to that was, Yes. In a speech of the minister of date April 25, 1911, referring to the same matter he says, "as reported in *Hansard*, some weeks later Mr. Cook again made his appearance in my office and produced a typewritten sheet on which he had placed a list of alleged tenders that he had received for this work. I demanded that I should be shown the invitations to tender and the replies. He did not have either invitations or replies. I then inquired how he got these prices, and he said he had gone around and got them verbally." Were you present with Mr. Parmelee in the Hon. Charles Murphy's office on the occasion referred to in these two extracts? A. I was not.

Q. Did you see the Hon. Charles Murphy on that occasion at all? A. I did not.

Q. The prices were shown to him by Mr. Parmelee, were they not? A. I believe so.

Q. You understood so from Mr. Parmelee's evidence here? A. I did.

Q. Now, who made up the list of prices which appears at 37 of the Blue Book called, "Summary of tenders received"? A. I did.

Q. To whom did you give that when you made it up? A. To the King's Printer, Mr. Parmelee.

Q. On the printing department file which appears to bear number 11557, there is a tabulated statement similar in terms to the printed statement at page 337 of the Blue Book—is that the original statement provided by you for the King's Printer? A. It is.

Q. And the writing at the bottom of it: "Two-thirds of this lot delivered at Bureau free of freight"—is that in your handwriting? A. Yes.

Q. That would be provided for Mr. Parmelee just previous to the interview between him and the minister at which you were not present? A. It would.

Q. Which was held in the latter part of March or early in April? A. It would.

Q. Do you know Mr. James S. Brierley of Montreal? A. I do.

Q. What is his occupation? A. Managing director of the Montreal *Herald*.

Q. After your dismissal did Mr. Brierley write to the minister about you? A. He did.

Q. Did he supply you with a copy of the letter he wrote? A. He did.

Q. And this is the letter dated Montreal, October 12, 1910? A. That is a copy of it, the copy he sent me. Mr. Brierley asked for the return of the original copy.

Q. Who is Mr. William Briggs? A. He is the book steward of the Methodist Book and Publishing House, Toronto.

Q. Did he supply you with a copy of the letter he had written to the minister? A. He did.

Q. And this is the copy which you now produce? A. It is.

Q. Did you tell Mr. William Mortimer that the contract had already been made with the Toronto Lithographing Company? A. I did.

By Mr. Lake:

Q. Did you tell him that before he put in his tender or after? A. Before.

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Q. Explain how you came to tell him? A. On my return from Toronto, after having secured the tender from the Toronto Lithographing Company, that is to say in the beginning of March, 1910, I reported to the King's Printer. Two weeks intervened between my presentation of that report to the King's Printer and our visit to the minister. During these two weeks the *Farm Grasses* was the subject matter of discussion every once in a while over my counter. Mr. William Mortimer visited the office almost daily and I mentioned the subject repeatedly of *Farm Grasses* and told him that a price \$1,100 less than had been arranged for the previous year for *Farm Weeds* had been agreed upon by the Toronto company to do *Farm Grasses*.

By the Chairman:

Q. That was in the way of conversation? A. Yes, sir.

Q. You told him that prior to the interview at which the minister refused to confirm what you had done? A. I did.

Q. And then the minister having refused that Mr. Parmelee directed you to go out and get prices from other people? A. He did.

Q. And amongst others whom you asked for prices were the Mortimer Company? A. Yes.

Q. Did you explain to the Mortimer company the fact that the minister had refused to act on the Toronto company's offer? A. I told them so.

By Mr. Lake:

Q. And that there was no contract with the Toronto Lithographing Company? A. Yes.

Q. And it was open to negotiate to make a tender? A. Yes.

By the Chairman:

Q. Did you make it clear to Mr. Mortimer that you were asking for a bona fide tender? A. Yes.

Q. So far as you were able to, and as you believe now, did Mr. Mortimer understand that he was being asked for a bona fide tender? A. He did.

Q. Did you say anything to him at that time to make him believe he was giving a tender to complete the files? A. I did not.

Q. Or that he was giving a tender to cover up your previous conduct in giving work to the Toronto company? A. I did not.

Q. Did you let him understand at that time that if his tender was lower than anybody else he might get the job? A. It was not mentioned.

Q. Then with regard to the statement in the letter signed by the witness Alexander Mortimer, that the tender given by the Mortimer Company in April 1910, was given merely for the purpose of setting the files right, is there any truth in that statement? A. There is not.

Q. The desire to have the files set right was expressed two months after the tender was given? A. It was.

Q. Is there any truth in the implication in that letter or in the evidence given recently by Mr. Mortimer that the prices were quoted in April merely to condone or excuse your conduct in having given the work to the Toronto company? A. No, sir.

Q. This is a copy of the letter you received from Mr. Brierley?

"MONTREAL, Oct. 12, 1910.

Hon. Charles Murphy,
Ottawa, Ont.

My dear Mr. Murphy.

"I am writing you on behalf of R. E. Cook, late of the Printing Bureau, and I want at the outset to ask you not to misunderstand my position. I am the last

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man to ask any favour to be shown to Cook or any one else whose guilt, or negligence, or inefficiency has been clearly demonstrated. I know you have been doing a great work cleaning up the Printing Bureau and it looks incapacity has been demonstrated beyond any doubt, I have nothing further to say. I must, however, speak of men as I have found them, and during the fourteen years I have had relations with the Bureau I have uniformly found Cook not merely courteous, attentive and industrious, but apparently one of the few men who was devoted to his work, who took an interest in it, who appeared thoroughly competent, and who deplored the lax condition which prevented the best results from being secured. Imagine my surprise, therefore, when I heard that Cook had been dismissed. He has since asked me to speak on his behalf. I declined to do so unless he could give me satisfactory evidence that might justify you in opening the case. This evidence he has apparently given me in a long communication, but of course I do not know the other side of the story. He says that the whole crux of the situation is that the K.P says that he exceeded the orders given him, while he swears that he did not. If this should be the real reason for his dismissal, and if there is room for difference of opinion upon what were his orders, and if there is no evidence of incapacity or graft against him, possibly his case is one which you might feel justified in reopening. I have no desire to add to your burdens in this matter, but I do wish to say a good word on behalf of a man who has impressed me as a most efficient figure in the midst of a lot of much less efficient men.

Yours very truly,

(Sgd.) JOS. S. BRIERLEY."

A. Yes.

Q. This is a copy of the letter from Mr. Briggs:

"TORONTO, Oct. 10, 1910.

The Hon. Charles Murphy, B.A.,
Secretary of State,
Ottawa, Ont.

"My dear Sir,—

"You will pardon my approaching you in a matter which possibly does not directly concern me, but I felt constrained after reading an announcement in the press a few days ago to at least speak a word for one who seemed to me to be a worthy man. I refer to the intimation of the dismissal of Mr. R. E. Cook, late of the Department of Printing. Of course, I know nothing of the conditions with which you have had to deal so strenuously, nor even the particulars of this one case; but, for some years past, we have done considerable work for the Department of Printing at Ottawa, and for a number of years Mr. Cook has been to a very large extent the medium through which we have negotiated, and our experience with him is what constrains me to write you this note. We always found Mr. Cook to be the soul of honour in all business transactions, ever watchful of the interests of the Government he represented, and never by word or suggestion did we ever see anything improper in him; in fact we had learned during the progress of the years to hold him with very great respect. You can well understand, therefore, dear Sir, how the item mentioning his dismissal affected me, for we had grown as you might say quite fond of Mr. Cook.

"Now, dear Sir, I have no disposition whatever to interfere with the administration of your important Department of Government, much less for a moment to question the action above referred to. It has just occurred to me that possibly at this juncture a line of commendation of his worth as we had found him might weigh in his favour in case of his re-engagement should ever come to the front. If I have trespassed upon forbidden ground I trust you will pardon my importunity. My motives are simply those of friendship for one whom I had found to be worthy.

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"Wishing you every success in the administration of public affairs, believe me,
Honourable Sir,

"Yours very truly,
"WM. BRIGGS."

A. Yes.

Witness retired.

OTTAWA, February 1, 1912.

Thursday Afternoon sitting.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Mr. THOMAS MULVEY, Under Secretary of State, called, sworn, and examined.

By the Chairman:

Q. We are making some inquiries into the dismissal of Mr. Cook and there were a couple of points on which we wanted to get some light from you. A. Yes.

Q. The first one was an incident concerning the proposed remittance to the Montreal *Herald* in 1910. A. Yes.

Q. Would you kindly tell us what took place between you and Mr. Cook on that occasion? A. I had occasion to look into this once before, because it was stated to me that I went down to demand a cheque from Mr. Cook for the Montreal *Herald* and he was immediately dismissed, and that he connected these two together. It was, oh, perhaps seven or eight months ago that I made inquiries to find out exactly how the thing stood, and I can only speak from my recollection of that time. Now I think it was on Saturday morning, I would not say positively—

Q. That was on the 9th of July? A. I think it was Saturday morning about, I guess, in the neighbourhood of 11 o'clock, as Mr. Murphy was going to Council, that, I think is so, he handed me a telegram from Brierly of the Montreal *Herald*, in which they asked for a payment on account of some printing they had done. I immediately went down to see Mr. Parmelee and asked him if a payment could be made. He said that they knew nothing about it, that the contract had been placed by the Immigration Department, and that payment had already been improperly made by the Immigration Department on account of the contract. He said that they had no invoices from the Montreal *Herald*. Now whether all this conversation took place in Mr. Parmelee's room I shall not undertake to say. I am inclined to think that Mr. Parmelee immediately said: "We will go and see Mr. Cook," and it was there that I got this information. They said that they had notice from the Immigration Department that the goods had been shipped. These were all immigration literature and distribution at the Brussels exhibition, and the goods had been shipped from Montreal. How they were shipped I do not know, but I think there were advices from the Immigration Department that they had been shipped, but Mr. Parmelee and Mr. Cook both said that they could make no payment because there were no invoices. Then I asked Mr. Parmelee to telegraph Brierly to send invoices. That is all I had to do with the transaction.

Q. I want you to search your memory carefully because we have heard both from Mr. Parmelee and Mr. Cook, it is fair to tell you, and they are in contradiction with you. A. I can only tell you my recollection.

Q. I do not expect you to do more than that. A. Are you quite sure you saw Mr. Parmelee before you saw Mr. Cook? A. Yes.

Q. And on the same day? A. Yes, yes. Well now I would have absolutely no recollection of the transaction at all, only as I tell you that I looked into it about six months ago.

Q. You refreshed your memory? A. Refreshed my memory at that time, and to give you one with the other my movements on that day, I could not do it.

Q. No? A. I know that my practice was—I can only argue it out—my practice was that when Mr. Murphy asked me to go down to the Bureau to see about anything I went to Mr. Parmelee first, as a matter of courtesy, and while I would not affirm positively that I did so on that occasion, yet I believe it to be so.

Q. If Mr. Parmelee says, as he did say, I think, speaking under correction—A. Well, I have a distinct recollection of discussing the matter with Mr. Parmelee and Mr. Cook.

Q. On that day? A. On that same day, that is my recollection.

Q. And you say that despite any evidence of Mr. Parmelee to the contrary. A. I am speaking for myself, not from what anybody else says.

Q. He has positively stated to the contrary and I am asking you to be very clear.

By Mr. Lake:

Q. You are positively certain in your own mind? A. That is my recollection of it. Just as I tell you, it is a recollection of something that occurred nearly two years ago, about which I didn't bother my head. But as I say, as I look back to it now, that is my recollection of it.

By the Chairman:

Q. What I am anxious, however, to get, is whether you now have a clear recollection of what occurred at that time, or whether you are really recollecting what you tried to recollect on the previous occasion? You see the distinction. A. Well, my previous recollection had nothing to do with this. That is to say, what I want to make clear is this: whether I saw Mr. Parmelee and Mr. Cook together on that day had nothing to do with my recalling the subject before.

Q. I want to tell you this, merely for the sake of the evidence: Mr. Cook has sworn that you came to him without seeing Mr. Parmelee, and that he, differing in opinion from you as to whether the thing should go on or not, referred you to Mr. Parmelee and you then left. Mr. Parmelee on his oath said that you did not see him at all on that day. A. I think he is wrong, that is my view of it. You see, it was not a part of my duties at all. I went down because Mr. Murphy asked me. It was not a duty of my office. But Mr. Murphy—it was shortly after the Montreal *Herald* fire. If there was money coming to these people Mr. Murphy wanted to get it for them, and asked me to expedite it for them.

Q. On your return did you tell Mr. Murphy what had taken place? A. Yes.

Q. And it was on the same day Cook was suspended? A. I really cannot tell you absolutely, but I believe it to be.

Q. There is another matter I am going to ask you about and it is this: We had yesterday the evidence of Mr. Albert Mortimer, of the Mortimer Company, Limited. A. Yes.

Q. In reference to a letter dated August 26, 1910, signed by him. You will remember it probably. A. I do not remember, it is such a long time since I have been through any of that evidence. It is the Bureau Investigation Report you are referring to?

Q. The letter in question appears on page 297 of the Report of the Bureau Inquiry. A. (After looking at report) Yes, I know this letter.

Q. Do you know how it was signed? A. No, I do not, I did not see it signed. No, I cannot tell you where it was signed.

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Q. Do you remember Mr. Mortimer being present in the office of the Secretary of State with two or three others, in relation to that letter? A. No. Now, Mr. Mortimer used to come up to see Mr. Murphy frequently. He used to frequent the department and talk to me while he was waiting, and I do not think I had any other discussions with Mr. Mortimer except of that kind. Well, there may have been some other conversations when he was pressing for payment of accounts, and he wanted me to expedite Mr. O'Connor's audit, but this is about the only thing. As to being in Mr. Murphy's room with several others when Mr. Mortimer signed that document—who are the others?

Q. Mr. O'Connor and other gentlemen, experts. A. That was Mr. Hyde.

Q. Experts from Montreal in connection with the Printing Inquiry? A. I have no recollection of being present with them.

Q. Mr. Mortimer went on the stand here yesterday and swore to this effect; that he was called up to the office of the Secretary of State, that he went in and met the Secretary of State—A. Yes, that is Mr. Murphy.

Q. The Honourable Mr. Murphy? A. Yes.

Q. That Mr. Murphy produced this letter, which was in typewriting on his desk, read it to him and asked him to sign it, that he signed it and then remained for an hour or more talking with Mr. Murphy, you and the three gentlemen I have named. A. No, he must be mistaken when he says an hour. I was never in Mr. Murphy's office with Mr. Mortimer for an hour.

Q. Of course he did not say in his evidence that he remained there for an hour. A. Well, here is what happened: On very many of these occasions I was going in and out of Mr. Murphy's office time and time again. I may have been in, and people waiting there, for Mr. Murphy to sign documents, or something of that kind, while this was being signed.

Q. You have no recollection then of the signing of this letter? A. I will tell you the recollection I have of it, and my recollection too is largely based upon hearsay—What Mr. Murphy told me—and I am only giving it to you for what it is worth.

Q. We prefer not to have what Mr. Murphy told you, because we are going to give him a chance to testify. We would like to have your recollection of the matter. A. I cannot give you any coherent account of the way that letter was signed.

Q. You do not know anything about it personally? A. It was not my business.

Q. You had nothing to do with drafting it? A. No, nothing whatever. I knew the affair was going on. I was in and out of Mr. Murphy's office all the time. I knew it was going on down at the Bureau, and while I was up in Toronto I had got some estimates for Mr. Murphy relating to this matter, that is all I had to do with it. As for being actively interested in that, I had nothing whatever to do with it. Mr. Murphy asked me to investigate a number of things for him down at the Bureau, but this was not one of those I was interested in. He told me in various conversations what was going on and I happen to know, and I can only repeat what Mr. Murphy told me in respect to this.

Q. Well, we will call him to testify on that matter. Do you know where the original of that letter is at present (pointing to letter)? A. No. You see with respect to the letter you wrote me yesterday, or the day before, none of these things are on file in the State Department.

Q. I wrote you yesterday for a letter written by the Honourable Mr. Murphy? A. Yes.

Q. To the Toronto Lithographing Company, and you said you had caused search to be made on the files? A. No, no, that is, there is no such file in the department.

Q. No such file? A. No, as would contain a letter of that kind.

Q. Would not a letter written from the office of the Secretary of State by Mr. Murphy be kept on file in that department? A. If it related to a matter within the jurisdiction of the State Department it would.

Q. As far as related to a matter concerning the Printing Department—A. No.

Q. Where would it be sent? A. It should be sent to the Bureau.

Q. Files were produced here yesterday and none of these letters were there? A. Then I cannot tell you where it is because I do not know. The chances are that Mr. Murphy kept that letter in his own office. What he did with it when he went away I do not know.

Q. Do you mean to say the practice is that when the Secretary of State in his office at the Eastern Block—A. Yes.

Q. Writes a letter concerning printing business, that he sends that letter down to be filed in the Printing Bureau?—A. Well now, I cannot tell you what practice was really carried out there, but that is the proper practice.

Q. You think that? A. That is what I would expect to be done.

Q. You do not know, whether as a matter of fact, it is done? A. I do not know whether as a fact it is done.

Q. I produce a letter dated 16th April, 1910, signed by Charles Murphy, addressed to the Toronto Lithographing Company, which is the letter in question. Do you recognize that as Mr. Murphy's signature? (exhibiting letter to witness.) A. Yes, that is Mr. Murphy's signature.

The Chairman says that he obtained this letter from the Toronto Lithographing Company by telegraphing for it.

By the Chairman:

Q. Well, just in the same manner you cannot account for the original letter. A. It was never on any file over which I had any control. That is perhaps the best way to put it.

Q. And you believe it is not in the State Department? A. Oh, yes, I am quite positive of that. It is not under my control in the State Department, you had better put it that way.

Q. That would be a distinction. Did you direct the custodian of the records of the State Department to look for the letter? A. No, I did not.

Q. At my request? A. Well, I knew it would be fruitless to look for it; I am responsible for that statement. It would be fruitless practically to look for such a letter. All letters which are filed—that are of any importance whatever—are sent by me to be filed, and if that letter had ever been filed I would have directed it to be done. I know I never did.

Q. Here is a copy of a letter dated December, 1910, addressed, as you will see, to the Toronto Lithographing Company. A. Yes.

Q. It is endorsed on the top "Received from Mr. Murphy, December 6, 1910." A. Yes.

Q. That file was produced from the Department of Printing yesterday. A. Yes.

Q. Did you draft that letter? A. This letter was originally drafted by Mr. O'Connor.

Q. The expert? A. Yes, sir, and then we went over it together. I may say that since writing you yesterday I went over carefully all the letters which are semi-official and private, and of that kind which are kept in my own office, and I found a copy of this and also a letter which perhaps you should know about (producing documents), a letter addressed to Mr. Murphy, which got in my office, how I do not know, from the Stone Lithographing Company, with respect to the price of the paper covered by this contract. I am ready to bring down everything I have there, if you desire it, so as to go over it.

Q. If there is anything in the department that you know had a bearing on this matter, I would be glad if you would send it down. A. I said I had nothing because this did not relate to the contract which was entered into with Mr. Cook at all.

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Q. Well, you will kindly send those documents down. A. Yes, I will send them and I will go over—you see I have some correspondence too. Mr. Stone, for instance wanted to make an appointment perhaps with Mr. Murphy, and he would write me to find out when he could see him, and so on. With respect to that letter I would like to say something more about it. My recollection is, I think it is right too, that Mr. Murphy directed Mr. O'Connor to prepare a new tender, you see, for this work.

Q. And specifications? A. And specifications, and then Mr. Murphy asked Mr. O'Connor to submit it to me with respect to its legal shape to see whether it covered all that was necessary in a letter of that kind.

Q. I want to divide the responsibility for the statements which are contained in it between you and Mr. O'Connor if I can. Now Mr. O'Connor made the first draft of this letter? A. I believe so, that is my recollection.

Q. And in that way would be responsible for the contents of the letter. A. Well now, I would like to look over just what I have before I answer that question.

Q. Well? A. Because you see I do not recollect—

Q. Mr. O'Connor came into connection with the Department of Printing after Mr. Cook's suspension. A. Well, I do not recall the dates.

Q. Mr. Cook was suspended in July and this letter was written in December. A. Oh, but then Mr. O'Connor was down investigating the Bureau long before.

Q. Yes, but not long before July, because Mr. O'Connor was not one of the witnesses called in the Inquiry. A. Mr. O'Connor was not a witness called, but that does not follow.

Q. But you must remember whether O'Connor came there before Mr. Cook was dismissed. A. No, I do not recall.

Q. Have you any notes from which you could fix that? A. Absolutely none, no, I could not fix it. Mr. O'Connor could tell you when he came, and I have no doubt but that his account, which was rendered, would show you when he came, but I have no personal recollection of it.

By Mr. Lake:

Q. Were you acting for—A. Referring to that letter again, my present recollection is that the original draft was prepared by Mr. Murphy, and that it was submitted to Mr. O'Connor and then it came to me. That is my present recollection.

Q. I just wanted to find out what relation you had with the Printing Bureau, if any. A. Officially I have none.

Q. If you acted for Mr. Murphy at all it was practically the same position in which his private secretary would have acted? A. Well, I say officially I have nothing whatever to do with the Printing Bureau. Mr. Murphy asked me to do these things for him. I do not know how you can—what capacity you can give to it. He asked me for instance, to go down there and look over and make reports.

By the Chairman:

Q. In each case you went there it was the result of special request? A. Yes, I never had any occasion or general command to go down and take up what I could find, although in going down there when I saw things that I thought should be brought to his attention I mentioned them as well as the things I actually went down to look over.

By Mr. Lake:

Q. The Department of State and the Printing Bureau are two separate departments? A. Separate departments entirely.

Q. And each of them is under a deputy minister? A. Yes. The King's Printer is equal in rank with me.

Q. Mr. Murphy conducted the business of the Printing Bureau direct with Mr. Parmelee? A. Yes, although Sir Joseph Pope, I have always understood—

The CHAIRMAN.—That is not evidence.

The WITNESS.—This has a bearing on the actual condition of affairs. I could put it in this way: That the former Under-Secretaries of State maintained that in the absence of the Secretary of State, the King's Printer should consult with the Under-Secretary of State. That is as far as it goes.

By the Chairman:

Q. And whether they should or not is a question of law, which we cannot settle.

A. Quite so. I do not know whether it is even a question of law.

By Mr. Lake:

Q. Did Mr. Parmelee go day by day to Mr. Murphy's office to see him? A. No, no. Not day by day.

Q. Had Mr. Murphy got an office at the Printing Bureau? A. Oh no, he never had.

Q. Papers were sent backwards and forwards when Mr. Parmelee felt it necessary? A. Yes. Papers that required his signature were sent up to Mr. Murphy's office to be signed.

Q. Did you hold any official position for Mr. Murphy in connection with the Inquiry into the Printing Bureau? A. None whatever. He asked me to devise, or investigate rather, some method of standardizing stationery supplies, and I consulted with all the—it started in fact with a meeting of all the deputies in Mr. Murphy's office. He asked me to communicate with them all.

Q. With the deputies of the entire Service? A. Yes, of the whole Service, and I went into the matter as well as I could. My report you will find at page 150 of the Inquiry.

Q. Can you tell me what position E. G. O'Connor held in connection with the investigation, first of all and afterwards? A. He was appointed by, I would rather say he was employed by, Mr. Murphy to investigate the Printing Bureau with respect to its mechanical side. He and Mr. Hyde spent a considerable length of time down there looking over conditions and all that sort of thing. I was down there with him on some occasion also. After Mr. O'Connor went through all the lithographing accounts for the purpose of auditing them and prepared a new scale of prices for the lithographing—and I would not quite positively say about the printing, whether he investigated that or not, but there was a new schedule of prices for lithographing come to after Mr. O'Connor's investigation.

Q. Did he occupy any actual official position in connection with the actual work? A. Oh no.

Q. Of the printing department? A. Well, as I told you: there were a large number of accounts which accumulated and none of them were paid until they were audited by Mr. O'Connor. He was not there permanently and he audited them, as I believe, largely for the purpose of devising a new scale of prices.

By the Chairman:

Q. He was there in connection with the inquiry as an expert and that only? A. Exactly.

Q. He was not appointed to any position in the ordinary sense of the term? A. No. With respect to the new tenders that you just referred to, Mr. Murphy consulted me for the purpose of having the specification properly framed, and one thing and another of that kind. How far it went I cannot tell you.

Q. The records show. A. Yes. Because I was not present at either of the consultations that Mr. Murphy and Mr. O'Connor had: the great part of my knowledge

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with respect to it is based absolutely upon conversations I had with respect to the whole lot of them.

By Mr. Ducharme:

Q. You said you did not look for a letter of Mr. Murphy's on the file because you knew it was fruitless? A. Yes.

Q. Did you not amongst your papers find a document that you did not expect to be there? A. Yes.

Q. The same thing might happen with regard to this particular letter. I think it would be better to look for it. A. I will do so if you wish, and have my clerks make a report which I will bring down to you. Of course the letter I have reference to was in with my personal letters.

By the Chairman:

Q. In order that we may know the letter is not in the department we wish to have a positive statement to that effect. A. Yes.

By the Chairman:

Thank you, that is all we wish from you to-day.

Witness retired.

Mr. R. E. Cook, recalled and examined.

The Chairman:

Q. You spoke of Mr. Barker of the *Free Press* as the man who had discussed with you concerning work that you had just given to the *Gananoque Reporter*. That is the correct name, is it? A. Yes.

Q. Where is Mr. Barker now? I think he is manager of the *Regina Leader* Job Office.

Q. In Regina, Saskatchewan? A. Yes.

Q. And has been there for some time? A. Yes.

Q. Was there anybody else on the staff of the *Free Press* that you had any discussion with about that subject at that time? A. No, sir.

Q. What day were you in Toronto in April, 1910, for the purpose of obtaining plates from the Toronto Lithographing Company, which you had previously left with them on your way to get prices from other parties? A. The morning of April 14, to the best of my recollection.

Q. Where did you proceed from Toronto? A. Buffalo.

Q. And you got, amongst other things, an offer from the Hayes Lithographing Company, of Buffalo? A. Yes.

Q. Which bears date of April 15, 1910. A. Yes, sir.

Q. And that confirms your recollection of the date? A. It does.

Q. From Buffalo you went to New York? A. Yes, sir.

Q. And there you received an offer, dated April 19, from Trautmann, Bailey & Blampey. A. Yes.

Q. With relation to the prices of the Department of Printing for outside work, how were those fixed? A. There was a schedule of prices which was in vogue when I was put in charge of the litho. room.

Q. When you say "in vogue" perhaps you had better explain what you mean. A. That were adhered to.

Q. That you found in force? A. In force.

Q. Did you understand them to have been made by anybody? A. Yes, sir, by the old accountant.

- Q. By the old accountant of the department? A. Yes, sir.
- Q. Were they changed at any time while you were in charge of this particular work? A. Once.
- Q. By whom? A. By the Honourable Charles Murphy.
- Q. In what respect did he make a change? A. He changed the price of composition from fifty to sixty cents per thousand ems.
- Q. Would that be plain composition, as it is called? A. Plain composition.
- Q. The price had been fifty cents? A. It had.
- Q. And he ordered it to be raised to sixty? A. Yes sir.
- Q. At that time did he have any other prices before him? A. He sent for me concerning that particular items of the schedule.
- Q. Yes. A. And gave me instructions to make that change.
- Q. Did you take any schedule of prices to him at the time he sent for you? A. No sir, nothing except the composition rates.
- Q. Which you told him about? A. I told him about it.
- Q. Did you have the various prices marked on a paper which you called a schedule? A. I prepared and sent to the minister, the exact date I cannot recall—
- Q. You mean the Honourable Mr. Murphy? A. Yes. A list of all those prices.
- Q. All of the prices that were paid in the Bureau? A. Paid at the Bureau.
- Q. Was that prior to the time at which he ordered you to raise the prices of composition? A. To the best of my recollection the first time was.
- Q. The first time you sent him the old list? A. Yes.
- Q. You subsequently sent him the old list again? A. I did.
- Q. On what occasion? A. On the occasion of the preparation of the Armstrong return.
- Q. That would be in what year? A. In 1909 or early in the spring of 1910.
- Q. Prior to the beginning of the inquiry in which you were concerned? A. Yes, sir.
- Q. Did he ever discuss the prices with you, except in that one particular? A. No, sir.
- Q. Or ever give any any directions concerning them? A. No, sir.
- Q. You have a memorandum in your note book which you now produce for my inspection, dated April 2, 1909? A. Yes, sir.
- Q. As follows: (reads)
- “Rate of composition for plain matter raised from fifty cents to sixty cents per thousand, catalogue from seventy-five cents to eighty cents, tab. (for tabular) to remain at one dollar, per instructions of Honourable Charles Murphy and sanctioned by the King’s Printer, the instructions given to Mr. Cook personally by the minister.”
- When was that note made in your note book? A. Immediately on my return to the Bureau.
- Q. On the date just given? A. Yes sir.
- Q. And the King’s Printer there referred to would be whom? A. Mr. Parmelee.
- Q. Mr. E. G. O’Connor is reported in *Hansard*, Volume 4, 1910-11, page 4377, to have used the following words in a report: “These absurd prices appear to have been paid for years without protest by Mr. Cook or any other official, until I called attention to it during my inquiry, and by your authority had it stopped.” Do you say that the absurd prices which he there referred to had been brought to Mr. Murphy’s attention? A. They had.
- Q. On two occasions? A. On two occasions at least.
- Q. Prior to Mr. O’Connor’s report? A. Yes sir.
- Q. And that he had corrected some of them in the way you pointed out? A. Yes, sir.

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Q. In the memorandum book produced by you I find a memo. dated October 24, 1906, as follows (reads):

"New rates for folding and so forth, for Mortimer & Company and others—

4 p.	20 cents	covering
8 p.	30 "	1.20
16 p.	50 "	
gathering and stitching, ord.		70 cents
gathering and stitching, sad.		80 cents"

When was that memorandum made? A. It was made immediately on the instructions being given to me by my superior officer.

Q. The King's Printer? A. The King's Printer at that time.

Q. On the date just given? A. The date just given.

Q. What were those rates given to you for? A. To alter the schedule of prices allowed for outside work.

Q. The schedule which had been allowed? A. Which had been allowed.

Q. And which was to apply to the future? A. Yes, sir.

Q. You say then that by order of Dr. Dawson that schedule applied, and no change was made in it until the occasion when Mr. Murphy ordered you to increase the rate for composition? A. No change was made.

Q. At page 7748 of Hansard 1910-11, Volume 4, there is what purports to be a copy of a letter signed by A. H. Barker. He was the man who had been connected with the *Free Press*? A. Yes, sir.

Q. Have you read that letter? A. I have.

Q. Is it true? A. It is not.

Q. I wanted to draw your attention to certain definite statements in it. (reads)

"About the middle of January, 1910, I went to the Printing Bureau and interviewed Mr. Cook on business."

Is that true? A. About that time.

Q. (reading)

"He said that an order for 100,000 pamphlets had been placed with the *Gananoque Reporter*."

A. That is correct.

Q. (reading)

"and that they were not in a position to handle it as they have not the necessary plant"

Q. Did you make that statement? A. I did not.

Q. (reading)

"he added that if I would quote a low enough price on the work he would advise Mr. Britton of the *Gananoque Reporter*, to give it to us."

A. That is not true.

Q. (reading)

"And that if our price was not satisfactory Mr. Britton would likely send the work to Montreal."

A. Absolutely untrue.

Q. (reading)

"He said he would prefer to have it done in Ottawa."

A. Never used the words.

Q. (reading)

"He then handed me a sample pamphlet from a prior edition."

A. Mr. Barker was at the counter in our room when I returned from a telephone box communicating with Mr. Britton, and I did hand him a sample when he asked for press work.

Q. What were you communicating with Mr. Britton about at that time? A. I was phoning him that the order was his, he had better come down for it.

Q. What did you hand Barker a sample of press work for which had been given out to some one else? A. Simply as a matter of conversation.

Q. Did you hand it to him for the purpose of getting work from the *Reporter*? A. I did not.

Q. Did you ask him to keep the price down low as Mr. Britton had a low figure? A. I did not.

Q. Afterwards did Barker come to the Bureau and tell you that the *Free Press* price would be \$950? A. Barker told me at the time that he would have been willing to execute the work for \$950 owing to the condition of affairs in their office.

Q. Did you say that you would advise Mr. Britton to leave the work with the *Free Press*? A. I did not.

Q. Did you afterwards telephone that Mr. Britton was on his way up to the *Free Press* office with a copy? A. No, sir.

Q. You told us in your previous evidence that Barker, during the progress of the work actually done at the *Free Press*, asked as to the manner of payment and you told him to send his account to Mr. Britton? A. I did.

Q. And that Mr. Britton would send this account to the Bureau? A. I did not tell him anything about that.

Q. Why did you tell him to send his account to Britton? A. Because we had nothing to do, directly or indirectly, with the *Free Press*.

Q. Did you tell Barker that you would inform him when a cheque was forwarded to Britton? A. I did not.

Q. Did you know of the existence of this letter before it was published in the House of Commons Debates? A. I did not.

Q. Where was Barker on April 25, 1911? A. In the *Free Press* office.

Q. Did you ever see him and speak to him about it? A. I did.

Q. What did he say about it? A. He explained that the minister had all the information, and he was forced to sign it.

Q. The minister had all the information and he was forced to sign it. What do you mean? A. The letter.

Q. The letter from which I have just been quoting? A. Yes, sir.

Q. Did he tell you any more than that? A. No, sir.

Q. Did he make any explanations concerning it? A. He did not. I left him immediately.

Q. When you say "he was forced to sign it," are you using Mr. Barker's words? A. I am.

Q. Did he explain what he meant by the words "forced to sign it"? A. No.

Q. Did you ask him how he was forced to sign it? A. I did not.

Q. Then there was nothing said by him at that time, or afterwards, which explains those words in any manner. A. No, sir.

Q. Did he say why he, or somebody else, had written it? A. No, sir.

Q. He said that Mr. Murphy had all the information? A. All the information. I am using Mr. Barker's exact words as I recollect them.

Q. Repeat them please. A. That Mr. Murphy had all the information, and that he was forced to sign it.

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Q. And that he, Barker, was forced to do what? A. Forced to sign the letter.

The Chairman says that he has received from the State Department, and now submits, a recommendation to the Governor in Council, signed by Charles Murphy, Secretary of State, and dated 30th September, 1910, that in the public interest the services of Mr. R. E. Cook be dispensed with from the 28th September, 1910, and also a copy of the Order in Council based on such recommendation, approved by the Governor General on the 12th October, 1910, advising that in the public interest the services of Mr. Cook be dispensed with from the 28th September, 1910.

By the Chairman:

Q. You were suspended on the 9th day of July until the first day of October?
A. The first day of October.

Q. Where did you go then? A. I went to the Thousand Islands in the meantime, and on my return to Ottawa, 29th September, received notice of dismissal. I was not paid for any time after my suspension, nor paid anything for the time between the 9th July and the 28th September.

Q. Where were you paid when you received your last payment? A. In the Printing Bureau.

Q. After you had received notice of dismissal? A. After I had received notice of dismissal.

Q. Before you went away? A. Yes, sir.

Q. Did you ever apply for your pay? A. No sir. I was notified by the King's printer it was without pay.

Q. You mean to say at the time you got your suspension? Or after you got your dismissal? A. I was notified by the King's Printer.

Q. Notified of what? A. That it was to be without pay.

Q. But you got two notifications, one suspending you and the other dismissing you. A. On the 9th of July the King's Printer notified me that I was suspended until the 1st day of October without pay. I did not make application for any pay between the 9th of July and the 28th September.

Witness retired.

Mr. JOHN F. NEVILLE, called, sworn and examined.

By the Chairman:

Q. You were employed during 1910, in the Printing Bureau? A. I was.

Q. In the office which was in charge of Mr. Cook? A. Yes.

Q. Do you remember the occasion when Mr. Mulvey, Under Secretary of State, came to the office concerning a remittance to be made to the Montreal *Herald*?
A. I have a hazy recollection of it, yes.

Q. You have a hazy recollection of it? A. I do not remember any of the details in connection with his visit, but I remember him coming, and the nature of the business—that is in connection with the cheque which was sent to the Montreal *Herald*. Further than that I do not remember.

Q. Do you remember whether it was sent at that time? A. I could not say positively.

Q. Do you remember hearing any of the discussion between him and Mr. Cook about the matter? A. There was some discussion, yes.

Q. Do you remember hearing it? A. Yes.

Q. Was it in an ordinary tone, or was it warm and somewhat excited? A. Well, I would not say that it was from my recollection of it.

Q. Mr. Mulvey was asking that something should be done, was he not? A. Yes.

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Q. And was Mr. Cook assenting or declining? A. Well, it seems to me that Mr. Cook made some objections to sending it on account of an irregularity. Now, just what that was—

Q. You do not remember? A. I do not remember.

Q. Do you remember then whether Mr. Mulvey seemed to be excited or otherwise over the matter? A. Well, just about that time when Mr. Mulvey came down, I think on most occasions he was more or less excited. I do not know that it would be excited with him, but he appeared so to us.

Q. Do you mean to say his general manner was such as to impress you with the idea that he was excited? A. Exactly.

Q. Somewhat abrupt? A. Yes.

Q. Do you remember anybody coming in with Mr. Mulvey on that occasion? A. It seems to me there was somebody, although I do not remember who it was.

Q. Would it be a stranger or some person from outside the office? A. I do not remember. If the name were mentioned it might recall it to my mind.

Q. Do you remember if, when the discussion took place, Mr. Parmelee was present or not. A. No, I do not think he was.

Witness retired.

The examination of Mr. C. H. PARMELEE resumed.

By the Chairman:

Q. One of the experts sent by the minister into the Department of Printing in 1910 was Mr. E. G. O'Connor? A. Yes, Mr. E. G. O'Connor.

Q. I find under date of, October 20, 1910, a letter addressed to the Matthews, Northrup firm, of Buffalo and New York, signed by you. There is a draft letter in lead pencil which is not in your handwriting (exhibiting document to witness). A. Yes, that is O'Connor's writing.

Q. The lead pencil draft of the letter is in the handwriting of Mr. E. G. O'Connor. The letter itself was a request for samples of the work done by that Company. How did it come that the draft of this letter was prepared by Mr. O'Connor? A. Because Mr. O'Connor was apparently given entire charge of calling for new tenders for *Farm Grasses* by the then minister.

Q. Why do you say apparently? A. Well, I say apparently because I had no—I was not consulted about it in any way whatever, and he went on and did the business.

Q. You say the whole proceedings about that time—A. In connection with that particular contract were entirely conducted by Mr. O'Connor, as I presumed, on the authority of the minister.

Q. Did the minister directly tell you that Mr. O'Connor was to take that particular work into his hands? A. No, he did not.

Q. Mr. O'Connor just presumed to take the work into his hands? A. Well, he took the work.

Q. He took the work into his hands and in this particular case he prepared a draft letter? I presume he had somebody typewrite the letter and you were simply asked to sign it? A. I presume possibly it was typewritten by my secretary or somebody in the Bureau—I do not remember the details to-day—and I signed it.

Q. And you signed it as a matter of course because it was placed before you? A. Yes.

Q. Now when Mr. O'Connor was sent to the Department of Printing did he bring a letter to you from anybody? A. No.

Q. How did he come, who came with him and put him there? A. He was put there by Mr. Murphy, the then Secretary of State.

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Q. But when he first came to the Department of Printing surely he brought to you a letter from somebody? A. No. I think Mr. Murphy mentioned to me casually, either at his own office or in the Bureau, that he had engaged Mr. O'Connor as an expert on the printing end of the Bureau.

Q. Yes? A. As printing adviser. I was never notified officially by letter or anything of that sort.

Q. Then Mr. O'Connor came in and took charge of what he liked? A. Yes.

Q. And the various letters concerning this particular matter of *Farm Grasses* which are signed by you, were prepared under the direction of Mr. O'Connor? A. Yes, to the best of my recollection, without any exception whatever.

Q. Did you know Mr. O'Connor before that time? A. I knew him twenty-five odd years before. I knew him, yes.

Q. He came here on this occasion from Montreal? A. From Montreal, yes.

Q. Do you know what his business is in Montreal? A. His business now, and for some years has been in connection with a building society, I think, of some sort. A little building society, I cannot remember the time.

Q. Had he at one time been a printer? A. Not a practical printer. He had at one time been a sort of superintendent of the Montreal *Star*. Subsequently he went to the Montreal *Herald*, and the last connection he had with printing was in the lithographing business for three or four years. I do not remember the exact time he was connected with the Burland Lithographing Company.

Q. Was he not at one time connected with a newspaper here in Ottawa? A. Not to my knowledge.

Q. Now, I find here a thing which strikes me as peculiar. There is a letter dated December 19, 1910, directed to the Stone or Toronto Lithographing Company, saying "drawings enclosed to be returned with your tender on the 22nd instant." That relates to *Farm Grasses*? A. It does.

Q. I find that on the 23rd December, 1910, a reply was sent by the Toronto Lithographing Company and the drawings returned. Then on December 28, 1910, a letter was sent to the Rolph & Clark Company of Toronto asking for prices and enclosing drawings, to which an answer was received, dated January 4, 1911. Then on January 9, 1911, a letter appears to have been sent to the Mortimer Company, Ottawa, asking for prices and saying: "The drawings you have already seen. If you require to examine them again before sending us your tender, please advise us accordingly." You will observe, therefore, that before this letter was sent to the Mortimer Company asking for prices, the prices of the Toronto Lithographing Company and of the Rolph & Clark Company, had been received in Ottawa. A. Yes, I observe that.

Q. And consequently that if the Mortimer Company desired to know the prices of these other companies they could find out by inquiry if anybody would be disposed to tell them? A. Yes, that is true, although it would be worth as much as an officer's position if we could ever prove that information of that sort was given out.

Q. It would be provided he did not stand in favour with the powers that be, and provided also that he had a position to be lost? A. Yes.

Q. Now, the man that was handling this matter, Mr. O'Connor, had no position to be lost, had he? A. None whatever.

Q. And so far as you know all this information was in his possession? A. So far as I know, it was.

Q. Although the letters are signed by you. When the answers came back did you handle them? A. I did not.

Q. Did you handle the price? A. I did not.

Q. Do you know who had them? A. I think the actual writing and sending them out was done by some of the officers in charge of the outside work, but they never came through my hands in any shape or form.

Q. The reason I ask you particularly about the Mortimer Company in this connection is this. The Toronto Lithographing Company's tender for the first 25,000-

was for \$6,270. The Mortimer Company's tender was for \$6,247.30, there being only \$22.70 difference between the two. The amounts are so close together that I wanted to discover from you whether there was a possibility of the Mortimer Company having seen the tender of the Toronto Lithographing Company? A. Of course I am not able to say that, but I can say that equal, or nearly equal, tenders are not unusual in our experience.

Q. Now, the next point I want to draw your attention to is this: You have noticed of course, the quotation in the letter from the Mortimer Company, "the drawings you have already seen"? A. Yes.

Q. Showing that they had been shown the drawings? A. That refers to the time they saw them in the summer. I don't know what it refers to but it shows that they had seen them.

Q. The Toronto Lithographing Company had seen the drawings when they undertook to do the work? A. Yes.

Q. Can you explain to me why the drawings should be sent to the Toronto Company, when they were asked in December for a tender, they having previously seen the drawings? A. I cannot say.

Q. And they should not be sent to the Mortimer because they had previously seen the drawings? A. They had nothing to do with it. I am quite unable to explain it.

Q. The next thing I want to draw your attention to is this: I find that on January 9, 1911, the drawings were sent to the Matthews, Northrup Company, and on the same day a letter was written to the Montreal Lithographing Company, Montreal, saying "We take pleasure in submitting to you for a price, the reproduction" &c., and adding these words "the drawings you have already seen." So that it appears from that that the Mortimer Company of Ottawa and the Montreal Lithographing Company of Montreal had seen those drawings and therefore they were not sent to them? A. Yes, that is quite apparent from the tenor of the letter.

Q. I presume your answer is again that you are not aware the Montreal Lithographing Company saw these plates? A. I was not.

Q. And you had nothing to do with their seeing them? A. Nothing to do with their seeing them in any shape or manner.

Q. Presumably from the fact that there is no letter on the file showing that the drawings had been sent to the Montreal company, that company must have seen them here in Ottawa? A. I don't know where they saw them.

Q. Rolph & Clark had returned all drawings from Toronto, so that they would arrive here probably on the 5th January, and they were not sent out again until the 9th January, so that they were four days apparently here in the office at Ottawa, and on the 9th January the Montreal Lithographing Company are told that they have already seen the plans. On the 12th January, replying to the inquiry dated the 9th, the Montreal Lithographing Company quoted the lowest price for the first 25,000 copies? A. Quoted the lowest price.

Q. Do you know how much lower that price was than the others? A. I know, comparing the size of the work, it was very little lower. The difference was—

Q. But you personally had nothing whatever to do with giving the contract to the Montreal Company? A. I had not.

Q. It was all handled as you say, by Mr. O'Connor? A. Yes. The last analysis was a recommendation by Mr. O'Connor that the contract should be awarded to the Montreal Lithographing Company. Of course since then it has been merely a departmental matter and the usual order followed, an order given for the contract with directions how to do the work, and exchanging prices between the Lithographing Company and the department, and so on.

Q. I want to direct your attention and your recollection back to the occasion, in July, 1910 when the matter of a remittance to the Montreal *Herald* took place. We

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have had Mr. Mulvey here to-day giving evidence, and he represents that he saw you on that occasion before he saw Mr. Cook about it, which is contrary to your evidence on the previous day? A. It is still contrary to my recollection.

Q. I may tell you that it is also contrary to Mr. Cook's evidence. He agrees with you? A. I did not know what Mr. Cook had said. My recollection is that I never saw Mr. Mulvey in connection with it whatever, that I only learned afterwards from Mr. Cook that this thing had happened.

Q. And your recollection of the matter is quite clear, is it? A. It is quite clear. If Mr. Mulvey had come to me, as he said he did, and discussed the matter with me, there would have been no necessity for going to Mr. Cook, because it would have been settled in exactly the same way as Mr. Cook settled it; that is, I would have said that when I had proper accounts and proper certificates as to the delivery and receipt of these goods, then I would pay the account.

Q. And if he had come to you and you said that, he would not have gone to Cook at all? A. There would have been no necessity for that, it would have been useless.

Q. After the giving of the certificate, the cheque would have to be signed by you later? A. Of course.

Q. The evidence given this afternoon by Mr. Mulvey as to what took place between him and Mr. Parmelee on the occasion when Mulvey requested that a remittance be made to the Montreal *Herald* was here read to Mr. Parmelee and he was asked: Is that statement by Mr. Mulvey correct, in your opinion? A. Well, not to my recollection. My recollection is, as I said before, that I never discussed it on that occasion, good, bad or indifferent, with Mr. Mulvey.

Q. Could you have said to him at that time what he there relates in reference to illegal remittances having been made from the Department of the Interior? A. No, because, as a matter of fact, there was nothing illegal about it. There was nothing irregular about it.

Q. Well, did you ever say anything about that matter to Mr. Mulvey? A. I have no recollection of saying it to Mr. Mulvey or anybody else outside my own Bureau.

Q. You say you have no recollection. Do you mean that you have a very clear impression that you did not do it? A. Exactly.

By Mr. Ducharme:

Q. Do you remember whether you saw Mr. Mulvey going into Mr. Cook's office that day, or coming out of Mr. Cook's office? A. He could go there without my knowledge.

By the Chairman:

Q. Do you remember seeing him go there, A. No, I do not.

Q. You did not know at that time whether he was there? A. No.

Q. It was Mr. Cook who afterwards told you what had taken place? A. Yes, sir.

By Mr. Lake:

Q. What department paid Mr. O'Connor for his work in connection with the Bureau? A. He was paid out of the King's Printer's advance fund, and the item goes to the cost of the production of things in the Bureau. In the last analysis every department of the government pays its share of it.

Q. Then it will be divided up and charged against the various departments? A. It is charged.

By the Chairman:

Q. It goes into the cost of work? A. Cost of production, and in the last analysis is paid in proportion by the departments.

By Mr. Lake:

Q. In what way will it be possible to get the details of Mr. O'Connor's account?
A. I can get that very easily. I think he rendered an account at so much a day. We can find that.

The CHAIRMAN: Will you please present us with a statement of the payments for these two experts employed on that Investigation.

Witness retired.

GEORGE H. CLARKE, sworn, seed commissioner of the Department of Agriculture.

Examined by the Chairman:

Q. What is your official position? A. Seed commissioner of the Department of Agriculture.

Q. You remember a desire on the part of the Department of Agriculture to publish a book called *Farm Grasses*? A. Yes.

Q. And you remember having something to do with the Printing Department concerning that matter in the early part of 1910? A. Yes.

Q. And you remember, particularly, a conversation with Mr. Cook about it? A. Yes.

Q. Your department would have, at that time, a vote out of which the cost, or part of the cost, of such a book could be paid? A. I think so, yes.

Q. Do you remember any special conversation about that feature of the matter with Mr. Cook? A. About the nature of the vote?

Q. About the fact that you had a vote, or anything concerning it? A. Yes.

Q. What was it that took place? A. I went to Mr. Cook some time in February to get from him an estimate of the probable cost of printing a book with twenty-seven plates, or how many plates we should include, to get the work done at the lowest expense per plate, and including also from one hundred to two hundred pages of text. I wanted to get that information because of the money we had available for proceeding with the work. I wanted to be able to tell my minister the possible cost. Mr. Cook, after a few days gave an estimate of that work, and I think it was in March that I went down with a requisition for that work. If I remember correctly, Mr. Cook explained to me that in the process of printing, the plates could be done more cheaply by arranging them in groups, I think it was, of nine. When I went down with the requisition, Mr. Cook took me into the office of the King's Printer, or it may be that the King's Printer came into the room with Mr. Cook and I, I think the latter is correct. We discussed the matter in a general way, and I explained to Mr. Cook and Mr. Parmelee what I had explained to Mr. O'Halloran, Deputy Minister of Agriculture, that unless the work would proceed with considerable rapidity, we would have nearly \$10,000 which had been voted for that work lapse. I wanted to guard against that, and I explained to Mr. Parmelee and Mr. Cook that Mr. O'Halloran had suggested to me that I might inquire of him if any way could be arranged so that the work could proceed, so that this money might be applied on it.

Q. Was there an interview in February between you? A. There was an interview, in February, and I think quite early in February, regarding the cost of the work. At the time of the first interview, I had not in hand the authorized requisition for the work, and it may be that the interview, when I had the requisition with me, was in the latter part of February rather than the first of March.

Q. It must have been? A. Yes, the date of the requisition would show that. The requisition was signed the day I took it down.

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Q. If Mr. Cook says he had the requisition in February, and, upon that, went to Toronto to arrange prices, would you be prepared to accept that as correct? A. Quite.

Q. In any case, in the interview with Mr. Cook, did you express to him a desire to save the vote from lapsing? A. Yes.

Q. And subsequently when he and Mr. Parmelee were present, you explained the same desire to have that vote saved? A. Yes.

Q. In that desire to save the vote, Mr. O'Halloran, the deputy minister of your Department, concurred? A. Mr. O'Halloran suggested to me that I should speak to Mr. Parmelee about it and see what he could do. I explained that to Mr. Parmelee.

Q. Then, in February and March, 1910, you were pressing to get this work done as quickly as you could? A. I do not think there can be any doubt about that.

Q. The previous year your department had published *Farm Weeds*? A. Yes.

Q. And that had been done by the Toronto Lithographing Company, so far as the plates were concerned? A. Yes.

Q. And it was a very creditable work, was it not? A. I thought so.

Q. Something that you took great pride in? A. Yes.

Q. Was *Farm Grasses* to be of the same design? A. Yes.

Q. Were the drawings by the same artist who had done the drawings for *Farm Weeds*? A. Yes.

Q. What is his name? A. Mr. Norman Criddle of Creesbank, Manitoba.

Q. He is clever at that work? A. He is a very excellent naturalist and a good artist as well.

Q. *Farm Grasses* has not yet been published? A. Not yet.

Q. Have all the plates been printed yet? A. They are either printed or in the process of being printed.

Q. Of course, when they are completed, the letter press will have to be done and the books bound? A. Yes.

Q. So that apparently your grass is not growing very rapidly? A. Very slowly.

Q. The book which you hoped to have out in 1910 will perhaps be out about the same time of the year in 1912? A. It will probably be out in September, 1912.

Q. So that more than two years have been allowed to lapse? A. Yes.

Q. Do you have much lithographing work going through your department? A. Not so much of the chromo lithographic work as this work would be called. We have considerable of the half-tones and ordinary lithographic work in two colours, black and white.

Q. The Toronto Lithographing Company do excellent work do they not? A. They do very good work indeed.

Q. Are you well satisfied with the plates you are getting now for *Farm Grasses* as you were with the plates for *Farm Weeds*? A. We have had only the proof copies so far. My experience has been that sometimes it is possible to get very good and very excellent proof copies, but the excellence of the work that may follow on proof copies may, or may not, be good. It depends, I would think, although I do not know printing well, it depends on the machinery and the capability of the men operating the machinery.

Q. At the present moment, therefore, you are not able to institute a comparison between the lithographic work in *Farm Weeds* and the work which may be done on *Farm Grasses*. A. No, but the proofs we have received are very good.

Q. But you do not know what the print will be when it comes out? A. No, There is one other statement I might make. At the time of the interview with Mr. Parmelee and Mr. Cook, they discussed means by which the work might proceed in a way to apply those funds. I believe it was discussed; I know it was discussed, and I think Mr. Cook suggested a plan for ordering the paper that would be used in the printing. I remember Mr. Parmelee at the time stated the advisability of exercising

care and especially in letting the contract to have them done according to tender, as was required by the law. I do not know that that information is important but I remember it.

By Mr. Lake:

Q. You thought the paper might be got out before the 31st of March and paid for? A. Yes.

Q. And in that way you would have saved some of the vote? A. Yes. The paper for the whole work should be ordered I think it was understood at the time. The idea was that the paper for the whole sketch would be approximately uniform in quality, and that giving the contract for the entire work, from my recollection, was discussed at the time between Mr. Cook and Mr. Parmelee, and it was understood, if I remember right, that it would be better to order that paper and that also would be the means of using a part of this appropriation.

Witness retired.

AFTERNOON SITTING.

OTTAWA, Friday 2nd February, 1912.

THOMAS MULVEY, (re-called):

By the Chairman:

Q. Mr. Mulvey, acting on the request made to you yesterday, you caused a careful search of the correspondence in the State Department to be made? A. Yes, I gave the files clerk verbal instructions to search for any letters that might be in any way connected with any contract with the Toronto Lithographing Company, or any matter connected with Cook.

Q. And none was found? A. None was found.

Q. And the letter you put in? A. That is the letter of Dubé, the files clerk.

"Department of the Secretary of State of Canada,

Ottawa, 1st February, 1912.

Dear Sir:

In answer to your verbal request I beg to say that after a careful search of the correspondence records of the Department of the Secretary of State, I find no trace of any letters from the Honourable Mr. Murphy to the Toronto Lithograph Company, or of any other letters respecting a contract with the said company made by Mr. R. E. Cook.

Yours truly

(Sgd.) L. J. ARTHUR DUBÉ,

Keeper of the Correspondence Records.

Thomas Mulvey, Esq., K.C.,
Under Secretary of State,
Ottawa."

Q. You have produced some correspondence? A. Yes, I have. Some of it I do not think is of any use to you or relates to this matter, but I have brought down everything that is connected with Stone or Cook.

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Q. Stone, that is the Toronto Lithographing Company, or Cook? A. Yes.

Q. Where did you find these? A. On the file in my office.

Q. In your office? A. My own private office. It is where I keep things that are not connected with the department that I may have dealings with.

Q. And this would be a matter pertaining to the Printing Department with which you ascertained you had some dealings? A. It arises from things I had done for Mr. Murphy down at the Printing Bureau. For instance, that second letter is a letter from Mr. Parmelee sending me a copy of the letter he wrote to Stone some time ago.

Q. 25th July, last? A. The history of this is, that I met Stone when I was up in Toronto. He wanted to know why the matter was not being settled up. I said I would speak to Mr. Parmelee, and see if the thing could not be hastened, and when I came here Mr. Parmelee told me he had written that letter some time ago and it had remained unanswered. I asked for a copy, and I sent it to Stone.

Q. That is he had written the letter of 25th July? A. Mr. Parmelee sent me that copy.

Q. Addressed to Stone, Limited, it had not been answered? A. That is what Mr. Stone told me.

Q. Then I find a copy of a letter dated November 15 from you Mr. E. G. O'Connor, saying that you enclosed three letters received from Mr. William Stone. What was the reason for sending these to Mr. O'Connor? A. Mr. O'Connor was auditing and dealing with those lithographic accounts. He was an expert employed by Mr. Murphy to investigate those accounts.

Q. Then we were asking you yesterday concerning a letter dated 10th December, 1910, which you sent to the King's Printer to be signed, and you said you thought that that had been drafted by somebody else? A. Yes.

Q. Well now you have produced a copy of that letter from your own office? A. Yes.

Q. And also another, the first draft of that letter? A. Yes.

Q. Which is partly in typewriting, and partly in pen writing. Where did that come from to you? A. Well, I have no recollection of it. My mind cannot go back to that letter to tell exactly what happened, but that letter is written on Mr. Murphy's private office stationery, which I never have in my office, and it is also corrected in his own handwriting, and I have a copy of it here, so I assume from these circumstances that it was handed by Mr. Murphy to me to have copied and sent down to Mr. Parmelee.

Q. To have typewritten? A. Yes.

Q. And you say that the writing on that first draft is in the handwriting of Mr. Murphy? A. Yes. These others are letters respecting accounts which are outstanding, and I have not any doubt that these are similar letters which I sent on to Mr. O'Connor.

Witness retired.

OTTAWA, SATURDAY, February 3, 1912.

PRESENT:

Honourable A. B. MORINE,
Chairman.

R. S. Lake,
Commissioner.

BYRON O. BRITTON, sworn:

By the Chairman:

Q. You reside in Gananoque? A. Yes.

Q. Province of Ontario? A. Yes.

Q. You are the proprietor of the Gananoque *Reporter*? A. Yes.

Q. Do you do job work at all? A. We do.

Q. Have you a pretty good outfit, for a small country town? A. Pretty good outfit for a small town.

Q. You know Mr. Cook, in the Department of Printing? A. Yes.

Q. Have known him for some time? A. Yes.

Q. You had a job of printing to do for the department in 1910? A. 1910, yes.

Q. An immigration pamphlet? A. Yes.

Q. With whom did you make arrangements for the printing of that? A. With Mr. Cook.

Q. That is to say, the contract between you and the Printing Department was made by arrangement with Mr. Cook? A. Yes.

Q. Where did you first know of the particular job? A. In our own office in Gananoque.

Q. How did it come to your notice? A. Mr. Cook was there, and had the job with him—at least, had a copy of the pamphlet with him.

Q. He asked you what? A. Asked me what I would do a hundred thousand for.

Q. Did your office at that time have the necessary facilities for that work? A. All except the electrotyping; we could not do that.

Q. There were quite a number of plates to electrotype for that work, were there not? A. I do not think I understand.

Q. How much electrotyping was there? A. In a long job like that, it would be usual to electrotype the whole job; otherwise, the illustrations were furnished by the department.

Q. The type would be set up, and the thing would be electrotyped, and the job would be run off from the plates? A. Yes.

Q. When you took that job, did you intend to electrotype it? A. That was the intention.

Q. As you had no electrotyping apparatus, what arrangement was made? A. We have that work done now. We send it either to Toronto or Montreal. We have electrotyping done now frequently for our own use; that is for the use in job work.

Q. And you undertook it; if you did not have the electrotyping, did you undertake it with the intention of getting it done for you somewhere? A. Yes.

Q. That would be the regular way of doing it? A. To set up the type, and make it up in pages, and have the pages electrotyped.

Q. And then receive them back in your office and put them through the press? A. Yes.

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Q. Do you mean to say you would set up the type in your office? A. Yes.

Q. And you would send the forms somewhere to be electrotyped? A. Yes, we do that frequently.

Q. Was that what you intended to do? A. Yes.

Q. It was not your intention at that time to send the copy to another firm of printers, to be set up and electrotyped in their office? A. No.

Q. But the idea was that you should set up the type; the form should be sent to be electrotyped; and where would the press work be done? A. We have facilities for that also.

Q. Was that your intention? A. Yes.

Q. All you expected at that time to get done outside of your office was the mere electrotyping of the plates? A. That is all; we were not equipped to do that.

Q. Is that electrotyping a small or large portion of the work? A. It would not be a serious item.

Q. And you say that you are, and have been for a long time, in the habit of doing work of that kind for various persons? A. Yes.

Q. And is that an ordinary practice of printing offices in small towns? A. I think it is.

Q. I suppose the electrotyping apparatus is somewhat expensive? A. I suppose it is, I have no idea.

Q. It is such an apparatus that you would hardly expect to find it outside of the larger cities? A. No.

Q. So that most country and town newspapers would have to do it in the way you proposed to do it? A. Yes, even in quite large cities they are not equipped that way.

Q. You named a price for doing the work? A. Yes.

Q. Can you remember what price you named at the beginning? A. At the beginning \$2,000.

Q. And they finally arranged for how much? A. \$1,160, I think. I am not stating that positively.

Q. You must have been expecting to get a great rake-off, then? A. Let me explain the \$2,000. I had not gone into the matter at all. That was just a casual estimate.

Q. Then, of course, Mr. Cook said you were asking too much? A. He certainly did.

Q. And then did you proceed to make a calculation about the matter? A. Yes.

Q. And I suppose there was considerable chaffering between you and Mr. Cook before you finally came down to the amount? A. We got figuring together before he left the office, and got it down to somewhere around \$1,600 odd, I think.

Q. You did not finally make an arrangement before he left? A. No.

Q. Why was that? A. Well, principally, I fancy, because he had not time; he was on his way to Toronto, and had to catch the train; he dropped off there.

Q. When did it next come to your attention? A. I could not say how long; within two or three weeks; not very long. I got a communication.

Q. From whom? A. Mr. Cook.

Q. Saying what? Have you that communication with you? A. No, I think it was by telephone.

Q. What was the effect of it? A. I think he said that he found out that the amount paid for the job previously had been \$1,160, or whatever the amount was that the order was given to me for.

Q. And did you then agree at that time to do the work for that amount? A. Yes.

Q. Was anything said up to that time about your handing over the work to anybody else to be done? A. Nothing.

Q. Later on you did, as a fact, get all the work done by the *Ottawa Free Press*, did you not? A. Yes, sir, that is true.

Q. And you gave them how much for the job? A. \$950.

Q. So that you made a profit on it of about \$200? A. Yes.

Q. Without handling it yourself? A. Yes.

Q. Will you tell us how that came about? A. Well, in the first place, when the order was made out, the time for completion was altogether so short as to be beyond our capabilities altogether. I do not remember exactly how long it was, but I think it was within the month, and an office such as ours would require a much longer period than that to complete work of that size.

Q. Had that question of the time in which you were to do the job been discussed between you and Cook when you were discussing the work? A. No, sir, that is the first intimation I had of it.

Q. You had not taken the precaution of asking how long you would have to do it? A. No, that is a point I had overlooked altogether.

Q. It was not a matter of bad faith or surprise when you got the notice that it was required in a short time? A. Oh, no.

Q. If you were surprised, was it merely because you had not asked about the matter before? A. Yes.

Q. Finding you had such a short time, what did you do? A. I do not know exactly what we did do. I think Mr. Cook asked me to come down to Ottawa, and suggested that it could be done at the *Free Press* in time; that I could arrange to have it done there within the time.

Q. You think Mr. Cook suggested you could have it done within the time? A. Yes; I would not like to say that positively.

Q. I want you to be positive about it. This is an important matter. Tell us exactly what took place; that is all you have to do? A. As my memory serves me, that is what took place. Mr. Cook suggested that the work could be done there.

Q. Then what did you do? A. I came down to Ottawa and got the order and copy of the cuts.

Q. From Mr. Cook at the department? A. Yes.

Q. Then what did you do? A. I took it down to the *Free Press*.

Q. Before you took it down there had you made any arrangement with him? A. No.

Q. When you got down there what did you do? A. I arranged with the manager to do the work; I got his quotations.

Q. You got his quotations; did you go there and ask him for what price he would do the work? A. Yes.

Q. Was that Mr. Barker you were dealing with? A. Yes.

Q. Did he say anything about Mr. Cook's connection with the matter? A. No.

Q. Did he seem to know the particular job that was to be done? A. I guess he rather expected it; he did not seem surprised, anyway.

Q. How long were you arranging the prices? A. I was probably in the office an hour.

Q. Did you know before you went there what price he would do it for? A. Yes.

Q. Who told you the price? A. I think Mr. Cook told me the price.

Q. The work was done quickly, was it? A. It was done in a special time.

Q. Did Mr. Barker or anybody else give any reason as to why he was able to do it for a smaller sum than you had got? A. No.

Q. When the work was done where the bills sent from the *Free Press*? A. They simply drew on me for the amount.

Q. And sent the bills to you, of course? A. Yes.

Q. And then what did you do? A. I sent my bills to the department.

Q. You drew on the department? A. No, I did not draw; they sent the cheque.

Q. The draft on you from the *Free Press* was a time draft? A. Yes.

Q. And was held until you got the cheque from the department? A. No, it was a sight draft.

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Q. And you paid it? A. Yes.

Q. Did the work come to you, or go to the Printing Department? A. Do you mean after they completed the job?

Q. Yes? A. It went to the department.

Q. And did not come up to your office at all? A. No.

Q. Went straight from the *Free Press* to the Printing Department? A. Yes.

Q. It seems strange that the job should be given to you for \$200 more than the *Free Press* here in Ottawa would do it for. Can you explain that? A. The only way I can explain would be during a dull season to take a job at a lower rate, to keep the plant in operation and to prevent the staff being disorganized.

Q. There is, on the other hand, this point: that your price was altogether too high? A. No, I think our price was reasonable.

Q. What authority have you for that? A. Why the figures that we went into beforehand.

Q. By which you mean what? A. The aggregate of the cost of paper and stock, electrotyping, labour and press work: for instance, we arrived at the \$1,600 basis when Mr. Cook was in Gananoque.

Q. You mean to say that in arriving at \$1,600 you considered the whole question of the cost of composition and the cost of electrotyping, paper, binding, and arrived at that time at \$1,600? A. I think so; roughly you know.

Q. Then you had a reduction down to \$1,160? A. Yes.

Q. That was such a serious fall from \$1,600 that I do not understand how you could have taken it, if you relied on the previous calculation as being near the truth. A. I did not rely on the \$1,600, because, as I stated just now, the thing was gone into very hurriedly and very roughly at that time.

Q. When you got the \$1,160 offer, did you then calculate how you were coming out on the job? A. Oh, I did go into it, yes.

Q. Did you go into it very carefully? Frankly, a job of that size is pretty large, something I never had anything to do with before, and perhaps I am not altogether capable of going into it.

Q. But you were undertaking the contract, and stood to lose, if you were not getting enough? A. Yes.

Q. What steps did you take to satisfy yourself you were getting enough for the job? A. I went into the cost of paper and composition and press work.

Q. And at that time, upon the expectation and the intention that you would print it yourself, in the way you have described? A. Yes.

Q. At the time you accepted \$1,160 had you any thought whatever of giving it to the *Free Press*. A. Yes.

Q. You had? A. Yes.

Q. How did you get that? A. Why, when Mr. Cook told me the time in which the job had to be done, I told him we could not do it in that time, and that is when I got the suggestion.

Q. You told me a moment ago you got word about the time, not when you agreed to do it for \$1,160, but later on? A. If you understood that, I think it was wrong, because I did not intend to make a statement of that kind.

Q. You mean to say that when you were told you would get \$1,160, you were told you would have to do it in a month? A. That is my recollection of it. I would not say a month, but a short time.

Q. And you were then told the *Free Press* would do the work? A. Yes.

Q. That seems to bring up a very serious position for Mr. Cook, and I want you to be very careful about it; it appears this way: you had not a contract at that time: Mr. Cook telephoned you that you could get \$1,160 for the job, and that you could give it to the *Free Press* for \$950? A. I think the order was made out at that time.

Q. You had not received it? A. No.

Q. It was still, so far as you know, in the hands of the Printing Department?
A. Yes.

Q. And there was no binding contract with you at that time? A. No binding contract with me, possibly, but the order, I understood, had gone through.

Q. That is to say, the department had decided to give it when they telephoned you? A. Yes.

Q. That is still more serious, do you mean to say that you understood that the department had decided to give it and had put through an order for \$1,150, when no arrangement had been come to with you? A. No, I did not intend to say that.

Q. I want you to get it in order; you told me that you were told by telephone from Mr. Cook that you would be given \$1,160 for the job? A. He telephoned me and stated that the price paid the last time was \$1,150 or \$1,160, whichever it is, and I could have it at that price.

Q. And you replied what? A. That I would take it.

Q. Then at the same time, in the same conversation, were you told you would have to have it out in a month? A. I think I was.

Q. And you were told that the *Free Press* would do it? A. I think that is correct.

Q. All in the same breath? A. Understand, I am not at all positive about that, but that is my impression.

Q. You strike me as a man who is likely to have a very clear and intelligent memory of business matters, and I want you, in this serious inquiry, to be very positive and clear, if you can. I want to go over the steps again. At Gananoque you and Mr. Cook considered the question of prices for which you would do the work, and, roughly calculating, you named \$1,600? A. That is my impression.

Q. Mr. Cook being anxious to get away to Toronto, no conclusion was reached?
A. Oh, no.

Q. He did not tell you at that time that you should have the contract whether or no? A. No, he did not tell me. He said I would hear from him again.

Q. Your understanding from that, I suppose, would be that the negotiations would go on, and if you and he could get together on the price, you would get the job? A. That is what I understood.

Q. There was no promise that you should have the job? A. No.

Q. But merely that further negotiations should take place? A. Yes.

Q. The next step in the negotiation is what you have told us, a telephone conversation, when he said the previous job had been \$1,160, and you could have the same thing? A. Yes.

Q. And it was wanted in a month? A. Yes.

Q. And that the *Free Press* would do it for you for \$950? A. Yes.

Q. And that the *Free Press* would do it for you for \$950. So that, practically, is this the position: that, having regard to the short time, you would not have accepted that \$1,150, except for the fact that the *Free Press* would do it for you? A. Yes.

Q. That is the position? A. The *Free Press*, or some other shop.

Q. Then you were told at that time that the order had gone through for you to get the work? A. No, I do not think I was told anything about any order going through.

Q. I think you told us that a moment ago? A. Oh, I am sure I was not told any order had gone through; that was my impression, that the order was through.

Q. But you had accepted the contract? A. No.

Q. And you would not have accepted it, I take it, from what you have said, at that figure, if you had not been able to get somebody else to do it for you? A. Not to turn it out in that time, because that would be an impossibility.

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Q. Your evidence brings us to this position, that you were being offered \$1,160 for a job which Mr. Cook said somebody else would do for \$950? A. Yes.

Q. That is the position, is it not? A. It looks like it, yes, sir.

Q. Did it strike you at that time as being a peculiar transaction? A. It struck me the job was well worth the higher figure.

Q. Why should the Printing Department give you more for it than anybody else would do it for? A. I do not know that they did; I did not know for a fact that the *Free Press* would give it to the department for \$950, they might, I do not know.

Q. But you did know for a fact that the department knew, through Mr. Cook, that the *Free Press* actually did the work for \$950, you knew that? A. Yes.

Q. I ask you if you can afford an explanation of what, upon its face, appears a peculiar transaction, that the department should give you \$200 more for doing a job of work than the department knew somebody else would get for that job? A. No, I cannot explain it.

Q. Did that not occur to you as peculiar at the time? A. I do not know that it struck me as peculiar, as I stated before, I think there was value for the \$1,160.

Q. There was not value for the \$1,160 to the department, if it could get it done for \$950, was there? A. Well, that is—

Q. I am putting this question very plainly, and I want you, if you can, to provide me with an answer; here is a department getting printing done for the public, and it is offering you \$200 more than the department knows, through the same official, somebody else will do the work for. Upon the face of it, that seems to be presenting you with \$200 of public money. Can you explain that away? A. No, I cannot offer any explanation.

Q. Did you divide that profit with anybody? A. No, sir.

Q. Did you give Mr. Cook any portion of it? A. Not a cent.

Q. Did you promise him any? A. I did not promise or suggest.

Q. Did you promise it or suggest it to anybody else? A. No, sir.

Q. Did Mr. Barker, of the *Free Press*, give any reasons for accepting the job at the price? A. No.

Q. Did he say anything about the condition of their office, or reasons for taking it? A. No, sir, not to my recollection.

Q. Did he chaffer or negotiate with you about prices, or accept the price? When you walked into the office did you say "How much will you do this for," or what did you say to Mr. Barker? A. I could not say about that.

Q. You know before you went there what he would do it for? A. Yes, I did.

Q. When you were down at the Printing Department, talking to Mr. Cook, did he tell you to go and see Mr. Barker? A. No.

Q. But he knew where you were going? A. I daresay he did.

Q. Do you know that he did? A. So far as I am able to know anything, yes.

Q. Can you give us any special reason, or any reason, bearing upon this matter, why you should get patronage from the department? A. No reason whatever: it is something I was not looking for.

The CHAIRMAN.—Would you like to ask the witness any questions, Mr. Cook?

Mr. COOK.—Yes.

By Mr. Cook:

Q. When I quoted to you the sum of \$1,160, did I not offer to you, in explanation of the reduction, that the *Free Press* were prepared to execute the job for a less figure? A. Yes, you did.

The CHAIRMAN.—You must not put the explanation in his mouth: ask him what the explanation was.

By Mr. Cook:

Q. Was it not thoroughly understood when I left you that the job was to go to the Gananoque Reporter? A. When you left me, yes, and you said I would hear from you again.

Q. The job was promised to you at that time? A. Yes, that was the understanding.

By the Chairman:

Q. You understood you would get the job? A. That is what I expected.

Q. But there was no price fixed? A. No.

Q. And you did not agree to take the job at any price? A. No, but I relied on Mr. Cook's better ability to estimate a job of that kind.

Q. Supposing he had quoted you \$750 later on, would you have felt bound to take \$750? A. No, sir, I would not.

Q. At that time you were reserving your right of judgment on any offer he might make you? A. Yes.

Q. Your understanding would amount to nothing more than this: that Mr. Cook was going to give you the job to do, if you and he could agree on price? A. Certainly, yes.

Q. And you knew that after he returned he would communicate with you further about the price, and that you and he would try to arrive at an understanding of the price? A. Yes.

By Mr. Cook:

Q. Did I tell you to go to the *Free Press*? A. Yes.

Q. Did I do more than tell you the offer the *Free Press* had made us? A. That is all.

Q. It was not on my order that you went to that office? A. No, sir, it was not.

Q. You made the negotiations entirely yourself? A. Yes.

Q. When I telephoned you from the Bureau, did I or did I not offer the figure of \$950, the offer of the *Free Press*, as a reason for the very material reduction from \$1,600 to \$1,160? A. Well, I am not very clear about that, possibly you did.

ROBERT E. COOK (recalled):

By the Chairman:

Q. You have heard the evidence of Mr. Britton now present; do you wish to give evidence on the point? A. Yes, sir.

Q. State what you wish to say? A. When communicating with Mr. Britton on the telephone, informing me that the King's Printer had given me instructions to send him that immigration pamphlet, I offered the explanation of this *Free Press* offer as a justification for the reduction in the price being paid to him. It was distinctly understood at that time that the order belonged to the Gananoque Reporter.

Q. By whom? A. By both myself and the King's Printer, that it could not be withdrawn and sent to other offices.

Q. As to what took place in Gananoque, Mr. Britton's evidence is correct, is it? A. Practically.

Q. When you got down to Ottawa you brought the matter to the attention of the King's Printer? A. I did.

Q. About giving the work to the Reporter? A. Yes.

Q. You testified to that previously? A. Yes.

Q. Did you discuss with the King's Printer what price should be offered to the Reporter? A. I did.

Q. And did he approve of it? A. He did.

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Q. And what price was that? A. \$1,160.

Q. And how did you arrive at that? A. I took the price paid for a larger pamphlet, 64 pages, and the price paid for a smaller pamphlet, 32 pages, a similar number of copies of each, and split the difference, as this pamphlet came midway between the two.

Q. And who printed those other two pamphlets? A. I could not give you the names; they are a matter of record in the department.

Q. The result of splitting the price was the price that you decided to give the *Gananoque Reporter*? A. It was, which price was considerably lower than the regular price, if figured on the schedule allowed by the Bureau.

Q. Having arranged with the King's Printer that that was to be given, what is the next step in the process? A. I notified Mr. Britton.

Q. Before you notified him, according to the practice of the department, after you and the King's Printer decided upon the thing, did you make any memorandum in writing anywhere? A. An order is prepared for the firm, or whatever it may be, in my own branch.

Q. And who signs that order? A. Sometimes myself; sometimes the Superintendent of Printing.

Q. Does the King's Printer initial it, or in any way indicate his pleasure about it? A. No, that has not been the custom.

Q. Was this order prepared before you telephoned or after? A. No, it was prepared later.

Q. Then at the time you telephoned him you simply had the approval of the King's Printer to offer him that much? A. I had.

Q. Was it after you got the King's Printer's approval in the way you have mentioned that you had your interview with the *Free Press*? A. It was.

Q. When Barker offered to do it for less? A. Yes.

Q. Was it on the same day? A. It was the same day. He came in while I was at the telephone box, in communication with Mr. Britton.

Q. You had gone to the telephone box? A. It is in the corridor, at the door of my office.

Q. And you were there: had you commenced to speak to Mr. Britton? A. I had. I told Mr. Britton the price before. Barker figured his price roughly and gave it to me.

Q. Was Barker there when you went to the telephone box and rang up Mr. Britton? A. He came in some time while I was in the box.

Q. What interrupted your conversation in the box? A. My recollection is that I was waiting for the connection with Gananoque. I am not just clear on the point; it was between the time I asked for the connection with Gananoque and before I got it that Barker came in. We were in discussion outside of the counter in my room.

Q. What did you say to him? A. I told him that I had just received instructions to send that order on to the *Gananoque Reporter*, that I had made arrangements for it the week previously, that it belonged to them.

Q. So far as you know, had he been sent for? A. He had not.

Q. From your own standpoint, was it an accident, or a coincidence? A. It was purely a coincidence; he came looking for work, unsolicited, unsought.

Q. You had not yet communicated to Mr. Britton the fact that he was to have the order? A. No, sir.

Q. Consequently you were in a position to suppress it, if you wished? A. I did not consider that I was. It had been promised to Mr. Britton.

Q. The work had been promised to Mr. Britton, provided you and he could agree upon price, was it not? A. I think Mr. Britton is in error, insofar as the \$1,600 being the figure. My own recollection is that the \$1,160 was the figure that I left him with, that I had that figure before I went to Gananoque roughly figured out, and

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that I knew about what we could allow for it. He was asking \$1,600. He came down from \$2,000 to \$1,600.

Q. What do you think about it? A. I think the \$1,160 was quoted to him, and that I, in substantiation of that reduction, talking to him over the telephone, informed him that the *Free Press* had made an estimate on the job, and were submitting \$950 as a—

Q. Your position is this: that at Gananoque he had quoted \$1,600; that you had stated \$1,160 as being the figure which you could allow? A. Yes.

Q. And that you had then come to Ottawa and had obtained the endorsement of the King's Printer to give him \$1,160? A. I did.

Q. Had he at Gananoque intimated that he would take it at \$1,160? A. He had intimated that he would rely on my judgment, and that he would take it at the figure that I recommended as a reasonable figure.

Q. Then you mean to say that you considered that, after consulting the King's Printer, the price you fixed would, under the circumstances, be the contract with Mr. Britton? A. I did.

Q. The position, then, you think would be something like this: Mr. Britton being a friend whom you desired to give a job to, a man not experienced in doing such large jobs, would, for both reasons, rely on your judgment as to what was the proper price? A. Yes.

Q. And for that reason, when you returned to Ottawa, the position was that you knew that he would accept the price which you decided was fair? That was the understanding when I left Britton.

Q. I am putting forward what seems to be your line of thought? A. Yes, sir.

Q. And then you say that, having, with the King's Printer's approval, decided to give him the job at that price, and having rung Britton up over the telephone to tell him, Barker came into the office, and, after the conversation which, in our previous evidence, you have described, said that they would do the job for \$950, because they were badly in need of work? A. Yes.

Q. You got, then, into communication with Mr. Britton? A. Yes.

Q. And you told him the two things, that the order had been given to him and that the *Free Press* would do it for \$950? A. Yes.

Q. The legal position would seem to be this: that prior to telling him over the telephone that he should have the work, you had not concluded a legal and binding contract with Mr. Britton; that seems to be the legal position? A. It would look so.

Q. And before telling him over the telephone that he should get it for \$1,160, you knew from Mr. Barker that he would do the job, under the special circumstances at the time, for \$950? A. I must confess I did.

Q. I want to put this proposition to you: why did you not at that moment say: "The Department can get this work done for \$950, and I cannot give anybody else any more?" A. Because I considered the job had been given to Mr. Britton, and we were in honour bound to give it to Mr. Britton at the price fixed by the King's Printer and myself.

Q. First because you had promised him the job? A. Yes.

Q. And secondly because you and the King's Printer had arrived at \$1,160 as a fair figure? A. Yes.

Q. In the Printing Department you had at that time, and afterwards, a rate that was allowed per thousand ems for composition? A. Yes.

Q. And for work of the kind done by Mr. Britton? A. Yes.

Q. That had been fixed in Mr. Dawson's time? A. Yes.

Q. And the rates had been furnished later on to Mr. Murphy, Secretary of State? A. Yes.

Q. And had been increased in one or two particulars? A. Yes.

Q. Are these rates such as you could apply to a work of that kind done by the *Reporter*? A. Yes.

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Q. At the rates prescribed in that way, what would the *Reporter* job be worth?
A. Closer to the \$2,000 than the \$1,160.

Q. Would those rates be such as might properly be applied to a job so large in volume as this? A. The size of the job was our warrant for getting a lump price.

Q. You mean to say that in a job where so many pamphlets had to be printed, the practice would be to look round for a lower price than the per thousand em rate would justify? A. Yes.

Q. And that would be a matter of contract? A. Yes.

Q. In the past has it been the habit to put such jobs as these up to tender and contract? A. Never by the Printing Bureau.

Q. Have they been invariably given out as a matter of judgment, of barter with the party, and judgment on the part of the King's Printer and your office? A. Yes.

Q. That has been the method? A. Yes.

Q. At Gananoque, when you were talking to Mr. Britton, was there anything said to him about the time at which the job would have to be done? A. I am of the opinion that there was, yes.

Q. Did you mention to him then that it would be required in a month? A. The exact date I could not say, but it was required expeditiously.

Q. You saw what he had, and you heard him say it would not be possible for him to have it done in a short time? A. I think that more than a month was allowed, and I do not think the work was completed inside of a month, as a matter of fact.

Q. Do you mean to say that when you spoke to him over the telephone that you did not limit him to a month? A. No, I did not, not to my recollection.

Q. Do you remember anything being said over the telephone about the time in which the work was to be done? A. No, I cannot say that I do.

Q. Was it in fact a job that required to be hurried? A. It was required within a reasonable length of time, not for a specific date.

Q. Was it limited to a month or two months, or how was it limited? A. Yes, sir, there would be a limit placed on it, otherwise it would have been retained in the Bureau and executed there.

Q. Do you mean to say the reason for putting it out was that it was required soon? A. Yes.

Q. It was going to the Immigration Department? A. Yes, it was for that department.

Q. What season of the year was this? A. This was somewhere in the spring, I think. I do not recollect the exact period.

Q. You have just heard Mr. Britton's evidence that he heard over the telephone that he would have to do it in a month: that he was surprised at that, because he had not the facilities to do it so quickly, and that he would not have taken the job to do it himself: what have you to say to that? A. That I do not think that the month was stipulated.

Q. It would not make any difference to the essence of the thing whether it was a month or six weeks: the question is this; whether you at that time first explained to him that it was to be required in so short a time that his facilities were not capable of doing the work? A. No. I do not think we required Mr. Britton to do it in a month it was not the intention to ask for that.

Q. Don't try to hang on the month; try to grasp the sense of what I said; did you over the telephone, at that time, first raise the question of the period within which the work was to be done in such a form that Mr. Britton would then first realize that he could not do that work in his own office? A. No, sir.

Q. The suggestion in Mr. Britton's evidence on that point is that in consequence of what was said over the telephone, he, for the first time, realized that his office was not capable of doing the work within the time the department stipulated for, and therefore, that he then saw for the first time that he could not take the contract unless he could get somebody else to do the whole work for him, and then he adds to

that, that at the same time you told him that the *Free Press* would do it, the deduction from that being obviously, that he took the contract then for \$1,160 because he saw he could get it done for \$950, and make \$210 as easy as kissing his hand. What have you to say to the position? A. It was not my intention.

Q. I do not care about your intention; I want to know what you have to say as to the position; is that a correct representation of the position, and, if not, in what way is it a mistake? A. I mentioned the *Free Press* offer simply as a justification and proof that my figures of \$1,160 were correct.

Q. But you still do not touch the point: did you by your conversation on that occasion so alter the conditions under which the work was to be done as to make it appear for the first time to Mr. Britton that he could not do the work in his own office? A. No, sir.

Q. Do you say that you did not at that time, by narrowing down the time within which the work was to be done, at all alter the position as it had been presented to Mr. Britton when you talked with him in Gananoque; is that the case? A. That is my recollection, yes.

Q. At least, you mean to say that is your recollection of what your representations were at Gananoque, no matter what Mr. Britton's understanding of the position may have been? A. Yes.

Q. Is there anything you want to add just there? A. No.

BYRON O. BRITTON, recalled.

By the Chairman:

Q. You have heard the evidence given by Mr. Cook, and you have been following it closely? A. Yes.

Q. What have you to say to Mr. Cook's statement that while you quoted \$1,600 in your office at Gananoque, he told you there that \$1,160 was about what the department would allow? A. Well, I just have this to say: that my statement was made from memory, the best of my memory, and Mr. Cook may be correct.

Q. But, having heard what he has to say, has it refreshed your memory any on that point? A. No, it has not.

Q. Without going into the exact words of what he said, Mr. Cook has represented his understanding of the position when he left Gananoque to be this: that because you and he were old friends, and you had confidence in his experience, and because you had not much experience in that class of work yourself, you relied upon him to fix a proper price, and you were promised the work with this understanding, that whatever price he fixed you would accept; is that a fair representation? A. I think that is the correct position.

Q. Always, of course, with this proviso: that if he quoted an absurdly low price, you were in a position to say no? A. Surely, yes.

Q. But still you would adhere to his judgment within certain limits? A. Yes, sir.

Q. And if it were a question of doubt in your mind as to whether the price was a fair one or not, and he said it was a fair one, would you take his judgment on the question? A. I think I would, yes.

Q. He is right enough then, you think, in this: that when he left Gananoque you were assured that you would have the work to do? A. I think that was the understanding.

Q. And that all that remained to do was for him to decide what he could give you, and for you to accept it, if it were reasonable, in his opinion, and not unreasonable in yours? A. Yes.

Q. That is a fair definition of the position? A. I think it is.

Q. Is this correct, that that day he called you up over the telephone, so far as the matter of price is concerned, if he had said to you "Britton, the department will give you the work to do and \$1,160 is the price," and he had not mentioned any offer from anybody else, would you have accepted the job? A. Yes.

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Q. You are very clear on that point? A. Very clear.

Q. Would you go the extent of saying that the news that you could get the *Free Press* to do it for \$950 did not cause you to accept the \$1,160? A. No, sir.

Q. Is that right? A. That is correct.

Q. You would have accepted the \$1,160 anyway? A. Yes.

Q. Relying on the judgment of Mr. Cook? A. Yes.

Q. And your own judgment? A. Yes.

Q. On the question of time, you said a while ago that you then first learned that the time was so short, a month or about a month, that with your facilities you did not feel you could do it? A. Did I say that absolutely?

Q. Yes. A. That is my impression anyway. It is too far away to be absolutely positive. That is my impression, anyway. That is as far as I can go now. I do not pretend to state it for an absolute fact; I am not in a position to.

Q. Can you give us information on this point from your remembrance and impressions; supposing he had not mentioned the *Free Press* at all on that occasion, but had simply said "You can have this job: \$1,160 is the price: it will be required in a short time, a month or thereabouts," would you have accepted it under those conditions? A. No, not over the telephone. I would not have accepted it under any condition, unless I could have farmed it out, to get it done within a very short time.

Q. What would you have done if that had been said to you without mentioning the *Free Press*? A. I would have asked for time for consideration.

Q. And your consideration would have included what? A. Simply looking about to have it done outside.

Q. In other words, then, if you had not heard about the *Free Press* on that occasion, you would have said "Wait until I consider the matter," and then you would immediately have gone out to see where you could have got it done, and at what price and what time? A. That seems to be the natural course to pursue, under the circumstances.

Q. Did you understand at the outset—I do not mean to say because of what anybody told you—was it your conception that you could get it done outside if you wanted to? A. No, sir. At the outset?

Q. Yes? A. No, sir.

Q. You did not intend to do that? A. No.

Q. But you say if you had been limited as to time in that way, and had not known of the *Free Press*, you would have inquired to see where you could get it done? A. Yes.

Q. You would not consider yourself shut off from that? A. No.

Q. There was nothing expressed to you to prevent you getting it done elsewhere? A. No, it is very frequently done.

Q. If you undertook to do a job of work for a fixed price, and then, from some cause or other arising in your business, it is not convenient, there being no stipulation in the contract against it, do you hold yourself at liberty to get the work done anywhere else? A. Yes.

Q. If you can get it as well done as you can do it yourself? A. Yes.

Q. That is a common trade practice? A. Yes. We frequently get the composition done, and do the press work ourselves; that is machine composition, you know.

Q. And that is a general custom of the trade of printing? A. I think it is; I am sure it is.

Q. There are very few offices in the printing business, outside of the large cities, in which complete work can be done in one office—complete work of magnitude? A. Yes.

Q. And even in the cities, in certain conditions of trade, the large offices get each other to do their work very properly, or portions of it? A. I presume they would. I am not familiar with the city trade.

Q. How long have you been proprietor of the *Gananoque Reporter*? A. Since December, 1905.

Q. Whom did you get it from? A. My father.

Q. What is his name? A. Freeman Britton.

Q. How long did he have it? A. Fifty years.

Q. Is your father a brother of Judge Britton, of Toronto? A. Yes.

Q. Is there any other newspaper in Gananoque? A. Yes.

Q. What is it? A. The *Journal*.

Q. I suppose you are on opposite political sides? A. Naturally.

Q. That is part of the business? A. Yes.

Q. The *Journal* is a Liberal paper, is it? A. Yes, they are Liberal—Liberal conservative.

Q. What do you call your paper in politics? A. Liberal.

Q. Reform? A. Yes.

Q. Or Grit? A. Yes. We do not do much in politics except on occasions.

Q. But generally speaking? A. We represent the Liberals.

Q. You supported the Liberal party and the Laurier Government? A. Yes.

Q. Gananoque was in what riding or constituency? A. Leeds.

Q. That is the seat represented so long by Mr. Taylor? A. Yes.

Q. You were not a supporter of Mr. Taylor's—I mean your paper? A. Not politically. We were very intimate otherwise, but in politics we agreed to differ.

Q. I am leading round to this question; whether there was in this transaction any suggestion, so far as you are aware, of any corrupt motive on the part of Mr. Cook, in dealing with you in that way? A. Not the slightest.

Q. Either personally or politically? A. Not as far as I am aware—not anything suggested.

Q. In reference to this matter, the charge has been made against him of wasting public money, and we are desirous of having all the evidence we can on the point; that is the reason for the question. You do not regard this as an attempt to make you a present of \$200 at the public expense? A. No, I did not look upon it in that light.

Q. Do you look upon it in that light now? A. No, sir.

Q. From what you have heard and inquired and from your general knowledge of the printing business, what would you say about the fairness of the price given you for that work? A. I should think it was reasonable and fair.

Q. What would you say, as a practical printer, under these circumstances, as to the price for which the *Free Press* did the work? A. I cannot see where they would get out of it with a whole skin.

Q. Anyway, there would not be any room for profit? A. I cannot see any room for profit.

Q. Would you take the job to do again to-day for the price the *Free Press* got for it? A. I would not.

Q. Or for anything lower than the price you got for it? A. No.

Q. Would you be willing to accept that price? A. \$1,160—yes, I would try it again.

Q. Anything lower than that? A. No.

The CHAIRMAN—Do you wish to ask any more questions, Mr. Cook?

Mr. COOK—No.

The CHAIRMAN—Anything more you want to give in evidence yourself?

Mr. COOK—No.

Witness retired.

The Commission adjourned.

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OTTAWA, Wednesday, Feb. 7, 1912.

PRESENT:

A. B. MORINE, Esq., K. C.,

*Chairman.*R. S. LAKE, Esq.,
*Commissioner.*G. N. DUCHARME,
Commissioners.

F. W. STONE, sworn:

By the Chairman:

Q. What is your position? A. Managing director of Stone Limited, formerly the Toronto Lithographing Company.

Q. The present name is Stone Limited? A. Yes.

Q. You have been using the two names? A. We changed our name some two years ago.

Q. You remember the occasion when Mr. Cook, from the Printing Department, first negotiated concerning the lithographing of *Farm Grasses* in 1910? A. Yes.

Q. That would be about the end of February or 1st of March? A. Yes, somewhere there; I think it was round that time; I do not just remember; somewhere the first of the year.

Q. Your company printed the plates for *Farm Weeds* the previous year? A. Some time before.

Q. Mr. Cook saw you about lithographing the plates for *Farm Grasses* at Toronto? A. Yes, sir.

Q. Will you tell us your recollection, as near as possible, of what took place on that occasion? A. Mr. Cook came in to us, and submitted his drawings of *Farm Grasses*, and asked us to give him a price. I brought the foreman of our art department into the office, and handed him the drawings, and asked him to give me figures for producing those plates. He did this, and Mr. Cook was given prices, and said that he would very likely see us again in the course of two or three days, and he came in again in two or three days and left the order with us.

Q. Do you know where he was in the meantime? A. No.

Q. You had, of course, no formal, signed order at that time, I suppose? A. When Mr. Cook gave us the order, I handed him an acknowledgment of the order, the same as we had done the previous year. The conditions were carried out exactly the same as the previous order that was placed with us, and I might say that in the presence of this man, the manager of our art department, Mr. Cook asked us to go ahead with the work.

Q. And I might explain, so as to have it in the evidence, that this inquiry is not for the purpose of looking into your legal rights, or otherwise, but it has relation to Mr. Cook's conduct? A. I see.

Q. So that nothing you say will prejudice your legal position? A. All right, sir.

Q. When you say that Mr. Cook gave you an order, do you mean to say that he signed an order which was in writing, or gave you a verbal order? A. No, just told us to go ahead with the work, and I immediately gave him an acknowledgment of the order, and he understood, of course, from that that we were going ahead with the order.

Q. What form was it? A. A letter: we have a copy of it that I can send to you.

Q. You will kindly send it? A. Yes.

Q. Soon after was the work commenced? A. That day.

Q. And what was the first you heard about it from outside? A. I do not know. I cannot say from memory whether the next we heard was from Mr. Cook or from the late Secretary of State.

Q. In what form did you hear from the Secretary of State? A. Received that letter which I sent you.

Q. This is the original letter which you received, is it? A. Yes.

Q. "Ottawa, 16th April, 1910: Dear Sirs:—It has recently been brought to my attention that, without my knowledge or approval, you were interviewed by an official from the Printing Bureau regarding the publication of a book for the Department of Agriculture called *Farm Grasses*. I desire to inform you that there has been no order given for any part of the publication mentioned nor will there be any given until after the instructions of the two ministers concerned have been carried out. Yours truly, Charles Murphy."

The address is "The Toronto Lithographing Company, 461 King street west, Toronto." Your stamp on that shows that was received April 18, 1910? A. Yes.

Q. Prior to receiving that letter from the Secretary of State, can you recall whether, from him or anybody else, except Mr. Cook, you received any notice to that effect? A. No, we did not receive from anybody else, excepting Mr. Cook or the Secretary of State.

Q. You received nothing from the Secretary of State except that letter at that time? A. No.

Q. No telegram, or anything of that sort? A. No.

Q. You do not remember whether Mr Cook's visit to you or that letter came first? A. I cannot recall.

Q. But about the same time? A. It would be about the same time. I am sure of that.

Q. When Mr. Cook came to you what did he say? A. Mr. Cook told us when he came that he wanted the plates, that there had been some understanding that the minister was not satisfied with the order being placed, and that he wanted the plates, and that he would have to get further tenders, and he advised me that he would have to get further tenders from the States, that he had received tenders in Canada, but the minister wanted him also to get tenders from the States.

Q. You gave him the plates, and he went off for that purpose? A. Yes.

Q. Of course you did not get the plates back? A. Did not get them back.

Q. Later on you received a written invitation to tender for the same work, did you not? A. Yes.

Q. The publication was to be a greater number of copies, if I remember correctly? A. Yes.

Q. And you put in another tender? A. Yes.

Q. In your letter putting that in you explained that you made that tender up on the same basis as you had used when figuring for Mr. Cook? A. Yes.

Q. That was the case? A. Yes.

Q. You did not get the contract? A. No, sir.

Q. Had the basis upon which you gave figures to Mr. Cook been an ordinary commercial basis? A. Yes.

Q. Higher or lower, or in the same scale as you did other work? A. The same scale as we had worked for any of our customers.

Q. Was it a fair and reasonable scale? A. Yes, sir.

Q. Had your firm any personal relations with Mr. Cook at any time whatever? A. No, sir.

Q. You had never given him a rake-off of any kind? A. No, sir.

Q. Or had you been asked by him at any time to do such a thing? A. No.

Q. I suppose in the past you had considerable dealings with him one way and another? A. For a number of years.

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Q. Had you ever had any cause to complain of his conduct? A. None whatever.

Q. How did he strike you in dealing with him? A. Very honest man.

Q. What would you say of his capacity? A. In what way, Mr. Chairman?

Q. For instance, he, of course, did not profess to be an expert lithographer; he did not know much about the business of lithography? A. I should say he only had a fair knowledge of our business.

Q. Such as a man who had not been trained up in the business might have? A. For his experience, he had a very fair knowledge of the business.

Q. Would you say as much knowledge as a man could get who had not been in the lithographing business? A. No, I would not say that.

Q. But a fair average knowledge? A. Fair average knowledge.

Q. And he had struck you as honest? A. Yes, thoroughly honest.

Q. And active? A. Yes.

Q. Had you ever seen anything in your dealings with him to give you any suspicion concerning his integrity or uprightness? A. No, sir.

Q. When you come to consider work of that kind, which is necessary in *Farm Grasses*, you have, I presume, certain bases upon which you figure your work? A. Yes.

Q. Will you give us, for instance, what is involved in work of that kind? A. In the first place, we have to make the drawings on stone. In that publication, if I remember, on some plates there were eight colours and on some nine; take the face of an eight-colour job, we will have to make the drawing; we have to make a stone to draw what we call the yellow, and we would have to have a stone to draw the red, and the blue, and the gray, and so forth, for the eight colours there would have to be eight different stones drawn for each one of these plates, and then they are transferred. In the case of the weak plates, it is a different proposition; we draw them all on the one stone; we do not have to transfer—oh, yes, I guess we do; on the two lots I guess we had to transfer these; but if they had been the one lot we would just draw them on the stone, and they would go to the press and be printed. In this case we would have to draw them on the stone, and then we would transfer them, and after they are transferred, so that you print so many on a stone, it might be—I think it was nine on a stone—they are sent to the press room, and they are printed and delivered; this particular job was delivered in the sheet—I am not sure whether it was delivered in the sheet or not. I cannot recall whether it was delivered in the sheet, or cut up partly.

Q. When you are considering the price for a job of that kind, I presume you consider what you have told us, the number of different drawings that would have to be made for each plate? A. Yes.

Q. And the question how many transfers have to be made? A. Yes.

Q. And how many impressions have to be made? A. Yes: just excuse me, I left out the proving: there is also the proving. They have to be proved, and the proofs have to be sent to the department.

Q. And, if not correct, some alteration has to be made? A. They have to be re-proved.

Q. So that the price which you give upon them has relation to the number of impressions, the number of plates which have to be made, the number of transfers, and considerations of that kind? A. And the amount of work in the drawing, how long it will take a man to draw them on stone: some work takes longer than others.

Q. And then when you have ascertained in that way the number of different kinds of work and the time which it will take, and so forth you, of course, have a scale which you apply to each of these processes, in order to make up your price? A. No. In making up our estimate we give the man in charge of the Art Department the plates, and we say "How long will it take you to put those on stone, and how much will it cost with the transferring and all the operations"? And he gives us an estimate, and we make it up on that basis.

Q. In making up an estimate he, for instance, would have certain rates of prices which are applied to that class of work? A. I do not know that I would say rates: he would go to the man who is going to make the drawing and say "How long will it take to make the drawing"? A. And he would say "Eight weeks, or ten weeks, or two months" as the case might be, and it would be figured on the basis of his wages.

Q. So that you have certain bases upon which you can get down pretty accurately to what is the value of a job? A. Yes.

Q. You do not have to simply make a mere guess? A. Oh, no, we could not do that.

Q. And in giving this price to Mr. Cook, and later on in the tender, did you do so upon this well-understood basis? A. Yes, worked on that.

Q. I find that the successful tender was for \$4,375 for the first 25,000 and \$3,325 for the subsequent printing, while your tender was \$6,270 for 25,000, and for the subsequent printing \$3,375 so that you asked \$50 more for the second printing than the successful tenderer did, but you asked \$1,995 more for the first 25,000. The successful tenderer did that first 25,000 for about 66 per cent of your figures. Can you give me any explanation of that large discrepancy? A. Well, I cannot, from their standpoint. The only thing that I can say is this: that they evidently did not figure what it would cost to put these plates on stone. They very likely had not had any experience in the drawing of these plates, and we had, and we know what they cost, and we went on what they cost us previously. It is a very easy matter in our business to be cut a considerable amount in estimating. We have often had that occur in our commercial experience, not so much in our prints, because that is a very simple matter, but in drawings, making original drawings, there are often great discrepancies, and it is a very hard matter to estimate.

Q. I may tell you that all the other tenderers were higher than you, and the American tenderers were very much higher than you? A. Yes.

Q. Those American houses would have experience in that class of work? A. I may say that I do not think the Montreal Lithographing company would have experience in that class of work, and the chances are they would be out on their estimate of original work. I would not say that they were, but I know what it costs us to produce it, and I know positively we could not produce it less than the price we gave you.

Q. What would lead you to think the Montreal company had no experience in stone work? A. They may have had experience in stone work, but that is a different class of work altogether.

Q. I mean in this class of work? A. Because there is nobody in this country has done that except ourselves. Nobody has done it but the government, and we have always done it.

Q. Is it a different class of work from any other work done in this country? A. Of course it is colour work, but along a different line.

Q. Explain the different line? A. It is very particular work: it has got to be absolute: it has to be exactly like the proofs or they may not be accepted by the department. If we are making a sketch for a commercial house, where we have to reproduce a drawing, it would not make a great deal of difference if it was not like the original, but in this case if it is not exactly like it, it throws the line out, and the weed must be exactly like the weed, so that the farmer will know what it is.

Q. In other words, this *Farm Grasses* that was being published was a representation of nature? A. Yes.

Q. And the plates would have to be as exact as the artist's ability could make them, in colour and form and all the other requisites? A. Yes.

Q. So that it is not the work of imagination, but of nature? A. Yes.

Q. And nature absolutely had to be reproduced in that plate? A. Yes; and, if I might suggest, when the department first took up this work some years ago, the first weeds we had, they had samples made from a number of houses in Canada, and also, I think, some houses in the States, and we also made samples, and ours were

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the only samples that were correct, and were accepted, and, although our price was higher, I think, we got the order.

Q. Was that for the *Farm Weeds*? A. That was for the *Farm Weeds*. That was how we got the order in the first place.

Q. You say that in ordinary commercial work exactness of colours to the original design would not be—A. Would not be as necessary.

Q. Would not be essential? A. No, not essential.

Q. Or in any work of imagination, it certainly would not be essential? A. No.

Q. But this exactness, so far as your knowledge goes, has only been required in government work? A. On this particular order in Canada.

Q. And you say that, therefore, you are the only lithographing firm in Canada that has actually had experience of this particular work? A. Yes.

Q. Having regard to the result in *Farm Weeds*, and how you came out financially in that, you assert, do you, that your figures on *Farm Grasses* were absolutely fair and proper? A. Very fair.

Q. There has been some suggestion to us; some of the proofs of the Montreal company's work have already been received, and not serious objection has presented itself, but it has been suggested to us that proof work may show fairly, but when you come to printing you may have a different result? A. Yes, sir.

Q. That is the case in practice? A. Yes. It has got to be just as carefully printed as drawn.

Q. Would that always be a mere matter of the care in printing, or would it be because of some peculiar quality which is required about the plates themselves? A. In both; it has got to be first class workmanship, and in this particular case the fitting of the register was very particular, and the paper has got to be right to get the proper register.

Q. May a lithographing company prepare a plate which gives an accurate proof, yet will not give good printing results? A. It will give good printing results if it is correctly printed and properly transferred and properly printed.

Q. Then if the lithographer has supplied plates which are capable of giving good proofs, the question whether you get good results when you come to print afterwards is not a matter for the lithographer, but a matter for the printer? A. A matter for artists, transferers and printers.

Q. Does the lithographer go on afterwards and do the printing? A. No, there are artists, transferers and printers.

Q. But in this particular *Farm Grasses*, did the contract require that all those processes should be done by the tenderer? A. Yes.

Q. So that, although the plates have been sent to the department for inspection, I presume the printing from these plates would have to be done by the contractor? A. By the man that had the successful tender, yes.

Q. The successful tender for the lithography? A. Yes, it is the whole order.

The CHAIRMAN.—I presume those plates are sent up to you for inspection, Mr. Parmelee?

Mr. PARMELEE.—No. I have received the whole 25,000, but before delivering them, I am going to have my people inspect them. It is a precaution we take in all other matters.

By Mr. Lake:

Q. What was the amount of money you were paid for *Farm Weeds*? A. I do not recall that.

Q. Have you had a considerable number of other contracts with the Printing Bureau for lithography? A. For maps.

Q. Maps only, in addition to the *Farm Weeds*? A. As far as my memory serves me, I think maps only.

Q. And these have been going on for some time, I suppose? A. Yes.

Q. Do they involve considerable amounts of money, each contract? A. Yes.

Q. And you were having them right along up to the time Mr. Cook came there in regard to *Farm Grasses*? A. Yes.

Mr. Cook had been in the habit of giving you orders practically in the same manner for maps as he gave you for *Farm Grasses*? A. Yes, and I might suggest that the previous order for *Farm Weeds* was placed exactly in the same manner that this was, and was ratified by the late Secretary of State.

Q. By Mr. Murphy? A. Yes, ratified by him. The previous order was placed with us by Mr. Cook in exactly the same way that this one was.

Q. It was placed when Mr. Murphy was Secretary of State? A. Yes, it was ratified by him, and we proceeded with the work just exactly in the same way we did with this, and we got the ratification some six weeks or two months afterwards.

Q. You had no instance in which Mr. Cook's contracts with you were subsequently annulled by the Secretary of State? A. None whatever.

By Mr. Ducharme:

Q. There was no margin in the amount for anything? You did not include any amount of \$50 or anything, to be given as a bribe, or anything of that sort? A. Oh, no, no, no.

Witness retired.

C. H. PARMELEE, (recalled):

I have a statement here showing the orders given and the payments made to the Mortimers for the two years.

By the Chairman:

Q. You produce a statement of the orders placed with the Mortimer Company from January 1, 1910 to January 1, 1912? A. Yes.

Q. This statement shows what? A. There is a summary at the end. They ran it all in together, without showing the years, and at the end they make a summary, a recapitulation.

Q. The statement shows a total of \$32,850.28 for 1910, and \$29,130.26 for 1911, or \$61,980.54 paid to the Mortimer Company, Limited, in two years. Was that work, or any portion of it given out on tender? A. Yes, a large proportion of the larger items. In the case of all the small items it is not worth while, and therefore it was taken at what are known as King's Printer rates.

Q. In this return there is not indicated what was by tender? A. No.

Q. Could that be amended by adding in the "remarks" column "Tender" where there was a tender? A. Yes, or I could have perhaps what would cover it, a supplementary statement, giving those that were by tender, they would not be so large in number, although probably larger in amount than the other, whichever you think is the best. We can put it that way, and we can put the recapitulation, so much by tender and so much by rate.

Q. Could you also indicate in the case of tender where there was competitive tenders? A. Well, they would be competitive; competitive tender and competitive price. I suppose once in a great while we may ask for a price from one firm, and if, from our knowledge and experience, we judge it to be very reasonable, and time is an element, and we have to get it in a hurry—rarely we do that—we accept one price; but the practice is to ask for prices from about three leading firms in the same line.

Q. When you speak of tenders, you do not mean tenders obtained after advertising? A. Oh, no, it would not be practical.

Q. You mean where different firms have been to give a price? A. Yes: we send a specification to several firms, selecting firms we know are in a position to do the work. I would be in no end of difficulty if I threw it open to public competition and firms tendered who were not able to do the work: I would get no sort of service at all, and would be in all kinds of trouble.

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Q. Are those people you send to people who have been indicated on the patronage list? A. No, I cannot say that I have a patronage list. Practically all the firms in Canada competent to do the work, and in reach of Ottawa, are asked. Take lithograph map making, and all that, there are only three firms in Canada capable of doing the work, who have facilities, the Toronto Lithographing Company, Copp Clarke and Mortimers.

Q. In ordinary printing matters, have you a patronage list provided for you? A. No, I have not. The extent of it is this, that I have a request from my minister to see such and such people, if I find it possible to have any work that comes within their lines, that they may be asked to tender or quote, like anybody else.

Q. Is that provided for you in writing? A. Yes, sometimes it is, and sometimes it is verbal.

Q. You may have a verbal request? A. Yes, but there is no list binding me down, that I must patronize this firm or that. I must use my judgment, always looking to a good service.

Q. Take that class of printing work which can be done by ordinary newspaper offices throughout the country, have you a list of offices supplied to you for that kind of work? A. I have people recommended to me in that way, leaving it entirely to my judgment, first as to whether I have work to give out, and then, when I give it out, whether they are competent to do it, and if I consider they are, I am permitted to give them the chance to tender as other firms, whether you call that a patronage list or not. I think it would be rather a broad distinction to call it a patronage list.

Q. You can go on making the distinctions, but we will know what they mean all the same. I repeat the question, with regard to the class of work which can be done by an ordinary newspaper office, have you been supplied with a list of the various newspaper offices, have you been supplied with a list of the various newspaper offices which it was the desire you should give something to? A. I have been supplied with the names of papers, of course with that qualification, leaving it—

Q. It is not binding you down to do it? A. No: and in all cases as far as it goes is this: that they be allowed to quote or compete. I am not obliged to go and give any printing to anybody. I am obliged to see we get what we want at a fair and reasonable price, and there are no instructions to the contrary. The instructions are that I shall do that practically.

Q. But with regard to all that class of work which could be done in a newspaper office of one political stripe as well as in a similar office of the other political stripe, you would have a list you would be expected to patronize? A. Well, yes, you might call it a list. In my ordinary business transaction I do not call it a list. It might be termed a directory.

Q. Call it a directory if you like, but if you had a job of work which could be done, under the late government, by a Liberal newspaper office, you would not give it to a Conservative newspaper office? A. I would, if the Conservative newspaper office could do it to suit me and at the proper price. I do not know just what you want to get at.

Q. We had better repeat the question, because I think the facts will show it: if you had a job of work which could have been done under the late government by a Liberal newspaper office, you would not give it to a Conservative newspaper office? A. I would give it to a Conservative office if I was getting as good a service.

Q. Do you mean to say, under the late government, if you could get as good service— A. Oh, you mean under the late government?

Q. Yes? A. Oh, no.

Q. I do not mean now. I presume now, unless you get further direction, you will simply reverse the practice. You mean to say that you do what the government in power expect you to do? A. Yes.

Q. You have been in office under the late government and the present government?
A. Yes.

Q. Therefore, we can only speak of the practice under the late government? A.
Yes.

Q. You had supplied to you in some way or another the names of various printing offices which you were expected to patronize, if you had any work to go outside, and they could do it? A. Yes.

Q. And these newspaper offices would be all of the same political side as the government of the day? A. Presumably.

Q. You may have the same practice followed with the present government, or you may not, as time goes on? A. Yes.

Q. Did you keep a list of those in writing in the office in any way? A. No, I had no regular list. Of course, it had been going on for years and years before I was there. There were firms we were in the habit of giving work to. It is not very widely diversified. In the first place, it is only large offices can do our work as a rule, and there is a necessity to have it done near Ottawa, so that Toronto, Montreal and Ottawa—with the exception, occasionally, of an immigration pamphlet, which we put out, or the price had been fixed before, like the *Gananoque Reporter*, for instance—are the only places: occasionally a little job would be given outside, but it is largely confined to a few large cities, and in them only a few offices that really care for our work.

Q. Then might we say this was the rule or practice, after you came into office, until the change of government, that with regard to such work as they could do, and which you had to give out, you knew you were expected to give it to newspapers supporting the government? A. Yes.

Q. And with regard to the rates, except in the absence of a special rate, there was a rate in force in the department for such work? A. Yes.

Q. That had been in force, with various amendments, for a considerable time?
A. Yes.

Q. From the time the Bureau started. You found it there, and it continues to-day? A. Yes.

Q. With regard, therefore, to the kind of work which was given to the *Gananoque Reporter*, an immigration pamphlet, that was the class of work that you had been giving out to newspapers when they were wanted? A. Yes, once in a while.

Q. And your rates in the office would apply to that class of work? A. Yes; that had been done for years, and these were practically repeat orders. When they got a good pamphlet, well illustrated, they would give an order for it, and when it was exhausted, they would give another order, and our records would show what was paid for years, and, as in the case of the *Gananoque Reporter*, that price was paid for years.

Q. The *Reporter* was not a repeat order? A. Not as far as they were concerned, but we had the records of what had been done of the same class of work.

Q. So that from what had been paid to other offices you could arrive at a fair rate for that work? A. Yes. When I spoke of repeat orders, I did not mean the same office, but it was a repeat order as far as having the work done was concerned.

Q. Instead of using the term "repeat order," which means another order to do the same work, you would say an order for doing a similar kind of work? A. Yes.

Q. The point I wanted to get was this: in arriving at the amount to be paid the *Reporter*, you have regard to what had been paid to other offices for similar work?
A. Yes.

Q. And also the scale which prevailed? A. Yes, our own knowledge of what that kind of work would be worth.

Q. And therefore, in handing that out to the *Reporter*, you were acting strictly in accordance with the practice which had prevailed in your department for a long time? A. Yes.

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Q. And has prevailed since? A. Yes.

Q. It was not a class of work which you put up to tender? A. Well, no. If it had been absolutely new, then we might have been justified in putting it up to tender.

Q. But in this case it was not a class of work you put up to tender? A. No.

Q. You had not done it up to that time, and have not done it since? A. No.

Q. You would not, even in that case, go round and get competitive prices from different offices for that work? A. No, I did not consider it necessary, under all the circumstances.

Q. It had not been your practice to do that? A. No.

By Mr. Ducharme:

Q. You knew where you had to call for tenders, as you state? A. Yes, it is a very wide range. I exercised my own judgment to a large extent in respect to it. I am bound to say there was no particular pressure put on me since I have been in the Bureau.

By the Chairman:

Q. Have you any idea of the amount of contracts given out during the year? A. Yes, we could have a statement made showing it.

Q. Can you mention about the amount? A. We give it altogether, the outside printing last year came to \$250,000 or \$260,000. A large proportion of that is lithographic printing, map printing. Of course that goes only to three or four firms, because they are the only people in a position to do it; and there is other lithographic work. I could have a statement prepared.

Q. Would you tell us the system? A. The system is that, so far as possible, we secure competition on all the larger things; on all the larger things we try to secure competition.

Q. From three or four? A. Three or four at a time, yes. We have to judge the circumstances under which the work has to be done.

Q. Don't you think there is a danger of paying more than you should pay? A. No. The general plan has been to secure as fair distribution as you can among a large number of firms. But supposing an order comes in, and they want certain work lithographed, I will ask the firms who are doing that work. I do not ask a number of firms who have no lithographing plant and without any means of doing it. I ask them the prices, and with three firms competing there can be no collusion, and I am sure to get a fair price. It is the same in printing. Most of our printing is of a large character, and there is no use my bothering to ask a small office to tender, because a small office cannot do it, and I ask three or four large offices at a time to give me prices on it. Perhaps to-morrow another order comes in. Well, I will ask three other offices, with a view of making as fair a distribution of this as possible. I do not want anybody else to monopolize the work of the printing.

Q. But it is loose and slack enough that you should make errors of judgment? A. Oh, certainly.

By Mr. Lake:

Q. Is such a system not one that leaves considerable discretion in the hands of the King's Printer? A. Yes, but in the nature of the business I do not see how I can help it, if we are going to secure a good service, and at the same time safeguard the public as to price. It is different from contracting and railway business.

By Mr. Ducharme:

Q. Was that \$5,000 order with the *Herald* given out by contract by you? A. No, in that particular case the order was given directly by the Minister of the Interior to the *Montreal Herald*, I being advised afterwards of its being given, and the terms under which it was given.

By the Chairman:

Q. Did your department subsequently pay the Department of the Interior for that advance? A. Yes. Somebody termed that the other day an improper payment. It was only improper in the sense of their paying directly instead of our paying and their paying us. The public did not suffer.

Q. It was irregular? A. Yes, but not improper.

Q. Improper only in the sense of having been paid by the wrong department? A. Yes, and that came to be paid in this way, that the Superintendent of Immigration was in England, he never had any experience with these things, and the *Herald* people, not having, perhaps, the experience they should, the accounts went direct to the Interior Department, and he supposed it was the proper thing to do, and he could be very easily misled by that, because after I became King's Printer for many years the Immigration Department gave out all its own printing, made all its own contracts for it, and paid all the bills, without any referencè to the Printing Bureau at all. After I became King's Printer, the Auditor General ruled that he would pay no more accounts for Immigration printing, unless I, or some officer in our department, certified them. When it reached that stage of affairs I held that my office could not properly audit the accounts where they knew nothing about it, did not know if it was a repeat order, or if the people had the plates, and did not have sufficient information to make the audit, and if my people are going to audit, I must handle the business myself. This official did not know that, probably. He never had any experience, except the old practice, and made that mistake.

By Mr. Ducharme:

Q. When this \$5,000 order came to your place, did you verify it, that it was a fair value? A. Yes. This work had previously been obtained from Rand & McNally, of Chicago, who, from their special plant, were able to do this work cheaper than anybody in Canada had been able to do it.

Q. I am just aiming at the principle? A. I was explaining on what terms it had been given, and that was on the prices we had been paying Rand & McNally for years, and prices which no Canadian company could touch, on account of Rand & McNally's special facilities; that is the only protection.

By the Chairman:

Q. In the contract given by the Department of the Interior to the *Herald*, about which you have been talking, the contract at first was given out and the prices fixed by the Minister of the Interior, were they not? A. Yes.

Q. Without consultation with you? A. Yes, without consultation with me.

Q. And the first payment made to the *Herald* was made by the Interior Department, without your knowledge? A. Yes.

Q. So that there were two irregularities in the matter, the first was the giving out of the work, and the second was the payment of the first \$5,000? A. Yes.

Q. Both of those things should have been done through your department? A. Yes.

By Mr. Ducharme:

Q. Are contracts given out without your knowledge very often? A. No, I do not think it will ever happen again.

By the Chairman:

Q. You produce a statement of orders placed with the Montreal Lithographing Company since *Farm Grasses* was given on June 7, 1911? A. Yes. Here is a statement of Mr. O'Connor's account, and there is a statement of Mr. Hyde's.

Q. You submit a statement of the amount paid E. G. O'Connor for services and disbursements in connection with the investigation by the Hon. Charles Murphy into

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the Printing Bureau, showing a total of \$2,000.37 Apparently he was given \$20 a day? A. Yes.

Q. And his travelling expenses and disbursements also in addition? A. Yes. I was refreshing my memory a little about that Atlas business. I said I was not consulted. Mr. Brierly did come to me and ask me if he could go up and see the Immigration Department about that, but I was never consulted about the Immigration branch or the Interior Department about it; that is Brierly, the publisher of the *Montreal Herald*. He asked me if he might go and take the matter up with Mr. Oliver, and I gave him my permission, as far as that went, but supposing that the transaction would then come back to me and the order given by myself.

Q. You understood him to mean that he should go up and discuss the matter with the minister to see if he could get the work.

Q. And it was never reported back to you until after payment? A. No.

Q. You had nothing to do with fixing the prices? A. No.

Q. You produce also a statement of the amounts paid to Mr. John Hyde, amounting to \$2,396.87? A. I had those made before you asked for the complete details.

Witness retired.

F. H. CONSITT, sworn:

By the Chairman:

Q. You are employed in the Printing Bureau? A. I am.

Q. In what branch of work? A. In the superintendent's office, handling the printing; that is the work that is done outside the Bureau, under the superintendent, of course.

Q. And have you, by direction of the King's Printer, been making a search for the correspondence concerning *Farm Grasses*? A. Yes.

Q. You know all the fyles were sent to you by another official of the department? A. Yes.

Q. Have you found anything else besides these fyles? A. I have not.

Q. Have you made a search? A. Yes.

Q. And to the best of your knowledge there is nothing there? A. No, the pocket where it should be is empty.

Q. Is there any record in the pocket which showed who took it? A. There are two memos. I found there, one having reference to accounts, an account in triplicate, and the other with reference to the fyle.

Q. Does it mention what the account was about? A. It is an account, in triplicate, for paper for the *Farm Grasses*.

Q. And what is the other account? A. The other is in reference to the introductory fyle—at least the memo. states so—the introductory fyle to the *Farm Grasses*.

Q. What do you understand by the word "introductory"? A. I made the memo. myself, and I would understand, to the best of my knowledge, it had reference to the first part of the fyle, dealing with the *Grasses*.

Q. Do you know how it would begin? A. I do not know. It should begin with the requisition.

Q. From the Agricultural Department? A. Yes.

Q. Do you recall that there was a requisition? A. I cannot say that there was.

Q. Does your memo. state who took the fyle, or where it went? A. My memo. reads: "Introductory fyle to Secretary of State by Mr. Cook."

Q. That would mean that it went to the Secretary of State, and that Mr. Cook took it there? A. I could not say; I cannot say who took it; it was handed to Mr. Cook.

Q. And presumably to go to the Secretary of State? A. That is as I understand it.

Q. That is what you understood by it? A. Yes.

Q. You do not know what became of it afterwards? A. I do not know what became of it afterwards.

Q. I want to draw your attention to fyle numbered 13824. I notice that it begins with papers dated, say in October, 1910, and then in the middle I find some papers dated April 10th, and then, later on still, I find some papers dated in September, 1910. That disorganized condition of the letters by dates would indicate that that fyle had been disturbed, would it not? A. Well, it would.

Q. And the papers, apparently, not put on the fyle as they came in, but afterwards put in "higgledy-piggledy"? A. Yes, it would appear so.

Q. As a matter of fact, these papers were all handled by these two experts that were down investigating the department? A. They were.

Q. And that would account, I suppose, for the topsy-turvy nature of the correspondence? A. I would not say for that.

Q. You would assume that? A. Yes.

Q. In the ordinary condition your fyles would not be in that shape? A. No, they would not.

Q. In any case, you have not been able to discover, after the most diligent search, anything else on your fyles? A. I have not.

Q. And you cannot account for the whereabouts of papers? A. I cannot account for it.

Q. Do you, at present, know of any other fyles of papers, not connected with this affair, that are missing from the department? A. Well, there is one fyle that is not where it should be, and I have been unable to find it: that is the fyle in connection with some work given to the *Gananoque Reporter*, which was afterwards put in the hands of the *Free Press* by the *Gananoque Reporter*.

Q. That was also the subject of inquiry before the Hon. Charles Murphy? A. It was.

Q. And did you find any reference to it, or any memorandum? A. There is a reference, a memo. that I made myself on the corner of the envelope, stating that the fyle was returned October 27, I would not be positive as to the date, but about the latter part of October.

Q. 1910? A. 1910.

Q. On the 11th February, 1911 the fyle was handed, according to a memo. on the fyle, to Mr. O'Connor; that is Mr. O'Connor of the Secretary of State Department, and the fyle is not where it should be.

Q. You have no further record of it after it left Mr. O'Connor's hands? A. No. I have no further record.

Witness retired.

The Commission adjourned.

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OTTAWA, February 8, 1912.

PRESENT:

Honourable A. B. MORINE, Esq., K.C.,
Chairman.

R. S. LAKE, Esq.,
G. N. DUCHARME, Esq.
Commissioners.

F. W. STONE, (recalled):

By the Chairman:

Q. You were to examine yesterday afternoon the printed matter received from the Montreal Lithographing Company? A. Yes.

Q. Did you do so? A. Yes.

Q. And what was the general character of the work? A. I should say it was very satisfactory.

Q. Colours good? A. Yes. Of course, when I say the colour is good, I am only going on what the expert from the department said. I did not have the originals.

By Mr. Lake:

Q. He was with you at the time? A. Yes, he was, and he said the colours were very satisfactory.

Q. And in your opinion, the workmanship also? A. The workmanship looked all right to me, all the sheets I saw. Of course I did not examine them all.

By the Chairman:

Q. How many plates on a sheet? A. Eighteen.

Q. Would you have printed so many plates on a sheet? A. Well, that would depend on circumstances: in that case I do not think we would.

Q. There is difficulty in getting the exact register, is there not? A. Yes, that is, to get the colours to register, one over the other.

Q. That is, to get perfect alignment, so that the colours register. Have you any criticism to make on the question of register? A. Well, they were out of registration in some places, but not enough to make any material difference.

Q. But enough to confirm you in your opinion that you would have done them nine on a sheet instead of eighteen? A. Well, I would not go so far as to say that. That depends to a great extent, on the view of the department, the people you are doing the work for.

Q. At any rate, it is not fair to press you on the work of a competitor, so that I will not do so. Having seen the work in its present form, what do you say about the price you originally asked? A. I say that that work in our place could not be produced at the price they asked.

Q. You mean at the prices the Montreal people are asking? A. Yes.

Q. Has the Montreal company ever been doing work of that kind before? A. Not that I know of.

Q. Do you know that it has not? A. Well, of course, I do not know that they have not, but I judge that they have not, because I think the government are the only people having that class of work done in Canada, and we have always done it.

Q. You know Mr. E. G. O'Connor, the person employed as an expert by the Printing Department in 1910? A. I met him on one or two occasions.

Q. Was that in relation to *Farm Grasses*? A. *Farm Grasses*, yes.

Q. You imported, under the order of Mr. Cook, the paper that the plates were to be printed on? A. Yes.

Q. And that paper went to you? A. Yes.

Q. In Toronto? A. Yes.

Q. To be used? A. Yes.

Q. For those plates? A. Yes.

Q. And you also imported the paper which was sent to the department for the printing part of the book? A. Yes.

Q. Which I presume is now lying in the department? A. Yes, I presume so.

Q. Where is the paper which went to you? A. In our place.

Q. Have the government paid you for it? A. No, sir.

Q. Was it specially imported for that work? A. Yes.

Q. Have you any other work for which it is quite suitable? A. No, sir.

Q. Was that matter talked over between you and Mr. O'Connor? A. Yes.

Q. What would you say was the value of the paper? A. I cannot just recall from memory. I could find out very quickly by telephoning Parmelee. He has our bill for that. I think it is in the neighbourhood of \$2,000.

Q. You have paid that amount and are lying out of it? A. Yes.

Q. And you have presented a claim to the government for that amount? A. Yes.

Q. Briefly, upon that point, your claim was that you imported the paper at the order of a servant of the department, with whom you had dealt in the same manner on previous occasions, his conduct always having been confirmed previously, and you say that, under those circumstances, you are entitled to be paid, not only for the paper, but for the work you did? A. Yes, and for the interest on the money we had invested for that length of time.

Q. What is the full amount of your claim? A. I cannot recall that.

Q. About? A. I think it is about \$8,000.

Q. To what condition had the work got at the time you were ordered to desist? A. We had done about \$1,100 worth of work.

Q. Just describe to us the state which some of the work would have reached? A. Some of the colours were drawn on stone; of course the job was not completed, but some of the colours were drawn on the stone in the regular way.

Q. Could all the work which you had done up to that time have been availed of at any time otherwise? A. Not unless it had been added to; it had to be completed before it could be used.

Q. If you had received an order to go on with the work, would you have been able to avail yourself of all the work done before? A. Yes.

Q. But if the work had been given to somebody else, could any use be made of what you had done? A. No, sir.

Q. And consequently that, at the present moment, so far as the work is concerned, is a dead loss? A. Yes.

Q. Both to you, if you are not paid for it, and to the government, if it pays for it? A. Yes.

Q. Did you talk over that feature of the matter with Mr. O'Connor? A. Yes, he understood these facts absolutely.

Q. Will you kindly tell us, as briefly as you can, about what your conversation with Mr. O'Connor was?

By Mr. Lake:

Q. Was this before the letting of the contract to the Montreal company? A. Yes.

By the Chairman:

Q. He was negotiating with you as to whether you would continue the work or not? A. Well, he came to see me, and wanted to see some samples of the paper, and

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wanted to see how far the work had advanced. We showed him the paper, and also the stone on which the work was done.

By Mr. Lake:

Q. Will you tell us about what proportion of the work on the stone was done at that time? A. It would be pretty hard for me to say just the amount of work that was done.

Q. You could not say whether half of the amount of the work was done? A. No, I could not say that, unless I looked into the particulars.

By the Chairman:

Q. You were going on to describe the conversation? A. That is about what it amounted to. He saw it, and we talked over different phases of the matter, you know. I cannot just recall from memory what was discussed.

Q. Did he say anything to you with reference to the price which you had been asking for the work? A. Excepting he said they were going to get other tenders.

Q. Did he ask you for a tender? A. Yes.

Q. What was his attitude towards you? A. Well, he seemed to feel as though they should have other tenders, and that we were not entitled to the work.

Q. I presume, from what you say, that you were pointing out to him that you had received the order in good faith, and that you had done a good large quantity of work, and had the paper on hand, and, therefore, that it was better for you to go ahead with the work? A. Yes.

Q. That was your argument? A. Yes.

Q. And in reply to that what did he say? A. He said nevertheless they would have to get tenders, and that they intended to do so.

Q. Then he was fully apprised by you of your assertion of claim on the government? A. Yes, and he seemed to feel that we had just claim.

Q. You told him you were going to press that claim? A. Yes, made that very clear.

By Mr. Lake:

Q. Did you have any correspondence with him in regard to that point? A. No, we did not correspond with him.

By the Chairman:

Q. The point I want to get clear is whether you gave Mr. O'Connor clearly to understand that you would have this very large claim against the government, whether you did the work or not? A. Yes, he understood that thoroughly.

Q. And, in the face of that, he did not endeavour to make any arrangement with you to go on with the balance of the work? A. None whatever.

Q. Was any suggestion made to you of a compromise, whereby you should do work upon some terms to be arranged between you, or anything of that sort? A. No, sir.

Q. He just insisted upon a tender to do the whole work? A. Yes.

Q. Without regard to what you had already done in that way? A. Yes.

Q. Of course, if you were successful in putting in the lowest tender, then you would go on and do the work? A. Yes.

Q. But if anybody else put the lowest tender in, the work in your hands would be lost? A. I would judge so.

Q. There could not be any arrangement for anybody else to take your work off your hands and complete it? A. Oh, no. I presume you have a letter there from the late Secretary of State, in which he said we would be recompensed for any loss we had been put to.

Q. No: was there a letter of that kind? A. We received a letter—not from the Secretary of State, but from the King's Printer, saying that any loss—I just forget how it is worded, but it should be there.

Q. About what date would that letter be? About what time of the year? A. I could not say the date of the letter.

Q. Would it be just after the plates were taken away from you? A. Oh, no, this was some time after that.

Q. Would it be at the time you were tendering for the other? A. When we refused to put our tender in, this letter came from the King's Printer, when they asked us for the second tender—that letter in which they asked us for the second tender, and that is when we decided to tender again.

Q. Would this be the letter, dated December 19, 1910, it is a long letter? A. This is the letter.

Q. Dated December 19, 1910, in which this appears: "Should your tender not be the lowest, the Bureau will be glad to consider and discuss with you any claim you may consider that you have by way of compensation for any expenditure of time or money that you have already incurred on account of this work." You received that letter just during the time the discussion was going on with Mr. O'Connor? A. When we received that letter is when we decided to put in another tender.

Q. Then on December 23, 1910, you forwarded a tender in reply to the request of the department? A. Yes, some time round that time.

Q. "We are submitting this tender without prejudice to our claim that the department have no just ground for cancelling our present contract. Whether or not Mr. Cook was properly authorized to place the order with us, the course of dealing being the same on many previous occasions, we had no reason to assume that he did not have the necessary authority, and, at all events, the giving of the contract was ratified by the subsequent correspondence which passed between ourselves and the Superintendent of Printing, as you will know by reference to your files under requisition 11,557, and by the fact that your department accepted delivery of a large part of the paper included in the contract. If it turns out that we are not the lowest tenderers, it must be understood that we will look to the department to pay us for the work already done, the paper, and the paper delivered under the present contract, and for such damages as we may be entitled to for the cancellation of it." That is the letter to which you refer as having gone to the department? A. Yes.

Q. You saw the Secretary of State, I presume, the Hon. Mr. Murphy, about this matter? A. Yes.

Q. More than once? A. Yes, I think on several occasions.

Q. About what time would the first of these occasions be? A. I think it was just some time previous to submitting that second tender.

Q. Here in Ottawa? A. Yes.

Q. At his office? A. Yes.

Q. Were you sent for to go there, or did you go voluntarily? A. Went voluntarily.

Q. What was the subject of the discourse? A. A discussion of the *Weed* plates and how the order had been placed, and talking of the matter generally.

Q. Did you present your claim as you have here? A. Yes.

Q. Told him you were going to demand payment, whether you got this thing or not? A. Yes.

Q. That was before the second tender was given? A. Yes.

Q. What reply did he make to you? A. Well, I could not gather from him whether he intended to let us go ahead with the work, or whether he intended asking for other tenders.

Q. You mean to say he gave you no satisfaction? A. No.

Q. Did he repel your discussion, or did he receive you in a considerate and careful manner? A. I should not say that he—I do not think he gave us the consideration he should in the matter.

Q. What was his manner towards you? A. Just in what way do you mean?

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Q. Was he conciliatory and receptive, or resentful and angry, or what was the way in which he received you? A. Well he was different at different times. In some of the interviews he seemed to be conciliatory, and in other interviews he would get very much annoyed about the matter, but not, apparently, at us, more at Mr. Cook.

Q. With regard to the claim which you were putting forward, was he disposed to argue with you over the matter of your claim and give it consideration, or did he simply reject your claim? A. Well, we did not have very much argument about it. We talked over the matter, and I might say that all our interviews were most unsatisfactory. We could not get any satisfaction as to what he intended doing, or how he felt about it.

Q. Did he at any time repudiate your claim and tell you that, in his opinion, that you had no claim? A. No, sir, he never told us that.

Q. On the other hand, did he ever promise to admit the claim and dispose of it in some way? A. I judged from his attitude that he felt that we had a just claim for the work that we had done and for the paper that we had bought, and that kind of thing.

Q. Did you ever discuss with him what would be your position in case your tender was not accepted? A. Yes.

Q. And what did he say to that? A. Do you mean financially or otherwise?

Q. Yes, financially. Tell us what you pointed out to him? A. We pointed out to him that it was most unfair for him to ask for other tenders, as we had done the work as stated, and also that it might cause some reflection on us, that we had been doing business with the government for fifteen years, and that we had never had any trouble of this kind, and that our records were open, and we would be very glad to have him go into the matter as far as he wanted, and this particular instance was casting a reflection on us that we did not deserve; I went into the matter very thoroughly with him, and he did not seem to look at it in that way.

Q. Did you make it quite plain to him from your standpoint that if you did not get the contract to do the work on your second tender that you would have this outstanding claim against the department, and insist on its payment? A. Yes, our lawyer made a claim also.

Q. Who was that? A. Mr. Read, of Rewell & Read.

Q. In writing? A. No, I do not think it was in writing, except that letter there, of course that is for the Secretary of State.

Q. You mean your lawyer wrote that letter? A. That letter was at our lawyer's dictation.

Q. Did your lawyer see him personally? A. Yes.

Q. Here in Ottawa? A. Yes.

Q. To present your claim? A. Yes.

Q. After the tender had been put in did you see him again? I am referring to the second tender? A. Yes, I think we saw him again after our tender had been put in.

Q. Had the contract been given at that time and a decision reached? A. No, sir.

Q. Did you ever see him after the contract was given to the Montreal company? A. No, sir.

Q. Was any attempt made on the part of the Department of Printing or the Secretary of State, after the contract was given to the Montreal company, to settle with you? A. No, sir.

Q. During 1911, for instance, was your claim pushed before the department? A. No, sir.

Q. And you heard from the department about it? A. I do not think so.

Q. Can you tell us why the matter has remained in abeyance so long, without action on your part? A. Well, I have seen the King's Printer on one or two occa-

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sions and spoken to him about it, and he said that in due course the matter would be taken up.

Q. Due course appears to have occupied a considerable number of months? A. And one of the reasons for my trip to Ottawa this time was to take up the matter with the King's Printer.

Q. From the time of the contract being awarded to the Montreal Lithograph Company down to the late government going out of office, no attempt, so far as you know, was made by the department to settle that question? A. No, sir.

Q. Is there anything you want to add yourself, Mr. Stone? A. No, I do not think so. I did advise you yesterday that the order was placed in exactly the same way as the previous order for *Farm Weeds*.

Q. Yes, you stated that, under Mr. Murphy himself? A. And he ratified that.

Q. Personally? A. By a letter which he had drawn up, or a contract which he had drawn up by a lawyer, a binding contract; it was ratified the first time.

Witness retired.

The Commission adjourned.

MURPHY, FISHER & SHERWOOD,
Barristers, Solicitors, &c.
Central Chambers, 46 Elgin St., Ottawa.

February 26, 1912.

H. V. RORKE, Esq.,
Secretary Public Service Commission,
Ottawa.

DEAR SIR,—

Herewith I beg to hand you an affidavit and statement in reply to the evidence given by A. E. Mortimer, before your Commission so far as the same relates to me.

Please convey my thanks to the Commissioners for their courtesy in this matter, and oblige,

Yours truly,

CHAS. MURPHY.

Encl.

Province of Ontario, County of Carleton, To Wit:

In the matter of certain evidence given before the Public Service Commission by one, A. E. Mortimer, and a rebuttal thereof by Charles Murphy, of the City of Ottawa, Barrister-at-law:

I, Charles Murphy, of the City of Ottawa, in the County of Carleton, and Province of Ontario, Barrister-at-Law, make oath and say:—

1. That the statements contained in the paper writing hereto annexed and marked Exhibit "A" to this affidavit are, and each of them is, true and correct.

CHARLES MURPHY.

Sworn before me at the City of Ottawa, in the County of Carleton, this Twenty-sixth day of February, A.D. 1912.

L. P. SHERWOOD,
A Commissioner, &c.

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This is Exhibit "A" referred to in the affidavit of Charles Murphy, sworn before me this 26th day of February, 1912.

L. P. SHERWOOD.

A Commissioner, &c.

OTTAWA, February 24, 1912.

H. V. RORKE, Esq.

Secretary, Public Service Commission,
Ottawa, Ont.

Dear Sir:—

In reply to my request for a copy of the evidence which your Commission thought I might desire to explain, you were kind enough to send me on the 20th inst. a letter containing the following particulars:—

"I have been directed to say, that it was some evidence given by A. E. Mortimer, which the Commission thought you might desire to explain. That witness referred to a letter dated August 16, 1910, addressed to you and published in the Official Report of the Inquiry into the Affairs of the Department of Public Printing and Stationery, issued by you.

The witness said that he first saw the letter in your office, it being then already typewritten; that you read it over to him and asked him to sign it; that he then read it over for himself and stated that if he were writing it, it would be somewhat differently expressed, but that you replied, 'That will answer the purpose, that is the truth practically'; to which the witness represents that he replied, 'It will answer the purpose, but it is a little bald or raw.' He said that the contents of the letter were all hearsay, so far as he was concerned. He further stated that if the language bore in one part a particular interpretation to the discredit of Mr. Cook, it was a mistake for which he was not responsible, except that he signed the letter. He concluded by saying that if he had known that the letter was going to the public, he would never have signed it, but that you told him that you were not going to make any use of the letter. If he had known that it was to be made public, he would not have signed it."

The facts connected with the letter of August 16, 1910, published on page 297 of my Official Report of the Inquiry into the Affairs of the Department of Public Printing and Stationery are as follows:—

In the course of my investigations at the Printing Bureau it became necessary to make inquiry regarding certain transactions between R. E. Cook and the Mortimer Co. Accordingly I had an interview with Mr. William Mortimer, and as his statements did not satisfy me that ordinary business methods had been followed, I gave orders to stop the work then in process of execution by the company until I could make further inquiry. In consequence of this action on my part, Mr. A. E. Mortimer came to my office early in August, 1910, to ascertain my reasons for issuing the order mentioned. I explained to him the unsatisfactory nature of my interview with his brother, and added that the company would have to explain its method of dealing with R. E. Cook before it could resume work for the Printing Bureau. Thereupon he said that his brother was a fool—that he knew nothing about business, and that I should have sent for him (A. E.) in the first place. I replied that I had interviewed his brother because I understood it was he who usually went to the Bureau and had dealings with Cook. He admitted such to be the fact, but said he had the direction of affairs, and that his brother acted under his instructions. After discussing the general business relations of the company with the Printing Bureau and the methods pursued by Cook, who was then under suspension, I asked Mr. Mortimer about his

company's connection with the work called *Farm Grasses*. I had given explicit instructions that tenders should be asked for in connection with this work, and a schedule of tenders had been brought to me by Cook. I had discovered that most of the tenders which appeared on this list had been obtained by Cook after he had given the work to the Toronto Lithographing Company, and suspected, as afterwards proved to be the fact, that the whole schedule was made up of bogus tenders, secured after the work had been let without tender, with the object of deceiving me and covering up the violation of my instructions. When I questioned Mr. Mortimer about the tender of his company, supposed to have been submitted on April 22, 1910, he smiled and said: "That was no tender. Don't you know all about that?" I replied that I did not, but that I expected him or some other member of the company to explain what had actually taken place. He proceeded to do so, and gave me full details of what had transpired between his brother and R. E. Cook. When he had concluded I told him that the matter was so serious that I wanted the particulars reduced to writing. In his presence I at once dictated to a stenographer the details that he had just disclosed, and when the statement had been typewritten I handed him a copy with the request that he would go over it with his brother, have it signed and returned to me. He then left my office saying he would comply with my request.

Having waited a few days for the return of the statement in question, and not hearing from Mr. A. E. Mortimer, I telephoned him on the morning of August 16, 1910, to come to my office. When he arrived I was engaged with Messrs. John Hyde and E. G. O'Connor, of Montreal, the two experts who were then assisting me in the Bureau investigation. In the presence of Messrs. Hyde and O'Connor, Mr. A. E. Mortimer handed me his copy of the statement saying he had gone over it with his brother and that it was correct "but a little brief." To meet this objection the statement was thereupon revised and certain changes were made herein after being approved by Mr. Mortimer in the presence of all parties in the room at the time. The corrected statement was then typewritten anew and Mr. Mortimer signed it in the presence of all parties. That having been done, Mr. Mortimer repeated for the information of Messrs. Hyde and O'Connor all that he had previously told me regarding Cook's incompetency and the excessive prices that he had paid for lithographing. In confirmation of this, and in proof that Cook had paid ten times the value of such work, I would refer you to the case cited by Mr. E. G. O'Connor at the bottom of page 149 of my Special Report.

At another interview subsequent to August 16, 1910, A. E. Mortimer informed me that Cook had promised to give his company, without tender, the letter press printing and binding of the English and French Editions of *Farm Grasses*—just as he had done with a previous publication called *Farm Weeds*. You will find evidence as to this spread on the pages of my Official Report. In addition I have a letter from A. E. Mortimer confirming his verbal statement, a copy of which is attached hereto. On the occasion last referred to A. E. Mortimer also told me of a further experience that his brother had had with Cook about the middle of June 1910 when Cook prepared two letters for signature by the King's Printer and had antedated them about two months. In view of all this information I decided to examine Mr. William Mortimer. The examination took place in due course and Mr. William Mortimer having corroborated all the statements in the letter of August 16, 1910 it was incorporated as part of his evidence. See my Official Report—Page 297.

The foregoing are the facts connected with the letter in question. There was no discussion at any time as to the use I was going to make of it, and in view of what precedes it is unnecessary to further comment on A. E. Mortimer's statement that the letter had been typewritten before he first came to my office.

In justice to the Mortimer Company I should add that the leading shareholders and directors were known to me as men of honour and unquestioned commercial standing and after the experts introduced modern business methods at the Printing

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Bureau and competent hands were employed the relations of the Bureau with the company were satisfactory in every way.

As the explanation which your Commission has afforded me an opportunity of giving can be made more briefly and satisfactorily in the form of a connected narrative than by question and answer, I beg to request that you will incorporate this letter in your record.

Yours truly,
CHAS. MURPHY.

THE MORTIMER CO., LIMITED.

Designers, Illustrators, Photo-engravers, Printers, Lithographers, Book Binders, Makers of Fine Catalogues, Manufacturers and Devisers of Loose Leaf Systems.

OTTAWA, October 22, 1910.
Canada.

Honourable Chas. Murphy,
Secretary of State,
Ottawa,

Re EDITION FARM GRASSES.

Dear Sir,—

It was early in March that Mr. R. E. Cook informed us that the lithographing of this edition was placed with the Toronto Lith., but that having handled the letter press printing and binding of the *Farm Weeds* we would get the letter press printing and binding of the *Farm Grasses*. The contract called for delivery of the sheets in September and that we could expect to go ahead with the work about that time.

We remain,

Yours truly,
THE MORTIMER CO., LIMITED.
A. E. MORTIMER.
General Manager.

'Public Service Commission

1912

EVIDENCE

RE

Conditions in the Civil Service

REPRESENTATIONS BY CIVIL SERVICE ASSOCIATION.

OTTAWA, February 13, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

A deputation from the Executive of the Civil Service Association, consisting of Mr. Ormond Higman, President; Mr. R. H. Coates, Vice-President; Mr. A. Pare, Vice-President; Mr. R. Patching, Treasurer; Mr. E. L. Brittain, Mr. A. D. Watson, Mr. C. E. Bleakney, Mr. J. C. O'Connor and Mr. Alexander M. MacMillan, Secretary, waited upon the Commission in order to present their views.

The CHAIRMAN.—Mr. Higman, we will be pleased to hear you now.

Mr. HIGMAN.—Mr. Chairman and gentlemen of the Commission:—We are here in response to an invitation from your Commission to lay such matters before it as may be deemed advisable both by yourselves and by the Executive of our Association. I understand it is your wish that we first take up the questions mentioned in the Memorial recently presented to the Prime Minister. There will be other questions, I imagine, that it will be found necessary to bring to your notice. I have two or three topics in my own mind, but these have not yet been submitted to the Executive and I can only mention them, such as the classification of engineers, the providing of a class for mechanics and the status of men who are in charge of important technical branches, but who are attached to departments for the purposes of administration with whose work there is not the slightest affinity. These, however, as I say, will first have to be submitted to the Executive of the Association, and can be presented in due course. I understand that it is your wish that we take up the questions on the Memorial, and I would ask Mr. O'Connor and Mr. Bleakney to speak on behalf of the question of the third division.

The CHAIRMAN.—Before we hear Mr. O'Connor I think it would be proper to say something in reply to what you have already stated. The idea which the Commission have of the way in which it would be best to proceed with the inquiry, as far as you are concerned, is that it should be taken up topically, probably in the order of the Memorial to the Premier. If that is agreeable to you we would hear what is to be said, we would ask such questions as occur to us now, and we would be glad to hear other members of the deputation, beside those who immediately present your views, say anything they have upon these topics, so that as far as possible nothing may be left unsaid. You will understand then that we shall regard that as merely between the subjects, and will pursue our investigations further by inquiry from the source which seems to be indicated by the subject itself from time to time, and by further inquiry, if it should prove necessary, with yourselves on such things as may occur while we proceed. The Commission fully intend, I may say to you, to visit every department of the government and every branch of every department. As far as in us lies we shall make our searching very complete and thorough, looking at all the subjects from your standpoint and then from the other standpoint of the public

service and the departmental needs. It will of course take some time to do that and we are not going to hurry ourselves about it, because we feel that the great need is thoroughness and a complete understanding of the position. I want to say for myself and my colleagues that we shall carry out this investigation in the fullest sympathy with the Public Service as a Service.

Mr. LAKE.—(hear, hear)

The CHAIRMAN.—Desiring to do nothing but good to every deserving person and to the Public Service as a whole. Therefore we wish you to keep yourselves in close sympathetic touch with us as we go along from day to day. If we found any difficulties we shall be quite frank in telling you what those difficulties seem to be. From your knowledge and experience of the Public Service you ought to be able to give us very valuable assistance, and we have confidence already that in so doing you will not regard the matter from the personal standpoint, but that you will look at it from the public standpoint as well. With that spirit we enter upon the investigation, and it will not be our fault if it does not result advantageously; we will at least give it good faith and attention. We will now hear you on the first stages, and I may say furthermore that we shall not cramp you, or ourselves, for time. After we have taken up enough time one day in the matter, the subject, if it is not exhausted, can be adjourned and we can receive you again without inconvenience to both sides, so that nothing will be slighted at our examination. We will be very glad now to hear you upon the subjects referred to in the Memorial.

Mr. HIGMAN.—I think I may very safely promise you that you will get all the assistance it is possible for the association to render, and perhaps I might be allowed to recommend, or to suggest, if I dare to do so, in view of the fact that some of these matters have been pending for quite a long time, and in view of the further fact that it may be many months, possibly not within the present year, before you will be able to present a comprehensive report on your work, that it may be found possible to submit to the Government from time to time interim reports on the more pressing subjects. Some of these matters we consider among ourselves should have been settled long ago, and we would try by all fair and right means to abridge the time that may elapse before action can be taken with regard to them.

The CHAIRMAN.—We have the power and the intention to report from time to time upon all subjects within our jurisdiction as occasion may arise, and where there is any pressing necessity the subject can be dealt with by itself, without in any way prejudicing other subjects which have to be dealt with, we would of course be ready to present an interim report.

THE THIRD DIVISION.

Mr. O'CONNOR.—Mr. Chairman and gentlemen of the Commission. In presenting this matter of the third division, I feel that I deal with one of those subjects which certainly, if any subject demands it, calls for immediate action. The question has been pending now for over three years, and the suffering entailed on certain members of the third division in that time has been increasing. The difficulty is set out in this memorial, but for the benefit of one not acquainted with the history of the case it might perhaps be as well to review the matter. When the Civil Service Amendment Act of 1908, was brought into force there were two divisions made in the Public Service. One was to the clerical or routine division, while the other, comprising two separate divisions, was to be the administrative division. In applying the new conditions to the old, certain injustices arose which have not been remedied to this date. The new conditions lay down very clearly and plainly how certain offices were to be classified, and this classification was to be carried out shortly after the coming into

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force of the Act. For the convenient bringing of the Act into force, the Act also stated that clerks receiving certain salaries would be drafted into certain classes or divisions under the new regulations. If a complete reorganization had been carried out shortly after the coming into force of the Act, many of these anomalies would have been overcome, but such was not done. Efforts were made in some cases to overcome the difficulties, but in no case were they completely successful. The regulations of the Commission then, under the Amendment Act of 1908, laid down the rule that clerks to be promoted from this routine division to the higher divisions of the service must pass an examination substantially equivalent to the examination set for entrance to the higher divisions.

The CHAIRMAN.—Will you allow me to ask you questions as you proceed?

Mr. O'CONNOR.—Yes, sir.

The CHAIRMAN.—If that be done we may elicit the facts better as we go along. You said a moment ago that two divisions were provided for. Do you mean by the Act of 1908, or the old Civil Service Act?

Mr. O'CONNOR.—By the Act of 1908 two broad divisions were created, but really there are three divisions in the service.

The CHAIRMAN.—The word 'division' is already used in the Act with sufficient muddiness. I would like you to be a little more clear because in the Act two divisions are spoken of. First with regard to the Inside Service and the Outside Service it speaks of divisions, and then later the Inside Service is divided into three divisions, and then each division is divided into subdivisions. Now I would like when you are speaking of that, to make the terms a little clear because we shall get mixed up with the Acts if you do not.

Mr. O'CONNOR.—Yes, sir, I see.

The CHAIRMAN.—You say under the Act of 1908 the Service was broadly divided into two classes. Shall we call it two classes?

Mr. LAKE:—You never term them the lower division and the higher, do you?

Mr. O'CONNOR:—No, they are not described in that way.

Mr. LAKE.—That would really describe the difference between the second and third divisions.

Mr. O'CONNOR:—Yes, of course, but there are minor divisions that would complicate that question.

The CHAIRMAN:—What you want us to understand is that the principle upon which the Act of 1908 was framed was that there were two broad classes of work.

Mr. O'CONNOR:—Yes, that is the idea.

The CHAIRMAN:—And how do you describe these classes?

Mr. O'CONNOR.—One is called the administrative or executive, and the other is called the routine or clerical.

The CHAIRMAN.—The lower class you would call routine?

Mr. O'CONNOR:—Yes, the routine class.

The CHAIRMAN.—And the other the administrative or executive?

Mr. O'CONNOR:—Yes.

The CHAIRMAN:—Now proceed from that point.

Mr. O'CONNOR:—The regulations of the Commission provide that a clerk to pass from the routine or clerical division of the Service to the higher division must pass

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an examination substantially equivalent to the examination set for entrance into the administrative division.

The CHAIRMAN.—Now just wait for a moment. The routine class—I will use that word—would include what divisions of these which are mentioned in the Act?

Mr. O'CONNOR.—The third division.

Mr. HIGMAN.—Subdivisions A and B.

The CHAIRMAN.—Would that be the whole of the routine class?

Mr. HIGMAN.—Largely I think.

Mr. O'CONNOR.—Yes, that would be the whole, except the messengers.

The CHAIRMAN.—They are below that again?

Mr. O'CONNOR.—They are in a different classification.

The CHAIRMAN.—But what you call the copying and routine work forms the third division of the Civil Service, does it?

Mr. O'CONNOR.—It is supposed to.

The CHAIRMAN.—I mean to say that is the theory of the Act?

Mr. O'CONNOR.—Yes, that is the theory of the Act.

The CHAIRMAN.—Quite so. You were going on to say that the Commission made certain provisions.

Mr. O'CONNOR.—They set this examination, as I say.

The CHAIRMAN.—Called the promotion examination?

Mr. O'CONNOR.—Or substantially the equivalent. In the first regulations the examination was simply said to be substantially the equivalent. In the later regulations it has been definitely laid out and we find that the term is properly used.

The CHAIRMAN.—You are speaking now, of course, of the promotion of clerks who were in the Service when the Act of 1908 came into force?

Mr. O'CONNOR.—Yes. For those who came into the Service later we have no case at all. They came in under certain conditions.

The CHAIRMAN.—Found in the Act itself?

Mr. O'CONNOR.—Yes, and I suppose they are willing, and ought to be willing, to abide by those conditions.

The CHAIRMAN.—Yes.

Mr. LAKE.—I see the Commissioners said in their last report, that the revised regulations provided for a considerable reduction in the requirements for the promotion examination from the third to the second division. Has that been your experience?

Mr. O'CONNOR.—Yes, sir, but there is something that has been omitted in the report. We have had that matter up for discussion several times, and I think the circumstances will be found to be these: that when the examination was set it was, roughly speaking, the standard of second year university work, but when the Commission published their request for candidates to take this examination they found they had not obtained enough to fill the positions that were vacant. So the standard was lowered. But the standard for promotion at the time the first regulations were in force was substantially equivalent to second year university work. The standard for promotion now is substantially equivalent to the lowered standard of entrance. So while there has been a lowering of the standard it is not alone in the promotion examination but in the entrance examination also.

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The CHAIRMAN.—Well now, with regard to the persons in this class who were in the Service when the Act of 1908 came into force, they cannot pass from the third division. In passing from the third division to the second what is required of them?

Mr. O'CONNOR.—That they take an examination which includes all the subjects required of a clerk taking the open competitive examination, except that they may substitute two papers on duties of office for two of the optional subjects.

The CHAIRMAN.—Have not clerks in the third division the right to take the competitive examination for the second division?

Mr. O'CONNOR.—Yes, under certain regulations.

The CHAIRMAN.—That is provided by section 26 of the Act of 1908:

“Clerks in the third division shall be permitted to enter for the open competitive examination for the second division, after such term of service and under such other conditions as are determined by regulations made by the Governor in Council on the recommendation of the Commission.”

Mr. O'CONNOR.—Yes, sir, that is laid down in the regulations, but of course some clerks in the third division are receiving more salary than they would be entitled to after they had passed an open competitive examination.

The CHAIRMAN.—Yes. I do not want to deal with that just now. What I want to know is this: a clerk in the third division, as the law is at present, cannot rise without a competitive examination. Is that the case?

Mr. O'CONNOR.—Competitive or promotion.

Mr. HIGMAN.—I think what Mr. O'Connor would like to explain is this: that the promotion of the clerk in the third division requires of him to pass the same examination as the entrance to the second division. That is, the entrance examination to the second division is the same as for promotion from the third division to the second division.

The CHAIRMAN.—And what you say upon that point is that when these people entered the Service they had the right to promotion without any further examination?

Mr. O'CONNOR.—With an examination much simpler than the one which is set now.

The CHAIRMAN.—Under the old Civil Service Act.

Mr. O'CONNOR.—In some cases no more was required than the duties of office.

The CHAIRMAN.—Under the old Civil Service Act, before the Act of 1908 was enacted, would a clerk who is now in the third division have to pass such an examination as is required at the present moment to get into the next rank above.

Mr. O'CONNOR.—No, sir. He would have to pass an examination but it would be much simpler.

The CHAIRMAN.—What would it be called? A promotion examination?

Mr. O'CONNOR.—It was called a promotion examination and the number of marks he took in that examination generally would indicate how far he might be promoted without a further examination, although it would not entitle him to a promotion.

The CHAIRMAN.—At the present moment I find that subsection 2 of section 26, to which I think you make a reference, says:

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"Any person placed in the third division upon the coming into force of this Act, may, by the Governor in Council, upon the recommendation of the head of the department, based on the report in writing of the Deputy Head, and accompanied by a certificate of qualification by the Commission, to be given with or without an examination, as is determined by the regulations of the Commission, be promoted from the third division to the second division without an open competitive examination."

What is the practical difference to-day between the examination which one of the old clerks in the third division has to pass, and the open competitive examination which other people have to pass?

Mr. O'CONNOR.—Well, I can see no practical difference for this reason: up to the present a sufficient number of clerks have not passed the open competitive examination to fill the positions which were vacant at the time. Therefore any clerk who took the open competitive examination, if he made the minimum number of marks, qualified himself for a position in the Service. The minimum number of marks for the open competitive examination is the same as the minimum number of marks for the promotion examination, except in these two papers on the duties of office, therefore a clerk who took the promotion examination would have to take just as good marks on examination as a clerk for the open competitive examination.

The CHAIRMAN.—In other words, a third class man who had been in the Service before 1908 has to pass in reality as severe an examination as though he were an outsider?

Mr. O'CONNOR.—Quite so, that is exactly the position. Of course, for a man leaving school, the open competitive examination could not be said to be at all difficult. but for those who have spent some years in the service it is difficult, more especially if they attend particularly to their duties. Because in some cases their offices are not properly lighted, and after a man has put in so many hours a day in the office he is not really in shape to go home and devote several hours more to studying.

THE CHAIRMAN.—Then you are brought into competition really with boys from the schools and outsiders of all kinds.

Mr. LAKE.—It is really a University examination, is it not?

Mr. O'CONNOR.—Hardly as difficult. It is about the standard of matriculation. I think some subjects may run a little higher.

The CHAIRMAN.—I find section 24 says: "Promotion, other than from the third to the second division, shall be made for merit by the Governor in Council upon the recommendation of the Head of the Department," &c., I suppose that section means promotion from the second to a higher grade, does it?

Mr. HIGMAN.—From B to A.

Mr. COATES.—Or from two to one of the administrative classes.

Mr. LAKE.—There is one other question I would like to ask you before we get any further. When the new Act of 1908 came into force, there was a line drawn between the different divisions, first, second and third.

Mr. O'CONNOR.—Yes.

Mr. LAKE.—That line was practically drawn on the lines of salary?

Mr. O'CONNOR.—Yes.

Mr. LAKE.—That is to say the man who was receiving a small salary was placed in the third division.

Mr. O'CONNOR.—Yes.

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Mr. LAKE.—As a matter of course. Those receiving greater salaries were put into the other division. Then I gather from the Act, it was understood that each department was to immediately proceed with an organization in which it would draw up the duties appertaining to the different branches, ascertaining the duties which the various clerks were performing, and then proceed to adjust the status of the different clerks by divisions according to the duties which they were performing then without reference, entirely at any rate, to the salaries.

Mr. O'CONNOR.—Yes.

Mr. HIGMAN.—That organization has never been made.

Mr. LAKE.—Was that the intention?

Mr. HIGMAN.—I think so.

Mr. LAKE.—There has been no organization carried out in any of the departments since that time, has there?

Mr. O'CONNOR.—No. I think we can safely say as far as the third division is concerned, there has been no case where a man who was found to be doing second division work was put into the second division on account of an organization of the department being carried out after the coming into force of the Act. In some of the higher divisions it may have occurred in the way of promotion, but as a general thing that organization has not been carried out, and that is one of the great difficulties that we find.

Mr. LAKE.—That was one of the main intentions of the Act.

Mr. O'CONNOR.—That is what we thought.

Mr. LAKE.—Otherwise it would be an unfair thing to make that straight line founded on salaries.

Mr. BRITAIN.—There was some agitation about organization and then there was a classification based on the salaries and the duties of the official were signified opposite the name when that classification went through. That classification was made under clause six, but it was never pretended that it was a fulfilment of clause eight.

Mr. LAKE.—So that if this had been carried into effect, the probability is all the third class clerks who were doing work which really came under the heading of administrative or executive duties, would have been advanced into the second division without any examination at all?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Evidently the Act, as you read it, proceeded upon this principle, that it was not possible at that time to make an equitable arrangement completely, and the Act provided for divisions, and examinations and promotions. But section 8 overrides them all and says:—

“As soon as practicable after the coming into force of the Act, the head of each department shall cause the organization of his department to be determined and defined by Order in Council, due regard being had to the status of each officer or clerk as the case may be.”

That meant that at the passing of the Act the organization should be determined and the clerk should be placed in his proper place.

Mr. O'CONNOR.—That is what we understood, and if that had been carried out there would have been some in the third division of course, who would have been left behind, because the work that they were performing at that time was only routine

or clerical work; but these men, even after the organization would have been carried out, would have had a right to further promotion under the terms under which they entered the Service.

The CHAIRMAN.—Then you have really two grievances on the point. One is you say that the organization provided for by section 8 was not carried out?

Mr. O'CONNOR.—Yes, that is so.

The CHAIRMAN.—And the second point is you say that there was an inherent right in every man who is in the Service at that time to be allowed his promotion

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—To be allowed his promotion on the basis which obtained at the time he went into the Service.

Mr. O'CONNOR.—Yes, that is the position.

Mr. HIGMAN.—Or, as the Act states, his status should not be interfered with.

Mr. O'CONNOR.—That is covered by Section 35.

The CHAIRMAN.—You think that under Section 35 the word "status" includes not only the standing which he had but the equitable rights which he had?

Mr. O'CONNOR.—Yes, we think so.

The CHAIRMAN.—Status may not mean only the position he occupied.

Mr. DUCHARME.—Does promotion apply only to salary, or does it apply also to the work to be done? A third class man asks and gets an increase of salary every year until such a limit is reached. Then if he passes his examination, what you call promotion, on going into another class does he at the same time change positions, or does he get the salary of the second class and still continue to do the same work?

Mr. O'CONNOR.—Under a proper organization I do not believe it would be possible to do that unless the man's work had increased in quantity—well, hardly in quantity, but say in importance.

The CHAIRMAN.—In quality.

Mr. O'CONNOR.—Yes, in quality during the time that he was engaged in performing it.

The CHAIRMAN.—The question which Mr. Ducharme put was on the tip of my tongue to ask. A man may go from the third division to the second division now, provided he pass his examination, without altering the work which he is doing in the department.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—So that his salary may be increased without any increase of his work?

Mr. O'CONNOR.—Yes, but in a good many departments there is considerable work that was thought to be third division work which takes second division men to perform.

The CHAIRMAN.—I was just going to ask you in regard to that. I observed a department myself the other day where a considerable amount of the purest, or commonest kind of routine work, which a junior without much experience could do, was being done by a pretty high-priced man in the second division. That resulted, of course, from the fact that he had obtained his promotion to the second division without there being any real requirement for a man of higher capacity in the branch he was in.

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Mr. O'CONNOR.—Yes.

The CHAIRMAN.—That takes place under the Act at present.

Mr. O'CONNOR.—Yes, but of course the position with a good many clerks in the third division is, that on account of this reorganization not being carried out many of them are doing second division work, and when they pass an examination they simply obtain what seems to them their vested rights.

The CHAIRMAN.—Well, I suppose you have this difficulty in the service—that men are getting old, that their families and expenses are increasing from the time they enter the service, and they require more. And then vacancies are not occurring in the upper branches as rapidly as they ought to occur, and the result is men are kept getting into the higher division although their work is not changed.

Mr. O'CONNOR.—Well, we have not noticed that so much.

The CHAIRMAN.—That is the case, is it not? I have noticed it myself.

Mr. O'CONNOR.—It is undoubtedly in some cases, but there is an increase in the work which in dividing up in the department—

The CHAIRMAN.—I admit all that.

Mr. O'CONNOR.—Has caused greater responsibilities.

The CHAIRMAN.—Yes, and the Service is growing all the time, fortunately for its merits, otherwise it would be stagnant. I do not want to interrupt you, it is only to illustrate as you go along. Now go back please to the point you were discussing if you can.

Mr. O'CONNOR.—It is all right, sir. I think we have dealt with some of the important points. The matter has been fairly well threshed out now, and the great difficulty is to convince the powers that are, that there are those in the third division who are now doing second division work, and that there is no necessity for setting an examination for those clerks in order to allow them to pass into that division. That phase of the question, of course, is dealt with, with regard to reorganization, or organization, and we have taken it up later on in our memorial. But with regard to the third division we find that in a great many cases men are now brought into the service under the open competitive examination for the administrative branch, and they are taught their duties by third division men who are unable to take the examination and therefore unable to get into the higher division. We think that a proper organization would overcome a great many of these difficulties, while the examination overcomes none of them. We cannot see that a man's efficiency is added to in any way by taking an examination. It may be that years ago a man might have passed that examination with comparative ease, but, as I said before, with increasing work in the office and increasing responsibilities outside of the office, he is unable to take up the work and to put himself in a position to pass an examination.

The CHAIRMAN.—He may be becoming very much more efficient in the work of the office and very much less efficient in general book knowledge.

Mr. O'CONNOR.—Quite so, more especially since the subjects of the examination only touch the work of the office in a few cases. For instance, there is arithmetic, algebra, geometry and so on, which might touch the work of a few offices. Then composition, orthography and so on, might touch the work of secretarial branches, but the whole examination touches the work of very few branches.

The CHAIRMAN.—I do not think there is a professional man of Canada at the bar to-day, who has got a good position by the amount of his work, that could commence to pass any of the examinations which were required for him to enter the bar when he was a young man.

Mr. O'CONNOR.—That is practically the position.

The CHAIRMAN.—Personally I would not attempt to pass any of the examinations that I took twenty years ago, and yet I think I am a much better lawyer now than I was at that time.

Mr. O'CONNOR.—That is precisely the position. We feel that we are much better civil servants than we were a few years ago, and we think we cannot add anything to our efficiency by passing an examination, although we can prove it in the office at our work and in the discharge of our duty, and we cannot see that in the case of those who came into the Service before 1908 anything can be gained by insisting on this examination.

The CHAIRMAN.—Could you supply us with the names of the clerks that were affected? Not the clerks who have passed their examination and so got into the second division, because with regard to them there is no hardship; but those who are still remaining in the third division who entered the Service prior to 1908 and who have these rights. Can your Association supply us with the individual names of these persons?

Mr. O'CONNOR.—I think so. I do not know that we could give an exact list but I think it would be approximately correct.

The CHAIRMAN.—If you could not give us an exact list, is there any way by which a list can be obtained?

Mr. O'CONNOR.—It can be obtained from the respective departments. They have all these names on their record.

The CHAIRMAN.—If you can undertake to assist us in that regard it will save us a lot of labour and present your case exactly.

Mr. O'CONNOR.—Do I understand the request to be for a list of the clerks who passed a promotion examination before 1908? We have three classes of clerks who were in on the 1st September, 1908.

The CHAIRMAN.—I want a list, and you can classify them as you like. You say at page 3 of your Memorial: "That all clerks in the third division who had passed the qualifying and promotion examinations prior to September 1, 1908, be eligible for promotion without further examination." Now, can you give me that list?

Mr. O'CONNOR.—Yes, we have that list.

The CHAIRMAN.—Well then, the clerks in the third division who have passed the qualifying, but not the promotion examination. Can you give us that list separate from the other one?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Then that class in the third division who have not passed any examination. You can give us that list, can you?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—If you provide us with these three lists it will be very important to us, because we shall then know how wide the scope of your request is. How many are there, in the first we will say?

Mr. O'CONNOR.—There are 111 in the first.

The CHAIRMAN.—And in the second?

Mr. O'CONNOR.—I have not got the extra number.

Mr. BLEARNEY.—I think about 206.

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The CHAIRMAN.—And in the third?

Mr. BLEAKNEY.—The difference between that and 1,243 would make up the list. There are a great many girls.

The CHAIRMAN.—Then these three classes affect 1,243 of the present civil servants.

Mr. BLEAKNEY.—Who were in the Service in 1908. Some have dropped out since.

The CHAIRMAN.—I would like you to revise your figures and bring them up to date, because if we wait long enough there will not be many left.

Mr. LAKE.—Previous to 1908 how long could a clerk remain in the third division without qualifying for promotion to the second.

Mr. O'CONNOR.—In some of the departments when a clerk went he was put into say the junior second class to qualify for a higher class. In other departments the practice was that when a clerk was recommended for promotion he should take the examination and show that he was qualified.

Mr. LAKE.—The practice has varied in different departments.

Mr. O'CONNOR.—Yes.

Mr. HIGMAN.—Then there is the question of the clerk being recommended by the deputy minister for promotion. It matters very little whether he passes all the examinations. If he is not recommended he will not go up.

Mr. LAKE.—It is a matter entirely of selection in the hands of the deputy minister himself?

Mr. HIGMAN.—Practically so.

Mr. LAKE.—Could you give the ages of those clerks when you are furnishing us with a list of them?

Mr. O'CONNOR.—We could, I think, give the ages. We have not that information at present.

The CHAIRMAN.—We have that information in the Civil Service List, but we would have to get the names in order to make use of it. Will the names be supplied in the list furnished by you?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Now, in regard to the old system prior to 1908, the Inside Service was divided in what way? Tell us briefly.

Mr. O'CONNOR.—Well, there were classes. The third class clerkships ran from \$500 to \$800, the junior seconds from \$800 to \$1,100, the senior seconds from \$1,200 to \$1,500, the first class from \$1,500 to \$1,900, the chief class from \$1,900 to \$2,500, and grade A from \$2,400 to \$2,800. Grade A corresponded really to Division 1 A as it is at present.

The CHAIRMAN.—Was an examination necessary on promotion from one class to another under the old system?

Mr. O'CONNOR.—In most cases I think it was. There were some exceptions under the Act. Technical men were not required to take the examination.

The CHAIRMAN.—I am not referring to those who have to pass no examination whatever. Technical men were provided for under Section 43 of the old Act, there were exemptions from examinations.

Mr. LAKE.—There was no bar to a man entering the Service as a third class clerk passing right through in regular course up to head clerk?

Mr. O'CONNOR.—Oh no, that has been done repeatedly.

The CHAIRMAN.—There is no bar to-day.

Mr. LAKE.—Except that he has to pass an examination between the third and second division, which is really a literary examination.

The CHAIRMAN.—Under the old Act there had to be a promotion examination.

Mr. LAKE.—Was there any examination beyond the examination of qualification for the duties of the office?

Mr. O'CONNOR.—Well, in some cases there was an examination set, say in composition, spelling, arithmetic, and so on, but this examination was often easier than the qualifying examination, so that it did not really offer any obstacle to a man who could take it in a few years after he had entered the Service, and a man was allowed to qualify for the very highest examination by the marks he had taken in this examination.

The CHAIRMAN.—In the first examination for instance?

Mr. O'CONNOR.—No, his first promotion examination.

The CHAIRMAN.—He would take one promotion examination and qualify, if his marks were high enough, for the highest.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Although for the time being he would take an examination below the highest.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Then he would have to pass a subsequent examination, is that your idea?

Mr. O'CONNOR.—That is the point.

The CHAIRMAN.—Could he take that promotion examination at any time during his career?

Mr. O'CONNOR.—The time was generally set by the department, as I was just remarking to Mr. Lake. In some departments the practice was to ask a man to qualify as soon as his appointment was made permanent. In other departments the practice was not to allow a man to qualify until he had been recommended for promotion. Something of the same system as prevails now. A man is not allowed to take this promotion examination from the third to the second division until he has been recommended for promotion.

The CHAIRMAN.—Is that so with regard to your third class clerks to-day who were in the Service before 1908?

Mr. O'CONNOR.—Yes, they are not allowed to take the promotion examination.

Mr. LAKE.—I presume he could go outside and take the examination in competition with the other candidates, could he not?

Mr. O'CONNOR.—He could, but he would not be sure then of getting as much salary as he was getting at the time. There is another point that comes in there. We deal with it later on in the Memorial, but it really affects the third class very much. That is if a man is over 35 years of age he is not allowed to take the open competitive examination either for the routine division or for the administrative division. Now in the one case, say a messenger is in the Service for ten years. Suppose he enters the Service at the age of 25 and by the time he is 36 he feels that he has enough education to take the lower grade examination. He is not allowed to take it in open competitive examination but there is no promotion examination provided. It seems a sort of humiliating that he cannot serve the government in a higher position simply because the regulations are not favourable.

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The CHAIRMAN:—Are you referring now to the old clerks?

Mr. O'CONNOR:—To any class.

The CHAIRMAN:—You are travelling away from these people you speak of in the third division.

Mr. O'CONNOR:—Not exactly. Suppose a third division clerk is in subdivision B. getting \$800. He is a man 36 or 37 years of age. He feels that he wants to take the open competitive examination but he is not allowed to do so because he is over the age.

The CHAIRMAN:—You also mean to say that is the position of all clerks in the third division, whether they came in before or since 1908?

Mr. O'CONNOR:—Yes. Now the regulations of the Commission read something like this: That when a clerk is nominated for promotion from the third to the second division, he may take such and such examination, and then it sets out the examination.

The CHAIRMAN:—You are now dealing with these who were in the Service before 1908, are you?

Mr. O'CONNOR:—Yes.

Mr. DUCHARME:—When a clerk is nominated, who nominates him?

Mr. O'CONNOR:—The head of the department. It says in the regulations "When he is nominated by the head of the department."

Mr. LAKE.—And then you tell us that at the present time they cannot get sufficient candidates to fill all the vacancies by competitive examination.

Mr. O'CONNOR:—That seems to be the experience.

Mr. LAKE.—So really a man could go in without permission now and qualify, and simply pass the qualifying examination.

Mr. O'CONNOR:—That is the effect of it.

Mr. LAKE:—Once he has passed the qualifying examination he is simply to remain in his division until he can get promotion recommended by the deputy minister.

Mr. O'CONNOR:—Yes.

The CHAIRMAN:—These clerks who were in the third division before 1908 can go up for the open competitive examination whenever they like, can they?

Mr. O'CONNOR.—I believe so.

The CHAIRMAN.—What you have just been referring to was merely when they wanted to go for examination, but not an open competitive examination. Now subsection 2 of section 26 reads as follows:

"Any person placed in the third division upon the coming into force of this Act, may, by the Governor in Council, upon the recommendation of the head of the department, based on the report in writing of the deputy head, and accompanied by a certificate of qualification by the Commission, to be given with or without examination, as is determined by the regulations of the Commission, be promoted from the third division to the second division without an open competitive examination."

The distinction there between the clerks who were in the service before 1908, and those who came in afterwards, is that those who were there before, in order to escape an open competitive examination, must get the recommendation of the head of the department?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—But they, equally with the others, may without that permission of the minister, go into an open competitive examination.

Mr. HIGMAN.—Yes.

Mr. O'CONNOR.—The section says, "as is determined by the regulations of the Commission." You see the Commission there have the power to say as to whether it shall be so.

The CHAIRMAN.—We will come to that later. The point I was dealing with was that they do not need to have the permission of the minister to enter an open competitive examination.

Mr. O'CONNOR.—No.

The CHAIRMAN.—What you mean is that clerks in the third division wishing to take an open competitive examination to the second division can only do so on the recommendation of the Commission. That is the point, is it not?

Mr. O'CONNOR.—No, I would not say upon the recommendation of the Commission.

The CHAIRMAN.—But these are the very words at the end of the first sub-section of section 26 "on the recommendation of the Commission."

Mr. O'CONNOR.—I would take that to qualify the regulations.

The CHAIRMAN.—You say the words "on the recommendation of the Commission" qualify the regulations.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—It should be on regulations recommended by the Commission and made by the Governor in Council.

Mr. O'CONNOR.—Well, sir, it seems to me that the matter is pretty well understood by you now. When we have placed these lists before you, you will then see exactly how the clerks in the different departments are affected.

The CHAIRMAN.—I want to ask you to get down to the real equity which exists there. Of course all these clerks entered under what is known as the Civil Service Act, that is the main Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Well now the main Act, called the Civil Service Act, R.S., Chapter 17, provides by section 22:

"Except as herein otherwise provided no promotion from either division of the Civil Service shall take place without special examination under regulations made by the Governor in Council."

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—And of course the Act then provided for examiners?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—So far as the Act was concerned there was nothing to restrain those examinations from being made as difficult as they are now, or more difficult?

Mr. O'CONNOR.—No.

The CHAIRMAN.—So that under the Act you cannot complain of any lack of equity in these examinations.

Mr. O'CONNOR.—Well, possibly not. But in practice I think we can.

The CHAIRMAN.—That is what I want to discover, why it is. You say that despite the fact there was the power under that Act, that the regulations which were made under it did not require examinations at all as disturbing as at the present moment.

Mr. O'CONNOR.—Yes, that is so.

The CHAIRMAN.—And do you say those regulations did not vary very much during those years?

Mr. O'CONNOR.—No, not to any great extent. I think where examinations were made especially difficult it will be found they were to qualify for a position which

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requires that nature of examination. In the ordinary cases the examination was quite a simple one, consisting in no case of more than four or five subjects.

The CHAIRMAN.—I want to make perfectly clear to you, because you have to establish your own case, the objection that I see might arise. It seems to me you have a clear equity recognized by Act of Parliament and there can be no question of your right to demand a proper organization. But with regard to your second claim, that aside from that altogether there was an equity in person in the Service prior to 1908 to get along without examinations as difficult and severe as they are at the present time, it seems to me that clearly is not upheld by the words of the old Civil Service Act, and that it entirely depends on the custom under that Act. I want to see if you can make your position any stronger than you have made it.

Mr. O'CONNOR.—I think so, because we make three recommendations here, that those who had passed both the qualifying and promotion examinations should be promoted without further examination.

The CHAIRMAN.—They satisfied the conditions of the old Act you say?

Mr. O'CONNOR.—Yes, they have a certificate which would satisfy the requirements of the old Act.

The CHAIRMAN.—Well, with regard to that class then the case seems to be quite different.

Mr. HIGMAN.—And their status ought not to be interfered with. •

The CHAIRMAN.—I would say that was implied under the old Act even. You say with regard to them that they satisfied the requirements of the old Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Now go on to the next class who have passed the qualifying but not the promotion examination.

Mr. O'CONNOR.—These clerks in some cases had not the opportunity to take the promotion examination. What I mean to say is this: take the case of a clerk who was promoted on the 1st April, 1908, any date along about there. He was brought under these new regulations before he had the chance to take the promotion examination which would have been due in May. But the right to take the promotion examination was still there. The practice had been to have an examination only once a year in May, but in special cases special examinations have been set.

The CHAIRMAN.—Well then, you would say that these persons had lost the chance, we will put it that way, to take the yearly examination, which was in fact the rule under the old Act.

Mr. O'CONNOR.—Yes, I suppose you may say they had lost the chance through no fault of their own.

The CHAIRMAN.—No, on the contrary. You say that is a hardship to them that they lost the chance of taking the yearly examination, but that was because in practice the examination was easier and not because the old Act gave it to them in words.

Mr. O'CONNOR.—Yes, I am afraid we would have to admit that much.

The CHAIRMAN.—I want to get a clear admission. In the first case the equity depends upon the Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—In the second case your equity depends upon the practice.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—I want to see if you admit that because we can clear it up. Go on now to the clerks who did not pass any examination.

Mr. O'CONNOR.—In the third case most of the clerks who were brought in under that ruling, would have taken the examination or they would have left the service

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because they could not very well stay as temporary clerks. Of course there are a few exceptions with regard to technical men, and so on, but those who were drafted into the third division without any examination would have ventured to take the examination or they never would have entered the service.

The CHAIRMAN.—I want to get definitely what your views are. This is the representation contained in your memorial. "That clerks in the third division who have not passed any examination should be required to pass an examination similar in character to the old qualifying examination," &c.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Now that is the class that you referred to who were temporary clerks under the old Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—But they have no special right to take the qualifying examination.

Mr. O'CONNOR.—No, but they were obliged to take the qualifying examination before they could be admitted into the permanent service and have their rights with regard to superannuation, insurance, holidays and so on.

The CHAIRMAN.—You have got a pretty difficult case to make out an equity there, it seems to me, under the Act. These clerks, I take it, were all temporary clerks under the old Civil Service Act, and they had not taken advantage of the qualifying examination.

Mr. O'CONNOR.—Of course, but the same argument that I used a while ago applies here, that in some cases these clerks in such a short time had not the opportunity to take the examination.

The CHAIRMAN.—In a great many cases though they had been in a long time despite the Act and in breach of the Act.

Mr. O'CONNOR.—Yes, but I think it will be found that was in the higher divisions mostly.

The CHAIRMAN.—Well, without separating the divisions, they were there in violation of the Act.

Mr. O'CONNOR.—Well no, I do not think it was in violation of the Act. It was in spirit possibly.

The CHAIRMAN.—I think it was a clear violation of the Act, brought about by political dodging of one kind and the other.

Mr. BLEAKNEY.—The Order in Council appointing them used to say: "Notwithstanding anything in the Civil Service Act." That was always tied on to it.

The CHAIRMAN.—Quite so, therefore was strictly illegal.

Mr. HIGMAN.—But a man would be appointed permanently if an Order in Council was passed in his case. With respect to a large number of these who were in the service temporarily there never was any Order in Council, and they preferred to remain as they were for the reason that they were getting very much more salary as temporary clerks than if they were appointed permanently.

The CHAIRMAN.—Yes, but the point I was making was in regard to section 94 of the Civil Service Act setting forth that when from a temporary pressure of work, or other cause, where extra assistance was required, temporary appointments could be made, and I am advised that in order to escape the qualifying examination, that Act was constantly violated. And so there was created a great mass of civil servants who were in reality permanent employees although they were called temporary.

Mr. HIGMAN.—I have in mind the case of a mechanic, a man of very fine parts and a first-class draughtsman. He has been doing permanent work in the Public Works Department for 35 years, I imagine. He came in permanently of course with

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the Act of 1908, but prior to that he was on the temporary list, although permanently engaged and doing permanent work.

The CHAIRMAN.—What you would say in his instance was, that even if he was there violating the Act the Government assisted in that violation?

Mr. HIGMAN.—Certainly.

The CHAIRMAN.—And recognizing that, the Act of 1908, made provision for him being put on the permanent list.

Mr. LAKE.—In what particular division of the service was this man placed?

Mr. HIGMAN.—He went into the second division, grade B, I think.

Mr. BLEAKNEY.—They had to be classed according to their salaries.

The CHAIRMAN.—Now you go on further and say that such persons who have not passed an examination, upon passing an examination similar to the old qualifying examination, and an examination in the duties of office, should then be eligible for promotion. Upon what ground can you support giving those persons a privilege which they would not have had even under the old Act. If they had taken the qualifying examination they would have had to take the promotion examination.

Mr. O'CONNOR.—Separately.

The CHAIRMAN.—And you are asking that they should be excluded from that now.

Mr. O'CONNOR.—For this reason, that this should be considered as a promotion examination. By the Act of 1908 they have been drafted into the third division and they are now permanent without any further examination, thereby doing away with the qualifying examination. Therefore the promotion examination that we would recommend would be one equivalent to the old qualifying examination, with the duties of office added.

The CHAIRMAN.—Yes, but would it be equivalent to the old promotion examination?

Mr. O'CONNOR.—It would be a little more difficult I think.

The CHAIRMAN.—In what way.

Mr. O'CONNOR.—The old promotion examination, in most cases at any rate, simply took up the duties of office rather thoroughly and seemed to take other subjects to show that a man had not lost his ability to spell, and do a little arithmetic and so on. The examination, taking it as a whole, was not as difficult as the qualifying examination.

The CHAIRMAN.—I see. You say that the present qualifying examination and the examination into the duties of office are quite as fair as the old promotion examination would have been.

Mr. O'CONNOR.—Oh, yes, quite.

The CHAIRMAN.—“And that they be eligible for promotion on the recommendation of the head of the department based on the report in writing of the deputy head.” You should say then: “Bring those under subsection 2.”

Mr. MACMILLAN.—Of Section 36.

The CHAIRMAN.—Section 26 of the Act of 1908.

Mr. BLEAKNEY.—We would not care to bring them under that, because a great many of us are trying to get away from it. It is those words ‘with or without examination’ that have worked all the havoc with us.

The CHAIRMAN.—You are referring to section 26, subsection 3, the Civil Service Amendment Act?

Mr. MACMILLAN.—“With or without examination” on the fifth line of subsection 2.

Mr. O'CONNOR.—This is where the whole difficulty arises.

The CHAIRMAN.—You have not explained that. This is the first time we have heard about the giving of a certificate “with or without examination.” You say with regard to all persons who now come under that section, that the word “with” should be struck out from the subsection.

Mr. O’CONNOR.—No, we hardly ask for that, but we ask that the examination for certain of the clerks, that is those under the third heading here, be made simpler, and for those under the second heading that it be made only on duties of office, and that in the case of those who have passed both examinations it be done away with.

The CHAIRMAN.—You say that persons in the third division who were in the service before the Act of 1908, came into force are, by section 26, subsection 2 of the Act of 1908, capable of promotion without an open competitive examination upon certain conditions which are prescribed in that subsection.

Mr. O’CONNOR.—That hardly states the case.

The CHAIRMAN.—I am speaking now not with regard to those in subsection 3, but with regard to all. I am trying to lay the basis for another question.

Mr. O’CONNOR.—Yes, but the trouble is that the regulation we object to was made under this subsection. That regulation now has all the force of law and the Commissioners have overlooked the word “without.” They are I think prescribing an examination in every case.

The CHAIRMAN.—Clerks in the third division who were in the service before the Act of 1908 came into force are under section 26, subsection 2 of that Act to be promoted without an open competitive examination upon two conditions: First, that they shall have the recommendation of the head of the department; second, that they shall have a certificate of qualification by the Commission, which qualification is to be given with or without examination. That is the case.

Mr. O’CONNOR.—That is the case, yes.

The CHAIRMAN.—Now you say with regard to the persons who are at the present moment qualified to take advantage of that subsection, that the Civil Service Commission have disregarded the word “without” and have by the regulations enforced an examination.

Mr. O’CONNOR.—Yes.

The CHAIRMAN.—That is your position, is it not?

Mr. O’CONNOR.—Exactly so.

The CHAIRMAN.—And that practically the word “without” is disregarded altogether.

Mr. O’CONNOR.—That is quite the case.

The CHAIRMAN.—Now, with regard to those persons we are dealing with, mentioned in recommendation 3 on page 3, of your memorial to the Premier. If the word “with” was stricken out of section 26, subsection 2, would you then bring these persons into the same category as the others?

Mr. O’CONNOR.—It would rest then with the head of the department. In individual cases he could judge as to whether the clerk was fit to go to a higher position or not.

The CHAIRMAN.—Yes, because section 26 subsection 2, provides for the recommendation of the head of the department.

Mr. LAKE.—Accompanied by a certificate of qualification from the Commission.

Mr. HIGMAN.—I am reminded that it is not so much a question of striking out the word “with,” as of dealing with the word “without.” At present the word “without” is disregarded altogether, and the word “with” alone is dealt with.

The CHAIRMAN.—Then you mean to say that the Civil Service Commission exercises no discretion in the matter.

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Mr. HIGMAN.—That is the position the Commission takes.

The CHAIRMAN.—And you counted that the spirit of the Act was such that they ought to have regard to individual cases and not impose an examination.

Mr. HIGMAN.—I think so. I think the Act clearly provides for that, if not in exactly the words, at least it is implied.

The CHAIRMAN.—The difficulty there would be that if you simply recommended that they should have regard to the word "without," it leaves it entirely in the hands of the same Commission to do as they like, and they would still impose that examination because they would say they were not justified in being without one. That seems to the matter of the viewpoint of the members of the Commission, doesn't it?

Mr. HIGMAN.—Yes.

Mr. LAKE.—It makes it simpler for them I suppose.

Mr. O'CONNOR.—They have only one rule for everybody.

The CHAIRMAN.—One of the difficulties you have of course is this: You found that hardships arose and great difficulties occurred from the time of the imposition of a legislative line where really individual knowledge and experience is required.

Mr. HIGMAN.—Precisely, that is just the contention that we make in regard to those who were in the Service prior to 1908, and it is with that clause we are dealing now. We claim that the Commission should not arbitrarily draw a line as they have done with their examination. There are conditions surrounding those who were in the Service prior to 1908 which they are entitled to have observed by the Commission. But the Commission ignore those conditions entirely and subject the clerks to an open competitive examination. That is the practice, or rather that is what it has resulted in.

The CHAIRMAN.—I presume the organization which was provided for by section 8, if now carried out, would remedy a great many of these grievances?

Mr. HIGMAN.—A great many of them I have no doubt. It would presumably deal with most of them.

The CHAIRMAN.—Because then every man who is at present in the Service could be dealt with on his merits.

Mr. HIGMAN.—Exactly.

The CHAIRMAN.—And then the whole difficulty about examinations would vanish into thin air it seems to me.

Mr. O'CONNOR.—It would affect a very few, at any rate.

Mr. BLEAKNEY.—It would for the time being, while that reorganization is effective, but in the course of four or five years a man who is doing third division work and was qualified for the second division and had his qualification papers under the old Act, would be up against what we are now unless there are promotions.

Mr. HIGMAN.—I would suggest that Mr. Bleakney be heard.

Mr. BLEAKNEY.—There is very little, I think, to add because Mr. O'Connor has gone over the subject so well, except as to the point whether a reorganization would satisfy all those who have a grievance at present. There are men in the Service who are doing third division work but who, in the course of a few years, would be qualified for second division work and would be compelled to go and take this examination although they were qualified under the old Act, and they would be in the same position that we are in to-day.

The CHAIRMAN.—You have of course the interest of the Service at heart, being a member of it. Do you see any real, practical reason, from your experience in the department, why with regard to people in the third division, who were there prior to the coming into force of the Act of 1908, there is not sufficient safeguard for the

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public service in the provision that the recommendation of the head of the department, based on the report in writing of the deputy head, is required. In other words, do you not think that the provision in subsection 2 of section 26, that a certificate of qualification should be given by the Commission, might very well be done away with as regards that limited class of people, without doing any injury to the public service?

Mr. BLEAKNEY.—I think so, sir.

The CHAIRMAN.—Take for instance to-day. The qualifications of these people must be thoroughly well known to the head of the immediate branch in which they serve, and to the deputy head of the department, and if everything was stricken out of that section concerning the certificate of qualification by the Commission, and the matter was left to the deputy head, would not that protect the public service sufficiently?

Mr. BLEAKNEY.—I think, sir, that the deputy head and the chief clerk under whom this man has worked are the most competent men to judge whether that man is fit for promotion or not.

Mr. DUCHARME.—Would there be danger of favouritism if that power were placed in the hands of the deputy minister?

Mr. BLEAKNEY.—Possibly there might be, but I do not think to any very large extent.

The CHAIRMAN.—But under the Act you are under the official deputy head at present. What I am asking you is whether, if we strike out the reference to the Commission, you, speaking frankly as a man who has observed the public service and wants to uphold it, do not think that would be sufficient protection.

Mr. BLEAKNEY.—I do, sir.

The CHAIRMAN.—That is your candid opinion?

Mr. BLEAKNEY.—It is my opinion that it would be sufficient protection for the Service. If we cannot put confidence in the deputy minister the Service is in a bad way.

The CHAIRMAN.—I do not like the second part of your answer. I want to know whether, as a result of your observation of the whole of the department and your knowledge of the men who entered the Service prior to 1908, the public service would not be sufficiently protected by leaving their promotion to depend upon the report of the deputy minister and the head of the department as at present, and striking out the need of a certificate of qualification from the Commission.

Mr. BLEAKNEY.—I have answered that question twice in the affirmative and I will answer it again in the affirmative. I do not consider that the academic examination these men who are already in the Service are put to benefits them one bit in their work.

The CHAIRMAN.—The reason I asked that question was this: You are saying that the Commission do not pay any attention to the word "without". If they did pay any attention to it the result would be that the promotion would go upon the recommendation of the deputy head. Secondly I ask whether you think the public service is sufficiently protected by striking out that provision concerning the Commission altogether, or do you think there is any need of still allowing the Commission a word to say in the matter.

Mr. BLEAKNEY.—I do not know from the way I see it now whether I am competent to answer that.

The CHAIRMAN.—You are speaking as a practical man in the Service.

Mr. BLEAKNEY.—I answer that I do not believe the Commission would do any good to the Service by imposing an examination.

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The CHAIRMAN.—If they do not impose an examination what safeguard is there?

Mr. HIGMAN.—There is this to be said, going back to the question raised by Mr. Ducharme, that the deputy minister might not give the necessary qualifications, and it does seem to me, notwithstanding what has been said, that there is a safeguard to the individual in the Commission being there. At present I know the Commission is guided very largely by the report of the deputy minister, and the evidence of qualification which he must supply—not the mere say-so of his report, but he must submit such evidence as will satisfy the Commission that the individual recommended has the necessary qualifications. And there, I think, is the safety for the individual.

Mr. BLEAKNEY.—Mr. Higman is replying more on behalf of other men than those in the third division. In regard to third division men I do not believe there is inquiry at all as to whether they are qualified or not. If they pass the examination they are all right. If they do not pass the examination they cannot be promoted.

Mr. DUCHARME.—What about those who have not passed the examination?

Mr. BLEAKNEY.—They cannot be promoted until they pass the examination.

Mr. LAKE.—Then according to your idea the Commission are apparently not only saved the responsibility but are saved the trouble of inquiring into these cases by insisting upon an examination in all of them.

Mr. BLEAKNEY.—Quite so. They were given leave by section 26 to inquire where a certain man is recommended for promotion, and if they find out this man has been using influence to get his promotion they may set an examination and find out whether that man is fit for promotion or not.

Mr. DUCHARME.—If you strike out the requirement in regard to the Commission you leave it in the hands of the deputy minister. The clerk then cannot be promoted without his recommendation.

Mr. BLEAKNEY.—He could if the Act was amended, but not the way it is at present.

Mr. DUCHARME.—As the Act is now the clerk can attend his examination and put himself through.

The CHAIRMAN.—What they are asking is that those people who were in the Service before 1908 should be promoted without examination.

Mr. DUCHARME.—Not exactly that. What they are asking is that those men who have been in the Service should be promoted from one class to another without going into an examination, excepting an examination which relates to his present occupation. You do not want to eliminate the words referring to the Commission and bring a third class man into the second division without any examination whatever. You want that man to pass an examination, but one having reference to the position which he holds.

Mr. BLEAKNEY.—I do not want that man to have to pass an examination in latin, greek, astronomy, and things of that kind.

Mr. DUCHARME.—That is what I say. You wish to limit the examination of the man who was in the Service before 1908 but you do not wish to do away with it. You want to limit the examination to the kind of work he is doing, and not question him upon the history of England, or similar matters.

Mr. BLEAKNEY.—The chairman asked me would I not do away with the examination altogether. I certainly would not object. I certainly see no harm that would come from doing away with it.

The CHAIRMAN.—Something was said a moment ago about the protection of the individual. Now the individual would not be a bit protected by that. The provision of subsection 2, section 26, is entirely in protection of the public service against the individual because it stipulates first that there shall be a recommendation by the head

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of the department, and after that has taken place it imposes the restriction that a certificate of qualification must also be obtained from the Commissioners. I asked, partly for the purpose of bringing out information, whether any harm would be done to the public service if that requisition for a certificate of qualification was struck out. I understand the answer to be given now that the public service might be protected by allowing the qualifications of the individual to be inquired into by the Commission with regard to his capability in the Service, but without an academic examination on educational matters.

Mr. HIGMAN.—Precisely.

The CHAIRMAN.—That is what you mean?

Mr. BLEAKNEY.—That is what I mean.

The CHAIRMAN.—Because this subsection 2 renders necessary, first a certificate of qualification, and secondly, an examination, and you say: "Retain the certificate of qualification but do away with the technical examination." Is that what you say?

Mr. BLEAKNEY.—Yes, sir.

The CHAIRMAN.—Then the examination would only go to the question of his capacity to do his work in his office, or the work to which he was to be promoted.

Mr. BLEAKNEY.—Yes, sir.

Mr. LAKE.—I suppose you gentlemen have been making a careful study of the conditions which have prevailed, and the organizations which have taken place, in the public service of other countries where they have been confronted with the same proposition that we are meeting here to-day. In England, I think, a great many years ago they introduced the new principle of a division between the higher and the lower services, or the upper and the lower divisions. Do you know whether they were able to adhere to that, under a dividing line which can only be passed by an open competitive examination, or whether they have modified the system to any extent?

Mr. BLEAKNEY.—I understand they have a dividing line, but I also understand that none of the amendments or reforms that have been brought about have been retroactive. That is, they have not robbed any man of his privileges.

Mr. LAKE.—They were up against the position at first that they had a whole lot of men who had come into the Service by nomination without passing the qualifying examination. Do you know from history or study what they did with these men, whether they did promote them as you are here suggesting?

Mr. BLEAKNEY.—I cannot speak with authority on that point, although I have my own impression.

Mr. HIGMAN.—Perhaps Mr. Coates could answer the question.

Mr. COATES.—I was just going to say, gentlemen, that I think Mr. Lake has put his finger on what is really the fundamental question in this whole difficulty that we have been talking about this afternoon, and that is the introduction here in Canada of this dual entrance system. Our Act of 1908 brought that idea *holus bolus* from the British Act. For the British Act was framed undoubtedly with British social, economic, and other conditions in view.

The CHAIRMAN.—By the dual system you mean what?

Mr. COATES.—Executive and routine. That is what the Act of 1908, *par excellence* did for our Service. It introduced two entrance systems, and a great deal of the confusion of thought that prevails in regard to the promotion question, arose out of failure to remember that it has arisen only through its being a dual entrance system. Our great objection has been, when you come to reduce it to a matter of logical statement—our great objection to the effect of the Act of 1908 on the men in the lower division is that it has practically made them subject to re-entrance although they were previously in the Service.

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The CHAIRMAN.—In other words that promotion is equivalent to an entrance to the second division?

Mr. COATES.—Quite so. Now I have no official views on this subject, but it does seem to be an important question that should have been given a great deal more consideration than it was given by the framers of the Act of 1908, namely, whether it were safe to transplant in a thoroughly democratic country such as ours a system which is undemocratic, to say the least, a system like that of England. In England, as Mr. Lake knows, the upper division is recruited entirely from the Universities, and virtually only Oxford and Cambridge men are qualified for entrance. Within a year or so afterwards they go into this higher division and so the cleavage in England is maintained. There is virtually no promotion, I believe, from the lower to the higher division because of the severity of the educational test. Now I do not believe, speaking personally and not at all for the Executive in this matter, that this system of dual examinations is going to work out in this country, but that it will perpetuate the difficulty that we are representing a phase of to-day. I believe that in two or three years from now you will find men who have entered the Service since 1908 feeling exactly in the same way as we do.

The CHAIRMAN.—Having forgotten a great deal that they knew when they came in.

Mr. COATES.—Quite so.

The CHAIRMAN.—Finding themselves unable to pass a promotion examination, which they fondly thought would be an easy thing for them when they came in, they will turn round and say they are deprived of their fair promotion.

Mr. LAKE.—I thought it was a mistake at the time that you did not attempt to take up this question.

Mr. COATES.—I do not state these things positively but I think it is a subject of importance that might very well be looked into.

Mr. DUCHARME.—The remedy would be to have a good examination at first.

The CHAIRMAN.—We will go back to the matter of classification and organization later on.

Mr. HIGMAN.—I was going to suggest that we should take 4, 5 and 6 in connection with these people.

The CHAIRMAN.—What do you mean by four?

Mr. HIGMAN.—“The third division” is 1 in our memorial, and then there is 4, 5 and 6.

The CHAIRMAN.—Superannuation is 2, is it?

Mr. HIGMAN.—Yes.

The CHAIRMAN.—Insurance is 3, classification and organization 4, age limit 5, and the quarterly report system 6.

Mr. HIGMAN.—These subject are all connected.

Mr. COATES.—May I just add one thing that occurs to me as of some importance in connection with this other system. If we are going to perpetuate these two divisions in the Service, I think that the \$1,200 maximum for the class of routine officers is too low altogether, and that there will be a constant pressure brought to promote routine clerks, who are extremely valuable as routine clerks, into a division where properly, under the terms of the definition of the Act, they cannot be promoted, and I believe you will find that a recurrent difficulty.

Mr. LAKE.—Your study of the question has not taken you back to the rather distant date when the British Civil Service reformers were confronted with the same question, of having a large body of civil servants who were already in the Service and had certain vested rights, as you suggested in the case of the old civil servants

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here, and who naturally said: You are preventing as from fulfilling the destiny which we had a right to expect when we entered the Service.

Mr. COATES.—I do not believe it occurred exactly in that form if my recollection is right.

The CHAIRMAN.—Well, we will proceed if you have nothing more to say on that point.

Mr. BLEAKNEY.—The point I wanted to bring out was in regard to the clerks who, before 1908, had passed the qualifying and the promotion examination and had a right to promotion without further examination. These clerks had laid their books aside and said, "I am through with studying from now on, I will get down to work." and in the course of a few years time there is a change in the Act. Commissioners are brought in, and these fellows are forced to bring out their books again and get some more qualifications before they can be promoted.

The CHAIRMAN.—These are the men dealt with by recommendation 1?

Mr. BLEAKNEY.—I have here a certificate from the Board of Civil Service Examiners, which reads as follows:

"OTTAWA, 5th June, 1907.

Dear Sir:—

In reply to your letter of the 30th ultimo, I beg to inform you that the books of this office show that the marks obtained by you at the recent promotion examination are sufficient to qualify you for promotion to the rank of a chief clerk without further examination.

Yours truly,

(Sgd.) W. H. FORAN.

That paper now is of absolutely no value.

The CHAIRMAN.—Was that man in the third class?

Mr. BLEAKNEY.—Yes, that was a third-class man. He is forced to go and take his new examination before he can be promoted, in spite of this letter.

The CHAIRMAN.—Unless the organization takes place which was provided for by section 8 of the Civil Service Amendment Act, of 1908.

Mr. BLEAKNEY.—In his individual case the organization might grade him, but it does not follow that it will grade all who hold these certificates. He would be only doing third Division work but he has still that right to promotion without examination when he is qualified for it. The certificate I have read says "without further examination," but the man is not entitled to promotion until he is recommended for it, and has qualified in his office.

The CHAIRMAN.—Do you mind telling me to whom that letter was addressed?

Mr. BLEAKNEY.—It was addressed to myself.

Mr. DUCHARME.—I suppose your points 1, 2, and 3 all apply to cases before 1908?

Mr. BLEAKNEY.—Yes. We are all agreed upon the point that the man who has passed both those examinations had practically vested rights. We went further and we said that the man who had come into the Service and had passed the qualifying examination and had a right to take the promotion examination when he was recommended—that we considered that he was being deprived of his rights by having that opportunity taken away from him.

The CHAIRMAN.—The opportunity to take an easy promotion examination instead of a difficult one.

Mr. BLEAKNEY.—Yes. These third-class clerks came into the Service with the understanding that if they took a qualifying examination they would be appointed

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permanently. They spent some years of their lives in the Service, and have not taken that examination for various reasons. Had they taken that examination they would, on passing the promotion examination, have been qualified for promotion. They came into the Service with that prospect in front of them. After some years of service all these privileges are taken away from them. They are made permanent, but their privilege of taking the promotion examination is swept away.

The CHAIRMAN.—No. Not the privilege of taking an examination. That is confusing the question.

Mr. BLEAKNEY.—An examination on the understanding there was at that time.

The CHAIRMAN.—But the right to any other examination, except an open competitive one, is taken away, is it not?

Mr. BLEAKNEY.—No, they have the right to one.

The CHAIRMAN.—Although they were temporary clerks? Being made permanent by the Act of 1908 they were placed in the third division.

Mr. DUCHARME.—You want all employees that entered the Service previous to 1908 to be subject to the examination as it then existed.

Mr. BLEAKNEY.—That they be practically given the same privileges that they had previous to 1908.

The CHAIRMAN.—Unless you have something to add to what you have already said we do not need to hear that subject very much further, because we all see the equities of the position—we saw them from the Memorial to a large extent—and I think we all sympathize with them very much. We might save time now by going on further. Is the next speaker going to deal with the subject of classification and organization?

Mr. HIGMAN.—I will now call upon Mr. Pare.

CLASSIFICATION AND ORGANIZATION.

Mr. PARE.—I must apologize for repeating perhaps, something which has been already said on the third division question. It only relates to one of the difficulties due to the lack of organization provided for by section 8. I need not say very much, because I have seen that you fully realize the vital importance of section 8, and you no doubt sympathize with the Service, and regret very much with them that that section has not been carried out. And in this connection you will perhaps find that other very important clauses have remained inoperative. The Amendment Act of 1908 meant to reform entirely the Service to place it on a new basis, or to improve the basis, and there were different operations to go through. First, there was to be the transfer from the old condition of things to the new order. That was provided for by section 6. Automatically the old Service under that section was transferred to the new order of things. There was no choice in the matter; the man who happened to be in a certain division, or who happened to have a certain salary, was transferred to the new division corresponding to that salary. It was then merely a transfer of the very distressing conditions of the old Act, which were generally admitted. The new Act was passed because of the demoralizing conditions which prevailed in the Service, and with the automatic transfer there was to be a new foundation. If I may express myself this way, there was to be a classification, not of the persons but of the offices.

The CHAIRMAN.—Of the work.

Mr. PARE.—The offices, that is the duties and responsibilities.

The CHAIRMAN.—Yes, the work.

Mr. PARE.—Nothing of the sort has been done, so the same old inequalities, the same differences in the treatment of employees, that existed under the old Act still exist. The same inequality between the salaries paid and the duty performed still exist. The evils complained of by the third division form a separate case. They would have been remedied by proper reorganization although not fully. But the evil exists in the higher subdivisions. Men have been classified, say in the first division who should have been placed, on account of the duties performed, in the second. Of course the Act provided for their salary not being reduced, nevertheless they might have been classified, if the Act had been fully carried out, in a lower division, without any further increase of salary until they qualified for promotion. I hope I have made this point clear.

The CHAIRMAN.—You have it pretty clear. Go on without any excuse, we understand you.

Mr. PARE.—I do not think that I have much more to add.

The CHAIRMAN.—What you say, therefore, on that point is this, that a man may have been placed in a higher class than the quality of the work which he was called upon to perform justified him being put in.

Mr. PARE.—Quite so.

The CHAIRMAN.—The Act provided that his salary should not be reduced, but there was no reason why he should not have been put in a lower class, his salary to remain as it was without increase until he had qualified himself to go into the higher class.

Mr. PARE.—Exactly. It could have worked both ways, but as a rule you will find that it has worked the opposite way. That men have been left in lower subdivisions who should on reorganization have been placed in higher ones.

The CHAIRMAN.—What have you got to say upon this point, putting aside the interest of the individual and his needs altogether, and looking at it purely from the service standpoint, there is a great deal of work in all the departments of the same character, requiring just certain qualifications, which may be done by men either of junior age and experience or less capability, at a moderate salary, and which in a commercial concern would be done by persons at that lower salary. How are you going to provide in the Government service that such work shall continue to be done by such persons at such salary, not exceeding what is a fair and average price for that kind of work, and at the same time provide for the fair promotion and increase of pay of the individual?

Mr. PARE.—I think you are touching the very essence of the whole Act, and Mr. Coates having said something about the dual entrance I think it comes into the question also. The duties may be entirely different after some years, from what they were at the very start. As a man works along he becomes more efficient and after some time he has to guide the new man, to fulfil to some extent executive and administrative duties. That is why although the work itself is of the same nature as at the start when he was a junior, he may on account of this expansion after some years qualify himself for a higher position and a higher salary.

Mr. DUCHARME.—How is that to be regulated?

Mr. BRITAIN.—I think in the matter of promotion the work and ability of the individual has to be considered. One individual may have an office and perform his duties perfunctorily, that is he does not perform his duties in the public service really to the best advantage. Another individual may have that office who may be a man of great ability. The particular controlling officer, the deputy head or chief executive officer, would assign that man to that work and be willing to pay him a greater salary than he would to another individual. You cannot label a position worth so much without also taking into consideration the ability of the official.

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The CHAIRMAN.—If you will excuse me I will answer what you have said there. That I think is only true within very moderate limits. I will admit that one man may do work well, and another man may do the same work very badly; but you know the law supposes that the employer is entitled, when he pays a salary, to the best work that any individual can do with that particular class of work.

Mr. BRITAIN.—Certainly.

The CHAIRMAN.—And it is only upon that basis that you can argue it. If I pay a ten dollar man to do my work, and I know he is a ten dollar man, I am going to pay him a small amount, perhaps because I cannot afford to pay him any more, but we will take a case of this kind just as an illustration. I want a boy in my office to do filing. Now filing is a class of work which is worth commercially, when well done, a certain price. In a commercial office if I want to give an increased salary to a young fellow who has done well in filing, I will promote him to a different class of duty, and I will hire somebody else to do his filing and give the latter the same pay, or perhaps even lower, than the man who preceded him. I will not go over the amount because his predecessor has got the experience. It appears to me that under the present system there are scattered through the offices a number of persons who are doing precisely the same work that they did years ago when they were less competent, work of such a nature that it does not require any more competence than they had some years ago, which is beneath their competence at the present time, but for which they are paid a salary far beyond the value of the work.

Mr. BRITAIN.—That is quite true as far as routine work is concerned. I am speaking now of a division where a man has to use his intelligence and it may be the different gifts that he has.

The CHAIRMAN.—I know. It may be inseparable from a Government system, but I was trying to see if you could give me any light as to a method upon which the organization of the Service could be made with regard to the class of work rather than with regard to the time a man was in the Service, or the age, or anything else, so that a man could get promotion on merit.

Mr. BRITAIN.—I certainly think so. But with regard to routine work there is a certain class such as filing, entering up accounts, letter copying, &c., which is common in all the departments, which is merely routine, and which can be assigned a certain value at which junior clerks could be brought in to do the work. But the higher grades of work have to be entrusted to individuals possessing undoubtedly great ability.

The CHAIRMAN.—Precisely. Now I am asking you to suggest a classification or organization, or to throw out a hint with regard to the work which could go just upon that phase, recognizing that there is in every department a considerable quantity of routine work which does not require any higher capacity than a certain fixed amount and which is not worth paying more than a certain fixed salary for.

Mr. BRITAIN.—I certainly think that such work as indexing, filing, entering up accounts and keeping certain books of account.—

The CHAIRMAN.—You think there is a good deal of work that could be classified?

Mr. BRITAIN.—There is a great deal of work that should be classified.

The CHAIRMAN.—Well now, assuming there was a classification of the work, how would you meet this difficulty that I see confronts the individual? Men go into the Service to do that classified work. It ought not to be paid for at more than a certain fixed price, because it is not worth more in the market. You could let that man retire from the Service at a comparatively young age, and you could go out and get a young man to come in at a smaller salary who would do the work just as well. Now, how would you provide for the proper promotion and increased payment of the individual on a higher scale?

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Mr. BRITTAIN.—I would note his ability to do the work at which he was put, if I had charge of that particular clerk, and if he showed that he was an adept at his work, that he was qualified for something better, I would immediately give him a better class of work. It does not necessarily follow that in all the offices all the work must be of a similar nature.

The CHAIRMAN.—I know, but you do not apprehend my difficulty. I know there is a certain better class of work, and in every office there is need of a certain number of persons to do that class of work, and of course promotion should come to them, but when the offices are filled, you have these automatic provisions that are in the law at the present moment, for the annual increase of salary and for promotion from the third to the second division. Whether there is any work for the men to do or not, they get the the annual increase, do they not?

Mr. BRITTAIN.—Yes, sir.

The CHAIRMAN.—And whether there is any work to do or not they get promoted from the third division into the second if they pass a certain examination.

Mr. BRITTAIN.—Yes, sir.

The CHAIRMAN.—And the result is that by annual increase and by promotion, a considerable number of pretty high priced men are doing work that could be done by cheaper men.

Mr. BRITTAIN.—Quite true.

The CHAIRMAN.—The public service is therefore made expensive, and because of that a lot of men who ought to be getting high salaries are probably receiving poor salaries to-day.

Mr. BRITTAIN.—That may be true too.

The CHAIRMAN.—I was trying to see if there was any way of meeting that difficulty.

Mr. BRITTAIN.—I might make this suggestion in regard to the practice in our department, and it may be in other departments: If one branch of the department is particularly pressed for assistance and the work in another branch is slack at the same time, an employee is taken from the latter and placed in the former branch. In that way he is taught the work of other branches than his own and he qualifies himself to take higher work whenever there is an opening for him.

The CHAIRMAN.—Is there much or any interchange between the several branches of a department?

Mr. BRITTAIN.—In the Finance Department there is the currency branch, the accountants' branch, the savings banks and contingencies branch, and several classes of work. Whenever there is great pressure on any of these branches, clerks from the other branches are brought in.

The CHAIRMAN.—What you mean is that in a department there may be considerable interchange between the branches of that department.

Mr. BRITTAIN.—Yes.

The CHAIRMAN.—What I asked was whether you knew of any interchange taking place between different departments, say between the Public Works Department and the Department of the Interior and the Finance Department.

Mr. BRITTAIN.—Very little.

The CHAIRMAN.—Might there not be some time when one department would be considerably pressed, and another department have an excess of hands?

Mr. BRITTAIN.—Yes, I think that might happen.

The CHAIRMAN.—And it would be possible that a clearing house for these men might help them to be employed economically by changing them round sometimes.

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Mr. BRITAIN.—I think that is a practical suggestion which could be carried into effect. For instance in the Government Savings Bank branch, at the end of the year there is great pressure in balancing the accounts, and in former years some of the other employees were called in to assist and were paid extra.

The CHAIRMAN.—Might I ask you this question: whether you think that a great deal of good might not result to the public service if the Civil Service Commission, instead of standing at a distance, as it were, became intimately connected with the various departments.

SEVERAL MEMBERS OF DEPUTATION.—Hear, hear.

The CHAIRMAN.—Acting as a sort of Board of Control.

Mr. BRITAIN.—Yes, I think they might have some such control, but it would all depend on the way in which they were connected with the several departments.

The CHAIRMAN.—I will put the matter again in this way; suppose it were a commission of persons who would put themselves in touch with what might be called the daily needs of the departments, having a confidential knowledge of what was going on, able to shift from one department to the other, or from one branch to the other if the need be. At present they are looked upon as a mere board of examination, but would not great advantage accrue to the Service by their getting into personal touch with the department?

Mr. BRITAIN.—I think the Commission could be of practical use to the Service in that way.

The CHAIRMAN.—Do you not think such a commission could be of great practical use to the whole of the departments.

Mr. BRITAIN.—I am quite sure it could.

The CHAIRMAN.—Knowing the individuals and knowing the work they perform.

Mr. BRITAIN.—Knowing everything, in fact, that was going on?

The CHAIRMAN.—Yes, that would be a valuable work in itself, would it not, for the Service right here in Ottawa if you had some such body as that?

Mr. BRITAIN.—I think so.

AGE LIMIT.

The CHAIRMAN.—That brings me to another subject. What about the age limit?

Mr. HIGMAN.—Before you leave the question of the interchange in the different departments, I see some difficulty there, sir.

The CHAIRMAN.—So do I.

Mr. HIGMAN.—You have shades of differences in all the departments; they all have more or less technical work. Take the Customs Department and there is a certain line of thought and qualification required there. Go into the Inland Revenue Department and it is a change from the Customs. Go into the Post Office Department and another qualification is needed there. The same in the case of the Interior with its Forestry, Immigration and various other branches, involving all sorts of knowledge and information. You are training men in these departments for specific duties, and if you attempt to disturb them, to interchange between one department and another, I am afraid that you would introduce confusion rather than benefit to the Service. I just give that thought.

The CHAIRMAN.—I did not make the suggestion with any idea that it could be done without very close and intimate touch, nor do I think it could be done with what may be called the technical or higher class work; but it appears to me that there may be a great deal of assistance of one kind and the other that could be arranged by very close personal touch between the departments. I was going to ask you what

you have got to say with regard to the age limit, I mean when people should go out of the Service.

Mr. BRITAIN.—I think at 65 or 70 years of age. In the English service a civil servant can be kept until he is seventy. He can demand superannuation at sixty or sixty-five—the latter age I think it is—but if the Government wish him to remain they can retain him until he is seventy.

Mr. COATES.—One year.

Mr. BRITAIN.—One year.

The CHAIRMAN.—Are there many men over sixty-five in the public service to-day, that is in the Inside Service?

Mr. BRITAIN.—Quite a number. To-day I entered up two for superannuation; one was sixty-five and the other somewhere around seventy. We are constantly superannuating officials who are seventy and a little over that age.

The CHAIRMAN.—Under the Act as it is at present those who were in the Service before 1898 are entitled to superannuation after thirty-five years of service.

Mr. BRITAIN.—They are entitled to superannuation any time after ten years service, and to a maximum of seven-tenths of their salary after thirty-five years service, and they cease paying to the superannuation fund after the expiration of the thirty-five years.

Mr. BRITAIN.—They are not bound to go—they cannot demand their superannuation.

Mr. BRITAIN.—They are not bound to go?

The CHAIRMAN.—They can, of course, be put out at any time.

Mr. BRITAIN.—At any time.

The CHAIRMAN.—But then with regard to a man who is entitled to superannuation, there being no age limit, there is a certain amount of hardship in putting him out if he does not wish to go.

Mr. BRITAIN.—He naturally wishes to remain for thirty-five years and so receive seven tenths of his salary.

The CHAIRMAN.—Does he sometimes wish to remain longer than that? If he is getting a moderate salary he does not want to take seven-tenths of it, does he?

Mr. BRITAIN.—No, sir.

The CHAIRMAN.—Then if he is fairly efficient and wants to stop in the Service, a minister would have a little bit of unpleasantness in putting him out, would he not?

Mr. BRITAIN.—The Government are very merciful in some cases.

Mr. BLEAKNEY.—They could not get him out, practically.

The CHAIRMAN.—They could simply say to him: "Now you have got to go." That of course they can do at any time, but in reality as the thing works out, a man's private circumstances are such from the size of his family, or sickness, or reasons of that sort, that to put him upon a pension would be to cut him a little short on the necessaries of life. There being no age limit you find this difficulty in putting him out.

Mr. BRITAIN.—Yes, the Government usually retain them in the Service.

The CHAIRMAN.—The proof of that is there are a lot of old men in the Service to-day, are there not?

Mr. BRITAIN.—Quite true.

The CHAIRMAN.—What would you think of a suggestion of this kind, running in my own mind purely: that the age limit should be fixed at sixty-five, with the

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proviso that men might be retained after sixty-five and until they are seventy, subject to their passing certain medical examinations and being recommended by the head of the department for retention, but that failing to get these they should automatically go out at sixty-five years of age.

Mr. BRITAIN.—I think that would be all right, that would be a very good provision.

The CHAIRMAN.—It strikes me that way.

Mr. PARE.—Not without superannuation.

The CHAIRMAN.—I am not talking of superannuation. In the first place let us put to one side the question of superannuation, and have regard merely to the general qualifications you mention for the public service. When a man reaches sixty-five as a rule, unless he is an exception, he is probably losing the keen edge of his desire to work for the public.

Mr. BRITAIN.—I know it is an actual fact that we are carrying people up to eighty years of age; there is no means of superannuating them.

The CHAIRMAN.—Some men, of course, go many years beyond, but I think sixty-five is a fair age to state that most men are ripe enough to go out at that time. My suggestion would be the Act should provide that at sixty-five men should come up for consideration, and that unless those who do this could get a medical certificate as to their health and the endorsement of their department as to their qualifications, they should automatically drop out. The reason I suggest it in that way is this; it saves all the unpleasantness of the minister having to say to them, "Go out."

Mr. BRITAIN.—That provides for a more or less efficient Service.

The CHAIRMAN.—And for men to go up, and for promotion to take place, and so on. It overcomes the difficulty of the department having to tell the men that he must go, and arranges it that the man must go unless the department says he can stop. If the department thinks he is a valuable man, and he can get the necessary certificates, they can keep him.

Mr. HIGMAN.—And conversely the administration should not be able to put a man out of the Service until he has reached that age limit except for cause. The old superannuation laws, or the laws that have been repealed but which apply to those who were registered under it, have been greatly abused by the ministry. Of course we impute no motives to them, both political parties I assume have been equally guilty, but the old civil service laws have been loaded down with political derelicts, shall I call them, and so it has made the question of superannuation difficult. The large amount of superannuation paid to-day is paid to that class of people, at least large amounts are being paid to-day in that way. This probably will come up more properly under the superannuation clause, but I think any Act that is prepared dealing with superannuation should be very carefully prepared in that respect; the administration of the day should not be able to put a man out until he has reached the age limit of sixty-five, if that be the limit fixed.

The CHAIRMAN.—Leave that until we come to superannuation. The reason I suggested an age limit in connection with this question of classification was that it seemed to some extent to meet the objection you are raising about high priced men doing routine work because there was no room in the higher ranks for them. In fact if you had men going out at an earlier age, and going out automatically, then the superior branches of the Service would offer much more room for promotion, and give a chance for suitable men in the lower ranks to go into offices where their knowledge would be of real use, and a return be made to the country for the money they were costing.

Mr. DUCHARME.—How is the efficiency of a man controlled to-day? Suppose a man is not capable, or from sickness or other reason he does not perform his duty as it should be performed. Who has the control of that, who sees to that?

Mr. HIGMAN.—The deputy minister, I imagine, controls it largely with the minister.

Mr. BRITAIN.—There is an Order in Council which makes provision for sick leave to a certain extent. If an official is absent through sickness and furnishes a doctor's certificate, he is usually granted two or three months' leave of absence. Last year during the typhoid fever epidemic a large number of cases occurred, and the Government, I think, took the stand that they would only give two months' leave of absence. But of course they got the leave of absence by Order in Council because they may be absent two months or more. Otherwise, as in some cases in our department, they lose their pay.

Mr. DUCHARME.—But supposing it is for want of capacity?

Mr. PARE.—We have a record.

Mr. DUCHARME.—Have you in any department a man in charge who is responsible for the whole of the work.

Mr. BRITAIN.—The officials report upon those under them and we ask for additional employees as we need them. There have been employees who came to us from the Commission who have been refused by our department. They were taken on for a certain time and then rejected on account of inability to perform their duties in a satisfactory manner, even although they had passed the examinations.

The CHAIRMAN.—Every department is divided into branches of work.

Mr. BRITAIN.—Yes, sir.

The CHAIRMAN.—And every branch has one or more officers doing its work.

Mr. BRITAIN.—Yes, sir.

The CHAIRMAN.—And there is an officer at the head of every branch with clerks under him?

Mr. BRITAIN.—The responsibility rests with the head official.

The CHAIRMAN.—Of the branch, you mean?

Mr. BRITAIN.—The head official.

The CHAIRMAN.—The senior official of the branch.

Mr. BRITAIN.—Yes, and I think a good deal of trouble that has arisen in the Service has been either through the unwillingness or inability of the chief official to enforce the regulations as they should be enforced. That is if they have been. I do not say they have been.

Mr. DUCHARME.—Do you mean by influence of some kind?

The CHAIRMAN.—He says through unwillingness.

Mr. DUCHARME.—Or inability.

Mr. BRITAIN.—What I mean by that is, if an official knows that somebody is ill or indisposed, or not doing his work up to the mark, instead of reporting the man or making a statement of the case, he simply lets things drift on. That is what I mean.

The CHAIRMAN.—Mr. Ducharme was asking you as to whether the official might be influenced. It may be friendship for the man, or may be weakness of character, on the part of the chief of the branch.

Mr. BRITAIN.—Exactly.

The CHAIRMAN.—It may be fear of political influence behind the individual.

Mr. BRITAIN.—It should not be so.

The CHAIRMAN.—Do not say, "it should not be", it might be.

Mr. BRITAIN.—We assume that the official in charge of his staff should conscientiously perform his duty—

The CHAIRMAN.—That is a false assumption.

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Mr. LAKE.—In your opinion should the conduct of the work of the department be entirely in the hands of the deputy minister, or should the minister also have his say with regard to the matter.

Mr. BRITAIN.—I think that the deputy head is the same as the head would be. He should know the work thoroughly. The chiefs representing a large department might be in a position to represent certain men more favourably than others, but I think the man who is really responsible for his department is the man who should know his officials, and if he is going to have a thoroughly efficient staff he should exclude all but the best men and give them the best positions.

Mr. LAKE.—That is not quite the answer I want. A minister comes in as the head of a department. In your opinion is it a good system that he should come in and say to the deputy minister: "This official should not be doing this class of work, you should transfer him to another branch"?

Mr. BRITAIN.—Certainly not. I think if the deputy head is doing his duty, or any official, he should be given a pretty free hand with the staff.

Mr. LAKE.—He should be treated as the absolute head of the business of that department.

Mr. BRITAIN.—Yes, and he should be held responsible. I have had difficulty myself, both on political and personal representations, in regard to the char service, and I feel it is the duty of an official to give persons a fair trial and take them on their merits. If they approve of their work, and find that the men are satisfactory, let that be so reported.

The CHAIRMAN.—But as a matter of law it has, after all, to be left with the head of the department, the minister.

Mr. BRITAIN.—Yes, but if the minister is a man who wishes to have a proper executive department. I think he will interfere very little. He will give full heed to the recommendations of the deputy head unless the latter is not properly qualified.

The CHAIRMAN.—That is the very point I was trying to get to. If I were the minister I should undoubtedly say to my deputy: "Now you are the executive head of this department and you will be answerable to me for the good conduct of the staff of the department in the performance of their work". But while I listen to his recommendations, and in case of doubt would carry them out, I would not for a moment waive my right of saying to the deputy: "No, you are not doing your work".

Mr. BRITAIN.—Certainly not.

The CHAIRMAN.—And therefore such and such a person must be dismissed or must be promoted. Because I would be answerable under the law to the government of which I formed part.

Mr. BRITAIN.—Certainly. While you might be the political head of the department, the deputy is the executive head under you, and you look to the deputy for the proper performance of his duty.

The CHAIRMAN.—That is a matter which must be left largely to the individual care of the minister. You cannot define it by law because you could not say by definition that the minister should not have anything to do with the people in his department.

Mr. BRITAIN.—Certainly not. But I think the deputy head, if the minister attempts to put men in positions for which they are incompetent or incapable, notwithstanding that it would be a very delicate position for him to take, should protest and state his views very strongly.

The CHAIRMAN.—No doubt he does if he is a man of the right character.

Mr. LAKE.—The deputy should be responsible, and if the minister comes and interferes with the details of his work without doing it through the deputy, the deputy cannot be responsible.

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The CHAIRMAN.—Well, I presume the minister never does interfere with the details of the work in any of the departments except through the deputy.

Mr. HIGMAN.—There are cases when they do that and are justified in so doing. Of course a minister is primarily responsible to parliament for every act of his department, that is the fundamental law of our system I believe. But you take a large department like the Post Office or the Interior Department, where the branches must necessarily be somewhat scattered, you cannot get them all into one building always. In such cases the deputy is compelled to depend on the heads of branches for the right conduct of those under them. So you see it is a system that is interlocked and dovetailed, if I may so state it, and the responsibility which rests primarily with the minister, comes down to the chief officers in charge of branches.

The CHAIRMAN.—But the very principle that Mr. Lake has raised, that the minister should look to his deputy, is quite carried out by the deputy looking to the heads of his branches, and by the heads of branches looking to the senior officers in the various departments. There is the same principle underlying it all.

Mr. BRITAIN.—Yes.

The CHAIRMAN.—And as a matter of administration it is undoubtedly the right system, but you could not, it appears to me, lay it down that the superior officer should not have the power to interfere with the inferior officer at any time.

Mr. COATES.—Yet throughout the Civil Service Act there are a great many qualifications as to the power of the head of the department.

The CHAIRMAN.—In promoting and so on.

Mr. COATES.—In a great many cases you find it stated "That the head, with the recommendation of the deputy" and so on. The authority and power of the deputy head is very great. In the event of a direct dispute, as between the head and the deputy head, it is doubtful if the deputy has not as much power as the head.

The CHAIRMAN.—With this exception, that the head has power to remove the deputy head.

Mr. HIGMAN.—There are instances where the minister is justified, and I do not see how he can get along, without consulting others than the deputy head. There must be branches attached to departments where the deputy minister could not explain all the technicalities connected with the service.

Mr. LAKE.—I was not on that tack at all.

Mr. HIGMAN.—And the minister could of course call in any officer of the department.

Mr. LAKE.—Certainly, but what I meant was this: if things are not going right in any particular branch the minister should say to his deputy: "Things are not going right in that branch and you have got to get them right. I will consult with you as to the best man to get, but matters have got to be righted and I hold you responsible for doing that. I am going to get the service that I want in that particular branch." But he should not himself ignore the deputy and go and set those things right. The deputy is the permanent head of the business of that establishment.

QUARTERLY REPORT SYSTEM.

The CHAIRMAN.—You were going on to deal with the quarterly report system. You say in your memorial that the method of reporting is not now satisfactory. In what respect is it unsatisfactory.

Mr. PARE.—First of all there is no uniformity, not only between the departments but between branches of the same department. One chief, for instance, will mark all

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his clerks "excellent." Another chief will say that no official deserves the mark excellent, and so on. That is a very great grievance we have against these quarterly reports. The system is unfair to the members of some branches where in no case can they get recognition in these reports.

The CHAIRMAN.—The report is sent in by the head of the branch concerning everybody under him, is it not?

Mr. PARE.—Yes.

The CHAIRMAN.—Every branch reports to the deputy?

Mr. PARE.—To the deputy.

The CHAIRMAN.—And there is a regular printed form which has to be filled out. Section 40 of the Act of 1908 provides:

"A record of the conduct and efficiency of all officers, clerks and employees below the first division shall be kept in each department."

Mr. PARE.—That is the section you see, and it requires a record of conduct and efficiency. As a matter of fact the printed report has several headings.

The CHAIRMAN.—We have a number of the forms, one of which has been filled in, so you need not describe it.

Mr. PARE.—The first grievance is lack of uniformity. In the first place it depends upon the fact that there are various officers who make their reports and they all have different ideas as to the form of characterization. There might be some common standard of appraising the conduct and efficiency of the clerks for all the departments, and perhaps also there might be a system of inspection.

The CHAIRMAN.—Now with regard to the definition of what would be excellent, or good, or fair, or anything else. That would have to be laid down with the very greatest of care, and then it would have to depend upon the peculiar mind of the man who is making the recommendation, would it not?

Mr. PARE.—Certainly. Although lack of uniformity is the only grievance that we complain of as an executive, I think the cause of all the trouble, or the greatest evil, is that there is no record kept in most branches of the daily work of each employee. When the time comes to prepare these quarterly reports, for my part I am quite sure that a great many chiefs have not in their possession any information to go upon, and put down their marks merely on impressions.

The CHAIRMAN.—And from memory.

Mr. PARE.—And from memory. That would be very well for a chief of a very small branch, but when a chief has charge of a branch comprising thirty or forty or fifty people, working sometimes in different buildings, but at any rate not all working in the same office, he certainly cannot rely on his memory or even on a casual inspection of the officers outside his immediate supervision.

The CHAIRMAN.—Let me ask you this question: do you think it makes any real difference to the Service after all that the reports come in from time to time with a slight shade of variation from what they ought to be. For instance, that the chief has marked "excellent" when he perhaps ought to have marked "good," or vice versa, that he has marked "good" when he ought to have marked "excellent." Do you not think those reports get pigeon-holed and forgotten

Mr. PARE.—They ought not to be.

The CHAIRMAN.—Are they for record, or for any purpose whatever?

Mr. PARE.—As a matter of fact they are perhaps pigeon-holed and not taken any account of, but that is not the intention of the Act.

The CHAIRMAN.—I can quite see if a man were reported to be "bad" for instance, when it was not justified, that would make a real difference. But I notice that above

the bad line there are three or four qualifications, such as "fair," "good" and "excellent." It would make no real difference that a man is marked "good" when it should be "excellent."

Mr. PARE.—For my part I do not know whether these reports are pigeon-holed and no further use is made of them, but according to the Act they have to be considered when granting promotion, or any increase in salary, and they should be continually referred to. They should be the basis of promotion, in fact I do not think the merit system could stand without some means like the quarterly report to establish the merit of each individual.

The CHAIRMAN.—I see the need of it myself, and when the commissioners were talking about it on one occasion we were told: "We have really no daily report that enters into work a man is doing in this department or describes it in any way."

Mr. PARE.—Such a thing does not exist, and in my opinion that is the greatest evil because it makes those reports entirely unreliable and perfectly useless.

Mr. DUCHARME.—Such reports should be posted in order to show whether the employee is doing his duty or not, and if not, then the deputy minister can read the complaint to the party affected and say he is not doing his duty.

Mr. PARE.—For my part I consider the quarterly report system, properly carried out, to be very necessary for us. You will find, for instance, that an extra \$50 annual increase can be given to the employees of the second and third division on the recommendation of the Civil Service Commission. How could the Civil Service Commission give such recommendation?

Mr. DUCHARME.—But that report must only apply to the conduct and efficiency of all employees below the first division.

Mr. PARE.—Of course I give this as an illustration. Subsection 4 of section 37 provides: "The said increase shall only be authorized by the Governor in Council upon the recommendation of the head of the department based on the report in writing of the deputy head, and in case of officers, clerks and other employees of the second and third divisions to whom a further increase is recommended, accompanied by a certificate of merit from the Commission."

Mr. DUCHARME.—Then the record ought to be properly kept.

Mr. PARE.—The Commission could not give any such certificate for the extra \$50 to deserving employees without reliable reports regarding their conduct.

The CHAIRMAN.—No.

Mr. PARE.—The Commission do not know those employees personally. They only base their recommendation for an increase on properly prepared reports, and the same with promotions.

The CHAIRMAN.—Just one word with regard to that. Do you not think too that where they report concerning a man they should in the remarks column give the reasons to some extent for their reports. Suppose for instance a man were reported to-day as "bad" and there was no word of explanation whatever concerning it. That stands as a black mark against a man.

Mr. PARE.—I think there should be some explanation and also the man himself should be notified, and the law provides for that. Such report if adverse and unfavourable should be shown to the person concerning whom it is made. I will venture to say that portion of the clause is not carried out. In most departments almost absolute secrecy surrounds the making of these reports. They go unchallenged whether any errors are made or not, and we do not know anything about the matter.

The CHAIRMAN.—Without taking any longer time I think we are all agreed that a report should be made. I think we will go further and say we are agreed it should be made oftener than three months.

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Mr. LAKE.—I think there should also be a list of terms to be used, and a definition of what the list means.

The CHAIRMAN.—Personally I think such report ought always to be made in solemn form and not on the mere will of the man who makes it. Furthermore, the individual concerned should always be shown a report that is unfavourable to him.

Mr. PARE.—That would come, I suppose, also entail on the chiefs the obligation of keeping some data upon which to base those reports.

The CHAIRMAN.—Personally speaking, I have this idea, inasmuch as every report about a man's conduct, except the word "excellent" is either positively or negatively to his disadvantage it would be better that he should be allowed to see the report that goes in once a week, for 24 hours before it was submitted. I should also think that a man complained of ought to have the right to appeal to his superior officers against that report at once. "

Mr. HIGMAN.—He has the right to see that report.

The CHAIRMAN.—Only if it is unfavourable, and I am raising the point that anything less than "excellent" is negatively to his disadvantage.

Mr. HIGMAN.—Take the case of a man who is particularly careful to be punctual. The heading "punctual" is in the form, and if that man is always punctual you should put the word "excellent" there.

The CHAIRMAN.—Yes.

Mr. HIGMAN.—Another man has aptitude and ability to do certain things. It is "good" there. Then another man is active in the discharge of his duty and possibly as the chief I could only use the term "fair." Certainly a man has a right to see that report.

The CHAIRMAN.—The man should always see the reports, and that would entitle him to go to the official who is making the report and say: "I am entitled to something a little better than you have put for me." They would talk about the matter and the official perhaps would amend the report and so render any further action unnecessary. But he might not do it because he was either ill-tempered or entertained a prejudice against the man. In such event the immediate superior officer at least ought to be called in. The man has rights and if he is willing to put them to the test by an appeal to his superior officer on the subject, I think he ought to have an opportunity of doing so.

Mr. HIGMAN.—Yes. I think that in a case where such a term as "poor," or "fair" is employed, the chief should send for the officer complained of and say: "You are reported as being poor in certain particulars," and then give the man a chance to clear himself.

Mr. DUCHARME.—How would it do to have a report containing different items, such as "business conduct." Allow so many points for each, and let the total constitute the man's standing.

Mr. HIGMAN.—A report is prepared in that way.

Mr. DUCHARME.—Another thing: how would you like to have the reports posted in the office where the employees are working?

Mr. HIGMAN.—That would be a good scheme.

The CHAIRMAN.—I think a man complained of should have a chance of seeing the report before it goes in, and thus an opportunity to rectify it.

Mr. PARE.—The secrecy observed at present is what I have to complain of very much.

The CHAIRMAN.—You have made your point and you need not go any further upon that subject. We have gone as far as we can go this afternoon and we thank you very much for the representations you have made.

Mr. WATSON.—When would it be convenient for you to give us another afternoon?

Mr. HIGMAN.—I think we should ask for an opportunity to meet as a committee, or to consult with the Executive of the Association, and go over our work, and for that reason I would say that we should come back to-morrow.

The CHAIRMAN.—Except this: you have sanitation, insurance and superannuation upon which you have said nothing, but upon which I suppose you are prepared to speak.

Mr. HIGMAN.—Yes.

The CHAIRMAN.—We might meet at an early day to deal with these matters, and then you will have a chance to consult among yourselves later on. But are you not as well able to go on with these subjects to-morrow as you were to-day?

Mr. HIGMAN.—Some of us are very busy, and two afternoons in succession might inconvenience us a little, speaking for myself.

Mr. LAKE.—I do not think we ought to inconvenience these gentlemen.

Mr. MACMILLAN.—It was the intention, I think, of the Civil Service Federation, which is a very much larger body than ours, and of which we are a component part, to present the subject of superannuation to you a little later on. I think it was the understanding that it would be hardly necessary for both these bodies to go over the same ground.

The CHAIRMAN.—It certainly would not.

Mr. MACMILLAN.—We would therefore suggest that the question of superannuation be postponed until the Federation presents it.

The CHAIRMAN.—Well, we will accept your suggestion and postpone superannuation. That leaves sanitation and insurance. The latter subject will not take very long because it is very clear, but sanitation is a matter in regard to which we would like to have all the details which you can give us. It is a matter of detail as much as anything.

Mr. BRITAIN.—We are aware of that, Mr. Chairman; and for that reason there are some specific instances which referred to in the memorial.

The CHAIRMAN.—Then we will receive you again on Friday afternoon at two o'clock.

FRIDAY, February 16, 1912.

The Commission met this afternoon at 2.30 o'clock.

PRESENT:

Honourable A. B. MORINE,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

The following deputation appeared before the board on behalf of the Civil Service Association:

Ormond Higman, *President.*
A. Pare, *Vice-President,*
R. Patching, *Treasurer.*
J. C. O'Connor,
C. E. Bleakney,

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A. D. Watson,
E. L. Brittain,
G. W. Taylor,
Alex. M. MacMillan, *Secretary*.

ORGANIZATION.

Mr. CHAIRMAN.—We were discussing the other day that question of organization which, under Section 8 of the Act of 1908, was to be taken up. I want to ask you gentlemen, if you have looked into a question that has occurred to me. The Act says that as soon as practicable, after the coming into force of the Act, the head of each department shall cause the organization of his department to be determined and defined by order in council, due regard being had to the status of each officer or clerk as the case may be. Then it says that the order in council shall give the names of the several branches of the department with the number and character of the officers, clerks, and other persons in each and their duties, &c. After being so determined and defined, the organization of the department shall not be changed except by order in council, and copies of such orders in council shall be sent to the Commission. In the discussion the other day on the part of you gentlemen, you rather represented it as though you thought that the organization provided for by that section was one which had regard to the personnel of those who were themselves engaged there for the purpose of putting them in the classes to which they were entitled to belong. It has since occurred to me that that section really means that the departments should be organized in such a way as to prescribe the number of persons who should be in a class in the department with regard to the work of the department.

Mr. HIGMAN.—I think it means more. When the Act of 1908 came into force they were all passed into the permanent service according to the salaries they were then receiving; that was the only means of guiding the departments as to where they should be. Then, as I understand it, clause 8 was to make the final classification and organization of the departments.

Mr. CHAIRMAN.—Assuming that clause 8 has for its main object a proper organization of the departments that is to say that a certain number of clerks were required in that department of subdivision A, a certain number of subdivision B, of the first division, a certain number of the 2nd division and a certain number of the 3rd division, would be required for the purpose of the efficient work of the department. That seems to me to be the main purpose of section 8.

Mr. HIGMAN.—Yes, and of course they could only determine then where an individual should come upon that organization which has never been had.

Mr. CHAIRMAN.—Does it occur to you that that is the main purpose of section 8?

Mr. HIGMAN.—I take it that section 8 is intended for the common organization of the departments. Now let us put it so that he who runs may read. Do you mean that the persons having to organize a department would go into the department and say, now there is certain work to be done here of a routine character, certain work to be done of a higher character requiring administrative work; there is certain work to be done of a technical kind, &c., and having regard, in the first place, purely to the question of the work to be done in this department, we decide that this department requires a certain number of clerks of the first division, a certain number of the third division and a certain number of the second division, and their subdivisions. This is what you think is the main purpose of section 8?

Mr. HIGMAN.—Yes.

Mr. WATSON.—I think there may be some confusion as to the drafting. In the first part it relates to individuals, and in the second subsection it relates to the officers, that is the work, and it is quite possible that if this section were properly

carried out we would have some clerks without positions and some positions without clerks.

Mr. CHAIRMAN.—And in order that we may set things right it is very important that we should know where they are wrong and if the law is mixed, we want to get it clear. There will be no advantage to the Service or to anybody else from leaving it in a mixed condition, and it does strike me that section 8 does mix two things, and I am trying to disentangle them in order to, if possible, remedy the difficulty without injustice to anybody. The first three lines are:

“As soon as practicable after the coming into force of the Act, the head of each department shall cause the organization of his department to be determined and defined by order in council.”

If it had stopped there without adding the next line and a half, it would be quite clear, the only purpose would have been to have properly organized the department with regard to the work the department had to do. But then they go on and add the words, “due regard being had to the status of each officer or clerk.” That must mean who was then employed in the department. You might have an absolutely irreconcilable clash between the work required to be done and the status of the officers in the department at the time. There might, for instance be men receiving altogether too high a salary to do the routine work in which they were engaged.

Mr. MACMILLAN.—Perhaps I might be allowed to say that I have always had the impression that what you say about section 8 is correct. Section 8 applies to the work of the department and section 6 it seems to me, was devised for the purpose of ensuring the principles that there would be no demotion in the Service, as far as salaries were concerned. This is borne out by an extract I have here from the debates of the House of Commons at the time the Bill was being debated.

Mr. CHAIRMAN.—Is that the debate referred to on page 2 of your memorial to the Premier?

Mr. MACMILLAN.—I think not, this is in connection entirely with classification and organization. Mr. Fisher in reply to a question said:

“I appreciate what my hon. friend is aiming at, but I do not really see how it can be avoided in any way. Section 8 provides for an organization declaring the standing and class of the officers in the service, and their standing in the classification. This gives an opportunity, where a man is doing a high class of work, to put him in the classification which that work would entitle him to be in. I do not see how we can very well declare by the Act that a certain work that a man may be doing shall entitle him to be put in a certain division.”

That is, the work would give him his position in that case.

Mr. Fisher continued:

“I do not see how we can very well declare by the act that a certain work that a man may be doing shall entitle him to be put in a certain division.”

Mr. Foster, said in reply:

“You could not declare that by the Act, but you would declare by the Act that the classification should be made according to the duties of the office and then the grading authority would have a basis of principle upon which to work. Here you lay it down as a salary.”

That question came up in connection with whether the reorganization was being done under clause 8 or under clause 6, and it seems to me that clause 6 provided that a man who was getting a certain salary should not be demoted as far as his salary is concerned. But under clause 8 the deputy ministers were given authority to reorganize their departments according to the work that was being done.

The CHAIRMAN.—Where do you find authority for your statement that clause 6 provided that they should not be cut down?

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Mr. MACMILLAN.—That is only a presumption from the interpretation of the clause.

Mr. HIGMAN.—There really is no such provision.

Mr. MACMILLAN.—That is only my interpretation of the clause.

The CHAIRMAN.—There is nothing in clause 6 standing by itself to justify that statement. It says that “clerks now holding the rank of first class, shall be placed in subdivision A of the 2nd division,” and so on.

Mr. MACMILLAN.—That is, it insured them getting the same salary that they were formerly getting, because the rank of the first class under the old Act had a certain salary attached.

Mr. CHAIRMAN.—It also was perhaps intended for another purpose that is to say that the first class was hereafter to be identical with subdivision A of the 2nd division, merely defining what was meant by subdivision A.

Mr. HIGMAN.—That is all I think.

Mr. MACMILLAN.—Subsection 3 of section 6 covers subdivision A.

Mr. CHAIRMAN.—That is of the third division. I was starting out as an illustration. The beginning of section 6 says:

“Clerks now holding the rank of first class shall be placed in subdivision A of the 2nd division.”

While that placed the clerks as individuals, it also seemed to have another purpose, that is to say that subdivision A of the 2nd division, is tantamount to a first class under the previous classification, thus defining as far as could be what was meant by subdivision A. Of course section 5, subsection 2, provided that subdivision A should consist of officers having the rank of deputy heads, but not being deputy heads administering departments, assistant deputy ministers, and the principal technical and executive officers.

Mr. O'CONNOR.—Subdivision A of the first division, referred to in section 5, and in section 6, is different from subdivision A of the 2nd division.

Mr. CHAIRMAN.—Section 6 refers to the 2nd and 3rd divisions, provided for by section 5, and this more clearly brings out what I said that section 6 was really for the purpose of better defining what the subdivision should consist of.

Mr. HIGMAN.—And the immediate placing of the clerks on the coming into force of the Act.

Mr. CHAIRMAN.—Quite so.

Mr. HIGMAN.—It does seem to me that clause 8 has two different purposes, that is the main organization of the department into branches suitably divided for the work that has to be done, and then the placing of the individuals in their respective branches, regard being had to the status of each officer.

Mr. CHAIRMAN.—What I should interpret section 8 to mean is this, that after the Act came into force the head of each department was to cause an organization of his department to be made with regard to the work which had to be done and to fix the various classes with regard to the work that had to be done; and that the words there, “due regard being had to the status of each officer or clerk” ought not properly to be in that subsection at all, but it was put in in order to show, and properly show, that regard was to be had to the vested rights of those who were there. When you come to look at them there is not much meaning in the words “due regard being had.” It does not amount to this that they shall have the status which they had before.

Mr. HIGMAN.—No, but that is stated, I think, in another section.

Mr. CHAIRMAN.—That is what I say, there is really no sense and meaning in the words there because in organizing my department I might have due regard to the

status a man had, but put him in another class on the ground that he was entitled to be there.

Mr. HIGMAN.—Perhaps the fitness for certain work would be a better meaning.

Mr. CHAIRMAN.—I think it went further, I think that carrying out the spirit of these sections of the statute, would mean that although you are organizing that department, while doing so you are incidentally dealing with the vested rights of those already there. Your organization reaches forward into the future and will have to do with a great many men who are not there now and who have vested rights, but you are making that permanent organization for the future and when doing so we want you to have regard to the status of those who are now there.

Mr. TAYLOR.—I think the deputy ministers had a meeting in regard to the meaning of section 8 in order to see if they could arrive at some satisfactory method of procedure in classifying under that section, but they disagreed so widely throughout that really nothing was done. That is the reason of it.

Mr. CHAIRMAN.—I find that the Finance Department appears to have organized and to-day it was brought to our attention that the House of Commons had not only organized, but subsequently reorganized, its staff under the same provision.

Mr. HIGMAN.—And I think that in the Inland Revenue Department there was an order in council stating the branches and other things.

Mr. CHAIRMAN.—The reason I have been pressing this is that if we have to go as our Commission commands us to do, into the organization of a department, my feeling is that we will have to organize that with regard to the work, the various kinds of work done in that department and the volume of the various kinds of work, and we would have to say that this department requires for the efficient performance of its work so many clerks of this class or of that class or of the other class. Well, then, when we came to consider that we would possibly find that for we will say, 2A there were probably more men in the department of that class than the work really required, and that these men were perhaps performing a class of work which might be performed under a proper organization by a lower class. Being there they would have a vested right and probably the order in council would have to contain some such order as this, that despite the fact that there were in that department more men of one class than the organization called for, that until their offices became vacant by death or other cause, they should retain their existing status and rights to salary but as they dropped out one by one, reappointments to that particular branch of that particular grade, would not be made until the proper number under the organization had been arrived at.

Mr. HIGMAN.—I see a difficulty there because our work is growing so enormously from year to year that you cannot have a fixed organization.

Mr. CHAIRMAN.—Of course you know that the organization provided for by the order in council can always be added to by further orders in council and changed; but that is the purpose of the Act, to get an organization and it is the purpose that that organization shall not be changed at the will of the minister from time to time, but that he must go to Council to get an endorsement and as a matter of fact the Treasury Board is charged with that duty.

Mr. WATSON.—That has been done sometimes, changes have been made by order in council, in the clerks in the 2nd division. I have been thinking with regard to those two sections it is possible that neither one of them was taken so seriously in the passing of the Act as they have been taken since. I mean by that that it would be rather a strange assumption for Parliament or anyone to make that the organization of the departments was wrong at the time the Act was passed and turn around and say to the people responsible for that wrong organization to go ahead and reorganize. It seems to me it would be rather meaningless to tell people who are responsible for

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a disorganized department to reorganize it. If that is the case it is possible that section 6 means what it says on the face of it. Section 8 would simply mean that we had certain classes of work named and defined under the old Act; we come to a new Act with new names without any real change in fact, to be attached to these positions, and possibly it really means a renaming rather than a reorganizing, for it does seem to me that to tell the people responsible for a bad organization to get to work and reorganize the same department would, to a large extent be meaningless.

The CHAIRMAN.—Your argument breaks down because the persons who would reorganize are not necessarily those who organize. An organization is a matter of years, and is never taken up root and branch, and section 8 intends a root and branch organization. I think that this means nothing more than this that pending that reorganization certain clerks are to be put in the 2nd and 3rd division as pointed out in section 6, and to stay there until the reorganization. I do not think you can take it any further than that. It might seem like splitting hairs, but I would like to get a clear conception from all of you because we have to go into this work of organizing very soon. We have been asked by one department to consider the matter soon.

Mr. O'CONNOR.—Section 5 is very clear. It only requires somebody to judge on the classes of the work. If section 8 is taken with section 5, then section 6 is really only a temporary measure and reorganization can be carried out along the lines of section 5, under authority from section 8.

Mr. CHAIRMAN.—That is the feeling I have expressed, that section 6 was to fix it for the time being.

Mr. O'CONNOR.—Yes.

Mr. BLEAKNEY.—Five defined what the divisions are to be and 8 practically says to fix the service so it will conform with section 5.

Mr. CHAIRMAN.—And that brings in those words, about regard being had to the status of the men.

Mr. BLEAKNEY.—A man might be there on account of his salary and not of his work.

Mr. CHAIRMAN.—As a matter of fact those words about regard being had to the status are mere nonsense. What is meant is probably due regard being had to the present salary or something like that. The words might better have been left out and there might have been a special provision that in this reorganization no man should for that reason be cut down in his salary.

Mr. HIGMAN.—It is a well-known principle in the service that no man, unless for glaring misconduct should suffer a reduction of salary at anytime.

Mr. CHAIRMAN.—I do not think the words "due regard to be had" mean any more than this that in making your reorganization, you shall not, solely for the sake of making the reorganization cut a man down in his salary. The man might change his status from one division or subdivision to the other, according to section 5, as the class of his work seemed to demand.

Mr. O'CONNOR.—That is what I would think.

Mr. MACMILLAN.—Sections 6 and 8 undoubtedly refer to the coming into force of the Act, that is, they were the stepping stones between the old conditions and the new. Section 6 was the first stepping stone that enabled the Act to come into force and section 8 was, I suppose, to be put into effect immediately or as soon afterwards as possible. That of course, has not been done in all of the departments.

Mr. LAKE.—You used the expression, Mr. Higman, what the deputies meant by this clause, or what they understood by it.

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Mr. HIGMAN.—They could not agree just as to what was required of them under that section, they could not agree among themselves. One wanted to do one thing and another another thing, and so most of them did nothing.

Mr. LAKE.—You used the word “meant” in the first instance and I thought you might mean that they met together before the clause was framed.

Mr. HIGMAN.—No, afterwards, to see if they could organize under it, and because of disagreement they could not do it.

Mr. LAKE.—They had a meeting to go into the question afterwards?

Mr. HIGMAN.—I think so.

Mr. LAKE.—And decided—

Mr. HIGMAN.—They could not agree.

Mr. LAKE.—On one general organization?

Mr. HIGMAN.—No. As to just what the section meant. One deputy interpreted it one way and proceeded I think in our department, the Department of Inland Revenue, with an organization of the department. So has the Department of Finance. There are only two or three which have attempted organizing under that clause there being a disagreement as to what it really meant.

Mr. LAKE.—The deputies did meet together to see if they could agree as to what was the general meaning.

Mr. HIGMAN.—Yes.

Mr. CHAIRMAN.—It seems to me that reorganization in order to be fair to all the members of the Service, must necessarily be carried out by one organizing authority.

Mr. O'CONNOR.—Yes.

Mr. CHAIRMAN.—Because if you have every department making its own organization then you will have inequalities between the departments, the status in one department will not be at all like the status in another, it will depend on the idiosyncrasies of the deputy. And while those in charge of each department ought to be very carefully consulted about the organization, still the final organizing authority ought to be the one body, whatever it may be.

Mr. WATSON.—There was a good deal of difficulty, in making out that organization at that time. I know of a certain department where there were three young men in the old junior second, and according to clause 6, they would only go into the third division, but these men had exceptional qualifications, they were all college graduates, and the college courses they had taken especially suited them for the work they were doing, and when they were brought into the departments it was not the intention that they should remain at low salaries. They had only been in a year or two when the reorganization took place and it was the intention of the department that as soon as they made themselves familiar with the routine work and that sort of thing they should be immediately promoted. But more than that certain of those young men had taken other examinations along the line of their work, not Civil Service Examinations, to fit themselves for promotion, but notwithstanding all that a great deal of trouble was experienced in getting them into the 2nd division at the time of the reorganization so that shows it was not too easy for the departments even though they wanted to. There was every desire on the part of the officers of the department to get them into the 2nd division. They got them there but it was with great difficulty.

Mr. LAKE.—The old promotion examination was on a literary examination or was it entirely an examination as to the qualification of a man for the duties of his office?

Mr. WATSON.—There were two papers, I think.

Mr. BLEAKNEY.—There were general examinations on arithmetic, &c., and a paper on duties of office and one on efficiency.

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Mr. CHAIRMAN.—It was an examination which an ordinarily well informed man such as ought to be in any branch of the service could pass provided he knew the duties of his office?

Mr. BLEAKNEY.—Yes, it was practically a repetition of part of the qualifying examination.

Mr. CHAIRMAN.—But of such a character that a man who had passed the qualifying examination and who had become familiar with the duties of his office could pass it.

Mr. LAKE.—But he need not go back to a crammer again?

Mr. BLEAKNEY.—It depends on how long he had been away from school. It was not a joke, the questions were, if anything more difficult than the questions set to-day on the 2nd division papers. The report of 1908 will give them.

Mr. CHAIRMAN.—What is your objection to the present promotion examination?

Mr. BLEAKNEY.—There are more subjects covered by the present promotion examination, there are practically ten on the new examination.

Mr. CHAIRMAN.—But is the present examination, after all very much more serious than the old one was?

Mr. BLEAKNEY.—To me it does not appear to be outside of the new subjects introduced,

Mr. CHAIRMAN.—With regard to the new subjects introduced are they such subjects as a man having the qualifications to pass the old promotion examination would be apt to fail in?

Mr. BLEAKNEY.—Yes, they are such subjects.

Mr. CHAIRMAN.—What are they for instance?

Mr. BLEAKNEY.—Literature is a new subject and political science and economics and algebra and geometry.

The CHAIRMAN.—Comparing the present promotion examination with the old examination are you objecting to the present examination because it is much more difficult or are you going further back than that and objecting to any sort of promotion examination except in the duties of his office after a man has been in the service for a number of years?

Mr. BLEAKNEY.—That is a question that might take two answers. Personally I do not think it is necessary to ask a man to pass an examination twice on the same subjects. As we cite in our memorial we are not objecting to an examination being set but we do object to it being set twice.

The CHAIRMAN.—I am trying hard to get at the real spirit of what you are urging. I want you to see the distinction in my mind between your body coming here and saying, we object to a promotion examination such as it is at present, because it is very much more difficult than the old examination either in variety of subjects or the degree of knowledge required of particular subjects, and saying that you go to the root of the matter and say that a man once having passed a qualifying examination going into the service and remaining there for some time should subsequently only be examined in the duties of his office and his actual qualification for doing those duties. You see the distinction? Do you object to one, or both?

Mr. BLEAKNEY.—In replying to that we have what they call the dual entrance to the Service that has to be considered.

Mr. CHAIRMAN.—Let us stick to the promotion examination. Which is it you object to, or do you object to both?

Mr. BLEAKNEY.—The promotion examination as at present is a special examination set for men in the service before 1908 only. There is no such thing as a promotion examination for any one coming in since 1908. Those men who were qualified to enter the Service before 1908, if they can pass a paper on duties of office, and

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efficiency, should not, in my opinion be called on to do any more. But for people coming into the Service, since 1908, if they enter into the 3rd division, which is a lower division, they know that the Service is established on such lines that they must have a second examination to secure entrance into the 2nd division and must take not a promotion but an entrance examination.

Mr. CHAIRMAN.—Let us first talk about the men who were in the service before 1908, let us take the civil servants of that class for the present, leaving out the men who are coming in. By section 26, subsection 2 they may be given a certificate of qualification with or without an examination and you say the practice of the department is to have an examination?

Mr. BLEAKNEY.—Yes, sir.

Mr. CHAIRMAN.—What I want to know is this, is your objection on that ground wholly based on this contention that such certificates of qualification could be given without examination as to literary qualification or education?

Mr. MACMILLAN.—You refer only to the men appointed previous to 1908?

Mr. HIGMAN.—I think perhaps I can make the matter a little clearer. What the 3rd division, or those of them who came into the service prior to 1908 are looking for is, that the examination then had with regard to promotion should obtain now instead of the academic examination that has been presented to them by the Commission. I have read some of these papers. There has been a slight modification within the last year, but I have read some of them and they contain pretty stiff questions in algebra, literature, geometry, Roman and Greek history and matters of that kind. It is simply impossible for a man who had been any time away from school or college to pass such an examination. I have doubts in my own mind whether the commissioners themselves could pass it.

Mr. WATSON.—I think perhaps the trouble is this that for the purposes of this memorial we could all agree that things should not be made more difficult for those employees who were in before 1908, than they then were. Individually we might have our private opinions as to whether any examination should be held or not. We feel that we have vested rights and that they should be continued to us and for purposes of this memorial and for other purposes, we thought that we could demand that with a fair measure of success. Some might think the examination should be severe and others that there should be no examinations.

Mr. CHAIRMAN.—You would be satisfied if section 26, subsection 2, were to be amended in this way:—

“A certificate of qualification by the Commission to be given with such an examination as obtained prior to the coming into force of the Act for 1908.”

Mr. WATSON.—That is what we have asked for, as a body.

Mr. MACMILLAN.—As to certain individuals, men who had already passed the promotion examination and had obtained a degree of efficiency which entitled them to a chief clerkship, we are not asking that clause should apply to these men.

Mr. CHAIRMAN.—You are only asking that with regard to Nos. 2 and 3 of your recommendations, on page 3 of your memorial to the premier.

Mr. MACMILLAN.—Section 2, more particularly.

Mr. CHAIRMAN.—Your request for the changing of subsection 2 of section 26 applies to what clerks of the 3rd division.

Mr. O'CONNOR.—I do not think our request is exactly that, it is rather that the regulations of the Civil Service Commission made under that section, should be amended.

Mr. CHAIRMAN.—Subsection 2 of section 26 says:—

“Any person placed in the 3rd division upon the coming into force of this Act may, by the Governor in Council, upon the recommendation of the head of the de-

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partment, based on the report in writing of the deputy head, and accompanied by a certificate of qualification by the Commission to be given with or without examination, as it is determined by the regulations of the Commission, be promoted from the 3rd division to the 2nd division without an open competitive examination."

What I asked was if you would be satisfied to have that changed to such an examination as obtained prior to 1908?

Mr. WATSON.—That is such an examination provided the individual had not already passed it. I would agree to that subject to the reservation that any one who had passed these examinations would not be required to do so again, that is that they should have the same rights continued to them that they enjoyed prior to the coming into force of the Act. That is all we asked in our memorial. We may have our private opinions about the examination at all.

Mr. HIGMAN.—It could only apply to grade A of the 3rd division because these are the only ones ready to be promoted.

Mr. CHAIRMAN.—Look at page 3 of the memorial and the three classes of clerks in the 3rd division therein referred to. You do not ask that with regard to the first-class of these three, because they have passed the examination. You do not say that with regard to the second class of third class clerks there mentioned do you?

Mr. MACMILLAN.—Yes.

Mr. BLEAKNEY.—We ask that they should be examined on duties of office, the only thing in which they were not already examined.

Mr. CHAIRMAN.—Then the words to be given with such examination would apply?

Mr. BLEAKNEY.—Yes.

Mr. CHAIRMAN.—And do you ask this with regard to the second and third groups of third class clerks mentioned on page 3 of your memorial?

Mr. BLEAKNEY.—Yes.

Mr. MACMILLAN.—The reading you gave would cover the whole three.

Mr. CHAIRMAN.—I proposed to change it to "a certificate of qualification to be given with such examination as obtained prior to the coming into force of the Act of 1908."

Mr. BRITTAIN.—That applies to the 3rd division only.

Mr. CHAIRMAN.—To the second and third groups of these clerks of the 3rd division referred to on page 3 of your memorial.

Mr. MACMILLAN.—The fact is that the only feature of the law that we object to is the retroactive aspect of it, that it is putting a hardship in front of some men that was not there before.

Mr. CHAIRMAN.—Broadly speaking, what you ask for, is to be put where you were?

Mr. MACMILLAN.—You might say it is the retroactive aspect that we object to. The question of promotion involves another principle altogether. Personally I am opposed to an academic examination once a man has entered into the Service.

Mr. CHAIRMAN.—I suppose we had better not enter into the personal element.

Mr. BLEAKNEY.—We have not yet really considered whether we should pass an examination or not.

Mr. CHAIRMAN.—You will just take it then for what you are asking officially.

Mr. PARE.—I would like to clear a doubt which you may have in your mind. According to your suggested wording of section 2, "a certificate with examination such as obtained prior to 1908," would that mean that they would have to pass again examination similar in character to those which they may have passed?

Mr. CHAIRMAN.—Oh, no, because we have said it only applies to groups 2 and 3 of the 3rd division mentioned on page 3. Group 3 includes those who had not

passed any examination. Group 2 includes those who passed the qualifying but not a promotion examination. Group 3 includes those who passed no examination. They would have to pass according to the old rule a qualifying examination and later on a promotion examination in duties of office, would they not?

Mr. HIGMAN.—Yes.

Mr. CHAIRMAN.—If you changed the words in the spirit I have suggested, you would be getting back to "as you were."

Mr. O'CONNOR.—The reason we are so particular about the wording of this rather than the spirit is that under section 26 we thought that our rights were already guarded, but when the Act was actually brought into force we found they were not so now, if any change is made in the Act we would like to be good and sure.

Mr. CHAIRMAN.—At present we are trying to get at the spirit. Somebody else will have to get at the wording later on.

Mr. BLEAKNEY.—I would like to mention one more point with reference to the examination. It is that this examination between the 3rd and 2nd division is actually taking the place of subsection 3 of section 5, which classifies who shall be in the 3rd division. It states there what the 2nd division shall consist of.

Mr. CHAIRMAN.—It shall consist of certain other clerks, having technical, administrative, executive, or other duties, which are of the same character as but of less importance and responsibility than, those of the 1st division.

Mr. BLEAKNEY.—Subsection 4 says that the 3rd division shall consist of the other clerks who are doing routine work, &c.

Mr. CHAIRMAN.—What do you mean by saying that the examination is taking the place of this classification?

Mr. BLEAKNEY.—It is actually working out that the 2nd division shall consist of men who have passed the second examination and the third of men who have not. We have several instances where men have been working in the 3rd division and have passed the examination and have immediately gone into the 2nd division without a change of work; it has simply changed them from routine clerks, to administrative officers, that has been the effect of passing the examination.

Mr. CHAIRMAN.—What you mean to say is that inasmuch of persons in the 3rd division who passed the promotion examination, are, by the passing, immediately put into the 2nd division, the 2nd division may actually consist of a number of persons who have got through their examinations but are not performing the duties set out in subsection 3 of section 5.

Mr. BLEAKNEY.—Not necessarily that, but their duties having been defined they are performing the same duties as are performed by 3rd division clerks. I do not know whether the duties belong to the 2nd or 3rd division.

Mr. CHAIRMAN.—You mean that men in the 3rd division passing the promotion examination get into the 2nd division, and continue to do routine work such as 3rd division men are supposed to do.

Mr. BLEAKNEY.—No, I do not say that the 3rd division are all doing routine work.

Mr. CHAIRMAN.—Persons promoted into the 2nd division by passing the examination sometimes continue to do the work pointed out in subsections 4 and 5 as belonging to the 3rd division.

Mr. BLEAKNEY.—That is hardly my statement. My statement is that they are doing the same work as they were doing before they were promoted.

Mr. CHAIRMAN.—Was that not work under subsection 4?

Mr. BLEAKNEY.—It might have come under subsection 3, but they were in the 3rd division until they passed the examination.

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Mr. CHAIRMAN.—If they were doing work under subsection 3, then their promotion was only an act of justice.

Mr. BLEAKNEY.—But there are others who have not passed the examination who are doing the same work as these people.

Mr. CHAIRMAN.—Then you mean that there are people who are still in the 3rd division who are doing a class of work which it was intended by the Act should be done by the 2nd division?

Mr. BLEAKNEY.—Yes, sir.

Mr. CHAIRMAN.—Do you not go further and admit that there are persons who are now in the second division and who are being paid as 2nd division clerks who are doing the work which by the Act was intended to be done by the third division?

Mr. BLEAKNEY.—I would have to add my interpretation of the Act.

Mr. CHAIRMAN.—I am drawing you to section 5, subsection 4, which says that the 3rd division shall consist of clerks whose duties are copying and routine work. Are there not in the departments a number of men at present second division men, who are doing copying and routine work?

Mr. BLEAKNEY.—Yes, sir.

Mr. CHAIRMAN.—So there are people in the third division doing 2nd division work, and people in the 2nd division doing 3rd division work.

Mr. BLEAKNEY.—Yes, the point I want to bring out is that there is no official line in practice between the 2nd and 3rd divisions.

Mr. CHAIRMAN.—The Act provides a line.

Mr. BLEAKNEY.—It has not been brought into practice.

Mr. CHAIRMAN.—The Act draws the line, but from lack of organization, the Act is not being carried out in the departments.

Mr. BLEAKNEY.—That is the point.

Mr. CHAIRMAN.—And that is true on both sides of the question.

Mr. BLEAKNEY.—Yes, not only the second, but men included in the 1st division are doing routine work.

Mr. CHAIRMAN.—And that complaint may be referred to the 1st division, subdivision A and both.

Mr. BLEAKNEY.—Yes.

Mr. CHAIRMAN.—In other words, there is a crying need for an organization.

Mr. BLEAKNEY.—Yes.

Mr. CHAIRMAN.—Will you go on to the next subject, or is there anything you wish to add on this subject?

Mr. HIGMAN.—The next subject is the age limit of entrants to the second division.

Mr. PARE.—Mr. Chairman, I should think that our memorial is pretty clear on this matter, and that we need not spend very much time on it, as I think you will find it is made absolutely clear in the memorial. It seems so reasonable in fact that it must have been an oversight on the part of the framers of the Act if there has been no modification of that age limit in certain cases. Under section 50 of the old Act which has not been repealed by the Act of 1908. I refer now to R.S., chap 17, section 50 of that Act provides 'No person shall be transferred from the outside to the inside service whose age at the date of first appointment exceeded thirty-five years.' As we explained the other day the new Act, that is the amending Act of 1908, provides a dual entrance system.

Mr. CHAIRMAN.—In what way?

Mr. PARE.—Those who enter the service in the third division or in the messenger division, are supposed to enter the service again if they go to the open competitive

examination to enter the second division. That is the decision of the Justice Department. I do not think the amending Act of 1908 states that any one who joins the second division should be considered as a new man whether he was in the Service before or not.

Mr. CHAIRMAN.—What section of the Act is that.

Mr. PARE.—I do not know of any section in the amending Act of 1908 that states that a civil servant already employed as a messenger or third division clerk must be considered as a newcomer if he joins the second division, but that is the ruling of the Justice Department, as we say in our memorial.

Mr. CHAIRMAN.—Section 13 provides "Except as herein otherwise provided, appointment to positions in the inside service under that of deputy head shall be by competitive examination." Which is the section that provides for entrance to the second division.

Mr. PARE.—Clause 36.

Mr. CHAIRMAN.—That deals with clerks in the third division.

Mr. PARE.—Clerks in the third division shall be permitted to enter in the open competitive examination for the second division.

Mr. CHAIRMAN.—I was rather asking if there was a section of the Act which provides that if the candidate gets a certain number of marks he may enter into the second division instead of the third.

Mr. MACMILLAN.—There are two different examinations. There are two doors to enter the Service, the lower door which begins with the third division, and the upper door which begins with the second division. Mr. Pare's contention is that the man who enters by the lower door, who tries to go to the upper door is treated as a newcomer.

Mr. CHAIRMAN.—You say that because of that ruling of the Justice Department a third class clerk comes as a newcomer, and cannot take that competitive examination after thirty-five years of age?

Mr. PARE.—So that a man who has been in the third division, who has studied and tried to better his education, but did not succeed before he was thirty-five years of age is precluded for his whole life in respect to promotion to the second division.

Mr. CHAIRMAN.—Those who were in before 1908 might get into the second division under subsection 2 of section 26, but with regard to those who entered after 1908 you say they would have no chance of getting in whatever.

Mr. PARE.—Should they qualify only when they have passed the age of 35 they are debarred. We say in our memorial that that appears to be quite unfair and that it could not have been the intention of the framers of the Act.

Mr. CHAIRMAN.—It strikes me as being very strange, and I should like to see the reason for it, how it can be said that they were entering the service because they were taking a promotion examination.

Mr. TAYLOR.—He is debarred by the Act.

Mr. CHAIRMAN.—The section which bars him out is not section 50, but section 14 of the Act of 1908. Mr. Pare started out by citing section 50 of the old statute.

Mr. PARE.—Which fixes the age limit of entrants at 35 years. It was fixed before 1908.

Mr. CHAIRMAN.—Section 50 of the old Act has to do with transfers from the outside service to the inside service. The section which appears to be barring the man is section 14 of the Act of 1908.

Mr. PARE.—I should have cited that section too.

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Mr. CHAIRMAN.—That is the only section, is it not, because that admission under section 50 is from the outside to the inside service.

Mr. PARE.—I should have cited that section also.

Mr. CHAIRMAN.—That is the only section is it not, because that admission under section 50 is from the outside to the inside service.

Mr. BLEAKNEY.—I think Mr. Pare cited that to show the difference between the two, because that states that his age was over 35 when he entered the outside service. This does not refer to the age when he entered the third division, but when he took the examination.

Mr. CHAIRMAN.—Mr. Pare means that under section 50 of the old statute the age in reference to which his rights were considered was at the date of his first appointment, whereas under section 14 he is considered a fresh applicant every time he comes up for examination.

Mr. PARE.—Exactly.

Mr. CHAIRMAN.—The Justice Department would be quite right in that decision. It says, "No person shall be admitted to such an examination unless he is a natural born or naturalized British subject, and has been a resident of Canada for at least three years, and is, at the time of the examination, of the full age of 18 years and not more than 35 years, and presents the required certificates as to health, character and habits."

Mr. PARE.—There is no promotion from the third or messenger division to the second division, it is just entrance into the service again.

Mr. CHAIRMAN.—What you wish to say is that with regard to persons in the service, section 14 ought to be changed, so as to allow them to come up for examination if they have entered the Service in any capacity before the age of 35. That is clearly a case of omission by Parliament, they could not have intended such a thing as that. Section 14 refers to section 13, and section 13 says: "Except as herein otherwise provided, appointment to positions in the inside service under that of deputy head shall be by competitive examination, which shall be of such a nature as will determine the qualifications of candidates for the particular positions to which they are to be appointed, and shall be held by the Commission from time to time in accordance with the regulations made by it and approved by the Governor in Council." That section 13 strengthens my contention very strongly that words in section 14, "No person shall be admitted to such an examination" refers to a competitive examination for appointment, and that a man who comes up from the third to the second division is not taking an examination for appointment, but only for promotion.

Mr. BLEAKNEY.—The only examination he can take is the competitive examination.

Mr. CHAIRMAN.—He is not taking it for appointment, but only for promotion. He already has his position.

Mr. MACMILLAN.—The Justice Department has ruled the other way.

Mr. CHAIRMAN.—With due reference to the Justice Department if they ruled on section 14, that no person shall be admitted to such an examination, in my opinion such an examination means an examination for appointment to the inside service. An examination to pass from the third to the second division is not an examination for appointment, and therefore the words in section 14 do not apply.

Mr. PARE.—Strictly speaking, it is an examination for appointment.

Mr. CHAIRMAN.—No it is not.

Mr. PARE.—It is a dual entrance.

Mr. BLEAKNEY.—He comes in competition with outside applicants.

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Mr. CHAIRMAN.—He is not appointed to a different department. He is already a clerk in the department, but has been appointed to a position in the inside service.

Mr. HIGMAN.—He would not lose his position if he failed on his examination, he would still be in the service.

Mr. CHAIRMAN.—Section 13 clearly applies to the first appointment of a person to a position in the inside service, and section 14 was intended to say that no person should be admitted to such an examination unless he had certain qualifications, and it would have been absurd to have provided those qualifications for a man already in the service, such things as being a British subject and a resident of Canada; all these conditions had been complied with before he was permitted to enter the service in the first place.

Mr. LAKE.—Could you give me a reference to one particular instance in which the Justice Department has ruled.

Mr. PARE.—I have not a particular case here, but I think it could be found by our secretary, Mr. Coates, our former secretary, stated that he had seen specific cases, and there is a ruling in writing, I understand by the Department of Justice.

Mr. CHAIRMAN.—I must say that it appears to me that the considerations which make it desirable that a man entering the Service should not be above a certain age have absolutely no application to promotion within the service where a man is already established. I see no sense in such a thing. If a man has become a public servant, and has been a number of years in the public service, and has attained the age of 35, then if he has the other qualifications for promotion why should he be prevented from rising.

Mr. MACMILLAN.—We think it is unjust.

Mr. BLEAKNEY.—In the archives they wanted an accountant, and advertised, and a man in the service wished to try the competitive examination, and he was refused, because he was over 35 years.

Mr. LAKE.—You said you would find the special cases.

Mr. CHAIRMAN.—Do you wish to go on to another subject. It strikes us you are right enough in that.

SANITATION.

Mr. HIGMAN.—We might take up the question of sanitation, and I would ask Mr. Taylor to say something in regard to that.

Mr. TAYLOR.—I do not know that on this subject we have a very great deal to say. To mention the subject is to emphasize its importance. The importance of sanitation in public buildings is recognized throughout the whole civilized world to-day, and increasing attention is being paid to it in every country. Many of the public buildings connected with the Civil Service in Ottawa have exceedingly bad sanitary conditions. I do not know that it has come to your individual notice, or has been brought before you as a commission, that firm action was taken by the present government after their accession to power to remedy some of these conditions, particularly by the Postmaster General. The Postmaster General discovered sanitary conditions in the Langevin Block of a most startling character in so far as ventilation is concerned, and other conditions detrimental to the health of public servants who were employed in that particular building. What has been discovered in that building applies to a large number of other buildings. I shall not go into the details connected with that, because Mr. Brittain is much more competent, as he had made a closer study of the subject in detail. But while Mr. Brittain can deal with that I think it is simply necessary for me to say that when we bring the subject to your notice, and state that in a number of buildings the lighting, ventilation, and other conditions that go to make up good sanitary arrangements are of the worst possible character it is all I need say.

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Mr. BRITAIN.—I do not think that it is necessary for us to make any long statement. You have here the report of the Commission.

Mr. CHAIRMAN.—You mean your memorial to the Premier.

Mr. BRITAIN.—And with that memorial was submitted a confidential report setting forth certain buildings in which the conditions were considered unsanitary, but for various reasons that report was made confidential. Of the buildings enumerated there the first is the Langevin Block, to which attention has since been given. The conditions there were very bad. A large part of this difficulty is due to overcrowding, and the Government has been obliged to lease buildings which in many cases are not properly equipped for the housing of the Service. The lavatories are in the centre of the buildings, and practically get no chance for ventilation, and in the case of the Langevin Block the Post Office Department was so overcrowded that part of the staff were placed downstairs in the basement in very small rooms, not sufficiently lighted, the ventilation was bad, and the public had access to the lavatories, teamsters and others could enter, and the lavatories were in a condition not fit for any official to use, and the stench from these lavatories when the wind got in would fill the corridors. We do not want to make any charges. We know that the buildings were overcrowded, and that the Government were forced probably to use these quarters. Latterly they have got new quarters, and part of the Post Office Department has been transferred to the Blackburn Building, and the employees are being gradually removed into other quarters. I noticed yesterday that the corridors which were formerly crowded with forms have been cleared, the walls tinted and cleaned, and matters put in much better shape.

Complaints are made of a number of leased buildings as set forth in the memorial, among them the Regal Building and the Canadian Building. We shall take the latter first. The Canadian Building and the Woods Building are leased buildings. We hesitated about making particular reference to that on account of the lessors, but I may say that the conditions in those buildings are very bad. The lavatories at times have not been flushed for probably days at a time. One reason for that last year was that the water pressure was very poor. Other causes I think are that the plumbing is not up to the mark, and I have made representations myself to the secretary treasurer of that building with regard to the lavatories. In fact in some of the lavatories they have to connect wires to give them light.

Mr. CHAIRMAN.—What departments are there?

Mr. BRITAIN.—The statistical branch of the Customs Department, the Department of Agriculture, the Department of the Interior, the Department of Militia, and sections of various other departments. At the Regal Building lights have latterly been put in some of the lavatories, but I think the halls are still poorly lighted, and the lavatories there are not in as good condition as they should be. This building is at the corner of Queen and O'Connor. It is the old Y.M.C.A. building.

In the Imperial Building the lavatories are badly lighted. In the Topographical Building the lavatories are not as they should be. In some of these buildings the departments might take sufficient interest to look after the tinting of the walls, and the painting of the woodwork. That depends on a requisition to the Public Works Department.

Mr. LAKE.—Some of these are owned by the Government?

Mr. BRITAIN.—Some of these are leased buildings. The Eagle Building at 104 Wellington street is another. That practically covers most of the buildings.

Mr. CHAIRMAN.—Of course you know it is proposed by the Government to build some departmental blocks. Could any immediate improvement be made in these buildings before new places are provided. Are there any improvements that you can suggest that the Government would be justified in making before the new buildings could be provided?

Mr. BRITAIN.—I think certainly that some of the buildings could be improved if the owners were willing to incur the expense.

Mr. CHAIRMAN.—If the owners would do it. Supposing the owners will not do it what would you suggest that the Government should do?

Mr. BRITAIN.—I think the Government might do it themselves then. For instance, at the Canadian Woods buildings they could inspect the plumbing. The medical health officer or some one could go in and look at the conditions, and then they would probably find it desirable to have the plumbing altered.

Mr. CHAIRMAN.—Do you think that some improvements which would have a really beneficial effect could be made without an excessive cost?

Mr. BRITAIN.—I think they could certainly.

Mr. CHAIRMAN.—If the Government are going to build new blocks we know that it will take some time. They would naturally strain at any large expenditure upon buildings which they might be leaving afterwards.

Mr. BRITAIN.—I think the Public Works do the heating in the former leases. Latterly, they provided that the landlord should attend to the heating and other matters. I believe that under the present leases the owners undertake to keep the buildings in proper condition, as far as heating and lighting are concerned.

Mr. CHAIRMAN.—Heating and lighting would exclude the duty of doing what you ask.

Mr. BRITAIN.—I do not know exactly the terms of the leases.

Mr. CHAIRMAN.—The worst cases are the ones you have mentioned, the Canadian and the Regal buildings.

Mr. BRITAIN.—The Langevin Block. The old geological building which is now being renovated and changed was in very bad condition too.

Mr. LAKE.—Those are both owned by the Government, and the Government are now actually improving conditions there.

Mr. CHAIRMAN.—I want to get at the worst of the cases that you think we can start on at once.

Mr. BRITAIN.—These would be the worst. At 202 Albert street the lavatories are used by both sexes, which is undesirable. The Government had to take the building hurriedly, and there has not been proper provision made for the lavatories.

Mr. LAKE.—You make a recommendation in the memorial, do you not, appointing a foreman to look after these buildings?

Mr. BRITAIN.—I have found that unless there was a proper supervision there was a difficulty with regard to the cleaning, and the trouble was to get the powers that be to recognize that it was necessary to have foremen. Latterly, two or three foremen have been appointed who have taken over the work on Wellington street, and some of the blocks, and any one looking at the Mint, the Archives, and one or two of these buildings will see that everything is looked after as well as it can be. The estimates provide this year for an additional five men for supervising, giving each of them a number of buildings for which they are responsible, and they all report to the superintendent.

The CHAIRMAN.—Will that be a sufficient number of foremen to provide for all the buildings not now provided for?

Mr. BRITAIN.—The difficulty is to get the proper men.

Mr. CHAIRMAN.—The first thing is to provide for them in the estimates.

Mr. BRITAIN.—I think that 7 to 10 men ought to be sufficient.

Mr. CHAIRMAN.—Provision has only been made for 5.

Mr. BRITAIN.—Provision has been made for 7 altogether.

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Mr. CHAIRMAN.—As far as the parliamentary provision is concerned you think that is sufficient.

Mr. BRITAIN.—I think that would be sufficient for the present. The buildings used by the Government have increased largely in number. We have now 43 buildings, and in the last two years I suppose there has been an increase of 15 buildings.

Mr. CHAIRMAN.—Has that been due to the great increase in the size of the Service?

Mr. BRITAIN.—Evidently.

Mr. CHAIRMAN.—Has it increased in that ratio in the past few years?

Mr. BRITAIN.—Evidently. Of course some buildings are small, the Government occupy a flat or two flats or three flats in certain buildings. You have to scatter your offices in that case. The staff is distributed, but one man can look after three or four buildings.

Mr. CHAIRMAN.—Are you familiar with the buildings occupied by large corporations in other cities?

Mr. BRITAIN.—No. I have not looked at them in other cities, but I was surprised to find in that building, although it is most satisfactory, the heating arrangements were very poor.

Mr. CHAIRMAN.—One feature struck me. The few offices I have seen in all the large departmental blocks are very small. A great deal of room inside is taken up with walls. In the large corporations where they employ many men doing similar or almost similar work they use very large rooms, the employees are seated at different desks, but many of them are within one enclosure. That is done, first, for the ventilation of the room, and second, because they can be kept under observation in their work. The employees are not separated, as they are in these departments.

Mr. BRITAIN.—That, I think, was attempted to be carried out in the Langevin Block. They have large rooms there, and one difficulty has been that there were 20 to 40 employees in a room all day, and when they left at night the engineer would come round, by order of the Public Works Department, and hermetically seal the windows, and in the morning at 9 o'clock the employees are breathing the air of the day before.

Mr. CHAIRMAN.—That is a case of overcrowding and insufficient ventilation.

Mr. LAKE.—Have any representations been made to the Public Works Department to get them to allow the windows to be kept open.

Mr. BRITAIN.—Yes sir, on different occasions.

Mr. LAKE.—What is the reason given?

Mr. BRITAIN.—Various reasons are given, among others that a thunder storm might come up during the night, beat into the windows, and injure papers that may be left around. Another reason given is that the window may be opened, and the papers of careless clerks may be scattered over the room. Last evening I was speaking to Mr. Shearer about the matter, and he said it was possible that some arrangement might be made to leave them open for a few hours. I suggested leaving them open until 8 or 9 o'clock in the evening, and then to have them opened early in the morning. He said they could not open them in the morning, but might open them for a time in the evening.

Mr. CHAIRMAN.—Why not in the morning?

Mr. BRITAIN.—They do not undertake to open the windows in the morning. He gave as a reason that they could not be responsible for any damage from thunder storms if their men opened the windows.

LIGHTING.

Mr. HIGMAN.—There is a small item in the memorial here of “In the opinion of the Association the lighting generally in the offices is quite inadequate, and the electric fixtures are for the most part of a very inferior description. Without wishing to reflect on any person responsible for the lighting or any of these matters, I feel it my duty to call the attention of the Association to that subject. You, sir, who have been in the House of Commons, and doubtless at Washington, will know how careful they are to look after the ornamental part of the work in the corridors, and the rooms. The work is ornate and chaste. In our public buildings here, unfortunately, there is, I might say, almost a total disregard of that feature of the work. In these main Parliament Buildings, take the West Block for instance, where I am located, going along the corridors you will see some lights hanging by a flexible cord. Others are brought down by an old gas pendant, that is probably hanging at an angle of 40 degrees, and another at 20, and possibly some of them straight down. The whole thing to my mind looks very bad, and is not at all in accordance with illuminating engineering of the present day. Certainly the public buildings of Canada call for something a little better, and as I say, while not wishing to reflect on the officers who are responsible for this work, I do consider it my duty to call the attention of the Commission to it. Not only in the corridors, but in the offices, that condition exists very largely.

Mr. PARE.—I might be permitted to say a word regarding lavatories, especially in large buildings such as the West Block, where I am working. These lavatories are to a large extent public lavatories. You understand that a great many people come around and use them. It may be thought a reflection on the Service to see those lavatories in such a filthy condition as sometimes they are, but it would be unfair to say that it is due to the civil servants. It seems to be largely due to the public. I do not know why the public would not be able to do for these semi-public lavatories what is done in hotels. We have been told that the buildings are looked after by foremen, but I understand that the foremen have nothing to do with the lavatories after 8 or 9 o'clock in the morning until the evening. It would therefore not be surprising that towards the middle of the afternoon those places do not look very neat and clean, and at least one man in each block should be appointed to go around those lavatories all day long during office hours.

Mr. CHAIRMAN.—Are the lavatories used by the clerks in the offices open to the public in every case?

Mr. PARE.—Yes, everybody. The doors are on the landing places of the stairway, and every boy or man coming up the stairs may go into the lavatories.

Mr. CHAIRMAN.—Are the lavatories large enough for the buildings there?

Mr. PARE.—I should say yes they are quite sufficient.

Mr. CHAIRMAN.—What do they do with reference to the female employees?

Mr. PARE.—They have separate lavatories.

Mr. CHAIRMAN.—And these I presume are not open to the public—they are closed?

Mr. PARE.—They are closed.

Mr. CHAIRMAN.—It is just the lavatories used by the men?

Mr. PARE.—Yes.

Mr. CHAIRMAN.—It is very repulsive to think of having to use lavatories used by the general public.

Mr. BRITTAIN.—As Mr. Pare has touched on this subject—new lavatories were put in the East Block two years ago. We naturally objected to each closet being used by the public, so we requisitioned the Public Works Department for keys. They

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objected at first, on the ground that they were public lavatories, and should not be closed to the public. I stated at the time that I did not think it right that the officials should be subjected or obliged to use these lavatories when every one could use them, and we intended distributing keys of the two lavatories to the staff, and to leave one open to the public, which was done. The keys were received on Friday or Saturday, and the following Monday I found that the handles had been kicked off two of the doors and the locks damaged, so that you could not open the doors. I had to send for a man to come and open them. Some one had evidently shown great displeasure that these lavatories should be locked. I think the lavatories for the staff should be locked, and should not be allowed open to the public.

Mr. LAKE.—Are there watchmen in the buildings night and day?

Mr. BRITAIN.—I understand the policemen are on night and day, but a man should be detailed to look after the buildings every day if necessary. That is a difficulty we are trying to overcome. There may be some labourers or carpenters or officials who would offend, and we have been trying to get hold of a few cases to make an example, and if necessary a man could be detailed to look after that. It seems to me that if the lavatories are left in good condition at 9 o'clock in the morning they could be kept clean all day.

Mr. CHAIRMAN.—It is quite clear that some portion of the lavatories should be open to the public. Is it not possible to separate a portion that the public could use?

Mr. BRITAIN.—Not very well. Where large lavatories are constructed they are usually constructed with 4 or 5 compartments, and a basin for the slop water from cleaning, and usually three closets, and one closet right at the door of entrance is open for the public.

Mr. CHAIRMAN.—It is apparent from the number who go up there that something would have to be provided for the public in some way. I quite agree that the staff ought to have their own private lavatories, and no one else should be allowed to use them, but some provision should be made either outside or inside the buildings for the public. There is no reason why accommodation should not be provided outside by having an underground lavatory, such as you will find in cities, for the use of the public.

INSURANCE.

Mr. HIGMAN.—Mr. Chairman, Mr. Watson will deal with the question of insurance.

Mr. WATSON.—Mr. Chairman, there is not very much in this matter of insurance beyond what is in the memorial, but the memorial is a rather bald statement of the case, and it might not be amiss if we were to begin as it were at the beginning of the Civil Service Insurance Act, and it will be convenient for me to take up the third section of the paragraph of the memorial relating to insurance, that is, subsection C.

The Civil Service Insurance Act was introduced concurrently with the Civil Service Superannuation Act, No. 2, in 1893. Prior to 1893 the Civil Service Superannuation Act No. 1 was in force. Under that the contributions were $1\frac{1}{2}$ per cent and 2 per cent, $1\frac{1}{4}$ per cent on salaries under \$600 and 2 per cent on salaries over \$600. Presumably it was felt by the administrators that that scheme was too good a thing for civil servants, and consequently they introduced a measure increasing the contribution to 3 per cent on salaries under \$600 and $3\frac{1}{2}$ per cent on salaries over \$600.

Mr. CHAIRMAN.—What was the date of that Act?

Mr. WATSON.—In 1893 they increased the contribution. The Act was really not changed, they simply increased the contribution. Concurrently with that they introduced the Civil Service Insurance Act, which was intended I suppose to give an oppor-

tunity for civil servants to provide something for their dependents at a reasonable rate. The premiums charged in the Civil Service Insurance are presumably two-thirds of the rate charged by the old line companies on the same class of insurance. The rate of interest is assumed at 6 per cent, whereas the rate at which companies usually calculate the premiums is not more than 3 per cent, and more than that they attach what is called "loading" for expenses and profits.

Mr. CHAIRMAN.—I understand the allowance of interest at 6 per cent means the credit which is given to the fund by the Government of 6 per cent on the premiums paid in?

Mr. WATSON.—That is exactly it.

Mr. CHAIRMAN.—So that the Government contribution may be said to be the difference between 6 per cent and the ordinary 4 per cent on which the Government borrows its money?

Mr. WATSON.—Yes, they assume that the money is worth 6 per cent to them. However, in calculating those premiums they assume the Healthy Males table of the British Institute of Actuaries, and I think it is almost certain that that mortality is higher than that experienced by the Service, so there will be a considerable offset against the extra interest assumed.

Mr. CHAIRMAN.—Is that actuaries basis the basis on which old line insurance companies reckon mortality?

Mr. WATSON.—At the present time.

Mr. CHAIRMAN.—Yes.

Mr. WATSON.—Some of them do, a good many policies have been issued in that way, but I think most of them have recently changed to newer tables that date thirty years later. There are what are called the British Office tables. The H. M. experience closes at 1869. The British Offices experience was taken up to 1893, and is based on the experience of assured lives in thirty British offices, dated from 1869 to 1893, and I think it has become general with most companies to base their rates on the newer tables.

Mr. CHAIRMAN.—Are those newer tables more generous to the assured than the others?

Mr. WATSON.—They require lower premiums, because the mortality is more favourable, they show lower mortality, and it is very probable that although this scheme has not been in force long enough—rather it has been in force long enough—but for certain other reasons which I shall explain later it would not be possible to ascertain with certainty whether the mortality being experienced is really more favourable than that assumed. That is to say, the experience is not big enough and even if it showed more favourable mortality, we could not assert that it was an actual experience or accidental. It might be accidental. It might be accidentally favourable. In introducing this Act and giving it favourable terms, at least presumably favourable, that depending on the mortality experienced, the government, I suppose, felt that possibly putting up the rate of contribution on those who were contributing to the new superannuation fund and offering this cheap insurance to those under the old fund, that the men contributing to the old superannuation fund would have too good a thing if they took the Civil Service insurance at two-thirds the cost of insurance in old line companies. Then, in order to rectify that, and in a measure make it equitable between contributors to superannuation fund No. 1 and superannuation fund No. 2, a provision was inserted in the Act, to the effect that any one contributing to fund No. 1 and taking out the Civil Service insurance, would be required to contribute an additional one per cent to the superannuation fund, thus placing him approximately on the same footing as those contributing to superannuation fund No. 2. I cannot say whether the idea of this extra contribution was to make the matter equitable or even between the contributors to the two funds, or whether it was intended as a source of revenue.

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Mr. CHAIRMAN.—The contributors under superannuation fund No. 2 would be small in number in comparison with those to No. 1.

Mr. WATSON.—I think that is correct. Superannuation fund No. 2 was not in force very long, but, on the other hand, many of those in fund No. 1 have been superannuated. The contributors to No. 1 are still greater in number than the contributors to superannuation fund No. 2.

Mr. CHAIRMAN.—While that increase to percentage which those under fund No. 1 had to make might be said to level them up to those under fund No. 2, how about those civil servants who were not under any fund whatever except the retirement fund?

Mr. WATSON.—At that time there was no retirement fund.

Mr. CHAIRMAN.—What time?

Mr. WATSON.—In 1893 when the amendment to the Civil Service Insurance Act was introduced, all permanent civil servants were contributing to superannuation fund No. 1, and there were no other permanent employees to be considered, except future entrants to the service.

Having stated the facts of the case at the time of the passing of the Act, I should like now to point out how it has worked out. I am not prepared to say whether this provision was intended in order to make the two Acts of legislation equitable as between the two classes of employees, or intended for revenue purposes. That, however, is a matter aside. If it was intended for equality it does not work out that way, for the reason that as soon as an employee had contributed to superannuation fund No. 2 for full 35 years his original contribution of the extra 1 per cent would likewise cease, so it is quite possible he would only pay that extra contribution, say, for one year. And further, if he took a policy for \$1,000 he paid the 1 per cent the same as if his policy was for \$2,000. Again, it mattered not what his salary was, the extra contribution was on his salary, and had no relation whatever to the premium on the policy. The effect has been to exclude practically every one from the benefits of that insurance, except those who can get it without really paying anything to the treasury except this extra 1 per cent.

Mr. CHAIRMAN.—Who would they be?

Mr. WATSON.—They would be those who had nearly completed their 35 years, or persons who were serving at low salaries, and with not much prospect of ever getting large salaries. The 1 per cent might then still leave the premium on a \$2,000 policy low enough, so that they could take advantage of the insurance.

Mr. CHAIRMAN.—The effect of that provision would be that civil servants who are not on any superannuation fund whatever can get their insurance on the very liberal rates which are allowed in the fund to those who were on superannuation fund list No. 1. In addition to the premium which they pay equally with other persons over and above the amount that was intended by the Superannuation Fund Act itself on which they entered, a sort of fine is put on them for having been on the superannuation fund No. 1.

Mr. WATSON.—It does not seem fair to us in this way. Granted that the Government with their eyes open made an unfair arrangement with their employees when they introduced Superannuation Act No. 1, although I do not think it was an unfair arrangement, it does not seem fair that when they come to strike another bargain with the civil servants this Government would not be willing to strike a square bargain for that reason, and the fact that it means no revenue whatever to the Government. They do not gain anything by it whatever, or what they gain is negligible.

Mr. CHAIRMAN.—Because the civil servants did not come in.

Mr. WATSON.—Because the civil servants did not come in. So the position of the Government is as if they had bought say a piece of land in Ottawa from a certain man,

and found afterwards that without any fault of his perhaps they had paid too much for that land, then, wanting to buy land in Montreal, they should purchase a piece of land from the man who sold the land in Ottawa, and also an adjoining piece from another man, that they should agree as to the proper market price of the two lots to be purchased in Montreal, but would say to the man from whom they purchased the land in Ottawa, we will pay you less than the market price in Montreal unless you give us a rebate on your profit on the former bargain in Ottawa. and an amount less than we will pay the owner of the other lot alongside of your lot in Montreal. It does not seem fair to us, and I do not think there will be any hard feelings among other civil servants contributing the higher percentages to other funds if these old employees would be allowed to take insurance on the same basis.

When the Act was introduced the maximum insurance was placed at \$2,000. There was a reason for that. Life Insurance companies at the start do not issue large policies, the reason being that if a very large policy were issued, and there were not a large number of policies of that class, one death among the policies for large amounts might go a long way to wiping out their surplus; so they try always at the start to have a certain number of small policies before they undertake the issue of large ones, because the probabilities of loss are much minimized by spreading the same amount of insurance over a much larger number of lives. It would appear that the Government might, without any danger whatever to the surplus fund, increase the maximum amount of this insurance to \$5,000. There is a large number of employees who would like to take advantage of the benefit at the increased amount, and the number at present is increasing so rapidly that I think there will be no danger of wiping out the surplus by having the maximum amount of insurance increased to \$5,000.

One point I wish to take up before dealing with the increasing of the maximum of insurance, but it will do as well now. Under the Act there is no provision for informing civil servants even of the existence of the Act. He has no knowledge of it, unless he finds it out by accident, or through a fellow employee. I venture to say that five years ago there were thousands of civil servants who had never heard of Civil Service insurance. The Act does not require that any notice should be given to employees in the service at the time the Act was passed, or to any new entrants. The result has been that for the first 15 years during which the Act was in force only 283 had become insured, or rather 283 is the number who survived out of those who had been insured during the 15 years. During the last three years 330 have become insured. This is wholly due to the fact that from time to time in the *Civilian* notices and information have been published, which have come to the notice of civil servants throughout Canada. That shows the possibility of that insurance if it were properly brought to the attention of the civil servants themselves, and it would seem quite proper if those charged with the administration of the Act were required, when any person was newly appointed to the Service to mail to him a memorandum setting forth his rights under the Act. Doubtless there are in Ottawa civil servants who do not yet know that there is Civil Service insurance.

Mr. CHAIRMAN.—Is it straight life insurance?

Mr. WATSON.—Straight life insurance.

Mr. CHAIRMAN.—It has no endowment features connected with it?

Mr. WATSON.—No.

Mr. CHAIRMAN.—The policy is payable on death.

Mr. WATSON.—It was considered proper it should be so, in order that it would be for the benefit of the employees' dependents, and there would be an objection also in selling cheap endowment insurance inasmuch as it might be trafficked in by outside speculators, since the rates were cheap.

Mr. CHAIRMAN.—Then although it is straight life insurance it is not necessarily a straight life payment.

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Mr. WATSON.—No, the payments may be paid in any way. In one premium or any number of years, and the thing the civil servants like about this insurance is that it is so little trouble. The premium is deducted from the salary each month if so desired.

Mr. CHAIRMAN.—Does it apply to all civil servants?

Mr. WATSON.—It applies to all civil servants on the permanent list.

Mr. CHAIRMAN.—Whether outside or inside?

Mr. WATSON.—On the permanent civil list.

Mr. LAKE.—A man might pay down a certain sum and be insured for life for \$2,000.

Mr. WATSON.—By all means, on payment of a single premium.

Mr. CHAIRMAN.—The premiums can be paid monthly or quarterly or any way the insured desires.

Mr. WATSON.—However, if he elects to pay the premium otherwise than monthly it is not deducted from his salary. If it is paid monthly it is taken from his salary each month, and that is the way most of the civil servants do it.

Mr. CHAIRMAN.—If it is paid quarterly he has to arrange to meet it?

Mr. WATSON.—He has to arrange to meet it.

Mr. CHAIRMAN.—Having regard to the occupation of civil servants would they not be an extremely easy risk.

Mr. WATSON.—Generally speaking. That is what I had in mind when I said in the early part of my statement that their mortality would very likely be favourable, and would to a large extent counteract the high rate of interest assumed.

Mr. CHAIRMAN.—If the premiums charged were sufficiently high under all the circumstances, and if the allowance by the Government of interest at 6 per cent on the fund thus created should cause that fund to increase beyond the amount required to meet the demands upon it then although that surplus would stand to the credit of the fund the Government would really have the money in their possession as a part of the public funds of Canada, would they not?

Mr. WATSON.—That forms a part of the consolidated fund, but it is accounted for separately.

Mr. CHAIRMAN.—I mean the money.

Mr. WATSON.—The money is not kept separate, it is not a separate investment.

Mr. CHAIRMAN.—And the money is being used by the Dominion of Canada.

Mr. BRITAIN.—Part of the consolidated fund.

Mr. WATSON.—But they are charged up each year with the liability under the Act.

Mr. CHAIRMAN.—The point I wanted to make is this, that assuming in the first place the mortality of the service to be light, and having regard in the second place to the fact that the cost of management is small, and the overhead charges are not large, the fund might be self-sustaining, and adding to it interest at the rate of 6 p.c. might accumulate a large surplus.

Mr. WATSON.—It undoubtedly would if the mortality was more favourable than that assumed. Assuming that 6 p.c. was added to the fund each year, and if it so happened that the mortality was more favourable than that assumed in the calculation of premiums there would undoubtedly be eventually accumulated a large surplus.

Mr. CHAIRMAN.—If the rates are high enough under all the circumstances to make the operation at least meet its own obligations the high rate of interest that the Government are allowing is a seeming liberality rather than a real one.

Mr. WATSON.—Part of it is, very little of it is seeming liberality.

Mr. CHAIRMAN.—Because the surplus remains in the hands of the Government of Canada as part of the consolidated fund to be used by Canada as she wishes.

Mr. WATSON.—On the other hand that fund is a liability.

Mr. CHAIRMAN.—But it is a liability which is never implemented in fact, unless the fund fails through other sources to pay its obligations. The fund from time to time is a liability. It is a liability to pay the surplus, and none of the insured have any claim on the surplus.

Mr. WATSON.—No, they have no claim on the profits, they simply get the amount for which they are insured.

Mr. CHAIRMAN.—There is no surplus profits to be divided amongst the insured as in line companies frequently.

Mr. WATSON.—No, the contract is simply for an amount payable at death.

Mr. CHAIRMAN.—Consequently the Government's liability for the surplus is a paper liability outside of the actual claims for insurance under the policies.

Mr. WATSON.—They are liable for nothing except the sum assured at death. The Government are liable only for the sum payable at death. They calculate the premiums according to the schedule, and add interest each year at the rate of 6 p.c. If the mortality should turn out to be more favourable than they assumed in the calculation of premiums, the rate of interest added each year would be higher than that actually necessary in order to provide for the sum assured at death. That is a fair statement of the case.

Mr. CHAIRMAN.—And thus that surplus would be piling up in the hands of the Government for the fund, but the surplus would belong to the Government itself.

Mr. WATSON.—The surplus would belong to the Government.

Mr. CHAIRMAN.—Are you in the insurance department?

Mr. WATSON.—Yes, sir.

Mr. CHAIRMAN.—That is one of the offices of the Finance Department?

Mr. WATSON.—It is not now. It was formerly a branch of the Finance Department, but under the Insurance Act of 1909, it was made a separate department under the Finance Minister.

Mr. CHAIRMAN.—Do you report to the Finance Minister through the Deputy Minister of Finance?

Mr. WATSON.—Oh, no, through the superintendent of insurance.

Mr. CHAIRMAN.—Who is the head of the Insurance Department?

Mr. WATSON.—Mr. Fitzgerald, the superintendent of insurance.

Mr. CHAIRMAN.—How large a staff is there in the office?

Mr. WATSON.—The staff has increased very rapidly in the last few years. I think there are 16.

Mr. CHAIRMAN.—That insurance department does not exist merely for the purpose of this civil service insurance?

Mr. WATSON.—Oh no, this is really a side issue altogether, it exists for the supervision of insurance companies.

Mr. CHAIRMAN.—Are there any clerks in the branch who are occupied entirely of this Civil Service insurance.

Mr. WATSON.—No, it does not take the whole time of one man, it only takes a small portion of time.

Mr. CHAIRMAN.—So the amount of cost imposed on the Civil Service by the work necessary to manage the fund is comparatively nothing.

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Mr. WATSON.—The whole expenses of the Insurance Department are paid by the insurance companies.

Mr. CHAIRMAN.—Paid by the insurance companies?

Mr. WATSON.—The levy on the companies.

Mr. CHAIRMAN.—Could the insurance under the Civil Service Insurance Act be very largely increased without any additional cost?

Mr. WATSON.—It ought not to mean a great additional cost, I do not think it ought to.

Mr. CHAIRMAN.—The only additional cost in operating the fund would be an increase of the clerical staff in the department.

Mr. WATSON.—Very true, that is all. I think it would take a lot of Civil Service insurance to make the work sufficient to occupy the full time of one clerk.

But there is one other point. The Civil Service insurance, as I said, was primarily intended for the protection of the dependents of employees. The Act specifically states that the contract must be made out for the benefit of a man's wife or his children, or his wife and children, or if he is not married, it must be made out for his future wife and children. However, if he has no beneficiaries under the Act at death, the amount is paid to his estate. For that reason it has been determined that this insurance is a privilege that female employees should not enjoy, as in the natural course they have no dependents. There are, however, a few widows in the service who have children, and in a few cases they have taken policies, but there are others in a different situation who have dependents on them also; there are girls in the service who are supporting or contributing very largely to the support of their parents, possibly their mothers, and in the event of their death it would impose considerable hardship on their parents, and it would seem no more than right that they should be given this opportunity of providing for their parents.

Mr. CHAIRMAN.—Does the Act in express words say that females shall not be entitled to this insurance?

Mr. WATSON.—No, the Act states that the benefit must be for the wife and children of the employees. In the natural course of events female employees do not have wives.

Mr. CHAIRMAN.—No, but they have children.

Mr. WATSON.—Not unless they leave the service. Most female employees are not married. There are a few cases of widows with children having been granted the benefit. But if a girl is in the service for some years she may not have any intention of marrying, but she may later on get married, and then she may wish that she had insured her life, or been allowed to insure her life, in the past.

Mr. CHAIRMAN.—You mean that under the interpretation put upon it at present no female is allowed to insure.

Mr. WATSON.—Not in that case. It would only be in exceptional cases, where she had dependents within the meaning of the Act.

Mr. CHAIRMAN.—While such a precaution might be permitted if this privilege of insurance were a burden upon the country, there seems to be no reason whatever for such a provision as you have spoken of if the civil servants are paying for their own insurance.

Mr. WATSON.—That is, in the case of female employees.

Mr. CHAIRMAN.—I cannot see why any preference or restriction should be put upon any class of servants for insurance if they are really paying sufficient premiums for the insurance.

Mr. WATSON.—They are only sufficient on account of the high rate of interest which is assumed by the Government.

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Mr. CHAIRMAN.—Supposing that the whole rate of 6 p.c. is necessary to keep the fund up. But if a rate of 4 p.c. would be sufficient to keep the fund up then the Government would not be paying any more for the money than they ought to pay.

Mr. WATSON.—Very true.

Mr. CHAIRMAN.—Would it be possible to tell by examination of the figures of insurance companies whether the whole rate of 6 p.c. would seem to be necessary for sustaining the fund even on the basis that the mortality in the Service was an average mortality.

Mr. WATSON.—I do not understand the question.

Mr. CHAIRMAN.—I take it that by looking at the reports of an insurance company you could arrive at a knowledge of the proportion which its costs of running would bear to its expenditure, and you would be able to say what lower of premiums such a company could have asked and could get along with if it did not have these heavy costs to pay.

Mr. WATSON.—It would be a very big problem—practically impossible.

Mr. CHAIRMAN.—What I meant to say was this—Take a good company which is charging premiums upon the fixed rates of line companies. A certain proportion of its revenue is, I presume, spent in overhead charges, such as salaries and payments to agents, &c. I was wondering if you could by calculating those in the case of a good company ascertain how much that company could have afforded to cut down its premiums.

Mr. WATSON.—If it has no expenses?

Mr. CHAIRMAN.—If it had no expenses.

Mr. WATSON.—You could do much better than examining any one individual company. The rates of mortality I was speaking of some time ago assumed by the Institute of Actuaries, based on the experiences of the British Companies would be a much better basis to go on than the experience of any one company, and if we agree that money is worth 4 p.c. to the Government (it costs them about that usually) all that would be necessary to do would be simply to calculate the net premiums according to this basis of mortality at 4 p.c.

Mr. CHAIRMAN.—Will you oblige us by furnishing some figures from which we can gather what proportion of the interest of 6 p.c. allowed by the Act is really necessary to keep up the insurance fund if the figures are based upon such a mortality as you would expect to have in a Service of this kind.

Mr. WATSON.—I shall endeavour to do so.

I would like to make more clear what I said with regard to female employees. I think the cases in which we are particularly interested are those female employees who have real dependents. We are not concerned about the young girl who intends to stay in the service a year or two and then get married, but those civil servants who have really dependents on them, although not coming within the meaning of the Act. We feel that these women should be accorded the same privilege.

Mr. CHAIRMAN.—Could you provide such a definition as would cover that?

Mr. WATSON.—It might be defined as parents, and possibly a girl would have a sister unable to work. Possibly it could be left in the discretion of the administrators.

Mr. CHAIRMAN.—Or a female clerk might have a sick husband?

Mr. WATSON.—Yes, and children also.

Mr. CHAIRMAN.—I presume if she had a husband who was not sick she would not be in the Service, and consequently you would be safe enough to say husband.

Mr. WATSON.—There would be exceptions perhaps not in Ottawa, but throughout the country, where you will find married women in post offices, and their husbands

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doing something else. I do not see why they should not be insured. We would not object to them.

Mr. CHAIRMAN.—Why are the permanent officers of the Militia staff debarred.

Mr. WATSON.—They are debarred on account of the ruling of the Justice Department on the interpretation of the Act, that the Act does not apply to them.

Mr. CHAIRMAN.—Not on any basis of argument, but of interpretation.

Mr. WATSON.—Interpretation of the Act.

Mr. CHAIRMAN.—This disability which is placed on the men who come under the old superannuation Act apparently has nothing whatever to do with the insurance.

Mr. WATSON.—No, it was imposed for one of two reasons. Whether to get revenue, or to make things appear even between the two classes. I suppose it was thought at the time that there would be a great run on Civil Service insurance, it being much cheaper than outside insurance, but from 1893 down to 1908 there were not perhaps 300 who became insured under this Act.

Mr. CHAIRMAN.—Would this be possible that with regard to policies of a certain size interest on premiums for these policies should be allowed at say 4 p.c. instead of 6 p.c.

Mr. WATSON.—Oh, yes, it would be quite possible. We would prefer the other though.

Mr. CHAIRMAN.—Of course you would, but suppose that the objection was made that up to a certain limited amount the country would contribute, but with regard to larger amounts, while the country would not contribute, it would give those insured all the advantages of low cost, and would therefore expect them to pay premiums a little larger than the others upon which the fund should receive from the government a credit of 4%. Then a man might get insurance up to a certain amount at one rate, and up to a larger amount at another rate, but still much lower than the rate of an ordinary line company.

Mr. WATSON.—There is no objection to that.

Mr. CHAIRMAN.—That could be worked out.

Mr. WATSON.—There is nothing objectionable in that whatever.

Mr. CHAIRMAN.—It seems to me that would be no hardship to the company, and it might be a great benefit to the individual. It might appeal to a large number of civil servants when the other would not. I mention this because there might be objections in parliament. There are always people objecting that the civil servants are well paid and lazy, and these people would be willing to say, if it does not cost anything we will do it.

Mr. WATSON.—That is something we should be careful about, anything that we ask for should be reasonable.

Mr. CHAIRMAN.—How are the rates per thousand fixed, by what authority?

Mr. WATSON.—In the Civil Service insurance?

Mr. CHAIRMAN.—Yes.

Mr. WATSON.—By the Act itself. It is stated that the rates of premiums must be calculated according to the H.M. tables, with interest at 6 per cent. Subsection 2 of section 12 provides that, and furthermore that no allowance shall be made for expenses.

Mr. CHAIRMAN.—Does that latter part mean that no charge shall be made against the insured in his premium for any expenses in operating the fund?

Mr. WATSON.—Yes, that is what it means.

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Mr. CHAIRMAN.—In taking insurance in ordinary insurance companies, do the insured pay premiums based on the tables referred to in the Act?

Mr. WATSON.—Yes, but to the rates fixed by these tables the companies add the amounts necessary to pay for expenses, and profits, &c. But nowadays the H.M. Table is less used than formerly.

Mr. CHAIRMAN.—And what table is used?

Mr. WATSON.—The British Offices is most common, although others are used.

Mr. CHAIRMAN.—Will you kindly prepare for us a comparative table to show what the premiums would be if only 4% were allowed instead of 6% as under the Act.

Mr. WATSON.—Yes, but if you have no objection I will base them on the British Offices Mortality Tables select.

Mr. LAKE.—If the allowance of 4% instead of 6% would make the premium very much higher, and if it could be found that 6% was self-supporting there could be no possible objection to the request which has been made in the memorial being granted.

Mr. WATSON.—Even although it could be proven that the government were doing the Civil Service insurance at an apparent loss it does not mean that it is really a disadvantage to the government to continue doing the business or to increase the volume thereof. The insurance is done solely among their own employees, and it is appreciated by them, and stands on the same basis in certain respects as does superannuation, although in a very limited way, and the benefits come back to the government indirectly.

Mr. CHAIRMAN.—In what manner?

Mr. WATSON.—Well, in the manner that it is a help in retaining good employees. They appreciate this cheap insurance, and I think possibly it makes them more loyal to the Service. Of course it is to a much more limited extent than the benefits arising to the government from a scheme of superannuation.

Mr. LAKE.—In a sense it induces the assured to be more provident.

Mr. WATSON.—It is very important that all those questions in relation to the Civil Service should be considered together. Most people look at each question by itself, and we are not likely to arrive at any satisfactory solution of these questions so long as we regard each individual question by itself.

Mr. CHAIRMAN.—How would a very large increase to the amount of insurance affect the risk to the fund?

Mr. WATSON.—It would reduce the risk.

Mr. CHAIRMAN.—So that by increasing the amount of insurance which may be taken by each civil servant, and by allowing employees who are now debarred from coming in to participate, thus increasing the number of insured persons, you would decrease the risk to the fund?

Mr. WATSON.—Yes, as you increase the number of persons insured, the liability for fluctuations from the true mortality decreases. You also decrease your chances for profits. The more you increase the number insured, the more likely you are to follow the average. If you only have a few policy-holders you may have no deaths, or you may have a few deaths, and they mean a great deal, a big proportion of the total number, but with large numbers you strike the actual mean.

Mr. CHAIRMAN.—The actual mean of experience as shown by table.

Mr. WATSON.—Exactly.

Mr. CHAIRMAN.—And you reduce the whole scheme then to a more certain basis.

Mr. WATSON.—You reduce the whole scheme to a more certain basis, and reduce the liability for excess mortality claims.

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Mr. CHAIRMAN.—I would like to put on record and draw your attention to it, that inasmuch as any proposition which comes before parliament is liable to be very closely criticised it is in the highest degree important to the Civil Service that everything that can be said upon the subject should be frankly and fully said, and that any objection that can be raised should be considered and discussed by you, because if you fail to recognize some objection that might be latent in your own mind as coming from other people, and did not grapple with it now it might be raised later on and you could not answer it.

Mr. WATSON.—I have been trying to look at the question from both sides. It may be possible that in going over a matter of this kind one gets a little mixed up, and possibly misunderstands what some one else is thinking about, and it is possible the replies made may not appear the same in a few months as they do now.

Mr. CHAIRMAN.—From your experience with insurance, can you think of any objection which might fairly and properly be made against the proposition which your memorial advances.

Mr. WATSON.—No, sir.

The deputation withdrew.

The Commission adjourned.

CIVIL SERVICE FEDERATION.

OTTAWA, Tuesday, March 5, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,

Chairman.

G. N. DUCHARME, Esq.,

R. S. LAKE, Esq.,

Commissioners.

The Commission was waited on by a deputation of the Civil Service Federation, composed as follows:—

President, Dr. J. A. Smith, Collector of Customs, Windsor, Ont.; Vice-President, G. A. Carpenter, Post Office Department, Montreal, Que.; Secretary Treasurer, R. H. Coats, Labour Department, Ottawa, Ont.; J. W. Hoyt, Collector of Customs, McAdam Junction, N.B.; A. E. Giroux, Customs Service, Montreal; J. Z. Corbeil, Customs Service, Montreal; A. M. Latouche, Customs Service, Montreal; Dr. J. D. Page, Immigration Service, Quebec; W. Gilchrist, Immigration Service, Ottawa; W. F. Miller, Collector of Inland Revenue, Hamilton, Ont.; M. Thompson, Customs Service, Windsor, Ont.; R. Patching, Interior Department, Ottawa; A. D. Watson, Insurance Department, Ottawa; O. Higman, Inland Revenue Department, Ottawa, President of the Civil Service Association.

The CHAIRMAN.—Well, Mr. President, we are prepared to hear you, sir.

DR. SMITH (President of the Civil Service Confederation).—Mr. Chairman and associates. I am here this morning to address you on what is known as the Civil Service Confederation, constituted of the Inside Service at Ottawa and the Outside Service throughout the Dominion. We are here to discuss with you the different

branches of the service, and presently I will call upon a number of my associates who will take up in detail with you the special subjects. It is my intention merely to open the conference and in doing so I want to express my pleasure at the appointment of the new Commission and to say that the Civil Service throughout the country are delighted at the appointment of this Commission, because we feel now that we will have an intermediary through which to lay our complaints regarding our troubles which many of us think are numerous. We hope the Commission will be patient with us, and if they are patient we know that we will receive at their hands justice in the fullest degree. Heretofore we have had difficulty in getting our cases before the ministers, as we did not like to bother the ministers too much because we know they are busy, busy men, and we knew they had no time to pay attention to our affairs, anyway not as much time as you, gentlemen will have whose time will be entirely devoted in the direction of our affairs and other affairs in connection with the public service. I desire first of all to express our confidence that matters will be dealt with fairly and as they should be.

We are coming to discuss with you this morning the extension of the Civil Service Act of 1908, which brings us under the Commission, also the salaries, and the superannuation, and insurance. These will be the topics on which we will be pleased to talk to you this morning. It will not be necessary for me to occupy your time at any greater length at the present moment, but I will be pleased to furnish any information that we may have in our possession and which the Commission may wish to know or feel disposed to use. I will now call upon Mr. Watson, to take up the question of superannuation. He has given a good deal of study and time and attention to that subject, and I will call upon him to discuss that with you.

SUPERANNUATION.

Mr. WATSON,—Mr. Chairman and Gentlemen of the Commission:—

We have been accustomed to think of superannuation as being a great problem in the Service. Sometimes we have been accustomed to refer to it as a great big problem in comparison with our other problems, and I should like for a little time this morning to show that the magnitude of this problem has been greatly reduced within the past few years. The reduction has taken place owing to the great advances made in actuarial science and also the collection of an immense amount of data. Along with other problems this one has been reduced, and although it may look and appear quite as large to the layman as it formerly was, still it is by no means the big problem it used to be. This is an important point for us to make, for the reason that the government have always felt it to be a big problem, when the Association or Federation have approached the government they have been disposed to shrug their shoulders at the magnitude of this problem.

I do not know that it is necessary to advance any arguments substantiating the principle of superannuation, it is now so generally admitted. There is however, this one argument and possibly this only one argument that may at any time be advanced, and that is the economical argument. It is also defended on the ground of what may be called philanthropy, and however important, I do not think that is an argument that could be very well enforced, although it may have its place, but the economic argument is one that may be used at all times, and to us the economic argument means a great deal. For economy is not always what it seems to be. For instance, every one is agreed that it is bad economy to feed a horse too low, or to buy a suit of clothes which are poor, or to buy a bad pair of boots, but those are simple things. It might escape one when he would come to deal with a thing like superannuation, or any complex problem such as that is, and it would probably help us to the proper understanding of it to know that the Tariff Commission in the United States have proved to their own satisfaction and to the satisfaction of others too, that increase in wages does not necessarily increase the

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cost of production. That this is a thing that I should very much like to impress upon every one here namely, that economy may not be what it seems, but that what may seem to be extravagance may really be the opposite. By increasing the wages the employer has at his hand a higher skilled labour, also the fact that the wages have to be increased draws the attention of himself and his men to the importance of machinery, and on the whole it undoubtedly decreases the cost of production.

Superannuation in its influence on the service is a very much more complex power than the increase of wages or the cost of production. There is not to-day perhaps any opposition whatever hardly to superannuation. I think the only opposition that does arise arises from two causes; one from lack of information as to the actual facts of the case, and the other from a too close reasoning on theoretical principles. So far as opposition is based on lack of knowledge, on what we may call ignorance, we may ignore it, but the other argument that is sometimes advanced is unfortunate in relation to civil servants. These people say that the civil servants are well paid, and have a good time, and why can't they provide for their old age themselves. That argument is all very well theoretically, but the country is faced with this problem, that in old age the civil servants will simply be retained on the pay-list if they simply can at all get to their work. That is a practical problem, and make what legislation you will, these people will be retained on the pay-list, and it has been proven that the Civil Service Act will be ignored, because hardships will be created and other reasons set forth. It would not be best to state particular examples of which we have had experience and they are not always a true test of what will happen with superannuation, and because we have here superannuation for old employees and the conditions have not developed.

But in the United States they have had no superannuation whatever, and for about five years they have had a gentleman Mr. Brown, working on the superannuation scheme. He has issued some valuable reports, and in one of these reports he says: "Pitiful cases of old employees who go to offices long after their days of usefulness have past are numerous and well known, for one out of every fourteen Government employees in the City of Washington is over 65 years of age. Many of them are past 80, and nonagenarians have occasionally been on the government pay roll. Paralytics are sometimes brought to offices in wheel chairs and it frequently happens that a wife or child supports the head of the house to his desk." Now it will be objected that such conditions do not exist in Canada. That is true but it is possible that when no superannuation is in existence for some time that such conditions may exist particularly as I noticed that in the recent discussion in parliament the Honourable Minister of Public Works for Canada is quoted as saying:—"I have never dismissed anybody for old age. I will have to see what can be done about it." And the paper goes on to remark that the problem confronting the minister would appear to be a difficult one. I say that it is a very difficult one indeed, and in case no superannuation is in force in Canada it will happen that such difficult problems will have to be faced by the minister again and again.

Now the quotation I have made from the United States report shows the condition that will arise when superannuation is not in force, and I do not think we need go beyond that, although there are many other ways in which superannuation will affect economy. But it is scarcely necessary to go beyond that.

The CHAIRMAN.—In what you have just said you would seem to imply that we have superannuation here. I presume that you mean that the old employees are under the old superannuation Act which was repealed in 1898?

Mr. WATSON.—Yes, that is the case. Now I want to say that I believe the opposition to superannuation is decreasing and will continue to decrease, and I think one of the main factors in that is the change in the system of appointments to the Civil Service. So long as the system of appointments is of such a character as to shut out any class from the Civil Service or to make their chances of appointment doubtful I do not think there would be any opposition. But with the competitive

system of entrance to the Service I do not think the people of the country will be opposed to superannuation, in fact I think they will welcome it. I think they would be glad to see a liberal allowance for old age for which their sons and daughters might compete, and knowing also that by reason of these conditions the work of the country was being administered more economically.

Now if we look also at the other question of appointments to the service. We have it from more than one of the Civil Service Commissioners, a report to the effect that they find it difficult to get a sufficient number of well trained men to take the Civil Service examinations at the salaries offered. Now whether these salaries are sufficient or not is a matter apart, but we may rest assured we will be able to get a better class of men at lower salaries provided it is brought to their attention that a liberal provision is made for them throughout life during the time when they may perhaps become disabled and when they attain a reasonable old age, they will be taken care of.

I should like it very much if at this point we could feel that in the administration of the affairs of this country it is actually cheaper in money and in the economy of efficient administration to have a system of superannuation. If we could feel that and feel satisfied that the government by putting in force the well devised scheme, for I think it is generally agreed that the administration of the affairs of the country can be done more economically and more efficiently, and that the government will actually save money by a well devised scheme of superannuation.

Now there are schemes and schemes of superannuation. There are practically only two countries in the world without one, only one large country, and that is the United States. And practically every railroad in England and continental countries have their systems. But in the United States and in Canada we have none.

Now all these systems that are in force have certain characteristics that are more or less common but it is doubtful if there is any system that is wholly satisfactory, even in the country in which it is in force. Even in the railway parts, about two years ago in a departmental committee which made investigation into the railway schemes in England, and although there were a great many good points in those schemes, there were divisions on a great many points of importance, raising them and bringing them to the attention of parliament, but I think we can look with very little hope to any existing schemes. That is, we cannot go to work and bring in a scheme that has been in force somewhere else say in New Zealand, or some far off country, where we do not know its faults, and use it here with advantage. In order to get a satisfactory scheme here we have to get in the main satisfactory scientific principles, and apply them practically. We have to study the question here at home and see what our needs are, and in studying the question we must hold as closely as possible to scientific principles. And in that way adopt what is best to our needs.

And now there are general principles that in any scheme we could devise I think we should not lose sight of. First, any provision, any detailed scheme, should stand this test: Is it in the interest of efficiency and economy? That is the ideal that we should strive for. I am not sure that in every case we could show that certainly in practice we can. But that is what we should aim at. Another thing is that the greatest amount of individual freedom of the employee consistent with the economy of administration. Again the scheme should be of such a nature that it cannot be worked. I mean worked in the bad sense, so that neither the employee or the government can work the scheme to the disadvantage of the country. And also arbitrary provisions should be eliminated from the scheme as much as possible. If arbitrary provisions are introduced, and perhaps I had better explain what I mean by arbitrary provisions. In certain schemes you will see enforced a provision to the effect that if a man is disabled before he is 25 years in the employ of the government he gets no allowance, or a very small allowance. It is a little hard to understand why a man who falls out just under 25 years gets practically nothing and a man who has just

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served 25 years gets a liberal allowance. Practically every scheme in force has a number of very peculiar arbitrary provisions, and usually this provision works to the disadvantage of the fund, for the reason that the employees who fall into ill health near the 25 years, if that is the period of service, will manage to stay in the Service until they have made it up, even if they have to be carried to the office in chairs. So you see that these arbitrary provisions do work against the fund and they should not be introduced unless for a principle, that being an economic principle.

With these few general principles, and they are very general, I should like if I may, to go a little more into particulars, and afterwards to lapse into details, the extent on which I go into details depending of course on your desire to hear details.

However, before that probably there is another point that I would like to make which is this. In placing a scheme of superannuation on the Statute Books, we as Canadians, and perhaps more particularly as civil servants, would like to see a piece of legislation placed there so very satisfactory that there would be no call at any future time to have it revised if such a thing were possible. It is unsatisfactory to have to go back to a piece of legislation and have to revise it and if possible it would be well if we could devise a scheme so satisfactory both to the employees and the government a scheme that would work so simply that it would require no revision.

There is another principle which I also forgot to mention, which is that the scheme should be of such a character that if at any time a revision were contemplated, it would be very easy to calculate the rights of each individual under that scheme, so that his rights under any new scheme could also be determined with a fair amount of accuracy. With most of the schemes which are now in force that is impossible, a man's rights are so ill defined that they could not be determined properly in making a division and bringing him under a new scheme of superannuation. Now, keeping these general principles in mind, there is one very important thing that should be adopted in any superannuation scheme, and that is that a fund should be established. I think there is no more important feature of superannuation than that, a fund should be established in which the liability is recognized from year to year. If this is not the case, one of the great objections to arise is that the superannuation charge, that is the annual appropriation, will get so very large that at some time the government will be in a little difficulty to make up its Budget, and will look about to see ways in which it can reduce the amounts of the expenditure and will simply sweep away the superannuation scheme altogether. If there is a fund into which contributions are made and out of which the benefits are paid, the contribution from revenue each year is so moderate that that danger would disappear.

The CHAIRMAN.—You mean the public contribution would be so moderate?

Mr. WATSON.—Yes, and there is another point, and that is that if we got matter established and the contribution of the employees is put back into consolidated revenue it remains absolutely the same as if no contribution were made, because afterwards the appropriation is looked upon as consolidated revenue. Last year about \$400,000 were appropriated for superannuation payments to employees under the old fund in Canada. That is probably about four or five times the amount that would be necessary if appropriated years ago, and it is this heavy charge which would eventually in a service such as we have in Canada, if we adopt a fairly liberal scheme, endanger the life of the scheme for the reasons I have just stated. The eventual charge, when the service will become stationary, will probably amount to 35 per cent of the salary payments. Whereas, in a fairly liberal scheme, if the contributions were put into a fund, the annual contribution of the government would probably be about 10 or 12 per cent depending upon the features of the scheme. That makes the scheme very much less objectionable, because the annual charge never becomes a very large percentage of the salary payment, and they would not at any time see any great benefit to themselves by sweeping it away.

Now then, under any scheme of superannuation there must be benefits, a not less important matter of course than the contributions. There are superannuation schemes in force where there are no contributions on the part of the employee, that is no visible contribution, but nevertheless the contribution really comes from the same place, and it is right that it should. It is a little hard perhaps to see the thing clearly when you are thinking of the government. The government of the country, whose source of revenue is a little more indefinite than that of a railway company does not tend to make it appear so clearly that the contribution really comes from the employees. But take the case of a railway company. Where else should the money which pays the men during their active life and sustains them during their old age, where should it come from but from the product of the road. If it does not, something must be wrong. These men receive pay from the ages of 20 to about 65, and the amount necessary to keep them during their old age must be produced by themselves during the period when they are between the ages of 20 to 65, and it makes no difference whether a part of that is retained by the company and paid to them in old age or the whole amount is paid during their active service and they are allowed to take care of themselves in old age. That is, theoretically, it makes no difference. It does make a difference in practice, because if they had no scheme of superannuation they would stay on too long, and this will be allowed, because the sympathy of the shareholders and officials of the road is always with the man who has served the company for a long time, and they will hesitate very much to discharge him.

The CHAIRMAN.—You mean to say that in that case the only difference is that a great deal more comes out of the railway eventually than it would if they had a well devised scheme of superannuation, because the employee having used up all his earnings as he received them, will remain on, and will simply be a charge upon the railway.

Mr. WATSON.—I think that is the correct conclusion to come to.

Now if I may deal with the way in which these contributions may be determined, and endeavour to see which will be the best way. Superannuation schemes, have as a matter of fact, been inherited from the dark ages. They originated largely in connection with the army and navy, and were contemplated as being for a different purpose altogether than the one for which we are considering it now. The reason I say that is that men who are in the navy and army are really state property. The money they get is only part of the money intended to be used by them to buy whisky and tobacco with, their time of usefulness is over, they are of little use to any one else. In debating schemes for civic employees and railway employees they were guided very much by what was done for the army and navy, and a bad feature has been reproduced long after we might have done better, for the reason that many times, perhaps it may be always, superannuation, as also fraternal schemes, are devised by men who know little or nothing about what they are doing. Some arbitrary provisions are put down without seeing whether they are workable at all. Frequently the contribution has been 1½, 2, 3, 4, 5, and 6 per cent of the salary payment, and sometimes you will see in addition to that that the employer or government is to furnish as much more, without ever taking account whether this contribution is sufficient or not.

Now on the start it would be well to discover what principles are to govern us in the contributions. It seems to me we might fix as a maximum that no individual should pay for a greater benefit than he gets himself. That should be placed as the maximum for the reason that we have a large and increasing proportion of female employees in the service, and a large number of men who never marry. It does seem wrong that these employees should be called upon to contribute anything more than what they themselves enjoy. That is, they are contributing on such basis that their contributions would provide for benefits to those who become disabled before the retiring age and after that age. I would put that as a maximum. Looking at it from another point of view it also seems proper that any individuals

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such as I have mentioned, that is female employees and male employees who do not marry, it seems to me that the very lowest we could expect from those employees is that they should contribute the full amount for their own benefit. That is, as a minimum, because if an individual during his active life is not able to earn money enough to provide himself with food and clothing and provide for his old age I would like to know where it is coming from. So we come to the conclusion that that must be the contribution. The individual ought, properly speaking, contribute for what he gets himself individually, exclusive of the benefits that his wife and children will get.

If we can agree with that it simply amounts to this, that the charge on the government for its contribution would be merely to provide the benefits for the wives, widows, and children of employees who are either disabled before the age of retirement, or who reach that age and retire, the rest being apparently contributed by the employee himself, I say apparently because the whole contribution comes from the same source anyway.

Mr. DUCHARME.—Do I understand you to say that the superannuation should be limited to the man only, not taking into consideration the wife and children, and letting the government provide for them.

The CHAIRMAN.—No, Mr. Ducharme, he means that as a basis of calculation.

Mr. WATSON.—What I mean is this: Take the men who are unmarried, we will assume they are all unmarried, and charge each a contribution sufficient to provide for himself individually.

Mr. DUCHARME.—And let the government provide for the wife and the children?

Mr. WATSON.—Yes, that is the basis which I think is a sound basis to go on, and it enables one to make calculations with a certain amount of precision in determining the amount of a man's interest in the fund. Suppose an amendment should be contemplated at any time, it places us in a position to determine what a man's interest in the fund amounts to.

Now we come to benefits. They have been in the past determined almost as unscientifically as contributions, in fact the method on which they are determined has largely made it impossible to determine the contribution with any precision at all. The benefit has usually been determined on a certain percentage of the salary at the time of retirement, or else of the average salary at three years, or five years, or seven years, and sometimes the average salary throughout life. There is another system which has been in use but which we need not bother about here, which is practically the same as our retirement fund.

All these systems, although they have certain merits in themselves, have also demerits. The trouble with them is that employees become a little bit dissatisfied, especially when the contribution is a flat rate contribution of say five per cent. They become dissatisfied because they soon see—if we take a case like our messengers for instance, who enter at low salaries and soon attain the maximum, these employees will be contributing far more than the benefit which they will get, in fact more than the benefit that they and their families will get, whereas the employees who will enter at the reasonable salary and a bright young man who might enter as a clerk and come out as a deputy minister, might contribute only one-fifth of the benefit he would receive. These systems all cause dissatisfaction, but the benefit based on the final salary system is perhaps the worst. The average salary system is an improvement, but there are defects in that also, inasmuch as two men if they have the same average salary, but it may be made up of various different salary payments.

Now there is one other system which seems to be free from these objections. I have no name by which to call the system, but I think I can make clear what I mean. When an employee enters the Service or enters a service of any kind we will suppose his salary is \$500. If that salary is never increased you will see that it is an easy matter to determine correctly what his benefit would be in case of disablement or when he

attains the age of 65 years, it is precisely the same as life insurance, and you can figure out on both principles exactly what it will cost.

Now, if we say to this man, on that salary you are getting now we will give you one and a half or two per cent for each year you serve, you know beforehand what he will get and can calculate with a certain amount of precision the premium he ought to pay. Well, he gets an increase in salary the next year. You treat that the same as a new salary and charge him a premium on the increase, necessary to provide the benefit to himself, and go on that way from year to year, and to the old contribution simply add the new contribution for the increase of salary. Under that system if the premiums are right he contributes just what he gets himself, and he gets all he does originally contribute. Now these three principles are important to find out the method of determining the contribution and the benefits.

With regard to the extent to which a scheme should apply there may be a disposition to exclude certain classes of work, perhaps manual labour, perhaps persons of the type of people who look after the buildings, and all that sort of thing. It seems to me that the principle on which the scope of superannuation is determined is simply this: If a class of employment where the employee is likely to be retained on the pay-list after his usefulness has decreased. If that is the case he ought to be put on the superannuation list so that when his capacity is reduced there will be a means of getting clear of him. That should be the touchstone, it does not matter what kind of intelligence he possesses or brings to his work, but if the nature of the employment is such that he is likely to be retained there after his usefulness has passed he ought to be put in the scheme of superannuation. It should go further than that, because there are certain classes of employment where the very nature of the employment dumps men out when their capacity has decreased. Take railway mail clerks, for instance, they cannot do their work unless right up to the scratch. And as a minimum test, if these people are liable to be retained after their usefulness has decreased, superannuation should really be extended to them. And that really means that all employees who in any sense of the word are permanent, unless it is the most casual labourer, should be brought under the fund.

It has been found in the working of schemes of superannuation that an age limit is almost absolutely necessary. Without it you might just as well not have a superannuation scheme at all. It is in old age that the amount of disability increases, particularly around 65. After 60 it increases very rapidly, and in looking through a large number of schemes I find that 65 is the age that has the preference. Some go to 70, and some are as low as 60, and in fact I think in one scheme 55 is put as the age for female employees. However, it is certain that there should be an age limit, otherwise a man who is fairly healthy, even if he is not able to do good work, and perhaps has become quite dull during this previous 30 or 40 years, still his associates are there, and the natural tendency is to stay there as long as he can, so it will certainly nullify any scheme however well devised unless there is an age limit. I think there ought to be a year or two or perhaps three in which the Governor General in Council could retain a man if necessary, because an individual might be engaged on a special piece of work, or the exigencies of state might require him, but only under such circumstances.

With regard to a voluntary requirement, very frequently arbitrary provisions are entered there. As I said before I think the greatest amount of individual freedom should be given to the employee so long as he is not allowed to exercise an option against the government, and as it were do the government. In the matter of voluntary retirement I think he should be allowed to retire voluntarily at any time, but the proper thing to do is to restrict the benefit. I do not say that he should get no benefit, but I think his benefit should be limited, and that a scheme such as I have been suggesting, where the contributions are determined in that way, with such a scheme it is an easy matter to determine what the benefits are and give him his contribution, or a

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little less. I do not think he should be given the full amount of his contribution but that could be determined in working out the details of the scheme.

In considering superannuation so far as I have gone now I have been looking towards the future, that is future entrants to the service. All I have said so far would apply very well to future entrants to the service, but there is perhaps a more important factor, as at the present time we have about 6,000 employees in Canada who are under no superannuation fund at all. These people would contribute to the fund of course.

The CHAIRMAN.—You say there are about 6,000 employees who are under no superannuation fund at all. About how many are under superannuation?

Mr. WATSON.—Nearly 2,000 contribute.

The CHAIRMAN.—That would make a total of 8,000.

Mr. WATSON.—Yes, if my memory serves me right, there are not quite 2,000 contributing.

The CHAIRMAN.—You include within that 6,000 what classes of outside service?

Mr. WATSON.—I include all the outside service that is permanent. If I understand the thing properly all the outside servants contribute to the retirement fund. If that is not so it is practically so. Now what I have said so far was merely with reference to future entrants to the service, and the thing was worked out already with regard to them.

To come to the members of the present service, we have a conflict, a very difficult thing to deal with. And one of the great reasons why as I said before we may look with very little heed to existing schemes is that we have our positions here which are quite peculiar to ourselves. We have the retirement fund and persons contributing to that fund have long since been dissatisfied with it, and provision must be made to allow them to come in in the new fund. And the persons now contributing to that retirement fund have in many cases long periods of service to their credit. Some have now as much as 35 or 37 years temporary service during which they contributed to no fund whatever. These are things that require careful consideration. What are we to do with those people so that they will all be treated fairly, and be willing to come into the superannuation scheme on the basis proposed? And how can we arrange it so that they will not think some other person is getting something better than themselves? That is a considerable difficulty.

With regard to these on the old superannuation fund, we might consider them first. They have been contributing on two different bases. On the old fund practically all are contributing two per cent and on the second fund I think practically all are contributing three and a half per cent, to-day, some are perhaps at three per cent. It might appear to many that the persons who have been contributing two per cent should on going into a scheme of this kind contribute a good deal more than those who contribute three and a half per cent. However, it depends wholly on the point of view. If the thing is looked at prospectively it will bring us to one conclusion, if we look at it retrospectively it will bring us to another. The contributions of those paying two per cent have been put into a fund and benefits paid out, and consequently the fund is more reduced than if three and a half per cent had been paid in. The other way is to look at the liabilities the government has incurred by the bargain they have made. They have incurred a large liability, and therefore you see that we arrive at two different conclusions depending on the way we look at it. I am not prepared to say which is right, in fact I think neither one is right, without dealing with the two together. And the proposition that I would suggest and that I think is fair, is that these two funds should be brought in on an equal basis. Take both on the same status.

The CHAIRMAN.—Would you please explain just what you mean by that, Mr. Watson?

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Mr. WATSON.—What I would say is this. The government have incurred a liability under those funds, a different liability under each fund.

The CHAIRMAN.—They have incurred more liability under the first than under the second?

Mr. WATSON.—Yes, exactly. Now if the government can offer to these people a proposition whereby they reduce their liability under the fund, where their liability is immense on account of the system, and they reduce their liability less under the second, or may be they incur a little more, and then I would say to place the two funds on the same basis. That is the proposition I would make, namely, that those servants should come in precisely the same way as if they had been under the fund from the start. Any scheme or basis on which they are brought in must be simple. We have not the time, and we could not do it if we had, to go to work and make lengthy calculations. They would be useless, and we would do injustice as often as we would do justice, and the thing should be done in a simple and practical manner, and I think the best thing to do is to say to those people "Come in, you are a servant, and so long as you have contributed to the old fund, your contribution will count in the new one".

The CHAIRMAN.—And their contributions in the future would be on the basis of the new fund altogether—you would have one general clean up all around?

Mr. WATSON.—Yes, and from the time they come under the new funds they will contribute the same as the new entrants on salary payment which they are receiving at the time they come under the scheme, but not before. From the day they come in they will contribute from the salary payments as they have when they come in. So far as the past goes it will be a clean sheet.

The CHAIRMAN.—Why not put in this two per cent plus the interest?

Mr. WATSON.—Plus the interest?

The CHAIRMAN.—Yes, supposing we make a new fund, let them take what is on hand, what the government has in its possession. Let them put that into the new fund plus the interest for the time these people have been paying in.

Mr. WATSON.—I am not sure that that will help any. In fact that will be done, and a great deal more.

Mr. DUCHARME.—Is the government to hold the money? They hold the money now.

Mr. WATSON.—Yes.

Mr. DUCHARME.—Then they can put in the interest.

Mr. WATSON.—It would mean an immense amount of work to find out what that is, and there are other practical objections to that. In any case I think the whole thing can be accomplished at one stroke.

The CHAIRMAN.—Mr. Watson, I would like to ask you this question: Is there a fund in existence which has been set apart by the government or is it merely a part of the consolidated fund owing by the country?

Mr. WATSON.—For the old fund, that is number 1, I think there is actually no fund set apart.

The CHAIRMAN.—Just an obligation on the part of the country.

Mr. WATSON.—They simply take the contribution.

The CHAIRMAN.—That is for number 2?

Mr. WATSON.—I think there is a fund established. I think I am correct in saying that.

Mr. DUCHARME.—If a man has been paying two per cent for twenty years or so under that old superannuation fund, I do not think it would be a very big thing to work and find out how much that man has been paying and what the interest would be.

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Mr. WATSON.—But what would be the object in doing that?

Mr. DUCHARME.—It would put them all on the same footing.

Mr. WATSON.—It would not put them all on the same footing. It would be wholly inadequate to give him the benefits of his past payments and if it is inadequate it does not put them on the same footing.

Mr. DUCHARME.—Do you think the future rate would be higher than in the past?

Mr. WATSON.—Oh, by all means. The method I think that would work best would be to have those under the fund, no matter where they come from, from the date they come in contribute as if they entered the service themselves at that date. Difficulty is there to be faced and we will have to deal with it in some rough and ready way. For the past I should say the best course to follow is this: Ascertain when the Act has been in force one year, what the full liability incurred was, and spread that liability as if it were paid in equal annual amounts over the lives of the individuals coming under it. That would suit the government better because the government do not want to incur in one year an immense liability. The same thing occurs in England, where they pay their benefits out of the revenue each year. They never recognize the future liabilities they have at all, whereas if they went to establish a fund there would be a great big liability. It seems to me objectionable to make all that in one year. There is no objection to making it throughout the life time of the individuals.

The CHAIRMAN.—But in the past, I understand, they have not been sufficient to provide for the liabilities.

Mr. WATSON.—That is correct.

The CHAIRMAN.—Then your proposition now is to let them all come in on the new basis?

Mr. WATSON.—Yes.

The CHAIRMAN.—Do you propose to make up the deficit that is the difference between the liability which the new scheme will impose and the contributions of the past, spreading that liability over the future?

Mr. WATSON.—That is the case, yes.

The CHAIRMAN.—So that you make the contributions provide for the liabilities, but instead of the same having to be put into the fund at once it will be collected from year to year?

Mr. WATSON.—Yes, by a method of valuation. I had better deal now with temporary servants and the retirement fund. In many respects they are on the same basis. A man who has contributed to the retirement fund is on the same basis if you hand over to him his contribution, as the temporary servants.

Now with regard to parties on temporary service, that in many cases, particularly here in Ottawa, amounted to all intents and purposes to permanent service. In the majority of cases where the service lasted for any length of time it was impossible to distinguish them from permanent servants except as a mere matter of title.

The CHAIRMAN.—It doesn't seem to me to make any difference which it was called. If he had served the government constantly, what difference does it make?

Mr. WATSON.—Not any. But, dealing with those employees, they have made no contribution.

The CHAIRMAN.—With regard to those temporary servants, they have at no time paid into any superannuation fund I understand?

Mr. WATSON.—No, that is the case, except where a few of them did contribute once by mistake, and it was refunded to them.

The CHAIRMAN.—If you assume a future liability for them for the service of the past, you have to impose that liability upon the future servants to provide for the fund.

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Mr. WATSON.—That was not exactly what I would propose although it would be collected in the future. It is not my intention and so far as I can see I do not think it could be done, for it would be making the charge prohibitive.

The CHAIRMAN.—Then how would you deal with them?

Mr. WATSON.—The temporary servants in the past with regard to them, I would say to the employees: "Three quarters of that will count in full for you without any contribution whatever, the other one quarter you may count what part you like by contributing in full for the benefit you get." For the three quarters the government has contributed nothing and the employee has contributed nothing. I would ascertain the capitalized amount of that and the government would make that throughout the life time of the individual, like they do with the permanent service, under the old superannuation fund. There is a liability there that the government have incurred, although they never recognize it. Now then, on coming under the old rate they make good that liability by equal payments throughout the lifetime of the individual. But it would be absolutely impossible to make the employees make it good, for the charge would be so high they would simply stay the way they are now.

The CHAIRMAN.—I thought a moment ago you did suggest the liability of the government under the two per cent fund should be assessed on the civil servants in the future.

Mr. WATSON.—No, I did not intend to convey that impression, I meant it should be made good during their lifetime out of the consolidated revenue.

The CHAIRMAN.—It is not what you said.

Mr. WATSON.—Well at any rate it is what I meant.

The CHAIRMAN.—You made it clear as if they should be made good by future contributions from the servants themselves.

Mr. WATSON.—No, I meant to say by future contributions by the government during the lifetime of the servant.

The CHAIRMAN.—But out of the government?

Mr. WATSON.—Yes, it does not alter the liability any way, because the employees cannot do it.

The CHAIRMAN.—With regard to the temporary ones, according to the mere paper distinction between temporary and permanent service, would the amount you would assume under the three quarters proposition which you have just laid down be about the same as the liability on the permanent servants who have been paying two per cent?

Mr. WATSON.—If they had the same age circumstances and the same service circumstances.

The CHAIRMAN.—Yes.

Mr. WATSON.—I cannot see that it would be difficult to determine. It would involve an immense amount of calculation.

The CHAIRMAN.—On what principle do you put that suggestion at three quarters?

Mr. WATSON.—The principle is this: Take a man who has been in the service for a long period. It is no use for the government to offer him an amount that he cannot take, for the simple reason that they charge too much for it. They must go in on a reasonable basis. If not they are up against the same proposition and the man will say, I will remain the way I am now. I will stay on the pay-list as long as possible. The charge would be too high. My reason for saying three quarters was simply that we have men who have contributed to the retirement fund for thirteen or fourteen years perhaps. They have been perhaps working side by side with the man who is on

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the temporary service, and has paid nothing. He has been perhaps doing the same work and perhaps has been paid better and contributed nothing.

But I should finish with the retirement fund first. The proposition I would make to them is this: If they have enough in the retirement fund to provide for the future benefit to themselves based on the salary payments during the period of service, they should take it out of the retirement fund. Well and good. If they have too much, the balance is refunded to them, if they have not enough the government to make up the rest. To make that proposition quite possible on the retirement fund, which seems a reasonable one, if we could turn round to those on the temporary list and say: "Your service will count as well," we would run the risk of patching up a good deal of dissatisfaction in the service. A good many of the civil servants would feel that they had not been dealt with in the right way. For my own part I would not care. It is not a very great matter, and these men who have been on the temporary service must be dealt with as liberally as possible, otherwise it is no use to offer them a scheme at all. Unless they are dealt with in such a way as that, they will get out of the scheme altogether and we will have the same objections that we are paying salaries to men who are no good.

The CHAIRMAN.—Just on that point it strikes me, wouldn't you make your system compulsory?

Mr. WATSON.—Yes, on all future entrants to the service, but I think we would be making a big mistake if we made it compulsory on people who are at present in the service.

The CHAIRMAN.—It seems to me unless you do you are going to defeat one of the most important objects, namely, that you are going to encourage some of them to stay on there as long as they can instead of going under the superannuation scheme.

Mr. WATSON.—I think not. I think if a properly devised scheme can be put in force there will be very few who will not come under it.

The CHAIRMAN.—Then there would be no objection to making it compulsory?

Mr. WATSON.—In certain cases. Supposing I am a young man and want to leave the service in a year or two. I wouldn't like to have my contribution put in there and forfeited.

The CHAIRMAN.—But you must look at it from a public point of view, and the public does not know how long a man wants to stay there.

Mr. WATSON.—I think that is the one thing we should bear in mind, and that is, is the public going to gain by the arbitrary restriction. Of course in certain cases there will be gain, but will it be anything like it ought to be.

The CHAIRMAN.—I should think the strongest argument you have to put forward to the country which is not really so much satisfied with superannuation as you think it is, is that the public service demands that the old and inefficient men shall absolutely be put out of the service, whether they like it or not, and if you propose to put in a scheme which is not compulsory you are leaving the door wide open for abuses.

Mr. WATSON.—I am only speaking personally, I may say at this point that what I am saying is only my own personal opinion on everything. I have given a good deal of attention to this, and I have come to conclusions on every point of administration and all the rest of it. I have taken it up as a scientific matter, because I was interested in it from scientific reasons.

The CHAIRMAN.—But you must not put too much force in objections of a few scattered individuals against a policy that is in the public interest because it is not the individual whom you have to serve in this matter.

Mr. WATSON.—My principal objection is one of principle. I think it is contrary to all principles of British legislation to take away from a man rights that he has.

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The introducing of the retirement fund has given the old employees the right to stay under superannuation if they want to or under the retirement fund if they want to. A few days ago we were discussing a matter under the Civil Service Act, and the rights that were taken away under it and you had the Civil Service Association here trying to straighten it out.

The CHAIRMAN.—But we are taking away the rights of individuals every day in order to serve the interests of the public, and if you go to work in good faith recognizing vested rights of employees, employing experts and laying down a law that you are quite sure is equitable, it would not stand much in my way if in passing an Act which would be beneficial to the service and employees as a whole we should tread on the toes of some individuals.

Mr. WATSON.—Personally I would not care. But there is one class for which exception would have to be made, that is those contributing to the old superannuation fund.

The CHAIRMAN.—I am not so sure about that.

Mr. WATSON.—Well, possibly not, either.

The CHAIRMAN.—I do not like to see a system encumbered with too many exceptions.

Mr. WATSON.—These are matters of opinion really and not a matter of principle so much. Now there is one other point that perhaps we ought to deal with. The one thing which always so far as I am aware, has confronted us when we at any time started a scheme for superannuation is what it will cost. The cost seems to be the big bugbear for the government every time.

Now at the start here we agreed, or I think we did, that a well devised system of superannuation would not cost anything, that it is a saving in the increase of the salaries and the increased efficiency in the service, there is an actual saving.

The CHAIRMAN.—You mean to say you agreed, you said we agreed, but I think you mean you agreed.

Mr. WATSON.—Possibly that was the case.

Mr. LAKE.—That is what you must convince the country of, that it is an economical thing to do.

Mr. WATSON.—Yes, now the arguments to sustain that are these, at least I went over them in the first part of what I had to say, namely, that if you don't have superannuation you must retain an inefficient employee at full salary.

The CHAIRMAN.—We have quite comprehended your point. I think you had better go on and say what you have to say about the cost.

Mr. WATSON.—What I wish to say about the cost is this: If it is considered, and I think most administrators do admit that it is more economical, why should we go to work and collect an immense amount of data, records, particularly with respect to our Civil Service, their ages, salaries, the number of children they have, &c., for really no other purpose as far as I can see but to confuse people.

The CHAIRMAN.—A wholly unsatisfactory purpose, because it does not strike at the great loss to the public service of having old and inefficient people cumbering up the offices. You cannot clear them out at all.

Mr. WATSON.—No, sir, but it does seem to me we should hesitate to go and calculate and give a lot of statistics cost, for in nine cases out of ten those are no good but to confuse people.

The CHAIRMAN.—I may say that we have before us at the present time the question of reorganization of a department or the branch of a department in which the most unpleasant feature of it is that if we make changes which we think are absolutely essential and in the public interest, to save money and get efficient work, which is the

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greater point and of the most importance, we have to deal with two old men, one of them is ill, neither of whom is entitled to a pension at the present moment, and we are right up against the question whether we are going to be hard hearted in the recommendation where the individual is concerned, or allow the whole Dominion of Canada to suffer untold loss by keeping those inefficient men there. Now, in my personal opinion no contribution to the superannuation fund could for a moment be measured against the need of having efficient men in this department.

Mr. WATSON.—That is the whole case. These men cannot be made to pay for the benefit they get, and as for the matter of the cost I do not think it is a thing we should hesitate long about. It does not cost the government. It is a saving.

The CHAIRMAN.—Have you prepared any figures at all with regard to the carrying out of your suggestions?

Mr. WATSON.—Yes, I have.

The CHAIRMAN.—Can you briefly outline what they are? I mean to say what contribution would you ask from people in the future and what pensions do you suggest? What system or scale, can you give us some of those details.

Mr. WATSON.—With regard to that I might have brought my calculations with me, I don't know how I came to forget them.

The CHAIRMAN.—Perhaps in any case it would be better if you gave them when we call you before us as a witness.

Mr. WATSON.—I have made the calculations of the cost of contributions by an individual and the total cost to the government on this basis—however, I will explain all that to you when I come before you as a witness; and now I must go back to my benefits. There was some of the detail with regard to some of the benefits which I passed over, and I think it is important.

If it is necessary to have a system of superannuation to eliminate from the service men as they become inefficient, then it seems to me to get rid of these men you must take account of their needs and the time they are being superannuated, otherwise the benefits in some cases will be much larger than necessary, and in other cases much smaller. An illustration: Three men enter the service at the same age, the same salaries, and progress through the service similarly, one remains single, one marries and the third marries and has children. All through their lives they draw the same salaries and become disabled at the same age. It is evident that the man who is single will get out of the service and will be willing to go on a much smaller allowance than the man who is married, who also in his turn would be willing to go on a smaller allowance than the man who is married and has children. If that is a proper conclusion to come to, I think the benefits should be apportioned to the needs of a man at the time he goes out. I will say to the man: We will give you an allowance of one and three-quarters per cent of salary at the time you go out, and in addition to that I would give two-thirds per cent to the man who has a wife. If he has children I would suggest an allowance of say one-twentieth of his salary at the time of retirement not exceeding say \$75. So it would be an attempt to place these three men as nearly as possible on the same basis, at any rate that is the principle without being too fussy about details. On that basis I have made calculations and from memory I would say that I think the contribution from an employee entering at 20, would be I think three per cent of his salary.

The CHAIRMAN.—Perhaps you had better not go into it minutely from memory. You are only presenting this feature of it at present and we will go into the details of it later on.

Mr. WATSON.—Have I made it quite clear about the method of determining benefits for the employee and his wife and children?

The CHAIRMAN.—Well, we will get that later on too.

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Mr. WATSON.—Now, Mr. Chairman and gentlemen, are there any other points on which you would like to hear me?

The CHAIRMAN.—We have listened with a great deal of pleasure, and we must thank you now for the extreme clearness of your views on the subject.

Mr. DUCHARME.—You were speaking about the old superannuation fund being abolished. I would like to know if the retirement fund gives good satisfaction.

Mr. WATSON.—The Retirement Act does entirely the opposite to what a superannuation scheme ought to do. A superannuation scheme ought to retain for the government a good and efficient employee as long as he is efficient, and when he becomes inefficient it should enable the government to get clear of him easily in a humane manner with a proper regard to his circumstances in life and all that sort of thing. The retirement fund does this: You save up for a man, you keep his savings for him until he gets a certain amount of capital there, which capital is only available to him provided he leaves the service. He cannot buy a house with it or use it in any way, but it is standing there to his credit, a constant temptation to leave the service. If a man acquires a profession in the service or becomes especially valuable owing to the training which he gets there, he has a great temptation to go out into the world and take advantage of favourable opportunities which he may see. He will stay in the government when salaries are poor and business is bad, he will await his opportunity and jump out when times are good. It takes away the good men and leaves the dead beats.

Mr. DUCHARME.—As far as the man himself is concerned there is no harm in it?

Mr. WATSON.—Well, there is, but not from that point of view. It does not provide a sufficient retirement allowance when he attains old age, and in case of ill health there is nothing. The principle of insurance should be involved in superannuation, but you must also provide for getting rid of a man in earlier years. And in earlier years we must avoid one danger. Make the allowance as liberal as possible without making it an inducement for him to go out of the service before they are able to render good service. That is, in order to avoid them making pretence of ill health, it will be necessary for them to produce medical certificates that they are in ill health. But the retiring fund does not give any inducement to the man to retire in ill health, but is an inducement to the man who is in good health and is a good and capable man to leave the service.

Mr. DUCHARME.—Now about the old pension fund?

Mr. WATSON.—In one respect it is good. And there are advantages, for instance, it certainly holds a man in the service, but there are other defects too, for instance, a man dies in the service, and his widow and children get absolutely nothing. We have lots of cases here of men who have contributed in some cases for 35 years and who have died in the service, and their families got nothing.

Mr. DUCHARME.—Why was it abolished?

The CHAIRMAN.—For political reasons.

Mr. WATSON.—If I may make the request, Mr. Chairman, I would prefer not to be called upon to answer that.

The CHAIRMAN.—We all know that it was abolished because the government had denounced it when in opposition, and when they came into power for political reasons they abolished it.

Mr. LAKE.—There was no feeling in the service itself against that—I have only been here for six years and so I do not know?

Mr. WATSON.—I think there was not. There might have been possibly a feeling to liberalize it and give something to the widows and children of those who died in the service.

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The CHAIRMAN.—We thank you very much indeed Mr. Watson, for your very clear statement. We have been delighted indeed to listen to you.

Dr. SMITH (The President).—I will call upon Mr. Miller of Hamilton to deal with the salary question for a few moments.

The CHAIRMAN.—One moment if you please. Mr. Watson, I understand that there have been different attempts by various people to deal with this question of superannuation, have there not? Did not some one put forward an Act last year?

Mr. WATSON.—Two years ago, I think.

The CHAIRMAN.—That of course was not subject to the approval of your association in any way?

Mr. WATSON.—Well, in a certain way we did approve of it.

The CHAIRMAN.—Not as a whole?

Mr. WATSON.—I am not sure what formal agreement was given to it, although in our heart of hearts I think there was general disagreement.

The CHAIRMAN.—Have you anywhere a draft Bill which has been drawn up for the purpose of carrying into effect the views which you have expressed here to-day?

Mr. WATSON.—I may say I have.

The CHAIRMAN.—You have such a draft Bill?

Mr. WATSON.—Yes, I have gone pretty carefully into it.

Mr. LAKE.—Is that a Bill of your own or is it one that has been brought before the Civil Service Federation?

Mr. WATSON.—No, I have not brought it before the association for certain reasons. Although this is not a matter which comes within the purview of the Insurance Department at all, I take an interest in going into it, but I thought it would be bad policy for the public servants and all concerned if we were to go to work and agree on a thing, however admirable it might be, for the reason I am not sure any government would care to take a Bill we had prepared, and although I am telling you that I have prepared a draft Bill it is quite confidential, because I thought that the government, if they were taking this up might require some information, and anything I did was in a personal way and also with a view that it might perhaps be of use to the Finance Department.

The CHAIRMAN.—We understand your personal position, being an employee of that department, but I do not think that there would be any offence whatever if as a witness you were called before us and were asked to give us the benefit of anything you have there, not for publication, but for consideration.

Mr. WATSON.—I have no hesitation in doing that at all.

The CHAIRMAN.—One more question, Mr. Watson. To what extent do the personal opinions you have just expressed represent the voice of the federation?

Mr. WATSON.—I cannot say anything about that, because I have not discussed it with them, for the reason I have mentioned. But I have discussed it, though not at such great length, with a few members of the association at Ottawa, and I do not remember that any serious objection was taken to anything.

The CHAIRMAN.—Then I make this suggestion: That your federation, Mr. President, do proceed to consider whether you would not appoint a committee made up as you like, to consult with us from time to time here concerning this and other matters. From this committee we could gather from time to time the support and the opinion of the Civil Service. In other words, we have to consider two or three points of view, the public point of view, and the departmental or government point of view and our own point of view. The Civil Service Association have already a standing committee on this subject with whom we could confer from time to time and trade views and discussion. It would help us to know when we got their views that they carried with them

the support of the federation, and before you dissolve this time you might consider the propriety of appointing such a committee.

Dr. SMITH (the President).—With regard to that I think I should call upon our secretary as he is the secretary of that committee.

Mr. HIGMAN.—I might say that Mr. Watson has spoken to me about this question of superannuation, and while personally in the main I agree entirely with his proposition, the Civil Service Association of Ottawa has not been consulted, and it must not be considered of course as being from that association. The scheme, as a whole, I think will commend itself, if I may say so, from the fact that all the civil servants under that scheme, especially the future entrants, will buy their own superannuation, that is so far as they themselves are personally concerned, and to that extent I think it should commend itself to the public.

The CHAIRMAN.—What we would clearly have to do—there is the two per cent man and the three and a half per cent and the temporary employees and those under the retirement fund, and I do not suppose we can as yet, there is the man of the future. And when we come to consider any measure that is before us, we have not only to hear the federation and the association, but we have to take particular care to have the representatives of the different classes appointed by those classes in order that their views may be thoroughly understood. It would be a great thing to have a measure that would come to the government for consideration with the practically unanimous approval of all the persons whose divergent interests are represented there, I would say more than the whole of the Civil Service, but every class of the Civil Service altogether.

Mr. LAKE.—It would be a very fair step towards getting the government to take hold of a measure.

Mr. WATSON.—I might say that one very strong incentive to agree and sink minor differences would be the fact that a measure had been put forward by the Commission, and approved by them, that would be a strong argument in favour of all classes of the Civil Service accepting it. And if we could pretty well agree that a wise measure had been devised, I think the minor differences would be ignored.

Mr. COATS.—What we hoped to do with your Commission was to repeat what we did with Mr. Courtenay's Commission of some two or three or four years ago. At that time the government actuary was a Mr. Grant, who was one of the officers of our association, and Mr. Grant having been in Mr. Courtenay's own department when he was Deputy Minister of Finance, he practically asked Mr. Grant to consult with them confidentially in the drawing up of a measure. At that time Mr. Grant, as I say, was one of our own officers, and we thus had an opportunity as an association of being in touch with the Commission in the various details of the proposed measure.

Of course as members of this executive of ours we are politicians in a way, Civil Service politicians, and we appreciate the fact that a superannuation measure is so essentially a complicated measure, and so essentially a measure of which an understanding is difficult to arrive at, that we do not feel that at the present stage we can adopt Mr. Watson's Bill, because I may say he has a Bill up his sleeve which completely carries out the whole of the principle he has enunciated this morning. Our problem as an executive is that if we put forward that or any other Bill whatever we would have probably a long and interminable discussion on our hands. We have a committee on the subject, of which I happen to be chairman. That committee has been in close touch with Mr. Watson, and I think on the whole sympathizes with his views. Naturally we have not the intimate knowledge of what he exactly is proposing that he has, but I think if you could take Mr. Watson's Bill yourselves it would be of great help in this matter. In the first place it would be of tremendous advantage to the Civil Service Federation if the Commission would itself put forward some figures.

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The CHAIRMAN.—You mean some Bill should go from us to the civil servants for discussion?

Mr. COATS.—Yes, it would have so much more force with our membership.

The CHAIRMAN.—You mean simply just to reverse the procedure, and instead of having you suggest the Bill for our approval have us submit a Bill?

Mr. COATS.—Yes, it would have more force if you put it forward than if we did.

Dr. SMITH (The President).—I will now call upon my friend Mr. Miller of Hamilton, to say something on the question of salaries.

SALARIES.

Mr. MILLER.—Mr. Chairman and gentlemen of the Commission, I may say that the question of salary is one that affects every member of the association, every member of the service and it would be like carrying coals to Newcastle if I were to attempt to explain to you at any length what we consider the tremendous necessity of a general increase of salary on account of the increased cost of living.

The CHAIRMAN.—One moment please, Mr. Miller. I would be glad if you would tell me first where you are employed?

Mr. MILLER.—I am collector of Inland Revenue in Hamilton. I am now addressing, you, sir, not as a representative of the Inland Revenue branch, but on behalf of the executive of the federation.

The CHAIRMAN.—That is for the outside service?

Mr. MILLER.—Yes, the outside service. As I was saying the necessity felt by the outside service of an increase in salary on account of the increased cost of living is not sectional, nor yet is it personal with a few. It extends from the far east to the far west. Conditions are similar in that respect throughout our whole Dominion. You are well aware of the fact that it is said by those who are deeply interested in the cost of living, that really we are facing an increase in cost of from forty-five to fifty per cent. If that only affected the ordinary articles that we buy for sustaining life we might curtail to some extent in another direction, but there is no portion of the expense of a family or of an individual that has not gone up to the extent that I have just stated. We cannot lop off half of our clothing and do something a little better for our table, we cannot lop off the table and do something a little better for our personal appearance, because naturally we all want to be strong, healthy and rugged. We are desirous of seeing our families grow up in our midst healthy, sound and good Canadians, ready to carry on the work and the prosperity of this country when we are gone. Now, sir, our position is peculiar in the community in which we reside. There is hardly a man or woman on the street that does not recognize almost any member of the service, be he in the Post Office, in the Customs or in the Inland Revenue. It is desirous that we should appear at all time in our office, on the street, and in assemblies that we may attend, that we may be clothed in a proper manner to maintain the dignity of our position, and the member of the Civil Service, be he in the outside or the inside, who does not appreciate the dignity and importance of the position he occupies in the community, is belittling his manhood and injuring the service. Consequently, we are all desirous and we are endeavouring to keep up that tone of respectability which commands respect. Our families are in the same position, we have to maintain them just as respectably and as well as we are endeavouring to keep ourselves. We can all understand and appreciate that. Then again, the social position—while I am far from being a social man—

The CHAIRMAN.—Say a society man.

Mr. MILLER.—Yes, while I am far from being a society man, we all have to do a little bit of that, and if we do mingle in society and take advantage of our opportuni-

ties of having a social time with our friends and neighbours, we have to appear just as well as they do. On occasions my wife has told me, "No, I can't do that, my dress is not suited for such an occasion as that, and I decline to go."

The CHAIRMAN.—We are all married men and we can all appreciate that.

Mr. MILLER.—Yes, and I have no doubt you have all felt the same thing.

The CHAIRMAN.—We have all heard the same thing.

Mr. MILLER.—Now, sir, there is one phase of the increases that have been granted that is very onerous to the service. I will give as an illustration a case in connection with our department. A couple of years ago we had an increase. There has always been a maximum and minimum salary in connection with the various classes into which our department is divided. They arrange these annual increases from 7 per cent to 10 per cent on the minimum.

The CHAIRMAN.—Is the Inland Revenue Department the outside officers, under the Civil Service?

Mr. MILLER.—Yes.

Mr. COATS.—You are not under the Act of 1908, Mr. Miller?

Mr. MILLER.—No, Mr. Chairman, I am not speaking at all of what pertains to the inside service, but purely to the outside. Take our department, and I presume it is the same thing in the Post Office and the Customs. Our increases run from 7 to 10 per cent on the minimum of each class. Now, when I tell you that at that rate those under a certain salary are increased about \$6.50 a month, others \$7.50, others \$8 or \$8.25 taking somewhere about four years for us to arrive at a maximum, and as you are all married men you are well aware how far that would go and what a great advantage that would give you when you simply get about \$6.50 a month of an increase, and that it will take you five or six years to get up to where you desire to be.

Mr. DUCHARME.—An increase every year?

Mr. DUCHARME.—On what is the increase based? Is it a yearly increase?

Mr. MILLER.—Yes, but divided monthly.

Mr. DUCHARME.—An increase every year?

Mr. MILLER.—Yes, now for instance, in some classes their increase is fixed at \$100.

Mr. DUCHARME.—Per year?

Mr. MILLER.—Yes, per year, that divided up into twelve give about \$8.32 or \$8.33 per month. If they are in a lower class then that it gives them about \$75 per year.

Mr. DUCHARME.—And it takes about four or five years to get to the maximum of that class?

Mr. MILLER.—Yes. Now I would like to impress this fact upon the Commission, that after years of service, and we claim that we render faithful service to the department, shouldn't there be some advantage given to a man no matter what class he is in, who has served the country and the government faithfully for 15 or 20 years?

That is something that would gladden the hearts and relieve the necessities of a great many, and would be of such a nature and such a character as to make the feeling between the service and our governments, as if the government had a fatherly interest in the service. We all appreciate and feel the necessity of an absolute honest performance of our duties, and we wish the government to feel that we are doing that, and when we come to them and ask them for some consideration as to increase of salaries we want them to feel that it is not a graft scheme, but it is something that is due to us, I was going to say from father to son, but at all events from the guardian to the ward.

Now this question of increase is so personal that every one who ever put in any time for which he was receiving a salary appreciates the delicacy that we have in coming before your Commission or coming before our ministers or the government, and asking for an increase. We feel that to-day we are no excep-

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tion to the general rule. Unfortunately, look at that great strike that is to-day paralysing the trade of England. The question of salary, the question of wages. May I say, although we have no intention of striking, that we look upon the cabinet and upon the government as our employers and we regard ourselves as their employees. Now we simply place our case in the hands of this Commission. We believe and have confidence that you are here for a purpose, and that purpose is to work out some good solution of the many difficulties that hamper and surround the best interests of the outside service. I thank you, gentlemen.

Mr. DUCHARME.—Mr. Miller. I would like to ask you one question, and that is with regard to the increase you get every year from \$6 to \$10 a month, say an average of \$8 a month. That means \$8 every first year, \$16 the second year.

Mr. MILLER.—Per month.

Mr. DUCHARME.—Yes, per month, and \$32 for the fourth year?

Mr. MILLER.—Yes, it goes on annually.

Mr. DUCHARME.—Well, in spite of that increase do you think the cost of living has been increasing the last five years so fast that you should have an increase of salary?

Mr. MILLER.—Yes.

Mr. DUCHARME.—And in case the cost of living should go down again to what it was five years ago would you then want a decrease in your salary to be made?

The CHAIRMAN.—I think we will excuse you from answering that question Mr. Miller.

A DELEGATE.—That does not mean that we should starve while the cost of living is increasing.

Mr. LAKE.—Will you tell us exactly what the increase was that was made to the service three or four years ago?

Mr. MILLER.—I think it went into effect two or three years ago.

Mr. LAKE.—Just tell us exactly what it was.

Mr. MILLER.—I could only tell you in connection with the Inland Revenue Department.

Mr. LAKE.—That is all I want.

Mr. MILLER.—Well, take myself for instance. I was granted an increase of \$400.

Mr. LAKE.—Were all the employees in the Inland Revenue Department granted an increase?

Mr. MILLER.—Yes, they all got an increase. I was granted an increase of \$400.

The CHAIRMAN.—I find the Act was assented to on the 4th of May, 1910. I presume it was at that time.

Mr. MILLER.—Yes. My salary, I was at the maximum class for salaries at that time, \$2,400 per year. I was granted an increase of \$400, that is the maximum was extended to \$2,800. I got \$100 a year, \$8 and some few cents a month, and it will take me four years to arrive at the maximum, and the staff downwards are in an even worse position to that, because their percentage of increase as the scale goes down, is less.

The CHAIRMAN.—You mean that you were not granted \$400 four years ago, but the maximum salary to which you might attain was increased \$400?

Mr. MILLER.—Yes.

The CHAIRMAN.—And you have to go on a number of years before you can come to the full measure of that increase?

Mr. MILLER.—Yes.

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The CHAIRMAN.—So you say that although that recognized the increased cost of living by providing an increase of the maximum, it did not provide at once for the increased cost of living?

Mr. MILLER.—Far from it.

The CHAIRMAN.—And it was a case of starving until you got to the maximum?

Mr. MILLER.—Just a little sop each year.

The CHAIRMAN.—Instead of making it at once a recognized sum?

Mr. MILLER.—Yes.

The CHAIRMAN.—We are very much obliged to you, Mr. Miller. I am sure you recognize this, that in undertaking to discuss and consider the salaries of the outside service, we have an immense job before us, because as you have said, these conditions are as wide as the Dominion itself, and they have to be considered with regard to local conditions, possibly even the local cost of living, which may be very much greater in the west for instance, than it is in the east. Then you must recognize this, that salary and classification have to be considered together to a considerable extent, and in considering classification one has also to consider organization, that is to say, what class of man is required to do a certain class of work in a certain part of the country. So it is like a house of brick, every brick bears down upon some other brick, and it is a question which I may say, although we anticipate that we are going to devote very close attention to it this summer, and probably will soon be travelling over the country, it is a question that will take an immense amount of time, and if you will kindly bear with us as a Commission, if you find that on this particular feature we are pretty slow. I have seen some complaints recently in some writings about the slow progress commissions make in these matters. I will leave it to you if you think a matter of this kind can be dealt with in a hurry and be dealt with in a careful and proper manner.

Mr. MILLER.—There is no one who appreciates your difficulties more than the gentlemen of the service.

Mr. HIGMAN.—Especially those who have studied the question.

Mr. MILLER.—Yes, those who have studied it and taken an interest in their staff, the life of their staff, the quality of their staff and the work to be done. And we also fully appreciate the different conditions from one locality to another. While I said a few minutes ago that the increase had been general from the east to the west, I presume that may be the west are harder pinched than we are, because they live under different conditions. Their provinces are younger, and may I say it, their necessities expand with the expansion of the country.

Now here is a letter, and I fancy I may best place it in your hands. This is a letter that the esteemed secretary of the federation received from the secretary of the subordinate branch in Vancouver. The letter reads as follows:—

‘DOMINION CIVIL SERVANTS’ ASSOCIATION OF BRITISH COLUMBIA,
‘VANCOUVER, B.C., February 15, 1912.

‘R. H. COATS, Esq.,

‘Secretary, Civil Service Federation of Canada,
“Ottawa, Ont.

‘DEAR SIR,—I submit herewith resolutions passed at our annual meeting of the 10th inst.

“Resolved that a communication be sent to the Secretary of the Civil Service Federation requesting that a representative of the Dominion Civil Service Association of British Columbia wait upon the Civil Service Commission at Ottawa, or should Commissioners come to British Columbia that then our representative be permitted to lay our case before them when there.

“Resolved further that the committee of the Civil Service Federation, which

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meets the Civil Service Commission be requested to press our claims of a provisional allowance to all civil servants in B.C. to offset the difference in cost of living in further west as compared with the east.'

"May I further on behalf of the members of our Vancouver branch request you to call upon their member Mr. Stevens in view of strengthening their cause in respect to a western allowance.

"You will find Mr. Stevens a man easy to approach, who I can assure you will be only too glad to meet you.

"In the hope that you will be able to help us in this regard,

"I am,

"Yours truly,

"A. B. SOWTER,

"*Sec. Treas.*"

About the only thing that they desire is to have an allowance in the difference in the cost of living, which I think is no more than right. We in the east appreciate their conditions, and if we can extend a helping hand to them we are only in duty bound to do it. I fancy that Mr. Coats will not object if I place this communication in your hands, Mr. Chairman, and that will show you that that is one of the crying wants of the west. It applies not only to British Columbia, but to Saskatchewan, Alberta and Manitoba as well.

The CHAIRMAN.—Mr. Coats, you are in the Labour Department, are you not?

Mr. COATS.—Yes.

The CHAIRMAN.—Can you tell me one or two things: Have you statistics in your department showing the cost of living?

Mr. COATS.—Yes, we have quite an elaborate series of statistics on that question.

Mr. LAKE.—You drew up a large volume, didn't you?

Mr. COATS.—Yes.

Mr. LAKE.—That has been kept up to date, I suppose?

Mr. COATS.—Yes, it is up to date. I have a supplementary report in the press at the moment.

The CHAIRMAN.—Are they comparative for a number of years?

Mr. COATS.—Yes, in so far as wholesale prices are concerned. We have two price records, wholesale and retail. Of course the phenomena from a statistical and an economical standard are different, and require different systems of computation. For instance, the wholesale price is the same over the whole country, for instance, the price of wheat is the Fort William price, plus freight to any point, so you can take wheat and find out its cost at a certain point very easily. The retail prices involve a different class of phenomena, because they involve middlemen.

We have in the first place this wholesale price record which we have reduced to an index number. We have a large number of commodities, 261 there, and they are collected so as to be entirely representative of the commercial and industrial life of the country, divided into groups, and so on. We have taken a record of these 261 commodities back to 1890, for the purpose of getting out a special report two years ago. We went back to that period in order to get proper perspective, and we took as our basis of comparison the decade from 1890 to 1900. We said: In the case of each one of these articles we will find out what the price of this article was, the first of each month, and we shall record that as equal to 100, and express all other prices in percentages of that basis.

Our findings were something like this for that 20 year period. We found the prices decreased somewhat rapidly from 1890 to 1896, but that beginning in 1897, a much more forward and upward movement began. Prices which were expressed in

the terms of those index numbers 92, in 1897 rose to 126 in 1907. That means an increase approximately of 35 or 37 per cent. And in 1907, the year of the panic in the United States, there was a slump in general prices, in 1908, and the first part of 1909, but since June, 1909, the old upward movement has set in again, and our index number for last month was 131, which was the largest point it ever reached for the 22 years that we have these accurate records for, and I think as a matter of fact unless detailed information, that is the highest point prices have reached in Canada since 1882, and probably since 1873. The prices were very high the world over in 1873. On a cost of living basis, I do not think Mr. Miller's statement that the level of prices are from forty-five to fifty per cent higher than in 1896, is a bit exaggerated.

Our retail prices record is in a different form. We have not so many commodities, because you can include in 30 commodities practically from 80 to 90 per cent practically the consumption of an average family. But in that connection we have drawn up this list of some 30 articles which include food, fuel, light and statement of prices and we get each month from our correspondents in each city a return of current prices so that we can furnish this kind of a comparison. This kind of a comparison between the east and west, more or less accurate statistics. I once made calculations, I forget at what time, as between Ottawa prices and the prices in Vancouver, based on our retail prices record, and it did bear out the statement in this matter that prices are somewhere from about 15 to 18 per cent higher in British Columbia.

The CHAIRMAN.—Is that true of the prairie provinces as well?

Mr. COATS.—I think so. I could furnish a statement.

The CHAIRMAN.—Yes, it was more for the purpose of asking you would you be good enough to furnish a statement if you haven't got it now, that I asked you the question. What I would particularly like is a statement dealing with sectional cost in the east as compared with west and also in the intervening provinces. Also of course there is the question of the positive increase of cost of living, which I think can probably be proven to be general all over the country. Now is the increase of wholesale prices a fair measure to apply to the increased cost of living for a family in a separate section?

Mr. COATS.—Well, it is not as good a test as retail prices, but they are so much more available. You see wholesale prices are quite different. The price of wheat will change many times in the course of a day, but after all we don't eat wheat, we eat bread. And the price of bread does not fluctuate nearly so rapidly.

The CHAIRMAN.—I presume you could only get retail prices over the country from the books of private dealers, and not from market quotations, because they do not exist.

Mr. COATS.—No. We have in progress a corresponding investigation of retail prices.

The CHAIRMAN.—In one of the Commission I noticed that Mr. Blue, I think of the Statistics Branch, put in returns concerning the cost of living. Does that department get any closer statistics than you do?

Mr. COATS.—No, I do not think so. It was in connection with Mr. Courtenay's Commission.

The CHAIRMAN.—Yes.

Mr. COATS.—Mr. Courtenay asked Mr. Blue to compile those figures. I don't think the census deals with prices.

The CHAIRMAN.—At that time there were no statistics sufficient to give a good idea of the whole country.

Mr. COATS.—No. I think Mr. Blue's statistics were part wholesale and part retail.

The CHAIRMAN.—And must have been obtained how?

Mr. COATS.—From journals, newspapers and trade reports.

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The CHAIRMAN.—And so far as the returns were concerned would be very fragmentary?

Mr. COATS.—I think they were wholesale altogether.

The CHAIRMAN.—What I would like to do would be to take Nova Scotia for instance, some fair evidence of what would be the increase in the cost of families living in Nova Scotia.

Mr. COATS.—The Department of Labour ought to be able to furnish that. Unfortunately it cannot at the present moment. It is a peculiar problem, because in such a large country as Canada there is the other question, namely, the different standards of living necessary in various places. For instance, in Victoria, B.C., you have a climate comparable to the south of England, and in Winnipeg you have a climate which can only be compared to a city like Moscow in the heart of Russia. Victoria people burn a soft bituminous coal for a few months in the year while the Winnipeg people must burn coal perhaps for eight months in the year, and must bring a great deal of it from Pennsylvania. So you see that prices are not the only thing.

The CHAIRMAN.—That is what I meant when I stated that we had to make our inquiry into all parts of the country under the local conditions, for instance, cities have a different style of living from towns and country places, and places in the east are different from those in the west, &c., and all those things have to be taken into consideration in estimating the thing as a whole.

Mr. COATS.—I think if you could wait three or four years the Department of Labour will have covered this very thoroughly.

The CHAIRMAN.—We are willing to wait if you are, and if you can get the government to continue our life for that long we would gladly wait. We shall have to go to your department for those figures.

Dr. SMITH (The President).—I had associated with Mr. Miller, a Mr. Hall from Hamilton, but unfortunately he cannot be here this morning, so I will have a word or two to say in closing our discussion here this morning, unless some one wishes to say something or unless one of the Commissioners wishes to ask anything.

I want to speak for a moment on the extension of the Act of 1908, that is to have the Act extended to take in the outside service. My remarks along that line will be very short, and I must say that I am delighted to see the grasp of the situation that you gentlemen have shown this morning, and I wondered that you should get at it so readily and clearly in the short time since you have been in office. I know that I went into the service nine years ago and it took me years to be able to express myself along the lines that I have been pleased to hear this morning, and I therefore feel it is not necessary to discuss this subject at any length feeling that we may go home perfectly satisfied that the ideas and desires are fully appreciated by this Commission, I will be delighted to express to my conferees as I meet them the confidence that I feel in this Commission and in the effect of its work throughout the Dominion.

Diverting from business for a minute I was reminded of a story that I heard the other day. It seemed as if I was in a dream, like Pat, who went to visit his friend Mike, and in the course of his entertainment Mike asked Pat if he would have something. Pat said yes he would, and Mike asked him if he would have it cold or hot. He said he would have it hot, and Mike went away for the hot water but before Mike returned Pat woke up. Now I don't want to wake up. I just want to go home in the pleasant dream that I have got into this morning, feeling that we are going to get it both hot and cold.

Another point I want to touch on, but I don't want to detain you too long. I don't want to be in the position of the young debater. The story is told of a young gentleman who when he was at college took a great interest in debating, in oratory. After the college closed he was invited to a town in Ohio to deliver an address, which he did. On his return his friends asked him: Did you go to Canton, Ohio, and he

said, yes, and they asked him if he did pretty well, and he said, yes, well enough. Then they asked him if the people in Canton had asked him to go back and deliver another address, and he said, well, no, not exactly, but they had kind of dared him to come back. I want to leave ourselves in the position Mr. Chairman, that we will be able to come back and discuss this question with you again, that you won't dare us to come back again.

Now reverting back to the point at issue, we would like to have the Act of 1908 extended to take in the outside service. I think that is unanimous throughout the whole country with the exception of a few points which are not understood by some, and the trouble with them is that they are afraid that certain examinations might be brought on. They feel that any examination they might put, to men who have been in the service for years would be along the lines of practical work, and not in grammar, geography, history and so forth, and after this discussion with the Commission this morning I feel that we can safely leave that matter in their hands.

We are not so particular about the opening examinations, the qualifying examinations, because while we are here in the interests of increased salaries, we are also here I want the Commission to understand, in the interests and benefits of the service as a whole. We want to see the service benefitted, and we want to see those who come into the service to be men qualified for the positions and so the government must not feel that we are trying all the time to get everything for ourselves, and I wish them to feel that we are trying to give something in return for it. We have agreed upon a little schedule here, taking the resolution as introduced by our Minister of Customs, I will just speak to the one point at present, and we made one or two suggestions here, and I am leaving it in the hands of Mr. Coats, who is the secretary, and who is the gentleman whom you can communicate with easily and he with you at any time in Ottawa. And so far as the position of the service is concerned when you are discussing matters with Mr. Coats, our secretary, he is so well qualified and we have so much confidence in him that we will back him up at all times, so you can put any kind of question to him, as hard as you like, and if he says yes, we will say yes at all times. So it will make it easier for us to leave things in that way.

I was very glad to hear the Chairman express himself this morning about the different customs and the different cost of living in the different parts of this Dominion. You have the right idea, and I agree with you in that particular as in all the rest. The different parts of Canada and the different conditions under which we live must all be considered. I think that is a fair proposition and I was very much pleased indeed when I heard you make that remark.

It is not necessary to detain you at any further length, and I know things will come up from time to time with the different departments, from what you said this morning, and I know you are going into things so fully that I do not care to say anything more. If any of the other gentlemen would like to ask a question I would like to hear them. I thank you most heartily for the cordial manner in which we have been received here this morning. I speak for the Federation as a whole. I want to speak to the President of the inside service who is here this morning and to thank him for the manner in which they have been working on this question, and I want you to know Mr. Chairman, that we are in accord with the work done by the inside service. I want to say that we have always agreed with everything the inside service has done and we have nothing to say but to thank them for the good work they have carried on and for the assistance they have given us.

Thanking you for the hearing.

The CHAIRMAN.—Mr. President, we commissioners know not only from our position and the fact that we have been appointed, but also the many private discussions we have had with the premier and other members of the government, that the government is sincerely desirous that all questions affecting the Civil Service, both inside and outside, shall be grappled with in a statesmanlike way. They have felt that there

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was so much necessity for relief, that even in this session shortly after coming into power they have, in a piecemeal manner, in two or three respects, endeavoured to give relief. They have on the one hand felt that they are acting too considerably in dealing with individual cases, and that the whole subject ought to be dealt with. But still pressure caused them, as the Minister of Customs has done, and in one or two other respects certain particulars have been grappled with. But the government has expressed to us that our appointment is because of the fact that these questions are so wide and have to be studied in such a wide way and yet in such detail, that no government could without the aid of a special commission attempt to grapple with them all. Therefore the government have been forced to postpone their dealing with these subjects. They expect of us that we shall give a very thorough and complete study to these subjects, and I am sure as far as the members of this Commission are concerned, if they fail it will not be from lack of good will or desire, but perhaps from a lack of ability for which they must not be blamed, if they do not show enough. We shall endeavour to study the question with all the power that is in us and will endeavour to grasp it particularly and thoroughly in detail, and I am sure my colleagues and myself will have no hesitation in recommending what we think justice demands and what are the requirements of the public service. Your cause is encouraged by a feeling which I think is stronger than ever before on account of the change of government. The old government had to some extent lived down the pressure on their early days, what had made the service what it was, and did not feel the cry for patronage as much. The incoming government, as I know from talking with them, and every member of parliament as well, feels the terrible pressure of the patronage cry, and putting the service, if it can be put, under the Civil Service Act will be the greatest relief of all to the representatives in parliament, and to the ministers, whose lives are to a very large extent made anything but pleasant by the demands for patronage that are going on from time to time, and appointments of one kind and another. So you see it is a very auspicious time for this subject to be dealt with, and I am satisfied if we can make a wise recommendation, by the time parliament meets next session these recommendations will meet with support from members of the government and members of parliament, I think on both sides. So I think you may look forward and consider that something will be done in the next session of parliament.

Mr. HIGMAN.—I was simply going to urge with a word the application of the Bill of 1908 to the outside service, because being the head of a highly technical branch of the service, and knowing as I do from past experience the class of appointments which have been made in the past, I shall welcome with a great deal of pleasure the application of that measure to the outside.

The CHAIRMAN.—What is your branch, Mr. Higman?

Mr. HIGMAN.—Electricity.

The CHAIRMAN.—The Inland Revenue?

Mr. HIGMAN.—Yes. Well, in the Inland Revenue we are not on it, and we did not participate even in the small advantage my friends here spoke of. We were not so fortunate. But we shall be very glad to have the Act of 1908 apply to the outside service. For instance, I might say that a saloon keeper or a railway conductor or a shoemaker are not the best qualifications for making delicate electric measurements, and yet I have men of that description on my staff. There have been improvements however, during the last few years. Our Electricity Inspection Act was devised in 1907, and a clause prohibiting the appointment of any one who has not qualified by examination is in that Bill, but notwithstanding that the local politician gets around it. He does not have them appointed, but he has them employed, and I am looking forward with a great deal of pleasurable anticipation to the application of the Act of 1908 to the outside service. The inside service is now happily all right.

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The CHAIRMAN.—According to your experience a shoemaker does stick to his last then. I would like to say a word referring to Mr. Coats. We look forward to meeting Mr. Coats and Mr. Watson in great anticipation of their assistance to the Commission in many respects. You are well represented here, gentlemen.

Dr. SMITH (the President).—You will find in Mr. Coats and Mr. Watson very capable young men indeed. We are well satisfied.

The Commission then adjourned.

PUBLIC SERVICE COMMISSION.

BRITISH COLUMBIA SITTINGS.

VICTORIA, WEDNESDAY, July 24, 1912.

The Public Service Commission met in the Post Office Building, Victoria, at 9.30 a.m.

PRESENT:

Mr. RICHARD S. LAKE,
Commissioner.

A deputation representing the various government departments met the Commissioner, consisting of the following:—

William P. Winsby, Department of Customs, President of the Victoria Civil Servants' Association.

Andrew P. Calderwood, Department of Customs, Secretary of the Association.

William Marchant, Department of Customs.

A. J. Dallain, Department of Marine and Fisheries.

J. G. Brown, Department of Public Works.

Douglas B. McConnan, Assistant Receiver-General.

Daniel O'Sullivan, Inland Revenue Department.

Joseph E. Miller, Department of Inland Revenue.

Captain J. A. Thompson, Department of Marine and Fisheries.

W. E. Ditchburn, Department of Indian Affairs.

Mrs. Thomas, Department of Customs.

W.S. Warwicker, Post Office Department.

S. W. Edwards, Department of Customs.

John Speed, Immigration Department.

Peter Shanley, Department of Customs.

W. H. Harris, Department of Inland Revenue.

Mr. LAKE.—I would like this morning if you gentlemen would give me a general view of the service, of the employees who constitute the service in this province, a general idea of the work, and especially the conditions of your service.

Mr. WINSBY.—We have been talking over the matter, and there are several things which we would like to represent to you, some of which our secretary has embodied in a short statement.

Mr. CALDERWOOD (Putting in statement).—The scale of living is just as low as we can make it, with justice to actual facts. Living for two persons would come to \$33.25 per month without clothes, amusement or anything else. The minimum wage paid by the city to labourers is \$3.

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Mr. WINSBY.—I am getting lists of prices from grocers and butchers of the actual prices to-day, which I will let you have to-morrow.

Mr. SHANDLEY.—I came to represent the landing waiters in reference to a recent orders from Ottawa, stating that they shall wait on the wharfs till 6 p.m. Other departments close at 5.

Mr. LAKE.—Up to the present time what have been your hours?

Mr. SHANDLEY.—From eight in the morning till six at night, and we want to remedy that to five.

Mr. LAKE.—Is there any change made in the hours of any other department?

Mr. SHANDLEY.—Not that I know of.

Mr. LAKE.—What are the ordinary hours in the city?

Mr. SHANDLEY.—Eight hours. These are the hours of the ordinary working man, for the city employee, and these are the hours the government inserts in any contract.

Mr. LAKE.—What are the hours in the provincial government service?

Mr. SHANDLEY.—The provincial law is eight hours, nine to five with an hour for lunch.

Mr. LAKE.—Have you no regular hours for lunch?

Mr. SHANDLEY.—No. If there is a ship at the wharf, and only one officer there, he is compelled to stay on.

Mr. SPEED.—I have been a little over three years in the service. I am an Immigration inspector, inspect all the local boats and others, and do most of the clerical work in the Immigration Department.

Mr. LAKE.—What are your grievances?

Mr. SPEED.—My salary is \$75 a month, which is the smallest one paid in the department, and I do as much as any one if not more than any of the other members of the service.

Mr. LAKE.—How many officials are there in the Immigration Service here?

Mr. SPEED.—There are just two. My senior receives \$100 per month; we both do the same work.

Mr. LAKE.—And you feel you are being underpaid?

Mr. SPEED.—I do, but I leave it to your judgment. I might state that the agent of the Marine Department has recommended me by letter a year ago to the department for an increase, and the department has not taken action. According to the cost of living, I think I am justified in asking for an increase.

Mr. EDWARDS.—There is only one matter I would like to have the commission bring to the attention of the government, and that is the matter of uniforms supplied by the department for Customs' officers. At the present time the Dominion Government grants us \$17.50 every six months for uniforms, and as you are no doubt well aware out here in the west the sum of \$17.50 does not go far in providing a uniform, and therefore we have had to pay the difference which is usually about \$15 extra. What we would like to have drawn to their attention is we would like to have that increased for Customs uniforms, say to \$25 every six months. We have to buy the uniform and purchase the cap as well with that \$17.50, and we find that we are very far short.

Mr. LAKE.—What is the position you hold, and what is your salary?

Mr. EDWARDS.—I am a landing waiter, and examining officer. To tell the truth, I am ashamed to say that my salary is \$1,000 per annum.

Mr. LAKE.—That covers everything? That is all you receive?

Mr. EDWARDS.—That is all.

Mr. LAKE.—Is that the same as paid in the east for landing waiters?

Mr. EDWARDS.—Well, I do not know. I think it is a little lower than Montreal and Toronto. We begin at \$600. I have been in the service sixteen years, and have got up to the maximum.

Mr. LAKE.—Are there any regular increases?

Mr. EDWARDS.—No.

Mr. LAKE.—It is simply an increase by the minister, Mr. Edwards?

Mr. EDWARDS.—Recommended by the Collector.

Mr. LAKE.—Is \$1,000 the maximum salary?

Mr. EDWARDS.—Yes, for landing waiters and lockers. In the Immigration Department the government supplies heavy overcoats, but in the Customs we only get the uniform.

Mr. LAKE.—You mean you get \$35 a year to purchase two suits?

Mr. EDWARDS.—Yes, and it costs \$60. Our desire is for an increase in that allowance. In regard to salary, of course we all want an increase, and as much as possible. This is, without doubt, the most expensive place to live in in Canada. When you compare the cost of the east, we are not getting enough.

Mr. LAKE.—From what part of Canada did you come sixteen years ago?

Mr. EDWARDS.—From Ottawa.

Mr. LAKE.—When you arrived, what percentage of difference did you find in the cost of living?

Mr. EDWARDS.—At that time fully 30 per cent between the east and west.

Mr. LAKE.—Did you wipe that out in salary?

Mr. EDWARDS.—No. From the keeping of a family I came to the conclusion that it was at least 25 per cent to 30 per cent more sixteen years ago, even twenty, than in the east, because though they tack it on in Ottawa, we had our public market to buy produce at. Here we have nothing like that, and therefore have to pay for it, pay high prices at the stores.

Mr. LAKE.—I would like to get more information in regard to the general cost of living. There has been handed in an estimate of the cost of living. Is there any other gentleman recently from the east who could give me an idea what the increase has been in late years?

Mr. WARWICKER.—I came here from Ottawa seven years ago. In Ottawa I had my own home, and did not have to rent, but when I came here and began to look around I found I would not get anything suitable under \$30 a month. That was about seven years ago.

Mr. LAKE.—About how much would the same class of house rent for at Ottawa then?

Mr. WARWICKER.—About \$18 or \$19 a month. In the matter of groceries—butter, for instance, in Ottawa we thought it was quite a price to pay 28 cents a lb. When I came here it was 40 cents, and the same proportion for different groceries.

Mr. LAKE.—You find that all groceries cost more here?

Mr. WARWICKER.—All much higher. Eggs went up as high as 75 cents a dozen. There we used to pay 40 cents, and that was the highest. Of course it may have increased since.

Mr. LAKE.—Did you not find some classes of goods cheaper here than in Ottawa?

Mr. WARWICKER.—No, I cannot say I found one, except perhaps soap.

Mr. MARCHANT.—Fuel is about the same.

Mr. WARWICKER.—Soft coal is \$7.50 here. In Ottawa we got hard anthracite for \$7.50.

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Mr. LAKE.—Was that the price when you came?

Mr. WARWICKER.—Yes, and it is the same still, although the mines are within a hundred miles.

Mr. LAKE.—How about wood?

Mr. WARWICKER.—It is the same price as coal.

Mr. LAKE.—That is \$7.50 a cord?

Mr. DITCHBURN.—It is sold by the load, not by the cord. They do not sell by the cord, because some get hauled before the magistrate for giving short measure, and now they do not sell by the cord, but by the load. It may be three-quarters or nine-tenths of a cord, but never over measure.

Mr. WARWICKER.—I think it is the same with coal, because we have no public scales, the fact that we have no public market in Victoria helps to make produce higher.

Mr. MARCHANT.—Clothing is higher.

Mr. WARWICKER.—You could get a nice suit in Ottawa for \$24, while here you will pay \$35 for about the same thing.

Mr. LAKE.—I think there was an impression—I know I had it myself—that you could get goods by sea, the freight being a small matter, and that in some respects you could get them cheaper here than in the east.

Mr. MARCHANT.—The filtration of profits seems to have reduced prices in the east, as compared with the west. Goods passed through comparatively more hands in the west, and the result is prices have been higher because apparently of no real reason. Of course, merchants buy as cheaply, and freight is as cheap, but when you come to buy in the local retail stores, prices are certainly higher in the west than in the east. My own business in the old land made me familiar with articles of produce, and I was appraiser locally for many years and I had much to do with the prices of goods, so I would have very little doubt the wholesale merchants of the west purchase as cheaply as the wholesalers of the east, but when it reaches the consumer, prices are much higher out here.

Mr. LAKE.—You think the middleman makes a higher profit in the west?

Mr. MARCHANT.—Yes, and there seems so much in the cost of handling. The average grocer reckons from 7 p.c. to 10 p.c. as the cost of handling. In a fair sized grocery business they will reckon 10 p.c. as the cost of handling before touching the profit.

Mr. LAKE.—That is due to the cost of wages.

Mr. MARCHANT.—Yes. For instance, I do not know what would be paid to a grocery assistant in the east, but I know a man from Weston-super-Mare who is in a local grocery store here, and the very first day he got \$65 a month, and after being there less than twelve months he is now getting \$75 a month.

Mr. LAKE.—As a clerk?

Mr. MARCHANT.—Simply as a clerk. Then storage charges are great; wharfage charges and rentals and all adds in the cost to the consumer.

Mr. LAKE.—What profit does the grocer expect to make after all expenses?

Mr. MARCHANT.—He would estimate 15 p.c., and often 20 p.c. gross profits.

Mr. LAKE.—What do you mean by that?

Mr. MARCHANT.—Without deducting the cost of operation.

Mr. LAKE.—You said just now they expect to have to pay 10 p.c. actual handling.

Mr. MARCHANT.—And the balance net profit makes 15 p.c. or 20 p.c. I think if they made a clear 10 p.c. profit they would consider themselves well off.

Mr. LAKE.—You stated just now, Mr. Warwick, that you found the cost much greater than in Ottawa. About what percentage of difference do you think it would be?

Mr. WARWICKER.—From 40 p.c. to 50 p.c.; it varied, but I think it was at least 40 p.c. or 50 p.c. I was simply astounded to find the difference when I came out here.

Mr. LAKE.—Has the cost increased here during these seven years?

Mr. WARWICKER.—Yes, it has increased all the time year by year. They add on, add on; prices are going up all the time.

Mr. LAKE.—How much greater is the cost to-day than it was seven years ago here? In the east there has been a great increase, which has been recognized, and I think to a certain extent provided for, in increased salaries. Now I want to find what the increase was here.

Mr. WARWICKER.—Yes, rent and most things have gone up.

Mr. WINSBY.—We have worked it out, and we find from 40 p.c. to 50 p.c. of increase in the last three or four years. We have gone into that year by year for the last three years, and we find it is steadily increasing.

Mr. LAKE.—You think that within the period of three or four years the cost of living here has increased 40 p.c.

Mr. WINSBY.—Yes. Rents have gone up tremendously, at least 100 p.c.

Mr. MARCHANT.—There is no doubt an increase of between 40 p.c. or 50 p.c. within the last five years. I think it would be fair to say that while rents have risen enormously here and in New Westminster, Vancouver, and Nanaimo, yet in the smaller towns it is hardly felt, such as Rossland, Trail, and even Nelson, though Nelson has steadily maintained values. But they have felt the increase of ordinary necessities and conveniences of life all over the province.

Mr. LAKE.—Can I take it that the whole of the representatives of the Civil Service here will back up the statement that within five years the increased cost of commodities which you have to have to live has increased on an average by 40 p.c.?

Mr. MARCHANT.—I would say so.

Mr. BROWN.—I think it is quite possible that the Federation can present you with a statement.

Mr. CALDERWOOD.—One was made up and sent to Ottawa.

Mr. LAKE.—How long ago?

Mr. BROWN.—Less than two years ago.

Mr. LAKE.—It seems to me that would not be of equal value to a statement of present conditions, and I would like to have that.

Mr. BROWN.—It can be brought up to date.

Mr. CALDERWOOD.—Five years ago I had a four-roomed house for \$15 a month. It was four blocks up. Now I have for five rooms eight blocks up to pay \$45.

Mr. LAKE.—Do you think them of about equal convenience?

Mr. CALDERWOOD.—Well, distance will counterbalance that. I had larger rooms then in the smaller house.

Mr. LAKE.—But the present house is further out, and the difference in rent is as between \$15 and \$45.

Mr. CALDERWOOD.—Yes. Five years ago, a house I know I rented at \$15. The same house now is rented at \$30, and we can always find tenants. There is no difference in the house.

Mr. DITCHBURN.—I think you can safely say that rent has increased in Victoria and Vancouver at least 100 p.c. within the last seven or eight years. I held the position

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for several years under the Department of Labour, as correspondent here of the *Labour Gazette*, and up to about three years ago the average rental for a house suitable for a working man was put down at \$19 per month, and that I thought was a fair valuation, possibly a little bit under. Since then I do not know where you can get a house in Victoria for \$19. You cannot get it, that is all about it. Cabins rented to long-shore men at \$10 a month are now ranging from \$25 to \$30. Houses that were renting for \$15 a month six or seven years ago, are now renting for \$25 or \$30. If you go back fifteen years ago, houses renting then for \$12 or \$13 a month have increased over \$100. The cost of provisions, according to the Department of Labour, during ten years have increased 37%. That does not take into consideration rent or clothing.

Mr. LAKE.—As to the cost of provisions, that is the department's report?

Mr. DITCHBURN.—That is what it costs the consumer, 37% more than ten years ago; that is the statement published by the Department of Labour. I think the Department of Labour would be a good source from which to obtain information as to the increase in the cost of living. They have published the fact that this is the highest period in the history of Canada, in the question of cost of living. Any information outside that would be subject to the different views of those who gave it, for the Department's information is accurate. You will get it verified at every point you visit.

Mr. MARCHANT.—I think it might be added that at Prince Rupert and the district around there it would be still higher than here, or at Vancouver, and any estimate of additional cost should take into consideration the further additional cost in Northern British Columbia. Of course, in the Yukon all the departments make an extra allowance. But in as far as Prince Rupert is concerned, I can speak for the Customs anyhow, the department has usually added a little more to their salary list than in the southern part of the province.

Mr. LAKE.—I would like to know something about the rates of wages paid to labour locally.

Mr. MCCONNAN.—Men for the city get as much as \$6.60 a day. Carpenters get \$4.50 and \$5, that is genuine carpenters; hammer and saw carpenters probably get \$3 as skilled labour. Bricklayers get up to \$6.

Mr. LAKE.—The bricklayer is subject to weather, and cannot work all the time, and that is given as the reason of his very high wages.

Mr. MCCONNAN.—You can't say the same as to all of them. Weather does not cut much figure here. The men on the street get \$3 for eight hours' work.

Mr. MARCHANT.—As far as weather is concerned, in this climate bricklayers, or any other outdoor workmen, can work more than in the east.

Mr. LAKE.—What has the increase in wages been?

Mr. BROWN.—Street labourers employed by the municipality have in the last five years risen from \$2.50 to \$3 a day. Five years ago they got \$2.50; then they got \$2.75, and then were raised to \$3.

Mr. LAKE.—Is that the lowest rate the city pays to any class of labour?

Mr. BROWN.—The minimum wage for an eight-hour day is \$3.

Mr. LAKE.—Had they an eight-hour day five years ago?

Mr. BROWN.—No, it was nine hours until about three years ago.

Mr. MARCHANT.—I was in the council at the time, and know that twelve years ago it was a ten-hour day, and we paid them \$2 a day. We paid for many years \$2 to the ordinary day-labourer for a ten-hour day. I think it was about ten or twelve years ago it was reduced to a nine-hour day, and the wages rose almost imperceptibly first to \$2.25, then to \$2.50, and then to \$2.75 a day. Then another change took place about three years ago, when the hours of labour went down to eight hours and the rate went up to \$3, but the one followed so close on the other that it would be difficult to remem-

ber which happened first. It was within two or three months anyway that wages rose and hours were reduced.

Mr. LAKE.—Do private employers pay the same minimum?

Mr. MARCHANT.—Most of them do. They do as a matter of fact. There is a class of labour, Dagos and Montenegrins and sometimes in certain classes of work, Orientals are employed, where lower rates are paid, but the ordinary white labourer receives in this district \$3, and there is abundance of work for him. Labourers could not be got unless at least that wage was paid.

Mr. LAKE.—Are there any unemployed?

Mr. MARCHANT.—There are always the "Weary Willies" and the lazy fellows.

Mr. LAKE.—I do not mean the unemployable. No man who wants work need go without.

Mr. BROWN.—No. The Department of Public Works pays \$3 and board, that is for labourers and outside work, if doing it by the day. They get \$3 and board when there is a camp established; when there is not they give them \$3.50, and the men board themselves, or pay them \$3 and they get board. Carpenters are paid \$5 a day; bricklayers \$6. Those getting \$6.60 mentioned by Mr. McConnan, are engaged on the sewer work and work of a dangerous character. They are paid the extra 60 cents on account of that. All other mechanics get high wages; painters \$4.50; plasterers \$6; plumbers, \$5. Those are the wages to the men. If hired by the day by the Government, the party doing the work for the Government sending in his bill for time and materials, as it is called, will charge a percentage on top of that.

Mr. DITCHBURN.—But that is the fair wage, which must be paid to the men under the Fair Wage Act.

Mr. MARCHANT.—If you take school teachers, there has been a very extraordinary and distinct rise, especially in the salaries of male teachers. Mr. Brown and myself have both served for years on the School Board, and in years gone by we could and did hire plenty of male teachers at \$50 and \$60 a month; these men to-day will be paid around \$100 to \$125 per month. The minimum man would be getting \$100.

Mr. DITCHBURN.—The Provincial government has recently inaugurated a scale of wages for road workers on Vancouver Island of \$3 for an eight-hour day on the roads, pick and shovel men on the roads. That obtains throughout the Island.

Mr. LAKE.—In regard to school teachers, is there a higher standard required nowadays?

Mr. BROWN.—No, I think the standard at present is just about the same as when I was on the Board. I can give one instance of a teacher still in one of our public schools and getting \$125 a month, who was getting \$52.50 twelve years ago.

Mr. LAKE.—That might be for more efficient service now. He is more experienced.

Mr. BROWN.—He is, no doubt, but it does not explain the difference between the wage paid then and now.

Mr. LAKE.—You do not know the wages paid the young teachers coming into the lower grades?

Mr. BROWN.—I think it is a case of supply and demand, and they cannot get enough teachers.

Mr. MARCHANT.—I think the least they get is \$60 a month, most of them \$75.

Mr. LAKE.—And they formerly started with \$45?

Mr. BROWN.—Yes.

Mr. LAKE.—And now they start at \$75?

Mr. MARCHANT.—As a matter of fact, I was the cause of the engagement as teachers of Mr. Leonard Tait, now president of the Conservative Association here and

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Mr. Duncan Ross, who has been a member of parliament. One I know started at \$50 and the other at \$55.

Mr. LAKE.—How many years ago?

Mr. MARCHANT.—Probably fifteen or seventeen years ago. I know these were experienced men at the time, but the rawest recruit from the east can get as many places now starting immediately at \$75 or \$80. It is largely a question of supply and demand.

Mr. LAKE.—I would like to know something about the various services. I presume there are differences in every branch, and I would like to know what these differences are. First of all, how are the different appointments made, are all made under order in council?

Mr. MCCONNAN.—Some are, and some are not.

Mr. BROWN.—I am, but I do not know about the others in the Public Works Department.

Mr. CALDERWOOD.—In the Customs, clerks when they pass as qualified and after six months are placed on the permanent list by order in council, except preventive officers who are put on without passing, I understand from Mr. McMichael.

Mr. DITCHBURN.—My appointment was by order in council.

Mr. WARWICKER.—It is the same in the Post Office.

Mr. HARRIS.—The same in the Weights and Measures Department; mine was.

Mr. LAKE.—As to removal, what is the custom in that regard?

Mr. BROWN.—I cannot answer as to removal outside Mr. Henderson and myself; others in the architect's branch and telephone service are clerks and stenographers. All the telephone operators and telegraph operators, all the linemen and caretakers and engineers and elevator men are appointed temporarily.

Mr. LAKE.—But as to the men in the regular service?

Mr. BROWN.—It is a grievance on their part that they are not appointed in another way. They would like to be put in a more permanent place and be treated as the rest of the service.

Mr. DALLAIN.—In the Marine and Fisheries Department the officers are all appointed by order in council.

Mr. LAKE.—Then I presume their positions are permanent and would have to be revoked by order in council.

Mr. DALLAIN.—Quite correct.

Mr. O'SULLIVAN.—That applies as well to men in the Revenue Department.

CAPTAIN THOMPSON.—The Inspectors in the Department of Marine and Fisheries are all appointed by Order in Council.

Mr. LAKE.—Next I would like to know as to salaries. Is there a sliding scale in time being? As to the Post Office, how is it?

Mr. WARWICKER.—We are removable by order in council. Appointments are temporary for a time, but we are permanent by order in council; appointed by order in council, and removed by order in council.

Mr. LAKE.—Next I would like to know as to salaries. Is there a sliding scale in all departments? Does a young man join at a certain salary with a scale of increase year by year?

Mr. WARWICKER.—In the Post Office Department the minimum is \$500 with an annual increase of \$50 until they get to the maximum of their class.

Mr. LAKE.—At the present moment the minimum is \$500.

Mr. WARWICKER.—That is at the present, with a provisional allowance in addition of \$180 a year.

Mr. LAKE.—At what age do they accept clerks?

Mr. WARWICKER.—They have raised the age limit to 35.

Mr. LAKE.—But what is the youngest a clerk can be appointed?

Mr. WARWICKER.—I think they have clerks 19.

Mr. CALDERWOOD.—The Civil Service is not supposed to appoint under 18 or over 65.

Mr. DALLAIN.—I would like to point out with permission that in some departments the increase is at the rate of \$50 and in some it is \$100.

Mr. BROWN.—Telephone operators and telegraph operators, caretakers, cleaners, engineers, firemen, are appointed at a stated salary on recommendation of the resident architect or engineer in charge, supported by the endorsement of the member for the district. There is no scale of increases; any increase given is on the recommendation of the officer in charge.

Mr. LAKE.—What do these salaries vary from?

Mr. BROWN.—Caretakers in public buildings are paid \$50 a month, and in some instances, quarters and in some not. Cleaners get \$65 to \$70. As to caretakers' quarters, not all of them get quarters, only in some of the places. In the case where quarters are not provided an allowance is made in lieu of rent for caretakers. Cleaners in a building like this where we employ them are paid \$70 a month.

Mr. LAKE.—Does that take all their time?

Mr. BROWN.—All their time. Each man is employed fully. Firemen are paid in the same way. They have to assist in summer when there is no heat on in cleaning the building.

Mr. LAKE.—And elevator men the same, I suppose?

Mr. BROWN.—Yes. Telegraph operators are paid from \$55 to \$70 except in two instances—in two instances we have one at \$85 and one at \$90—for a twelve-hour day.

Mr. LAKE.—In all parts of the provinces?

Mr. BROWN.—Our jurisdiction extends over Vancouver Island and part of the mainland. Line repairers get \$70 a month and are on tap all the time. They have to go out Sunday and Saturday. Operators have to remain at the Quay till all the business of the day is done, which means a 13-hour day sometimes. Sundays, their service is broken, one in the afternoon and one in the morning. The highest salary is \$90 and the lowest is \$55. We are not allowed any holidays, and a petition has recently been sent by telegraph operators asking for three weeks on pay, endorsed by Mr. Henderson, and it may go through but there is no regulation allowing holidays to any member of the public works staff.

Mr. LAKE.—Even starting with the resident architect?

Mr. BROWN.—Neither he nor myself. I have had no holidays for twelve years.

Mr. LAKE.—You are entitled to none?

Mr. BROWN.—That is the information I have from Mr. Henderson, that there is no regulation.

Mr. LAKE.—But in practice do you manage to get holidays occasionally?

Mr. BROWN.—I have never had a holiday in twelve years except the statutory holidays, which amounts to about eight days in the year. Outside that, no holidays are granted to the Public Works staff. Mr. Henderson has been in the service 48 years and never had a holiday.

Mr. LAKE.—It seems almost incredible to me. Even in practice you have not been able to get a holiday, nor give holidays to your men.

Mr. BROWN.—Not unless he provides a substitute and pays for him. In the case of telegraph operators we do let them off if they provide a substitute and pay him.

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Mr. LAKE.—But not in the office here?

Mr. BROWN.—Not in the office here; no holidays are granted.

Mr. LAKE.—You do not allow a man to go off, even if he pays a substitute.

Mr. BROWN.—We do not ask leave. If I did I would have more to do when I got back. Then it is expert work, and it is difficult to get anybody to take your place.

Mr. DITCHBURN.—In the Department of Indian Affairs they do not pay any higher salary to Indian Agents than when the office was first created thirty years ago. They paid them \$100 a month then; they pay them \$100 a month now.

Mr. LAKE.—And how in regard to allowances?

Mr. DITCHBURN.—They have their travelling expenses.

Mr. LAKE.—How about rent or house allowance?

Mr. DITCHBURN.—In British Columbia they do not have any. In some cases they get a residence, and in some they do not. I find that in the places where the cost of living is greatest the agent is without a residence, and his living expenses must come to \$35 or more a month, more than the man in an isolated place where they get houses. I brought this to the attention of the department and they said they would take it into consideration. During the last few years in British Columbia a great deal of money has been made in land speculation, and it has caused many agents to become restless. I lost one of my best agents in Westminster, and one who was considered by the department to be one of the best British Columbia has ever seen. He resigned because he could make more money outside. I hope the government will see its way to put Indian agents on some fair basis. I have recommended that the man without a residence supplied by the department should have an allowance to make up for it.

Mr. LAKE.—No agents gets more than \$100.

Mr. DITCHBURN.—They all get the same, except the one at Telegraph Creek, who gets \$50 but he has a residence, and has only a small number of Indians in his agency.

Mr. LAKE.—Have the agents got clerks?

Mr. DITCHBURN.—In some instances they have, and these men get \$50 or \$60 a month.

Mr. LAKE.—And they find themselves completely?

Mr. DITCHBURN.—Yes. The ration system does not prevail in British Columbia. It is a straight salary.

Mr. LAKE.—In regard to holidays, what is the rule in the Indian Department?

Mr. DITCHBURN.—It has not been the practice of Indian Agents to ask for holidays. They generally find their work occupies their whole time. I think they can get them if they applied. One of them recently applied and was granted permission from Ottawa.

Mr. LAKE.—But as far as you know they are not entitled to receive a holiday each year?

Mr. DITCHBURN.—Not unless they find a substitute. I have not gone into the matter, but I know none under me has taken a holiday except the agent at Alert Bay, and he told the department he would not be outside his agency.

Mr. LAKE.—Do they travel considerably?

Mr. DITCHBURN.—Every agent ought to travel over his whole agency at least twice a year, and that may take him in some cases a couple of months each time.

Mr. LAKE.—These are different from the Northwest Agencies in which they have no restricted area.

Mr. DITCHBURN.—Yes, that is so. Here a man could not travel over his agency inside a month—some might do it in a little less, and some could not—and visit all

their agents. A man on the west coast, if he had a good launch, could visit all in two or three weeks.

Mr. LAKE.—Have you anything to say on superannuation?

Mr. DITCHBURN.—I have not studied up what system would be the best, but I think all the civil servants ought to be under some system.

Mr. LAKE.—What would be your opinion as to insisting that every one in the service should be contributing?

Mr. DITCHBURN.—I think it should be made compulsory. I think that the man who has devoted a great deal of his life to the public service, when the time comes for him to retire, he should have something to retire on.

Mr. LAKE.—The Customs Department put in a suggestion that there should be a compulsory age for retirement. Have you anything to say on that?

Mr. DITCHBURN.—I think that would be a good system, because then it would give something for the younger men to look forward to in the way of promotion.

Mr. LAKE.—Are there any employees in the Indian Department who have reached the age when they ought to retire?

Mr. DITCHBURN.—Not in my jurisdiction. The man who cannot get around his agency retires anyway.

Mr. LAKE.—In that department the older a man gets the more valuable he becomes.

Mr. DITCHBURN.—If he is a good agent, the longer he is in the employ of the department the better, because if you have to employ a new man he has much to pick up.

Mr. LAKE.—But your department is exceptional in that respect.

Mr. DITCHBURN.—Yes, I should say that it is exceptional in that respect. Nevertheless an old feeble man as an Indian agent is not much use.

Mr. LAKE.—I suppose in the course of nature some of your agents will be reaching a stage when they will be too feeble for their work, and they will have no retirement funds to look forward to.

Mr. DITCHBURN.—Yes, that is so.

Mr. LAKE.—And what are the facts in regard to the Customs Department?

Mr. MARCHANT.—There appears to be no rule, nor any semblance of a rule as to the salary paid. A man is usually appointed on the temporary staff first, and afterwards promoted upon examination, Civil Service or technical examination, to a permanent position. There seemed to be no rule so far as the west was concerned as to the minimum of salaries that were paid upon appointment. I know, for instance, that in Victoria they did for sometime have appointments which came at \$100 a year, and then at \$50 a year, but there is this irregularity. We have had them begin at \$900, \$950, \$800, \$850, and another at \$1,000.

Mr. LAKE.—For no particular reason?

Mr. MARCHANT.—Apparently none as far as we could gauge. I think perhaps there is evidence that the salaries were at one time made \$800 to begin, but it was with this view, that we were desirous of obtaining younger men, and it was found that the higher rate of salaries got a class of appointments under political patronage which was undesirable in the Customs Service. We needed young men of fair education, passing through the higher Public Schools, when for the most part the men who tendered their services or desired to be appointed were of the mechanic class, capable, intelligent men, but not suitable for clerical work. Then the suggestion was made of \$800, but that was before the cost of living changed. It appears within the past year that perhaps the power of patronage was used to make the salary fit the man rather than the standard set up.

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Mr. LAKE.—You say that in the past year or two; do you mean the last two or three years, or under the present government?

Mr. MARCHANT.—I think I would prefer to say the last two or three years. I think it includes both governments. I entirely absolve anyone of a suspicion of political pull, but it is that steady desire to improve one's condition. I see one appointment made at \$950, another one a little after at \$900, another one at \$850 a little previous, and I see another one at \$1,000. Well, now I make no objection to the larger amount, because I think it is fair, but I would be glad to see a standard that would obtain through the whole province. I noticed one recently at \$1,100, an excellent appointment, but I saw no reason why he should receive \$1,100, and another as good \$850.

Mr. LAKE.—Were the appointments made at the same time?

Mr. MARCHANT.—Within a few weeks of each other. I feel sometimes that it is irksome to one clerk to feel that one gets more than another, when there is equal service and the appointment at the same time.

Mr. LAKE.—They are appointed at nothing less than \$800 now?

Mr. MARCHANT.—Nothing lower.

Mr. LAKE.—Are there any statutory increases?

Mr. MARCHANT.—The question of increase is entirely at the will of the minister. There is no statute, and it is optional, generally upon, presumably the recommendation of the collector of Customs of the port, and optional upon the recommendation of the inspector of Customs. I presume that because each of us is required to send in an annual statement and recommendation, and it is presumable that the heads of departments judge somewhat by these reports. I cannot help feeling that increases should be automatic except on bad report.

Mr. LAKE.—Comparing your scale with what obtains in the east, how do you stand?

Mr. MARCHANT.—Really I see but very little difference. I think perhaps it may be fair to say that the lowest salary may be a little less in the east, but the salaries of the higher officers are no higher. Then by way of illustration here, take Mr. Winsby and myself—I am a predecessor of his as appraiser—and the salary was \$1,800 a year perhaps twenty years ago. The revenue was about \$600,000 at the time. I was appointed in 1897 at \$1,400, and it took nearly ten years before I attained the \$1,800. I was appointed five years ago to the position of Inspector, and Mr. Winsby was appointed appraiser at \$1,500.

Mr. LAKE.—What was the difference in the revenue at that time?

Mr. MARCHANT.—When I was appointed, the revenue was about \$700,000., which had hardly increased for several years, because Vancouver took the surplus, and it hadn't greatly increased when Mr. Winsby was appointed, probably a million. Today it is over two million dollars, but Mr. Winsby after five years gets \$100 less than I got. I am not fighting his battles, but there is that anomaly.

Mr. LAKE.—What is his salary?

Mr. MARCHANT.—\$1,700. When I left the position I was receiving \$1,800 with a much smaller revenue and much less responsibility.

Mr. LAKE.—You have no scale graded on the amount of revenue?

Mr. MARCHANT.—No.

Mr. LAKE.—An appraiser in the city of Montreal would get the same salary as in the city of Victoria, provided they were both long enough in the service.

Mr. MARCHANT.—The appraiser in the east would get more. At present there are three in Vancouver, and each one is paid higher than Victoria. Several appraisers in the east receive more than the appraiser of Victoria.

Mr. LAKE.—Do they receive more because the revenue was greater?

Mr. MARCHANT.—It does not appear to be that.

Mr. LAKE.—There is no rule.

Mr. MARCHANT.—There appears to be no rule. If there was a rule in regard to revenue or age, or experience or something, it would be a good thing.

Mr. LAKE.—Do you receive any special allowance by living in 'the west'?

Mr. MARCHANT.—Nothing at all. I mentioned this personally to Mr. Paterson some years ago, when an agitation was set up by the Customs staff for a provisional allowance. That is what we asked for, and I was delegated to go down to Ottawa to interview Mr. Paterson, then the Minister of Customs. We tried to induce the minister to give us an additional allowance for the west. Mr. Paterson briefly responded by stating that they had endeavoured to scale salaries somewhat higher in the west than the east. When we get down to details and not generalities, which are glittering, you can pick out instances from the Auditor-General's Report where men in the west got more than the east, but you can show from the same volume that there were cases where the east got more than the west.

Mr. LAKE.—I gather then, that you think there should be a standard throughout the service that you would make it different for the east and the west.

Mr. MARCHANT.—No; I have always maintained there should be a provisional allowance for the west. I drew up an appeal based on the higher cost of living in the west, asking for a provisional allowance from the Lakes 'to the coast, and it was signed by the whole western representatives of that delegation, and the eastern men at that time coincided with the views. We placed before them similar statements to those made here, and they agreed with them.

Mr. LAKE.—I gather then that your desire is that there should be a regular scale of salaries, with a provisional allowance allotted to different parts of Canada where the scale of living is highest.

Mr. MARCHANT.—That is the idea.

Mr. LAKE.—That provisional allowance would have to be at the discretion of the minister, and varying according to different parts of the Dominion.

Mr. MARCHANT.—Yes.

Mr. LAKE.—At present the increased cost is greater in Victoria than it would be in Winnipeg.

Mr. MARCHANT.—I think to be just there is very little difference between Victoria and Winnipeg, but there would be between Victoria and some small town in British Columbia. It is very cheap in some of them. Take vegetables and groceries not all things they purchase, but things like wood and coal, &c., which they can go and get themselves, I think I may emphasize this point on the question of automatic increase in salaries, that there are many of our men appointed, say a little while ago, at \$800 or \$900, who would be satisfied if they could only obtain \$50 increase a year till they reached the maximum. But it is because there is apparently no hope of this that there is pressure brought on the local collector for that increase, and it has caused—what I deprecate personally—more than one of our officials to use political means to obtain an increase rather than the ordinary and proper means through the department itself. I think it is greatly to be depreciated, but I think you would be very ready to excuse a man if he deemed there was no other way to secure an increase.

Mr. LAKE.—You feel that increases have been granted owing to—

Mr. MARCHANT.—Political pull. I can name them by dozens in this city. If any one needed to cry "peccavi" it is myself, for I have done so myself. It was the only means in time gone by, by which we could get an increase, and it is true at the present time in some cases.

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Mr. LAKE.—You think, then, that one of the very greatest benefits which could be gained from regular statutory increases would be the doing away with any attempt to use political pull?

Mr. MARCHANT.—I am sure of it.

Mr. LAKE.—It would be forbidden to use such means.

Mr. MARCHANT.—It is forbidden by the Custom's regulations, and yet in the presence of facts, what is to be done? We all know it is done from east to west, north to south, and in every branch of the service.

Mr. LAKE.—How are you with the holidays?

Mr. MARCHANT.—In the Custom's Department we are allowed three weeks, but the regulations provide that each man can only receive a fortnight holiday at one time. The other week is presumably kept in hand in case a man may be sick.

Mr. LAKE.—What are the hours of labour?

Mr. MARCHANT.—The Customs clerks are held to work from 8 a.m. to 6 p.m. by regulation, but in practice the inside clerks would be working here in Victoria say from 9 to half past four. There are places where they would be able to go in at 9 and leave at 4, but I speak of Victoria. In the Postal Package department they would not leave till half-past five.

Mr. LAKE.—It is governed altogether by contingencies?

Mr. MARCHANT.—Yes. An outside man, a landing waiter or a locker might have to go on at eight, and one perhaps could leave at five, but another might be held till six.

Mr. LAKE.—How do they do with reference to steamers which arrive during the night?

Mr. MARCHANT.—They usually get paid overtime, at the rate of 40c. an hour based on two hours. There is no smaller payment for overtime than 80c. except it occurs immediately after six p.m. or previous to eight a.m. In that case they are allowed overtime but only the actual time. If there is one hour they only get 40c. I would like to mention a little hardship with regard to sub-collectors of out-ports. Usually there is but one man employed at an out-port, at a small place like Ladysmith, Chemainus, or Sidney. If any of them require a holiday they are granted but subject to the provision that they must provide a substitute, and be responsible for all he does. Many stagger at that provision, and decline to take a holiday. I think the collector of a port like Victoria should provide a substitute for his sub-collectors where necessary.

Mr. LAKE.—What do you think in regard to the superannuation question?

Mr. MARCHANT.—The change took place some few years ago from the superannuation system to the retirement system. I was one of those who was affected. At that time I honestly thought that the retirement system would work out well, and changed over from the one to the other, but I have been forced to the conclusion from actual observation and am persuaded that a system of superannuation is far better for the service than any system of retirement. It works out this way. There are men in say the Customs service who have passed the age of usefulness. There is no government would like to dismiss them without any prospect for their old age. I think the outcry would be so great that public opinion would force them to do something for these employees. Any system should take into consideration that at some age a man is past his usefulness, and therefore some system of superannuation should be provided. At present there are many on the retirement fund who cannot obtain any superannuation who would like to do so, but there is no chance of their being changed back to the superannuation system.

Mr. LAKE.—But speaking generally, in your opinion is it advisable that every employee who comes in should contribute to the fund?

Mr. MARCHANT.—Yes.

Mr. LAKE.—And that there should be a compulsory retiring age?

Mr. MARCHANT.—I would strongly approve personally of the tentative Bill presented in December. I think it was altogether just and fair. It provided for compulsory retirement at the age of 70 and optional at 65.

Mr. LAKE.—You think that is right yourself?

Mr. MARCHANT.—Yes, I think compulsory superannuation as at present exists should also be retained. There are many men who at the age of 65 have reached their useful period. I do not think the higher branches of the service so far as the outside service is concerned are ill paid, but I do think the young clerks, landing waiters, and so forth should have a higher maximum, and should have an opportunity of reaching that maximum. If you take the collector, the inspector and the surveyor, the maximums laid down for these officers are very reasonable and fair, especially if they may at any time hope to reach their maximum, but I think the other members of the staff have not sufficient encouragement. In a comparatively small office, if there was a reasonable chance of promotion, many would be content to drudge for many years and hope to reach it. It happens now, that if a higher position is created, the man inside does not get it, but a man outside gets it.

Mr. LAKE.—In your opinion does working in the service disqualify a man from holding the higher position?

Mr. MARCHANT.—In my opinion it is the other way.

Mr. LAKE.—I heard that statement made in the House of Commons by a minister as to the Post Office.

Mr. MARCHANT.—I think the position is an absurd one. The men who have been trained in the work, and know every detail of it are best fitted for advancement. It happens, of course, that a man gets into a rut, but then it is a rut in the duties of his own department.

Mr. LAKE.—You would not say men from seniority should be advanced?

Mr. MARCHANT.—There is much to be said as to that, because if you realize that the goal is superannuation and that it would take a man in an office with a number of employees a long time to advance even seniority would be permitted to have strong weight.

Mr. LAKE.—It should have, but there should be selection, fitness for the position, you think? I think that obtains in every service in the world, and of course ours is modelled on the English service. Their promotions are based on fitness. Any man who has a choice between two equally fit men would probably give it to the senior.

Mr. MARCHANT.—Even then we do not feel that it would be perfectly safe to rest upon the written annual report of the service of this man.

Mr. LAKE.—I think it would be as to fitness, and seniority would have its strong weight. If you have a position to fill it should not be only because a man has been years in the service that he should get the position.

Mr. MARCHANT.—I do not think if it was left to the Civil Service Commission, or some absolutely unbiased and unprejudiced tribunal, it would be sure to work out well. The trouble is it does not usually go to an unprejudiced person for settlement.

Mr. LAKE.—In your opinion, a man should not come in from the outside to fill the highest positions which should go to men in the service, and seniority should have strong weight.

Mr. MARCHANT.—I certainly say so.

Mr. LAKE.—What classes are appointed to the service without examination?

Mr. MARCHANT.—Such positions are Preventive Officers. The Act says that preventive officers may be appointed without examination. I would not say that such

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positions as postmasters and inspectors of Customs and collectors in Customs should be eliminated entirely from the exception. I can speak frankly, because I was appointed as appraiser, which is the technical office, and afterwards inspector after ten or twelve years' service, without any examination, save in technical work. As for the preventive officers, it is rather reasonable that these officers should be retained as an exception to the general rule. Unfortunately, the wording of the Act has been used in the Customs rather unjustly, and has allowed men to be put in as preventive officers receiving higher salaries than clerks. Preventive officers in Victoria have received more salary than regular officers.

Mr. LAKE.—How many preventive officers have you here, and what are their salaries?

Mr. MARCHANT.—There are about a dozen, some clerks, some landing waiters, some packers.

Mr. LAKE.—You mean to say they are called preventive officers, but assigned to any duty?

Mr. MARCHANT.—They may be, and have been, assigned to any duty. This is a loophole through which men from the outside get into the service.

Mr. LAKE.—Is there any particular duty assigned to preventive officers by the Statute?

Mr. MARCHANT.—The original use of a preventive officer was to guard against smuggling, as the name signifies. Like the English coast guards they were to guard the ports, shore-line and frontiers, and it was with that idea that many of them were appointed in the early days, but as it was necessary to find means by which some men could be appointed to positions in the service, and as they would never pass any examination, this manner of getting them in was adopted. They were put on the service as preventive officers, and so had no examination to pass.

Mr. LAKE.—And as far as this port is concerned, you have no use for preventive officers?

Mr. MARCHANT.—Not in the immediate limits of the port. There are places on the west coast where a preventive officer would be of use.

Mr. LAKE.—You have some there?

Mr. MARCHANT.—Yes, but they only receive from \$120, to \$250 a year, partially employed only.

Mr. LAKE.—But the other preventive officers are men receiving much higher salaries than that, and employed regularly.

Mr. MARCHANT.—For instance, one classed as a preventive officer is really chief landing waiter.

Mr. LAKE.—What salary does he get?

Mr. MARCHANT.—\$1,500 now.

Mr. LAKE.—In the Civil Service Act there is no such appointment as preventive officer, is there?

Mr. MARCHANT.—No, not in the schedule.

Mr. MILLER.—In the Inland Revenue Department our salaries are a fixture. We are placed on salary when appointed, and after classification. Third class men come in following examination.

Mr. LAKE.—That is the rule followed all through.

Mr. MILLER.—With the exception of deputy collectors, class D, which is open to appointment without examination. We have third class officers, which class comes in from qualifying examinations, and then there are promotion examinations which every officer is entitled to go in for, and he may get second or first class, and salaries in pro-

portion, and he gets his increases. Our salaries are very satisfactory so far as being placed on a general rule.

Mr. LAKE.—Which applies throughout the Dominion.

Mr. MILLER.—Yes. We have a provincial allowance for all parts of British Columbia, based on the salary, from \$50 to \$150 according to salary. Officers not receiving salaries over \$2,000 get \$50 provisional allowance, and the smaller salaries get the larger allowance.

Mr. LAKE.—Can you give those as they run?

Mr. MILLER.—The collector here gets \$175 a year, and his salary is \$1,800. Our salaries are rated according to the rating of the division; they are rated from 1 to 5, according to revenue. The first division is where the revenue \$1,000,000 a year or over, and others in proportion. The lowest salary any of our staff get is \$600, at which they are appointed and that man gets an allowance of \$150. Then the allowance scales down to \$50.

Mr. LAKE.—At what rate of salary does the provisional allowance cease?

Mr. MILLER.—At \$2,000. A man who gets over that gets no provisional allowance.

Mr. LAKE.—How long ago was that fixed?

Mr. MILLER.—Several years ago, but not fixed until this last year. The cases were special at that time; an officer might receive it, and quite a few did, but others did not. It was not a general rule.

Mr. LAKE.—Does this provisional allowance obtain in all other parts of the west?

Mr. MILLER.—It does in Manitoba, Saskatchewan and Alberta.

Mr. LAKE.—There has been no other scale that you know of?

Mr. MILLER.—No.

Mr. LAKE.—How long have you been in the service?

Mr. MILLER.—Going on thirty years, starting at the bottom of the list, and twenty-three years on the coast, nineteen in Vancouver.

Mr. LAKE.—How about hours in the Inland Revenue department?

Mr. MILLER.—The hours are from eight to six; that is statutory. They may be called on for work at any time between these hours, but the office hours are from nine to four. In factories the hours would be from seven to five, and another batch from eight to six.

Mr. LAKE.—How are holidays arranged for your department?

Mr. MILLER.—We have the statutory three weeks' holidays, and it was at my suggestion that a relieving officer was put on. Many had not been able to take a holiday on account of not being able to get a substitute, but I pressed on the department that it was necessary in the scattered districts like this to allow me to put on a relieving officer who travels around when officers send in application for leave.

Mr. LAKE.—Had you to get an additional man in for that?

Mr. MILLER.—No. On account of the distilleries closing in the summer where we have four men, I used one of them.

Mr. LAKE.—In a case of that sort where work ceases for a time, what do you do with the officers in the ordinary way?

Mr. MILLER.—There is considerable shipping going on all the time. There is probably work for two officers. But they are a special branch. We hardly recognize them as excise officers; they are in charge as distillery collectors.

Mr. LAKE.—What are your views in regard to superannuation?

Mr. MILLER.—I think that the Bill introduced by Senator Power was a very good one. I elected to stay on the old superannuation system, but there are objections to

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that which should be rectified, I think. That is where a man is superannuated say this month, and died a few months after. His superannuation lapses, but that is being provided for, I understand. We have been urging for some proportion to be paid to widows and orphans.

Mr. LAKE.—In what way would you propose to have that done?

Mr. MILLER.—We suggested that when a man dies, his widow and orphans should receive 50 p.c. It has been discussed by the department.

Mr. LAKE.—I would like to know your views on superannuation generally.

Mr. MILLER.—I think it would be a good plan to have a superannuation system. The retirement scheme is not feasible out here. Five per cent is deducted from our salaries under that scheme, and here, where living has doubled within the last ten years, it is hard that 5 p.c. is taken, and a man is only allowed 4 p.c. on it. He can do better outside if he is of a saving disposition. At present 2 p.c. is taken under the superannuation system.

Mr. LAKE.—Suppose the fund was made self-supporting, and the man or his representatives entitled to all he had paid in?

Mr. MILLER.—I do not think you will find an officer object to a 5 p.c. deduction, if it provided both for himself and his family. I think there would be no exception taken to it.

Mr. LAKE.—Is there a superannuation system in the provincial Civil Service?

Mr. MILLER.—I do not think they have one yet. The province recognized the increased cost of living, however, by considerably advancing its scale a couple of years ago. I could get that for you.

Mr. McCONNAN.—In the department of the Receiver-General there is nothing settled as to what rate of salary appointments are made on. It is done principally on recommendations from out here. In the Victoria office there is an accountant and two clerks, and I am increasing the staff on the first of August by another man.

Mr. LAKE.—There is a regular schedule of salaries for the salaries of the assistants of Receiver-General?

Mr. McCONNAN.—No, I do not think there is. There is for Receiver-Generals; they begin at \$2,200 on appointment.

Mr. LAKE.—But for assistants and other officials, you know of no fixed schedule?

Mr. McCONNAN.—No, I do not. I went in myself as a clerk in 1891 at \$550. I was promoted accountant in 1893 at \$1,000, and gradually increased till I got \$1,400 or \$1,500.

Mr. LAKE.—At regular intervals?

Mr. McCONNAN.—At no regular intervals at all.

Mr. LAKE.—It seems to me that under a system of occasional increases it must be a continual fight to secure an increase.

Mr. McCONNAN.—That just expresses the case exactly. With the late Chief he would never ask for an increase for any of the staff, and I have sent letters and seen letters sent, and have seen his letters forwarding them without any recommendation. I think there should be a fixed scale on entrance with fixed increases.

Mr. LAKE.—In regard to your own and your clerks' salaries, how do they compare with others in the same department elsewhere?

Mr. McCONNAN.—Mr. Winsby is receiving the same salary as the accountants in Winnipeg and Halifax; Toronto I am not sure of. I think I received the same as the A. R. G. at Halifax, Charlottetown and St. John, and a little less than Winnipeg, and less than Toronto. Mr. Winsby is getting \$1,700, which is his limit as far as I can make out. As far as the salaries in my department are concerned, there is no difference between them here and in eastern Canada.

Mr. LAKE.—Has the principle of provisional allowance been applied in your department?

Mr. McCONNAN.—Not at all till this last appointment. I suppose it is recognized in some degree in the last two or three appointments of clerks.

Mr. LAKE.—What did they come in at?

Mr. McCONNAN.—The minister wired to know what I would recommend. They suggested \$700 instead of \$600 for juniors, and \$900 instead of \$800 for seniors. I recommended that the sum of \$600 should be \$800 and instead of \$800, \$1,000. The new man coming in on the first of August is to be appointed at \$800. That is practically allowing that the cost of living here is greater than in the east.

Mr. LAKE.—In regard to the senior appointments you are on the same scale with the east.

Mr. McCONNAN.—Yes. Mr. Winsby for all we know is at his limit now, judging from the Auditor General's Report.

Mr. LAKE.—You are very strongly of opinion that the junior and senior officers as well should receive more?

Mr. McCONNAN.—I certainly am. If the cost of living is \$200 more to a junior, as this appointment would indicate, certainly it is to the senior men. The senior men in an office have much more calls upon them than the junior. In my position I have to be in a position to afford a certain amount of entertainment in connection with my office. I have to mingle with Bank Managers and that sort of thing, and I cannot hold up my end at present salaries.

Mr. LAKE.—What salaries do Bank Managers here get?

Mr. McCONNAN.—From \$3,000 to \$4,000.

Mr. LAKE.—The newly appointed clerks receive over 30 per cent increase over what it would be in the east.

Mr. McCONNAN.—Thirty three per cent; Mr. Winsby was appointed at \$600.

Mr. LAKE.—Do you think there should be a percentage of increase allowed, or a round sum?

Mr. McCONNAN.—I am not quite prepared to answer that. Twenty-one years ago when I joined the Post Office service there was an allowance of forty per cent to Post Office employees in the west for the difference in living. At that time we were appointed at \$400 and forty per cent additional provisional allowance.

Mr. LAKE.—They are not still receiving that?

Mr. McCONNAN.—No; it was forgotten at one session about 1889 or 1890, and it was cancelled the following year. The clerks in the Winnipeg office walked out for two days, and finally they came to some arrangement by which they got a small allowance, and it has always been a disputed question up to this.

Mr. LAKE.—They do get some slight allowance, or increase over the east.

Mr. McCONNAN.—Some \$180 I think, even up to \$1,800 salary paid, but in our department there is nothing of the sort.

Mr. LAKE.—What percentage of increase would you estimate there has been in living in the last five years?

Mr. McCONNAN.—My bill for groceries five years ago used to run \$16 to \$18, while now it is nearly double I might say \$28 to \$32. I am not living any better; I am living worse, as a matter of fact, I am living cheaper. That applies generally, and I find that every item is pretty nearly double in five years, food, clothing, rent and so on. Where I paid \$18 or \$20 a month for a house about seven years ago, the same house rents now for about \$30. It is very often impossible to get a moderate sized house in a convenient district for less than \$40.

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Mr. LAKE.—I would like to get the comparison of a man who is living in the same house as he was some years ago.

Mr. W. P. WINSBY.—I lived in the same house 12 years ago and I paid \$15 a month rental. Then it was raised to \$16.50 eight years ago; then raised to \$25, and I was paying that till I bought the house a year ago. To-day it is rented for \$35.

Mr. LAKE.—You feel you could not pretend to live in the same house you started in, although your salary has increased?

Mr. WINSBY.—That is the position practically. I could not afford to live in the same house now as I did seven years ago.

Mr. MCCONNAN.—There is the question of bond, I would like to mention, which is mixed up somewhat. One department pays the bond, in another it is deducted monthly from the salaries, and in a third department it has to be paid in a lump sum in cash.

Mr. LAKE.—Are these three forms in practice in Victoria?

Mr. MCCONNAN.—Yes. In the Customs Department the bonds are paid by the department; in the Inland Revenue Department there is a deduction monthly, and the Post Office the same system. In the department each collector has to pay his own. It is done by a regular guarantee company, although the government recognize others.

Mr. LAKE.—To what extent are you bonded?

Mr. MCCONNAN.—I pay \$20 a year. That covers a bond of \$5,000. The rest of the staff are bonded for \$1,000 each. Other departments run about \$300 or \$400 I think.

Mr. LAKE.—Has the system of bonding been in force as long as you remember?

Mr. MCCONNAN.—Yes, I have paid it every year. I know I was bonded when I first entered the Post Office Department, but I don't know whether their juniors have to take a bond or not yet.

Commission adjourned at 12.30.

Afternoon Session.

Mr. A. J. DALLAIN.—In the first place I would like to draw attention to the fact that the light-keepers are not allowed to leave their posts without special permission, and then only by supplying a capable substitute at their own cost. A substitute cannot to be provided at a light-keeper's wages. When it is absolutely necessary for a man to get leave, he finds that he has to pay a substitute more a day, sometimes amounting in the aggregate to more than he gets for the whole quarter. Light-keepers are paid quarterly. At many stations, owing to their isolated position, substitutes cannot be obtained at all, and therefore light keepers at such stations cannot get holidays. This is a very great hardship on them, and also is not good for their health, and because they are away from medical attention, and it is of course bad for the service.

Mr. LAKE.—Are they all supposed to have assistants?

Mr. DALLAIN.—No. Those with a fog horn must have an assistant, but in other cases, with a light only, the keepers are supposed to be alone. The salary is only paid to one man, but where there is a fog horn in connection with the light they must have an assistant. The lighthouses are classified as first order, second order, and so on. The keeper of a first order light, is getting now \$1,770 as a maximum per annum. A small order light with very little to do may get as low as \$120 per annum. The first order light-keepers have to provide an assistant out of that and that assistant must pass a qualifying examination as engineer that he is able to run a fog horn. Then the salaries at other lights vary. Take a man like the keeper at Cape Mudge, he

gets \$570 and he is there the whole time. At the Dryad Point Light, the keeper gets \$517.50 per annum paid quarterly.

Mr. LAKE.—They all get rations, I suppose?

Mr. DALLAIN.—No, sir, they have to buy their own. The government supplies all the paint, and everything required outside of provisions. That they have to look after themselves; it is not supplied.

Mr. LAKE.—You said just now there was no leave granted. Have you any instances where that was the case?

Mr. DALLAIN.—I would like to quote one instance. On the Sand Heads Lightship which has just been brought down for repairs, the keeper there for the last eleven years has not had any holidays in that time, and the consequence was that the other day when we went out there to relieve him he was in such a state that he could not shave, nor draw water owing to rheumatism. His assistant had left him, and there he was alone. He was doing the best he could, but he said he could only stand it a few days longer.

Mr. LAKE.—How long since he had been off the ship?

Mr. DALLAIN.—About a fortnight previous to this. He had been alone for two weeks.

Mr. LAKE.—Was he unable to get ashore?

Mr. DALLAIN.—He could not, in the condition he was in. He could not put a boat over the side, nor draw water to wash the deck. He was simply walking on all fours when they got there.

Mr. LAKE.—Ordinarily speaking, would these men be able to go ashore every now and then?

Mr. DALLAIN.—Oh, yes, although it is a five mile row, and then he must be back in time to start his light. Light-keepers are not supposed to leave their station without special permission at any time, not even with an assistant. Where there is an assistant, the light-keeper has to attend to the light, which has to be wound up every half-hour, and watched at night, while the machinery of the fog alarm is, of course, attended to by the assistant.

Mr. LAKE.—How much was this particular man getting?

Mr. DALLAIN.—He was getting \$1,470 per annum and he was paying \$45 per month to his assistant, besides board.

Mr. LAKE.—He was paying \$504 a year and board?

Mr. DALLAIN.—That is right. I know that personally. His assistant left to go out fishing, because he could better himself, and so the keeper was left alone.

Mr. LAKE.—That was against the rule was it?

Mr. DALLAIN.—He was not supposed to have an assistant, but he keeps one.

Mr. LAKE.—When alone he draws the whole salary for himself?

Mr. DALLAIN.—Yes, but he could not possibly get along without an assistant, because there is a fog bell on the ship, and that has to be wound up.

Captain J. A. THOMSON.—Then there is the anchor and cable to be attended to, and sometimes she goes adrift, and they have to make sail to get back to their anchorage.

Mr. LAKE.—Is it an understood thing that he must have an assistant?

Mr. DALLAIN.—I think he must; the fog bell being there, but he could not possibly get a man in a fortnight, because he could not get ashore to get one. As soon as we heard of it by letter, a man was sent up on the *Quadra*, and the keeper taken off. He is now at Harrison Hot Springs.

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Mr. LAKE.—At the expense of the department?

Mr. DALLAIN.—No, his own. We have not had any other case of illness like that.

Mr. LAKE.—That work keeps a man the year round, but is more strenuous in the winter than in the summer.

Mr. DALLAIN.—Far worse in winter, because the lights have to be kept going a longer period, and from September on there are more fogs, and the alarm is in operation longer.

Mr. LAKE.—Are you familiar with what the men get under similar conditions in England?

Mr. DALLAIN.—They relieve them every two months or so.

Captain THOMSON.—There are always three men at a light, whether a light-house or lightship; they never allow less than three men. There are four men all told, three always on board a ship, so that in the event of anything happening to one man there would be two witnesses. They are two months on and one month off.

Mr. LAKE.—The conditions are different here to eastern Canada, are they not? In eastern Canada, at any rate in Quebec, the lighthouses are not used in winter.

Mr. DALLAIN.—Part of the year they are not, and lightships and buoys are brought in on account of the ice.

Mr. LAKE.—Do you know in regard to the Bay of Fundy and the Atlantic coast generally, what the regulations are?

Mr. DALLAIN.—I suppose it would be about the same as here. If not icebound, they would be the same.

Mr. LAKE.—Do you know what comparison the salaries of light-keepers bear east and west?

Mr. DALLAIN.—In 1908 an order in council was passed and they re-modelled the whole salary list and classified every lighthouse east and west, and on the first of April, 1911, they increased the wages again. The western lightkeepers got 50 per cent more salary than eastern ones, but that is only since 1908. Prior to that they got the same.

Mr. LAKE.—Do they employ more in the east, or are the regulations the same as to the number?

Mr. DALLAIN.—Exactly the same.

Mr. LAKE.—How about other subordinates in your service?

Mr. DALLAIN.—The clerical staff is classified by order in council of May 11, 1911. Junior clerks, messengers and others commence at \$500, rising by annual increments of \$50; senior clerks commence at \$900, rising by annual increments of \$50; accountants begin at \$1,500 and go up by \$50 a year, and the agent gets \$2,800.

Mr. LAKE.—Is any additional allowance made for living in the west?

Mr. DALLAIN.—None at all.

Mr. LAKE.—These figures apply to all parts of the Dominion.

Mr. DALLAIN.—I take it is the same east and west. Prior to this there was no classification at all.

Mr. LAKE.—Have you a large district here to look after?

Mr. DALLAIN.—We have the whole Pacific coast, 500 miles. Along that we have 65 lights, and a thousand buoys, beacons and such like. We have a superintendent of lights who gets \$1,600 per annum. Besides that he is also superintendent of life-boat stations, for which he gets an annual payment of \$400. On the outside work we have at the new marine depot at Prince Rupert just started, a sub-agent and an accountant and also a caretaker and there was a clerk. The sub-agent gets \$2,200,

the accountant \$1,440, and the caretaker \$1,000. All the accounts for that sub-agency come through my hands.

Mr. LAKE.—How many other employees have you in the way of labourers?

Mr. DALLAIN.—We hire labourers by the day whenever we need them. We have a lighthouse architect who comes under salary, and he gets \$1,200 per annum. We have an engineer on board one of our derrick scows, who is paid \$300 per annum. We have a buoy inspector for the flash and gas buoys, gas buoy inspector is his title, who gets \$1,080, and an assistant \$850. We have a wharfinger at \$800, and a night watchman who gets \$720. Then under the construction branch we have an engineer who gets \$179.17 per month. Then we have an engineer to look after the fog alarm machinery, who goes around and installs it, and sees to repairs. That man gets \$1,200 per annum. We have an assistant engineer under the district engineer who gets \$1,200.

Mr. LAKE.—In your department you have a regular fixed scale.

Mr. DALLAIN.—Yes, we are all classified, but we get no increase for provisional allowance, nor anything else outside the annual \$50 increase. I believe that some departments get an increase of \$100 per annum.

Mr. LAKE.—But the whole outside service of the Marine and Fisheries Department is acting under that; everywhere they get that.

Mr. DALLAIN.—Yes, all over the Dominion.

Mr. LAKE.—How about holidays, are you entitled to them?

Mr. DALLAIN.—I never take them except an afternoon here and there. According to the way I read the regulations it is subject to the agent or head. It does not show that we can have holidays, except the head of the branch may grant to each one requesting it a period not exceeding three weeks in each year. I suppose in our department the head would mean the agent.

Mr. LAKE.—In the statute, head of the department means the minister of the Crown for the time being. You have been here for a considerable number of years.

Mr. DALLAIN.—For 27 years.

Mr. LAKE.—As a matter of practice, have you considered yourself and other officers entitled to two weeks' holidays, and have you asked and got them?

Mr. DALLAIN.—We considered we were entitled. I have never asked holidays on my own account, for the reason that once when I took a fortnight, when I got back I had to work that long to get up with my work.

Mr. LAKE.—Have you no assistant?

Mr. DALLAIN.—I had none then.

Mr. LAKE.—If leave were granted now, you could go?

Mr. DALLAIN.—It would not be so bad.

Mr. LAKE.—I take it that any head must find a certain number of questions reserved for his attention when he comes back, but then the routine would be carried on.

Mr. DALLAIN.—To a certain extent it would be.

Mr. LAKE.—Apart from myself, the other officers get their three weeks' leave.

Mr. DALLAIN.—No, none of them have had. They have had two weeks, one now and another later on. Nobody has ever had three weeks in the office. I would like to have it distinctly understood that we are allowed that by law.

Mr. LAKE.—What are your hours?

Mr. DALLAIN.—The office hours are nine to five with an hour for lunch.

Mr. LAKE.—Is there anything you would like to say in regard to superannuation?

Mr. DALLAIN.—I think it would be a good thing, but it is difficult to say what scheme is best.

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Mr. LAKE.—In regard to the Civil Service Insurance fund have you or any officials you know taken advantage of it?

Mr. DALLAIN.—I have not myself.

Mr. J. E. MILLER.—Only one or two have done so. They can do as well with outside insurance. I have got the scale of salaries in the public service of the province for comparison. The first class maximum with us is \$1,500, while in the provincial service it is \$1,800.

Mr. LAKE.—What are the duties of the provincial service compared with yours?

Mr. MILLER.—Ours is technical, while theirs is more routine. Our second class goes up to \$1,200, and the provincial to \$1,500. The maximum of our third class is \$1,000, and in the provincial service it is \$1,200. The minimum of our first class is \$1,100, compared to \$1,534, of our second class \$900, as compared with \$1,272, and of our third class \$600 to the provincial \$960. There is no clerkship that does not carry at least \$75 a month, and it goes up by \$84 a year in the third class to \$72 a year in the second class and \$60 in the first class.

Mr. LAKE.—What age do they take clerks at?

Mr. MILLER.—Juniors may enter as low as 16, and at 20 they have to go into the third class on examination. In regard to superannuation, they have none, except what arrangement the department makes in individual cases, and in these cases the amount is voted annually by the Legislature. There is nothing in the nature of a contribution from salaries. It is figured that 25 years service entitles a clerk to 50 per cent of his salary on retirement annually.

Mr. LAKE.—What provincial allowance is made in the Inland Revenue Department out here?

Mr. MILLER.—On salaries up to \$1,000 there is a provisional allowance of \$150 a year, on salaries between \$1,000 and \$1,500 an allowance of \$125, and on salaries between \$1,500 and \$2,000 an allowance of \$100. There is no provisional allowance on salaries over \$2,000. Deputy collectors, class 'B,' appointed without examination, get \$50 to \$75 a year allowance according to the value of the survey.

Captain THOMSON.—I am senior steamboat inspector for the province. In the provincial service the boiler inspectors rank as officers and their salaries increase. They have not the responsibility we have, but to a large extent they are all sea-going engineers. They start at \$135 a month, rising by \$5 a month yearly till the maximum of \$180 is reached.

Mr. LAKE.—In comparison what are the salaries given to your assistants in the same rank?

Captain THOMSON.—They begin at \$1,400, and rise to \$1,600.

Mr. LAKE.—Is there an annual increment?

Captain THOMSON.—It is more or less annual, a good deal less than more.

Mr. LAKE.—You are not entitled to a regular increase; it is only at the discretion of the department.

Captain THOMSON.—Yes, as recommended by the Chairman.

Mr. LAKE.—You say the provincial inspectors of boilers who have most of them received certificates from you, and have no responsibility, received \$1,620 as a minimum, and your inspectors \$1,400, and they rise by \$60 a year up to \$2,160?

Captain THOMPSON.—Yes, while our maximum is \$1,600.

Mr. LAKE.—How is in regard to your own salary as compared with men in other parts of Canada?

Captain THOMSON.—They are practically the same. I have \$1,800. I do not think any of them have \$1,800 in the east; I think the highest is \$1,700. My assistants are the same as in the east.

Mr. LAKE.—How long have you been in the service?

Captain THOMSON.—Twenty-eight years. I am the oldest steamboat inspector in the country. The proper reference should be to engineers on steamboats here, who nearly all have been examined and classified with us, and have salaries ranging from \$150 to \$165 per month the year round, with board and lodging on board. These are chief engineers. The only men who should be compared are the American inspectors on the other side of the line, with whom we work a great deal. The local inspectors of boilers over there get \$2,250, and the inspector of hulls \$2,250. Ours start at \$1,300 and at the present time have \$1,550.

Mr. LAKE.—What does their chief inspector get?

Captain THOMSON.—I do not know, but their duties are entirely similar to ours. We are doing exactly the same work, only our examinations are much more definite and elaborate and scientific than theirs are by a long way. It is more a matter of opinion with them.

Mr. LAKE.—As a matter of courtesy you accept each other's inspection certificate?

Captain THOMSON.—Yes, of all vessels over 5 tons propelled other than by sails or oars. They consider the Canadian officials of equal standing with themselves.

Mr. LAKE.—Do you think you have as much work to do as the inspectors on the other side?

Captain THOMSON.—Quite as much. In Seattle there are eight assistant inspectors and two supervising inspectors, and in all British Columbia we have only four besides myself; two in Vancouver and two here. There is a greater clearance in Seattle, of course, but not more than the whole of British Columbia, including the upper country.

Mr. LAKE.—So you manage with four inspectors with a larger number of steamboats than there? You have more to do?

Captain THOMSON.—Yes, you can put it that way.

Mr. LAKE.—In regard to your leave of absence, do you get any holidays?

Captain THOMSON.—No. I may take a Saturday off, but neither my assistants nor myself get any fortnight or three weeks as in some departments. The hull inspector applied last year for a week through the chairman, and he got it.

Mr. LAKE.—Are any of you contributing to the superannuation fund?

Captain THOMSON.—I was, but I changed over to the retirement fund. None of the other officials are, that I know of.

Mr. LAKE.—Do you think it is a good thing?

Captain THOMSON.—Of course it was. We are not in the same position as in the east, where they have nothing to do in the winter. Even in the maritime provinces local boats are tied up as the small harbours are frozen. Here local shipping is continuous. We have really more work in the winter as they endeavour to bring boats in then and have them examined.

Mr. LAKE.—In your opinion there should be a special allowance made to meet the cost of living in the west.

Captain THOMSON.—Most assuredly.

Mr. LAKE.—Do you know from your own experience whether there has been a large increase in the cost of living in recent years.

Captain THOMSON.—Yes, I have the experience of a house holder.

Mr. LAKE.—In your opinion what has been the increase in rents?

Captain THOMSON.—There is a cottage within fifty yards of mine which fifteen years ago rented at \$8 a month. Now they get \$20 for it, and it is always full.

Mr. LAKE.—These are not merely temporary conditions you think?

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Captain THOMSON.—No, it has been gradually going up from fifteen years ago. It is the same with everything. Chinamen's wages have increased 100 p.c. since 1908.

Mr. LAKE.—Have you any idea as to what salaries were paid to the engineers of the largest steamers fifteen years ago?

Captain THOMSON.—There is not much increase in them. They used to run from \$125 to \$150 twenty years ago. Several of them were getting \$150.

Mr. LAKE.—Are they agitating for an increase?

Captain THOMSON.—Yes, they got 10 p.c. increase last year. Some two years ago they were re-graded which resulted in an increase all round. Last year's increase was to all employees.

Mr. W. H. HARRIS.—In the weights and measures inspection branch the salary I think is small to the cost of living. I get \$850 with \$125 provisional allowance.

Mr. LAKE.—Do you get a regular yearly increment, or is that permanent?

Mr. HARRIS.—I started with \$600 on the pay-list, and \$100 provisional.

Mr. LAKE.—How long have you held the position?

Mr. HARRIS.—A little over four years.

Mr. LAKE.—When did you increase from \$100 to \$125 provisional allowance?

Mr. HARRIS.—I think I got the other \$25 last December.

Mr. LAKE.—Are there any assistants here?

Mr. HARRIS.—No, but in Nanaimo there is one who is in the Customs and the Inland Revenue as well. He is under the Inland Revenue Department and gets an allowance for looking after weights and measures.

Mr. LAKE.—You are under the head of the Inland Revenue Department?

Mr. HARRIS.—In the weights and measures each portion of the province is divided into divisions with inspection and assistants under him. The inspector for this division is in Vancouver, and I am assistant for this city.

Mr. LAKE.—In your experience how has the cost of living gone up?

Mr. HARRIS.—My experience as a native son is that it is pretty high. Take for instance meat. Lamb and the best meat we would get for 15c. a lb. not much further back than five or six years ago. Now it is 35c.

Mr. LAKE.—Is it not the case that a lot of meat is imported from Australia and New Zealand?

Mr. HARRIS.—No doubt there is.

Mr. LAKE.—How is the price of that?

Mr. HARRIS.—I do not buy it, so I do not know, but I think there is very little difference.

Mr. DALLAIN.—In regard to the salary of light-keepers on the American side, and the number of men employed. I have been making some inquiries. At the Cape Flattery light which is a second order light, there are three keepers. We only have two. I cannot give the exact amount of salary, but it is far more than ours. The superintendent of lights knows, but he has not the actual figures handy. They are also provided with a house, light, fuel, uniforms, library, gramophones and the houses are furnished. We only allow a house, and a cooking stove, since 1908, when the new schedule came into force. Prior to that they were receiving coal, and that was struck out.

Mr. THOMAS CAIRNS (Deputy Postmaster).—The letter carriers are graded and their salaries run \$1.25 a day for grade "A," \$1.50 for grade "B"; \$1.75 for grade "C," \$2 for grade "D," and \$2.35 a day for grade "E." They serve two years in each grade. In addition they get \$15 a month as a provisional allowance, no matter what the grade. That is the difference between the east and west. The salary down there is the same as here.

Mr. LAKE.—Do you consider that a flat provisional allowance is as equitable or more so than a percentage?

Mr. CAIRNS.—I think a flat monthly provisional allowance is the more equitable of the two, and that the provisional allowance should apply to all salaries. In my case I get no provisional allowance at \$2,000 as assistant postmaster.

Mr. LAKE.—I understand that all below a certain figure get \$180 a year. That to a man receiving \$1.25 a day is a much bigger thing than to a man receiving \$2,000 a year.

Mr. CAIRNS.—I suppose it is, but the idea is that there should be a provisional allowance to all salaries. Take the Inland Revenue Department, there is a provisional allowance there on all salaries.

Mr. LAKE.—All, or all below a certain figure?

Mr. MCCONNAN.—It ceases at \$2,000.

Mr. LAKE.—Are the letter carriers all satisfied?

Mr. CAIRNS.—Yes, they seem to be satisfied now. They stand in a good position.

Mr. LAKE.—As good as the ordinary labourer?

Mr. CAIRNS.—Yes, I think so, especially when they get to grades "D" and "E."

Mr. LAKE.—How long have they to work?

Mr. CAIRNS.—We try to bring them inside eight hours.

Mr. LAKE.—Do they come under the superannuation fund?

Mr. CAIRNS.—No.

Mr. LAKE.—What happens to them? For it is a strenuous life.

Mr. CAIRNS.—It is, and that is a point that is of importance just now. The men down stairs are anxious to go back to it.

Mr. LAKE.—Now in regard to the clerical staff, what salaries do they come in at?

Mr. CAIRNS.—A clerk starts in now at \$500, and \$180 additional, and gets regular annual increases after he passes the preliminary examinations, not the qualifying, laid down by the Civil Service Commission. He is allowed one year in which to pass the examinations. If he does not, of course he has to step out. When a clerk has been in office for a year you know pretty well whether he should stay in or not. Some good men there on the other hand, find it difficult to study up.

Mr. LAKE.—You find some good men are lost because they cannot pass the examinations?

Mr. CAIRNS.—Yes.

Mr. LAKE.—Do you think the grade of the examination is too high?

Mr. CAIRNS.—I do not know that it is.

Mr. LAKE.—I suppose the best test of that is whether you can get enough men to do your work. Perhaps the higher the qualification the better, if it does not shut out good men.

Mr. CAIRNS.—That is where it interferes.

Mr. LAKE.—Do you get all the clerks you need?

Mr. CAIRNS.—They come and go, but lately there are not so many leaving.

Mr. LAKE.—What is the annual increment?

Mr. CAIRNS.—They get \$50 a year up to \$800.

Mr. LAKE.—To what positions can they be appointed after that?

Mr. CAIRNS.—They can go on if there are vacancies to \$1,200.

Mr. LAKE.—In what division?

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Mr. CAIRNS.—Some sorting, registration, city sorting, forwarding.

Mr. LAKE.—What are the positions that carry a higher salary than \$800.

Mr. CAIRNS.—In the registered letter and money order branches they would go up. We have two clerks at \$1,600, one at \$1,250, five at \$1,200, five at \$900, six at \$800, three at \$700, one at \$704; eight at \$600 and ten at \$500, so they grade up. Salaries now are much better than ever before.

Mr. LAKE.—How long have you had the provisional allowance?

Mr. CAIRNS.—Since April or May. Previous to that it was the case that the higher the salary the lower the allowance. The trouble was that when a man got up to \$800 or \$900 provisional allowance was so small that he was down below where he was when he got the increase. Now with \$15 a month he is going ahead.

Mr. LAKE.—You think that \$15 should apply in all branches?

Mr. CAIRNS.—Yes, to all salaries.

Mr. LAKE.—Do you know what reasons were advanced why those receiving the higher salaries should not receive an allowance?

Mr. CAIRNS.—The principal reason was that the higher the salary the provisional allowance would be hardly noticed.

Mr. LAKE.—Why was that principle adopted?

Mr. CAIRNS.—I do not know, but the matter has been taken up with the department.

Mr. LAKE.—Do all your assistants get a regular amount of leave?

Mr. CAIRNS.—Clerks get two weeks, and carriers and messengers two weeks. That is granted regularly every year, and has been the rule for some considerable time.

Mr. LAKE.—What are the hours they work?

Mr. CAIRNS.—With the clerks as with the carriers, we try to regulate eight hours a day. We try to see that every clerk from the highest to the lowest puts in that time.

Mr. LAKE.—How do you manage that, working night and day?

Mr. CAIRNS.—We bring them on at different hours, so as to make up eight hours. The night staff goes on at six o'clock, and we change them around once every four weeks. There are three different staffs. Some go on in the morning at 6, 7, 8 or 9, according to where they are required most.

Mr. LAKE.—They receive nothing extra for night work?

Mr. CAIRNS.—Yes, and that is the point that creates great dissatisfaction. A man working at night or on Sunday gets no extra pay, and that is very unsatisfactory to him.

Mr. LAKE.—They feel that for the month they are doing night service they should receive extra pay?

Mr. CAIRNS.—Yes, and that those working Sundays should receive extra pay also.

Mr. LAKE.—Does every clerk have to work Sundays once every three months?

Mr. CAIRNS.—No. We have nine clerks in each staff, and they take regular turns. Of course there are some, like those in the registration and general delivery, but the sorting and forwarding and other men, every three months they put in four Sundays, and for that they get no extra pay.

Mr. LAKE.—One month they have to work seven days a week.

Mr. CAIRNS.—Yes. That will eventually be reduced as we get more clerks and train them in sorting. In the past they never stayed long enough to be trained in sortation, and the older men had to do that, and we have not been able to put them on so as to allow the night staff a night off once a week, but we hope to attain to that as we get men trained up.

Mr. LAKE.—You have not been able to keep your officials, that is the reason you give for that.

Mr. CAIRNS.—Well, they are not paid sufficient. As soon as they get anything else to do they drop out. They come in as a sort of temporary affair till they get something better to do.

Mr. LAKE.—That means that you have all the time a number of inefficient clerks on your hands?

Mr. CAIRNS.—Yes.

Mr. LAKE.—What proportion have you?

Mr. CAIRNS.—At present we are short two sorters on each staff, that means six men we should have, and at the rate it is growing, these men should be prepared to undertake any sortation.

Mr. LAKE.—This is on account of your better men having found better places and left the service?

Mr. CAIRNS.—Yes, and these new men coming, until they get posted to handle sortation and distribution, we have to remain short. But we are in hope now with salaries a little better, that the men will remain.

Mr. LAKE.—The increase in the provincial allowance will have that effect, you think?

Mr. CAIRNS.—Yes, and then starting them at \$500 is an improvement. With the \$180 it is a pretty fair start.

Mr. LAKE.—With regard to superannuation, what are your views?

Mr. CAIRNS.—I am myself under the old superannuation system, but that is a question that the staff downstairs are very anxious to have something done on, and they will bring it before you by deputation.

Mr. LAKE.—Is the provincial allowance that you get the same as is given all through the west?

Mr. CAIRNS.—I think it is the same as at Winnipeg, Regina, Edmonton, and so on. Some years ago the provincial allowance was 40 per cent, and the cost of living is much higher now.

Mr. LAKE.—You were formerly in Winnipeg; what was the allowance then?

Mr. CAIRNS.—In 1881-2-3 it was 40 per cent of their salaries, and in 1885 it was 25 per cent. That applied to all salaries of clerks. When I left they were receiving 25 per cent.

Mr. LAKE.—When you got here were you still receiving that provincial allowance?

Mr. CAIRNS.—I was till I got up to first class clerk and then they cut off the 25 per cent.

Mr. LAKE.—I understand the carriers get a bonus?

Mr. CAIRNS.—Yes, they have their choice of \$20 or an extra week's holiday.

Mr. LAKE.—The bonus is an alternative to taking leave.

Mr. CAIRNS.—To taking extra leave. They have two weeks in any case.

Mr. LAKE.—So in the Post Office Department, you consider three weeks leave is worth \$60. Under what regulation did this bonus come about?

Mr. CAIRNS.—It was when the carriers were placed under the grade system about seven years ago. If their conduct was reported favourably, they are entitled to \$20. If a man decides to take the three weeks we have to report on him. If there are any reports against him he would not get three weeks. If not good enough for the one he would not be good enough for the other.

Mr. LAKE.—As a matter of fact they are only entitled to two weeks?

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Mr. CAIRNS.—Yes.

Mr. LAKE.—But to the man well reported on he is given an additional week or the bonus?

Mr. CAIRNS.—Yes.

Mr. LAKE.—Do you pay for the bonds of any of your officials?

Mr. CAIRNS.—We pay it. The letter carriers and clerks are all bonded, and we deduct it from their salary once a year.

Mr. LAKE.—Have any of your officials taken advantage of the Civil Service insurance?

Mr. CAIRNS.—I do not know of any.

Mr. LAKE.—And most of them contribute to the retirement fund?

Mr. CAIRNS.—Yes, most of them.

Mr. LAKE.—There are only a few of you under superannuation?

Mr. CAIRNS.—Only four or five of us.

Mr. LAKE.—Can you give me any idea as to the increase of the cost of living?

Mr. CAIRNS.—I cannot give you much more than what I hear from every side. A \$20 house five years ago would rent now for \$35. You can hear people talk on every side about the increase.

Mr. LAKE.—Your officers are appointed by order in council and only removable by order in council.

Mr. CAIRNS.—Only by order in council.

Mr. LAKE.—So their position is a secure one?

Mr. CAIRNS.—Yes.

Mr. MARCHANT.—Might I mention in connection with retirement and superannuation that Senator Power's Bill did not provide for the return of any one under the retirement fund into the superannuation system, and it appeals to me that that is rather a pertinent thing. There are many in the service who have entered under the retirement fund, and have been contributing 5 per cent of their salaries since they entered. I am one of these. I have no grievance, but it appeals to me that the system of superannuation is after all the true one, because the viewpoint of the efficiency of the service should be maintained, and so long as the retirement fund is continued there is no inducement for any man to ask to be retired, and any government would be tender about forcing a man out with little to his credit. To my credit there is about \$1,800, less than one year's salary, and it is a reasonable point in this connection as to whether those at present under the retirement fund by of course a forfeiture of the amounts to their credit, be permitted to return to the superannuation system. I think a mistake was made in that the government did not take into consideration that they were not contributing anything. Four per cent interest is nothing because here on gilt edge security you can make 6 per cent, and easily 7 per cent to 10 per cent. It was no compensation to give us the government guarantee of 4 per cent when we can get these rates here.

Mr. LAKE.—Your point is that Senator Power's Bill was only a proviso for the future, and did not consider those now in the service.

Mr. MARCHANT.—I liked the Bill, but I do think they might extend it so as to include those now in the service.

Mr. LAKE.—If you are entitled to a superannuation allowance on paying 2 per cent, you think that paying 5 per cent you might be allowed to go back under the old condition?

Mr. MARCHANT.—Yes. Not a few here in the Victoria offices preferred the retirement fund. The way they looked at it was that if they wanted to retire at any time they would be able to obtain the amount paid in plus the 4 per cent.

Mr. CALDERWOOD.—They said that it required more pull to get superannuation than even to get an appointment.

Mr. LAKE.—The old system did not give the civil servant the right to be superannuated.

Mr. CALDERWOOD.—No, it was not a right.

Mr. MARCHANT.—My experience has been that when a man was entitled to superannuation he could get it.

Mr. LAKE.—When do you consider he is entitled?

Mr. MARCHANT.—When he reaches the maximum age of 65 or when his health breaks down.

Mr. LAKE.—What do you think of the proposition that Civil Service insurance should be pretty nearly self-supporting?

Mr. CALDERWOOD.—I have seen an actuary's statement, and I think it would come pretty heavy on the service.

Mr. LAKE.—One provision might be that a man would be entitled to demand superannuation, say after some maximum of service.

Mr. CALDERWOOD.—Senator Power's Bill said that a man might ask for it at 65, but he would have to take it at 70. It would be optional at 65, but compulsory at 70.

Mr. LAKE.—Do you think that man after 35 years' service ought to be entitled to ask for and obtain superannuation?

Mr. McCONNAN.—I think he should, if he has served faithfully. If he was 35 years in business, the chances are he would be able to retire comfortably.

Mr. LAKE.—You know that a considerable class of people have an objection to the idea of a pension, and I imagine it was in consideration of that, that the late government after coming into power took the step it did. That might be got rid of by making the system self-supporting. I think some of the civil servants at Ottawa would prefer to see it self-supporting, feeling there would be thus no question of charity or obligation. There is no question that if made self-supporting it would remove one of the only objections. I think in regard to future appointments it should be made compulsory that a man should contribute to a superannuation fund of that nature.

Mr. CALDERWOOD.—It is pretty generally assumed that if any superannuation scheme was set going it would have to be general, and all the money now paid in absorbed by it. The way it is now it practically means an insurance remaining there till you leave or die, or are dismissed.

Mr. LAKE.—The old superannuation scheme was faulty in this way, that if you died before or immediately after you got nothing.

Mr. McCONNAN.—It was an absolute gamble. Another thing is the government insurance. I am on the 2 per cent basis, and if I want to change over I have to change to 3 per cent.

Mr. LAKE.—You have continued to contribute the 2 per cent?

Mr. McCONNAN.—I did not change.

Mr. LAKE.—They will not allow you to join the Civil Service insurance.

Mr. McCONNAN.—Not unless they take 1 per cent additional off my salary.

Mr. LAKE.—What more benefit do you get on the superannuation system?

Mr. McCONNAN.—None. That is one of the peculiarities and that prevents many 2 per cent men from taking out insurance.

Commission adjourned at 5 p.m.

SESSIONAL PAPER No. 57

VICTORIA, B.C., THURSDAY, July 25, 1912.

WILLIAM M. GALBRAITH, called and sworn.

By Mr. Lake:

- Q. What is your position? A. Fisheries overseer for British Columbia.
- Q. When were you appointed? A. On the 14th April, 1897.
- Q. Was that the date of your first appointment? A. No, that was June, 1894.
- Q. What was the nature of that appointment? A. It was a special appointment as fisheries officer to look into and prosecute all infringements of the law under the instructions of Charles Wilson, K.C., agent of the Minister of Justice at Victoria. I was to take instructions from him.
- Q. Do you hold any other position? A. Acting preventive officer for Victoria under the Customs Department.
- Q. What was the date of that appointment? A. March 29, 1897.
- Q. And what pay do you receive? A. I receive \$25 a month from each department making a total of \$50 from the two.
- Q. What are your duties as preventive officer? A. Keeping the invoices in the Customs Department. I have done nothing else for 14 years.
- Q. Are you in charge of the work the whole time? A. Well, the last six months, since the pressure of business I told the Collector of Customs it was impossible for me to keep up the work, and he said he would send a man in during my absence on fishery work.
- Q. How often are you absent on fisheries business? A. The Fisheries Department say that as they pay half my salary they demand half my time.
- Q. Do you divide your time exactly between them? A. As nearly as I can.
- Q. In what way do you do that? A. Well, my principal work should be on the Cowichan river. There are I don't know how many men up and down that stream in railway construction camps, and they dynamite the fish. I am supposed to go up and prevent that, but when my back is turned they are at it again.
- Q. Do you spend part of the week there? A. Part of the month.
- Q. How do you arrange it? A. I generally fix the first Sunday of the month to go up there, because at the end of each month I have to collect all the fishery statistics for that month and for local consumption, and it takes about three days to do that.
- Q. Where do you get that information? A. From the fishers and those connected with the fish trade.
- Q. You have to report that? A. Every month.
- Q. To the department? A. To the inspector of fisheries at Nanaimo. My weekly report only sets out if the fishing is good, and if not, why not. I have to report weekly and monthly to the Fisheries Department.
- Q. And what other officers are there here? A. No other. There is a guardian at Cowichan bay, but no other I know of.
- Q. You are directly under the inspector of fisheries at Nanaimo? A. Yes, that is Mr. Taylor.
- Q. Has he a staff there? A. He has, but I could not say how many.
- Q. Has your work in the Customs Department been the same ever since you were appointed? A. For a year or two I was put on patrol work around the coast, but they found the office staff not sufficient to carry on the work and I was taken off that, and put on clerical work.
- Q. You are still holding the position of acting preventive officer for the Pacific coast? A. Yes.
- Q. You have been employed continuously since 1897? A. Yes.
- Q. Have you ever received an increase in salary? A. No. The only thing is when I first received the appointment I tried to put it up on a good footing. At the

end of each week I simply came in and reported and asked for any instructions. At the end of four weeks I found they hadn't paid me.

Q. Then you were not paid promptly because of the Customs work? A. No, \$100 was stopped in 1897.

Q. Then after that you divided your time equally between the two? A. Yes.

Q. And you were paid by each department? A. I have been paid regularly by each department.

Q. During the last fourteen years your duties have been entirely clerical in the Customs Department? A. Entirely.

Q. Spending the other half of the month—A. Doing fisheries work.

Q. Do you get any other remuneration, fees of any kind? A. Not a cent of any description.

Q. You give the whole of your time to the work? A. Yes.

Q. Do you pay your own travelling expenses? A. Yes, but the government reimburse me after a few months. At present they owe me \$50.

Q. So you are reimbursed finally? A. Yes, but you understand the position of being \$50 out of pocket on a salary of \$25 a month. It is not possible to live and keep your house on \$50 a month.

Q. Prices of everything are going up, you think? A. They certainly are.

Q. What is your age? A. Sixty-three.

Witness retired.

Captain JOHN A. THOMSON, called and sworn.

By Mr. Lake:

Q. What appointment do you hold? A. I hold the appointment of hull and machinery inspector and measuring surveyor of shipping.

Q. How long have you held the appointment? A. Since June, 1890.

Q. Previous to that what were you doing? A. I was a sea-going engineer, ship-builder and manager of works.

Q. How many officers have you under you, and what position do they hold? A. Four. Three machinery inspectors and one hull inspector.

Q. What salaries do they receive? A. Two machinery inspectors received each \$1,600, one \$1,550, and the hull inspector \$1,550.

Q. And what salary do you receive yourself? A. \$1,800.

Q. What district do you cover? A. The whole of British Columbia from the 49th parallel to the North Pole, and from the Rocky Mountains to the setting sun.

Q. Both inland waters and deep sea? A. Yes. No one has done any work in the Kootenays except myself. When I went in, in 1890, I had to go through the United States to get there.

Q. During the last year, what was the number of vessels inspected? A. 165 all told.

Q. And the gross tonnage? A. 118,411 tons.

Q. Are dues chargeable? A. Not on Canadian vessels.

Q. But on all foreign vessels? A. All except United States. British vessels and all others have to pay tonnage dues. The United States vessels are free. It is a reciprocal arrangement.

Q. What is the amount of fees collected? A. It is at the rate of 8 cents a gross ton.

Q. Do you find your staff adequate for the work? A. They have all they can do. I think if we had a hull inspector in Vancouver we could manage.

Q. That is in addition to the one you have? A. Yes.

Q. You think they can scarcely keep up, they have as much as they can do? A. They have.

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Q. Do they have to work long hours? A. Occasionally. There are these returns to be sent in, and the reports of the fees from engineers.

Q. Do you and all your sub-inspectors have to do a considerable amount of clerical work as well as your regular duties? A. Yes. If there was any way of getting help on the clerical work—it is doubtful if they could—it would be better. It keeps a man in the office too much. Our instructions are at all times in going around to go aboard ships and see they are kept up to certificate.

Q. So you feel you are unable to do as much as you could on account of the lack of clerical assistants who could keep the reports for you? A. Yes, and attend to letters or callers when we are out of the office.

Q. That would add to the efficiency of the service here, would it? A. Unquestionably.

Q. In addition to steamer inspection you attend to some examinations? A. Yes, of engineers. Then we have a kind of general supervision over the government steamers, and frequently we have specifications and reports to get out for them, which naturally keeps us back.

Q. Is there anything else you think of which would tend to economy and efficiency of the service out here? A. There is one point I have to impress, and that is our responsibility here where we are so far from advice that we are called upon to act much on our own responsibility, as compared with the man who can run up to Ottawa in twelve hours.

Q. Are there any complaints at the present time from the public as to delays in inspection? A. None.

Q. You have been able to give efficient service? A. Yes. I have never had any complaints of any sort during my service.

Q. You are under the Marine Department? A. Under the Chairman of the Board, through the Deputy.

Q. Are you answerable to the agent of the Marine Department here? A. No, except to give advice and assistance to him when requested.

Witness retired.

F. NAPIER DENISON, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am assistant in the Meteorological Office here.

Q. How long have you held the position? A. I have been in the service for 30 years, since 1882, and I came here in 1898.

Q. What salary do you receive? A. \$1,500.

Q. Is that better than you would be receiving in Toronto? A. That I cannot say. The cost of living here is something frightful, and it takes every cent to carry on. Where the shoe pinches is in the carrying on of scientific work for which I have to pay myself.

Q. Do you think the position is paid more highly here than in the east? A. No, I do not think so.

Q. It is paid on about the same scale? A. Yes. This is the only office outside Toronto where we carry on weather forecasting and special work. That is why I was sent out here in 1898, to start the weather forecasting and organize a meteorological office. Mr. Baynes Reed, who is the superintendent here was then observer at Esquimalt. The director decided to start a fully equipped office here, and I was sent out for that purpose. I am also conducting seismological investigations here.

Q. You are not making any complaint yourself? A. None whatever.

Q. Except that you feel salaries out here are not sufficient owing to the extreme cost of living? A. So long as I hold the present position I do not complain because

I do not think it is right. On the point of cost of living of course there is no question that salaries all round should be higher. What I want to speak about is the junior in our office. Mr. Reed would have seen you about it if he had been in town to-day. For some years we have had young fellows come in at \$40 a month and a room in the building.

Q. At what age do they come in? A. About 17, or after they have left school.

Q. Do you pick out one for yourself? A. Yes, we are allowed to pick out some one whom we think has particular abilities for the work. In the last case the lad was with us two years, with an understanding that he would get an increase after he was trained. His second year closed in June, but none was forthcoming. The result was he sent in his resignation, and took another position at a much better salary, and we were at a loss of the two years' training we had given him.

Q. Have you had similar experience before? A. Yes, we have had two others before, who have had to leave because they were not getting enough.

Q. They were getting \$40 a month and room? A. Yes, and could not get any more.

Q. What are you doing now? A. I got hold of a most excellent young fellow, and I am pressing on the director that he is to receive at least \$50 and room.

Q. Has the department consented to that? A. I cannot say they have. Mr. Stupart was out here a short time ago, and has seen the situation. He thinks that \$40 is enough, and he says they do the same in Greenwich where they let them come and go. But this is a different matter here, because when we lose a boy the work of the office comes on me, that is the clerical work, and I have to teach the new boy to the detriment of my own scientific duties.

Q. Do you require them in the service in later life? A. Yes, we have use for them. This is one of the government services in which our whole life is devoted to the work, and my ambition is to get into the service a young fellow so that when the opportunity comes he can be promoted, and the service benefited.

Q. Can you say that the fact of having to have new men is for the time detrimental to the service? A. Most detrimental and doubles my work.

Q. But does it affect the public? A. I should say so. Our service is different from others. There is a wonderful future for the office, and the chance for a young man who comes in and devotes himself to the work.

Q. Have you clerical work for your assistant? A. There is clerical work in the preparation of the weather charts, and of the notices which we have to send out to different points, and besides that there is the scientific work, observation work.

Q. What are his hours? A. The first observation is made at 4.30 a.m. summer and winter through all sorts of weather. That is why he has a room in the building. He takes the observations, converts them into cypher, and telegraphs them—he has to be a telegrapher—to Toronto and Portland, Oregon.

Q. He has to be a telegrapher? A. Yes. He must understand telegraphy and typewriting, be proficient in mathematics as well as generally informed. At 9.30 he enters on the weather chart the information which we get by wire from other centres on the continent, and types copies of the weather bulletins. Then there is regular clerical work, such as abstracts, to be made.

Q. Is there accounting to be done? A. Yes, but that is done by Mr. Baynes Reed. From 9 to 12 and from 1 to 3.30 are the assistant's hours, and then he is free until 4.30 next morning.

Q. Are there other observations? A. At noon and 4.30 p.m., which Mr. Reed or I take.

Witness retired.

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JOHN C. NEWBURY, called and sworn.

By Mr. Lake:

Q. What is your position? A. Collector of Customs at the Port of Victoria.

Q. When did you first enter the service? A. April 1, 1883.

Q. And how long have you held the present position? A. As acting collector, since January, 1904, on the death of Mr. Milne. My appointment was made permanent about a year later, February, 1905.

Q. Have you an assistant? A. No.

Q. What are the employees on your staff? Their rank and average rate of salary in a general way? A. Twenty permanent, with twenty-one on the temporary list, and one taken on this month. I have immediately under me the surveyor of customs at a salary of \$2,200. There is a chief clerk at \$1,800, an appraiser at \$1,700, landing waiters, clerks, preventive officers, lockers, gaugers at salaries ranging from \$850 to \$1,400.

Q. Then you have some acting preventive officers? A. That means they are not on the staff permanently.

Q. At what salary? A. \$850 is the lowest.

Q. Are there any exceptions? A. One is employed half time, and another is the lady searcher at \$50 a month. She goes when she is wanted, not like the men.

Q. But she may be wanted at any hour? A. Yes.

Q. Do you consider she is adequately paid? A. I won't say as to that. A new condition arose with the early morning boat, and it seemed to me fair that she should get something for it, but the ruling of the department is that \$50 is for the whole time. I may call on the staff whenever I want to.

Q. What are the hours of night service here? A. She is there from 2.30 to 5 examining passengers and packages; there is a big tourist traffic this time of the year, and that is the time of day it is handled here.

Q. You find her work satisfactory? A. Yes, and a saving to the government. We were continually hearing complaints from merchants here of people doing their week-end shopping in Seattle, but we don't now.

Q. What is the nature of the work of the preventive officers? A. There are two kinds of preventive officers. There is one kind who attends to the entire business of an out station, such as San Juan, Clayoquot, and Quatsino, where there is very little business.

Q. They act as a sort of sub-collector? A. They are in entire charge of the work at stations where there is little Customs business, Port Renfrew, Clayoquot, Quatsino and Sidney.

Q. Each carried on by one man alone? A. And we call them preventive officers.

Q. At what salary? A. It is nominal, \$250, \$200, \$120. They may be postmasters or storekeepers, or anyway have some other business.

Q. Have you any other out-stations under your control? A. We have three, and one outpost, Sydney, where there is one man who is a sub-collector and is paid \$50 a month. I believe he is postmaster.

Q. Are there any other preventive officers? A. There is another class which we call post office collecting stations, to collect the duty on post office parcels for the accommodation of settlers. We have three of them, Duncan, Banfield, and Ganges. These men are postmasters and receive a special fee from the Customs Department for collecting the duty, 10 p.c.

Q. You employ some preventive officers at headquarters? A. Yes.

Q. In what class of duties are they employed? A. It seems to be a term under which the department makes temporary appointments until they are shaken into place. They may be eventually clerks or something else.

Q. Have they to pass an examination to become preventive officers? A. No.

Q. And some of them are performing other duties than those of a preventive officer? A. Yes, they may be permanently employed as clerks or landing waiters.

Q. So a man may be doing his work as a clerk, as a preventive officer who has entered the service without examination? A. It is a sort of suspense account, while he is waiting a place in the service. They come in without any examination.

Q. Have you any who have come in, in that way, doing the same work as men who had to pass the examination? A. They can be permanently appointed as preventive officer. They come in as acting, but they may be made preventive officers without examination, and go on the staff.

Q. But while called preventive officers there is no specific duty attached to that class of officer? A. No. We may put them where we like. We have one with us twenty years at \$1,400, who is chief landing waiter. He is a good man, and does his duty satisfactorily to me. Another acts as chief checker, and gets \$1,150 after eight years in the service. He is a good man as checking officer.

Q. You could not appoint them under the Act, but the Act is got around by appointing them as preventive officers? A. Yes, that is what happens.

Q. Have you any men doing the work of preventive officers? I suppose the original preventive officer was supposed to prevent smuggling? A. I never traced it up. It seems to be a Customs office without anything specific about it. It seems to me the first hole made to get around the Act, as he has not to pass an examination.

Q. What special officers have you to stop small boat smuggling? A. No one. We have an officer at every dock, but we have no night patrol. There is a patrol launch, the *Winimac*, of 35 horse-power, with two men, \$375, and everything found, making weekly reports. She runs from here to Nanaimo, where the coast of the two countries is contiguous. She does excellent preventive work.

Q. How many of your officers are under the superannuation system? A. Only three.

Q. The remainder of the 21 are under the retirement system? A. Yes.

Q. None of them avail themselves apparently of the insurance fund. A. Not one.

Q. About what is the amount of business done under your jurisdiction? A. About two million dollars revenue in the last fiscal year. It is at the rate of two millions and a half now. It has doubled in the last two years.

Q. Five years ago what was the revenue? A. A little over a million. It stood still for a few years, and then began rapidly to advance.

Q. What is the expenditure of your department? A. About \$4,000 a month. I think \$50,000 should cover everything.

Q. Do you consider your staff sufficient to give good service to the public? A. Yes, unless the department asks for more details in the returns.

Q. Have you any particular complaint from the public as to the service rendered? A. None.

Q. Do you not consider there are any improvements you could have with a larger staff or accommodation? A. There is room for betterment in the accommodation. We are cramped. There is a shortage of space, and I have asked for more within the last two months.

Q. That is for the clerical work, but for the outside work? A. I have asked for a man outside; I asked for it as quickly as needed, and the department has never refused.

Q. Do you get your office supplies locally or from Ottawa? A. On requisition from the Department of Stationery from Ottawa.

Q. Direct from the Printing Bureau or through the department? A. Most of it through the department, and a little direct. All the ordering is done through the department.

Q. Is the quality good? A. Occasionally a complaint, but I cannot say there is a grievance.

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Q. How in regard to office furniture? A. We get it on requisition through the Public Works Department.

Q. Have you any suggestions to offer as to efficiency and economy? A. I firmly think there should be a qualification for entering into the service.

Q. For all persons entering into the service? A. Yes, for all city officers anyway. I do not mean out stations, but in city offices I think there should be a qualification.

Q. And no man accepted who does not pass? You consider that there should be an open and competitive examination? A. As long as it is strict and impartial, I do not know that we care.

Q. All you want is qualified men? A. Qualified men who can do the work.

Q. Occasionally you have not had that? A. More than occasionally we get men who are not up to the standard. You ask me about efficiency and economy, and you cannot have it when you have men who have never been to school, and cannot read or make a report. There should be a standard of qualification, and below that no one allowed to enter.

Q. What age limit would you suggest? A. The department makes 36 now as the maximum for coming in.

Q. And as to minimum? A. I would not like to see a greater age. I think it should come down, except in special cases. There are few special cases where this age limit won't work, except expert officers and appraisers.

Q. What are your views about superannuation? A. I do not think you can have efficiency unless the men come in as qualified when they do come in, and unless they have something to spur them on when in, or create esprit de corps.

Q. Have you found that promotion in the Port of Victoria is blocked by having to keep on men? A. Yes, I have men on now who ought not to be on.

Q. Who are really too old for their work? A. Yes. There is nothing I can urge against them but that they are too old and there is no way of getting rid of them. Very few collectors will report on an officer that he is too old, and that he ought to go.

Q. What are the ages of your oldest men? A. One of them must be 80, and he sticks at it, although he does not do as well as a younger man.

Q. Not to your satisfaction? A. No.

Q. In regard to the majority of the employees, what would the conditions be if there is no superannuation? A. We will always be encumbered by men who are too old and who are keeping back the efficiency of their office.

Q. Are you in favour of having an age limit at which retirement must take place? A. Yes, and it should act automatically. The way things are now they are not satisfactory, and do not make for efficiency.

Q. What is your opinion as to the increase in the cost of living? A. There has certainly been a great increase. I am not prepared to give figures, but I am sure that within the last few years there has been a great increase.

Q. Is Victoria more expensive than eastern Canada? A. There is an idea that it is, but I have not travelled enough lately to be able to speak.

Q. Your staff get a provisional allowance? A. Not under that name. The department has a rule that the minimum is higher than in the east. They are paying clerks, lockers and so on more out here. It is said to be about \$100 more. Collectors get the same at Victoria and Vancouver as at Halifax and St. John.

Q. The salaries you have given do not represent the whole amount received? A. A certain number of officers work overtime and work nights and receive 40c. an hour for that.

Q. Does that amount to a very considerable sum? A. Some receive as high as \$25 and \$30 a month. It varies from \$10 to \$35.

Q. If you send a man out on overtime he gets a minimum does he not? A. Yes, 80c. for two hours, even if he is only out one hour. The outside officer assigned to a

certain clock has the first chance, but sometimes we have to send out men from the clerical staff when there are two or three steamers in. There is a maximum that the department allows. No man can exceed two hours overtime in a day. The whole of the Sunday or holiday has to be paid for at overtime rate.

Witness retired.

R. C. HOWELL, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am gauger at the port, and I have occupied the position for five years past. Prior to that we had no gauger. The work was done as far as possible by one of the appraisers. There was very little distillation, whereas Chinese merchandise in the way of importations of liquors, were brought in under two classifications, liquors and wines.

Q. Did you come in then? A. No, I have been in the service for thirteen years as landing waiter. I had studied for this position as I was told the business was growing, and such an office would become necessary. Studying it in Vancouver, I saw that much revenue was lost. The peculiarity here is that Chinese importations form a large part and their liquors are peculiar in that no two consignments are alike. Some might be wine and pay duty under the ad valorem scale. The balance is medicine and liquors, very strong, stronger than bottled liquor used in Canada, and therefore requiring a great deal of work to determine what duty should be collected from them.

Q. What is the average revenue collected now on Chinese liquor? A. I have not figured it up, but it would be enormous. I merely issue the certificates on which the goods are cleared. I feel this way, that the important work here has not been properly recognized by the two officers whose place it is to be acquainted with it. The collector is not acquainted with the work.

Q. You feel you are not receiving sufficient salary? A. That is it in part. Then I would like to have the privilege of communicating on technical matters with the chief gauger at Ottawa, so as to get light, whereas it has now to go through the collector and through the chief there, which is not always satisfactory. I would like to get in touch by letter with the chief gauger.

Q. So far as you know none of the gaugers do? A. So far as I know.

Q. Is there anything else you desire to say? A. Well, whereas carpenters receive a minimum of \$4 a day, and whereas no one understands the Chinese work as I do, knowing the Chinese names and having arranged a scale so I can fix the duties, by which means a large amount of revenue has been saved, I think the position should be better paid.

Q. What is your salary? A. I have been receiving \$1,200 for the last year, and was raised \$100. I have been getting \$100 or \$150 overtime a year.

Q. You are in the permanent service? A. Oh yes. I passed the examination.

Q. Other gaugers have not to deal with the Oriental feature of the importations? A. No, and that is most important.

Q. What are your views on superannuation? A. I would like to see a superannuation arrangement and old age retirement on it.

Q. Do you assent to the proposition that there should be compulsory contribution to the superannuation fund by all officers? A. Yes, but under the present arrangement the government has taken our money and we are getting 4% on it, when we can make more here.

Q. You would willingly come under it? A. I would. I would also like to see the outside service brought under the Civil Service Act.

Witness retired.

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WILLIAM MARCHANT, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am inspector of Customs.

Q. When were you appointed here to the position? A. In June, 1907.

Q. When were you first appointed in the Government service? A. In January, 1897, as appraiser of Customs.

Q. I would like to have the number and rank of the officials under you, what their salaries are, and so on. A. As a matter of fact I might here interpolate that the point has been raised whether an inspector is really a supervising officer. We have no fixed statement of the authority or power of an inspector. I think it is more assumed than actually granted. As to staff, myself personally I have none. My inspection district involves the ports of Victoria, Nanaimo, Prince Rupert, Dawson, and Whitehorse. These are the chief ports. Then there are a number of outports and preventive stations, and Customs collecting stations under the Post Office, all of which I inspect. There are under my inspection five ports, thirteen outports, ten preventive stations, and in addition there are some small Customs collecting stations that are combined with post offices.

Q. Which of these five ports is under a collector or sub-collector, and how do their salaries range? A. A port is always under a collector. The highest paid is Victoria, with \$4,000 a year. Dawson is next, but it is peculiar, as there is a large living allowance. The collector receives a salary of \$2,750, and a living allowance of \$1,500. Combined it would appear to be more than Victoria. At Whitehorse the salary is \$2,250 with a living allowance of \$1,500. Prince Rupert has a salary of \$2,200. At Nanaimo there is an increase of salary this year, and I think it is now \$2,000.

Q. Do you consider it costs \$1,500 more to live at Whitehorse than at Prince Rupert? A. Perhaps not as between these two, but it would as between Whitehorse and Victoria, and the same applies to Dawson.

Q. You think they are both very much more expensive to live in than here? A. Yes, I know it to be so. I lived six months in Dawson, and received a living allowance. I was there as lately as six months ago on an inspection trip. Proportionately, the cost does not seem as much as here, because the chief cost is high freight rates, storage, and the natural monopolies that arise on account of that.

Q. Can you tell me about what the revenue at the port of Dawson is? A. It is a steadily decreasing revenue. I think it is now about \$180,000.

Q. What officials are there at these various ports? A. In the port of Dawson, in addition to the collector, there would be three regularly employed, and two employed during the summer, and at Forty Mile sub-port there is one regularly employed official as sub-collector. Salaries run from \$1,800 and \$1,500 allowance to \$1,200 and \$1,500 allowance, and one \$2,400 without allowance. For temporary officials \$200 a month is about the fair standard. At Whitehorse there are, including two outports, five officials. At Prince Rupert there are six permanent officials, and at Nanaimo, and including the outports, eight permanent officials.

Q. Something about 65 altogether permanently employed? In addition you have a number of small stations? A. Preventive stations, permanent enough but only receiving a nominal salary of \$200 a year or so.

Q. These are men who have other businesses of their own? A. Yes. For instance at Quatsino we pay \$120 and at Clayoquot \$250. That is the style of them.

Q. There is another inspector in British Columbia who takes in the rest of the province? A. Yes, with headquarters at Vancouver.

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Q. What is the amount of business done in your inspectorate? A. There is about \$2,000,000 of collections at Victoria, and Prince Rupert a little over \$100,000, Nanaimo about \$130,000, Dawson about \$180,000, and Whitehorse about \$50,000.

Q. How would that compare with the business of five years ago? A. Victoria has a little over double. I think five years it would be about \$700,000 or \$800,000. Dawson is decreasing. It went up once to half a million. Whitehorse has decreased. Nanaimo has steadily increased, but comparatively only a small increase, not more than 20%. Prince Rupert has increased, and will increase in all probability.

Q. You get nothing extra beyond your salary? A. No, except my travelling expenses.

Q. You find no complaints from the public as to the service given? A. No, we have on the whole a splendid staff of officers, and more complaints are likely to arise from petty things by persons who do not understand business.

Q. Have you any suggestions to offer as to increase efficiency and economy of the service? A. There are two things I would like to say in that regard. First, I do not think any one should be added to the staff of any port without reference to the inspector. A collector is very often more or less circumscribed in his vision. I know more than once requests have been made for additional assistance without any need, and they have been granted, and while perhaps they have been justified afterwards, there was no need at the immediate present. Sometimes it happens that the very opposite takes place, that a collector is very unwilling to ask for necessary assistance. In a large port like Victoria, say, the collector is more or less circumscribed in his work; he is obliged to sit inside in his office and does not know or see the work outside. I would like to see the duties of the inspector more clearly defined as a supervising officer, and that to a greater extent a reference should be made to him before any increase or decrease of staff should be made.

Q. You mean that as a matter of fact it is not the rule to ask your opinion when increases or decreases are made of the staff at the various ports? A. Yes. That is particularly true of the larger ports, such as Victoria or Vancouver. At the smaller ports there is a greater desire to obtain opinion. For instance at Nanaimo they were struggling along with an insufficient staff, and I advised the collector to have it increased. But he was a little unwilling. He would not be so to-day, but I saw the work was not being met because of the need of another man.

Q. Don't you think that is within the scope of your own duty? A. Yes, but it seems as if the department invariably waits for a request from the collector. The inspector at least is far more likely to have an unprejudiced and wider vision than the collector. I think this is also true both in regard to the duties and salaries. I have known—I speak of absolute knowledge—where collectors have had local prejudices, and allowed these to sway them. I have known too, the department to waive them aside. I have thought that any report going forward concerning efficiency and status and suggesting increases should be a joint report of a collector and inspector.

Q. Or that at any rate all such suggestions should be referred to the opinion of the inspector? A. Yes.

Q. You say there is some question as to the standing of the inspector as a supervising officer? A. I do not think there has ever been a clearly defined line of duty for the various officers.

Q. Take Whitehorse, would it be possible to have that port done away with? A. I took that into serious consideration last year. The trouble is that it is only for a short period in the summer time when the staff is needed. In winter one man can do all there is to do, but in the summer, three are fully employed. This is not so strongly accentuated at Dawson. At the British Columbia ports the business is the same all the year round. If I had control over them I should only maintain two men at Dawson and one at Whitehorse, and others temporarily. The only dis-

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advantage, however, is that it is difficult to obtain the men, but with two men at each place I am fully convinced there is no need to maintain more permanent men.

Q. You think all permanent appointments should be after regular examination?
A. All permanent appointments. There is this disadvantage about the Customs Service. We are sometimes obliged to take men on without passing, but it should be on condition that they must pass, and if not, it would be a sine qua non they must go.

Witness retired.

The Commission adjourned.

Afternoon Session.

Thursday, July 25, 1912.

The Commission was waited upon by a deputation representing the letter carriers and clerks employed in the Victoria Post Office, consisting of: Christian Sivertz, H. Beverley, A. J. Bird, and W. C. Cave, letter carriers; F. D. Shaver, John B. Sinclair, B. F. Sheppard, and E. H. Blackmore, postal clerks.

CHRISTIAN SIVERTZ, SWORN:

By Mr. Lake:

Q. How many years have you been in the service? A. I have been a letter carrier for over eleven years in this city.

Q. You hand in a memorial on behalf of the letter carriers who have met together, I suppose, and considered this matter? A. Yes, we have. If you will permit me, we did not know what the nature of the interview would be, and as there might only be limited opportunity we put down this statement of the subjects we considered of more importance to us than others. With respect to increase in pay, I would like to point out that the last increase in pay granted by the department was dated April 1, 1909, a little over three years ago, and the carriers were given 50c. a day all round for all grades increase. The cost of living, as is well known, has increased throughout the whole Dominion, and perhaps at a higher percentage in the west than in the east. At any rate, we feel very much the increased cost of living and what was three years ago a satisfactory adjustment between the cost of living and the salaries we got, the increased rate of cost has thrown all that out of balance, and the wages we are receiving now as adjusted three years ago are not adequate to the cost of living. For this reason we ask the department to consider our request favourably and grant an increase equivalent to 50c a day.

Q. You receive that rate per day only when on duty, and if you are absent from duty you receive no pay? A. Yes. In proof of the inadequacy of pay local common labour is paid on the street \$3 for eight hours.

Q. What are the hours of work for the letter carriers? A. The department has no definite hours, but the Postmaster General and the Deputy Postmaster General have at different times stated that it was the desire of the department to so adjust the work as to be as near eight hours as convenient. The hours vary in consequence. One part of the city may build up more than another, and as we are in a state of transition what is vacant space one year is built up with residences or places of business another, so the hours vary a great deal unless there is a constant study of it and readjustment of the work.

Q. I suppose that readjustment goes on periodically, though? A. Yes, periodically.

Q. Can you say the letter carriers always do at least their eight hours day or have to do more? A. I cannot say whether any man has to do less than eight hours.

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There may be days when the mail is light or does not come through that it may fall below eight hours, but there are many who work more.

Q. Habitually? A. Yes, but I have not made out a list of the exact time from the attendance book.

Q. No extra pay is allowed for overtime? A. None whatever, sir. With respect to the pay I wish to point out a further anomaly in this. The statutory pay now is \$1.75 per day in Grade A, besides the \$15 per month provisional allowance in the west. The department itself allows the temporary help taken in to the Post Office for \$2.50 a day. A case in point occurred a few days ago where one of the carriers during his probationary period was earning \$2.50 as temporary help. After he received his appointment his pay fell down to approximately \$2.25. I wish to point that out that the statutory pay has been remaining stationary since three years ago, while the local pay has risen above that. The carriers' pay in grades A, B, and C, is lower than is paid for ordinary labour in the city.

Q. What do you get for uniforms? A. We receive a uniform twice a year, a tunic and pants and pair of shoes every six months. The best soles last anywhere from a month to six weeks, but the uppers will last their six months.

Q. So practically you need more boots even if you do not go through the uniform? A. Not the soles, the tops may wear out several soles, but they very seldom last out a season. The carriers have asked me to draw attention to the question of annual leave. The carriers are organized into an association, and act very much in concert, knowing how others are doing elsewhere. We asked the department for three weeks instead of the present two weeks allowed as annual leave. We believe we are entitled to it, that it would be to our benefit to get it, that it would not be too much, that while we are selfish in a way, it would be of benefit to the service, as it would give a man a better chance to recuperate than when he has two weeks only.

Q. You feel that the daily task of delivering letters is a great tax on any man, and that you are better entitled to rest, and that the public would get better service for the rest of the year if you get the longer leave? A. We believe it will be for the benefit of the service, for economy, prevent sickness and lengthen the life of the carrier, and give him a sense of satisfaction. I believe the annual leave granted to the Civil Service is longer than the two weeks allowed our department. I believe other branches have a longer leave. I believe Great Britain gives the longer leave, and the United States the same. I think our annual leave is about the shortest, and for that reason we think the request is fair and reasonable.

Q. You are at the present time receiving two weeks leave full pay? A. Yes.

Q. In addition to that a bonus is granted in lieu of a third week in the cases of those who have done exceptionally good work? A. It is granted as I understand it—and I believe this is the first revelation or explanation of that—as a recognition of satisfactory service, as an incentive to application to duty.

Q. If an additional week's leave were granted, it might mean the withdrawal of the bonus? I understood from post office officials that the bonus was given in lieu of a third week's leave? A. I have not understood it that way. If it is so, we have not so learned to understand it. The bonus means ten days leave, ten days or twenty dollars granted in cash.

Q. Some of the carriers do take that leave? A. Yes.

Q. Are any of the carriers under superannuation? A. I believe we are in favour of it; if not a unit, with very few exceptions.

Q. And you think you would prefer it to retirement? A. I think we are prepared to accept it as in the draft of the Act submitted to the Senate two years ago, with this addition that the carriers ask for earlier superannuation in their case, either at 55 or the expiration of 25 years' service.

Q. At the present time are you entitled to any allowance at all? A. None at all.

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A. J. BIRD, sworn:

By Mr. Lake:

Q. How long have you been in the service? A. Four years and two months as a letter carrier in Victoria. I am asked to speak on the subject of supernumeraries. We find it very difficult, in fact almost impossible, for a man to get away from work unless he is actually under doctor's care. A week ago I asked for half a day, and could not go, as the postmaster could not let me. A man has to bind himself every day in the year, Christmans holidays and every day, and it is impossible for him to get away except on the summer holiday, or he is sick in bed. The letter carriers desire the government to grant a couple of men as supernumeraries to let men away. We forfeit our salaries anyway if we are away, so we do not expect to get the salary. In the meantime they could be assisting inside if no carriers were away. We have one supernumerary, but Mr. Shakespeare informs him he is only here in case of a man being sick, and he cannot put him on to let a man away. I am asked also to speak of the increase in staff. There are thirteen who feel they are doing more than their share. In the last few months it has been impossible for the men to keep up efficient service without much overtime. Perhaps if he has a big load a carrier may work eleven hours.

Q. Is that an actual fact? A. I myself have quite recently been relieved of a considerable piece. I felt myself going down.

Q. Have you yourself actually worked like that? A. I have worked sometimes ten, sometimes ten and a half hours, or perhaps might do no more than seven or seven and a half hours. When the mail comes in, no matter how heavy, we must get it out.

Q. Does this last for any prolonged time? A. It does if the men are not—

Q. But did it as a matter of fact? A. It did the last few weeks.

Q. At different times you were working overtime yourself? A. Yes, sir, I was, and I was working quite hard. You would take from half-past six, from the time a man comes down, sorts his routes out, puts on the changes of address, it all takes a lot of time. It is not the actual work of four hours or so on the route, but this. This is the morning delivery, and then we have to go back for the afternoon delivery.

Q. What hours do you start work at the present time? A. We have no regular time. The rules call for the men to be here to get it out at eight o'clock.

Q. What time did you come down? A. I come down for seven. I find it too much to come down at half past six. It depends on the amount of mail a man has to handle, whether he can get it out at eight. After the morning delivery I go to dinner and back at two-thirty. If it is a heavy morning mail it is later than that. We contend that an increase of staff does not take place as often as elsewhere. Perhaps because the city stood still so long.

Q. And what do you ask now? A. We ask now for an increase in the number, and that increases be made more frequently in the future than in the past, because the city is growing so fast. The thirteen men down there consider they should be relieved of some of their work as they have too much to do. The last census gave us 35,000. The present directory gives 55,000. That is the reason the carriers are working longer hours than they should, because their beats are not cut up often enough for the growth of the city. Then I want to mention, too, that the material used in our uniform pants wears out in two months.

Q. You find the uniform will not last six months? A. The pants won't, because of the friction of the mail bag against the cloth. The tunic gives pretty good service but the pants won't.

Q. How about the boots? A. We are not supplied with enough.

Q. The quality is all right? A. Yes, but we don't get enough pairs. The summer uniform is not suited to the climate. I think the carriers should have some sort of khaki goods.

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Q. You feel it is too hot? A. Yes, far too hot in the hotter part of the year. They have been giving us a thin coat this year, but it is not hot enough all the year to wear that.

H. BEVERLEY, sworn.

By Mr. Lake:

Q. How many years have you been in the service? A. Close on ten years in Victoria. I have been asked to mention particularly the fact that we have to serve too long on the grades. I understand that the grades are so divided you must serve two years, except in "A", where they allow an advance in six months. When I was appointed the time was different. Then it was two years, but grade "A" was practically abolished, because when you had the appointment there was only one month from grade "A" to "B." Then I was advanced from "B" to "C" within two years, and from "C" to "D" within two years, and the final month the recommendation came for "E" which practically meant four years and two months from the time I entered I got to grade "E." Now it takes six years to attain grade "E" and I understand it is still optional with the postmaster to recommend it. We think the grading should be more rapid, and that if a man is fit for the service, he should be fit at three years at most. If he does not know everything in three years he will never know. We think one year should elapse between the grades. We have one man who is in the service six years in October, and has still not got his grade "E."

W. C. CAVE, sworn.

By Mr. Lake:

Q. How many years have you put in in the service? A. One year and eight months. I was asked to speak about sick pay. Under the present system of graded salaries, we are not paid sick pay. If we are sick we lose our pay. As living is high, and some of the men are married, we find it difficult even when we are getting full ordinary salary to make both ends meet, and when one of us gets sick we are apt to get up against it. We would like to have sick pay on the graded system, or else go back on annual salary.

Q. If a man is sick, and produces a doctor's certificate, you think his pay should not be docked? A. That is our view.

Q. Would you prefer the annual salary system? A. We prefer it providing we could not get sick pay on this system.

F. G. SHAVER, sworn.

By Mr. Lake:

Q. How many years have you been in the service? A. Six years and nine months.

Q. What is your position? A. Under the old system I was a junior second class clerk, and I am a third class grade 'A' under the new system. The benefit I received from it is a reduction of one grade.

Q. What salary were you receiving? A. \$850, and I received an increase on the first of January to \$900.

Q. And in addition do you get the provisional allowance of \$150? A. Yes. With the amount taken off for retirement fund it gives me \$86.25 a month. With regard to superannuation I believe that under it we would pay less each month than we do for retirement under the present system.

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Q. But suppose you had to pay the same 5 per cent, would you prefer superannuation? A. Yes, provided a man could retire after twenty years' service, or remain on to 35 years and be compelled to retire. That is, if he wanted to retire after twenty years service the superannuation would be so small he would prefer to remain longer.

Q. You believe in compulsory retirement? A. I think that after a man has been 35 years in the service he should make way for younger men.

Q. You think it would bring better men into the service if they saw a prospect of getting to the top of the tree? A. Yes. At present a man gets into office, and whether he is any good or not is kept on, and keeps better men out sometimes.

JOHN B. SINCLAIR, sworn.

By Mr. Lake:

Q. You desire to speak in regard to superannuation? A. In regard to superannuation say after 25 years, one is eligible for superannuation or if not fit for service he may retire. After 25 years in the post office indoors—and it is not very healthy in some of our buildings—he is useless for anything at all. If not that, he does not want to retire, so that a little superannuation to him is not any good. If he dies before 25 years are up, all that is coming to his heirs is three months salary to his widow. Still superannuation is better than the retirement fund which I am under personally. I think the superannuation fund if adopted might have a provision that the widow if a man dies in the service on the fund after say 20 years shall benefit in some way by a pension.

Mr. SHAVER.—If a man is placed on the superannuation fund his allowance should be paid on the entire length of his service, temporary and permanent. Some men are on the temporary list for ten years or longer. They are only considered as permanent from the time they are put on the permanent list. There is no reason why the superannuation should not be paid for the entire length of service.

Mr. LAKE.—I suppose the reason is that while they have been temporary they have not been contributing?

Mr. SHAVER.—They might pay the amount they would have contributed and this would meet that objection.

Mr. SHEPPARD.—I know a couple of men who were taken into the permanent service ten years ago, and they are there nearly as long as I have been, twenty-one years. I think every man who has done the same work, given the same service, there should be some provision that they might contribute the amount necessary on ten or five years service, which they would do willingly, deducted monthly till the arrears were paid.

Mr. LAKE.—What I should like to get at is whether the officials would be prepared to contribute to the superannuation fund?

Mr. SHEPPARD.—What amount do you think the government would require us to contribute? I am paying 3½ per cent. There are only three of us under the old superannuation Act.

Mr. BLACKMORE.—Would it be more than 5 per cent at present?

Mr. LAKE.—I think if they could go on under 2 per cent it ought not to be more than 5 per cent.

Mr. SHAVER.—We have been paying 5 per cent for some time.

Mr. LAKE.—You would be willing to have it turned over to the superannuation fund?

Mr. SHAVER.—If it was based on the superannuation contribution, there would be 3 per cent coming back now.

Mr. LAKE.—There is the great difficulty that a very large number of the people do not believe in a pension system, and the only way to get over that is to prove to the people that they are not paying; that is, make it self-supporting.

Mr. SHAVER.—I think the feeling in our office is that we are all anxious for superannuation and willing to contribute to it.

Mr. LAKE.—Senator Power's Bill proposed that the deduction should be 5 per cent of the year's salary.

Mr. BLACKMORE.—That 5 per cent is the same as the retirement fund. I think that is a fair percentage.

Mr. SHAVER.—It would hold men in the service. The way conditions are here there is a tendency for men to get out of the service into outside occupations.

Mr. SHEPPARD.—What would be the rate of superannuation under a 5 per cent deduction? Has it been endorsed by the Civil Service Association.

Mr. LAKE.—I do not think it has ever been endorsed. I presume the benefit would be the same as under the old Act, but with an allowance for the widows.

Mr. SINCLAIR (resuming his evidence).—Another thing felt strongly in the office here and which we should have a decided answer on is that of working so much overtime, where it does not at all seem necessary. The whole staff is divided into three, and one staff is on at nights, going on four weeks in every twelve. While on night work a number of the night staff work 28 straight nights, seven nights a week without a break. Very often the night staff works more than eight hours seven nights a week, an average of eight and a half hours a night. While we recognize that there must be some Sunday work we feel that the system might very easily be arranged whereby men would get corresponding time off during the week.

Q. You feel that no man should be called on to work for seven days in the week?
A. Yes. We work twenty and sometimes twenty-four Sundays a year. That takes away our holidays. While we recognize that at certain times of the year, at Christmas and several times when the eastern mail is delayed, and we are willing to work overtime, we feel that except when occasion demands we ought not to be called on to work overtime without remuneration. We do not ask for remuneration in pay—I do not think many desire such a system—but we feel that we should have corresponding time off. It is working under unnatural conditions anyway, and when called on to work 28 days straight four times a year, it will render a man inefficient in the end. That is a matter which we put forward strongly, and if it is under the jurisdiction of the postmaster, we would like him instructed to make some arrangement to meet these views.

Q. Do you know if the same conditions exist in other post offices? A. No, sir, we do not. In the majority of post offices we understand a system is arranged in the office whereby the man who works Sunday has corresponding time for it. We have taken the matter up with the postmaster, and he says such a system cannot be inaugurated in Victoria post office, because he has not the staff.

Q. Do you feel quite certain in regard to the post offices in the east? A. Yes, sir. We have men here from Calgary, and I have looked into it in Vancouver, and we have a young man just transferred from Winnipeg.

Q. In all these three offices you are informed that the men who have to do the night or Sunday work are allowed a day off during the week? A. They get corresponding time.

Mr. SHEPPARD.—That is, they do not work seven nights without a night off. They have one night clear in the week.

Mr. SINCLAIR.—The men like to have one night at home anyway, and when they are on for 28 nights it is all the more necessary. We even close the doors against the public on Sundays. There is an anomaly of the Lord's Day Act. We have the lobbies closed on Sunday, and yet inside we have ten clerks working.

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Mr. SHEPPARD.—Closing the lobbies is a hindrance instead of a help, because the boxes are filled with Saturday night's mail, and that on Sunday night it is in many cases difficult or impossible to get any more in, the boxes not having been emptied. We frequently have to leave some of the mail on the floor after the boxes are jammed full. Closing the lobby on Sundays does not affect us at all in the way of saving us work.

Mr. LAKE.—Does Mr. Shaver say that closing the lobby actually means increased work for the men who are doing the sorting?

Mr. SHAVER.—I believe in having the place closed up on Sunday.

Mr. LAKE.—But what I want to know is, does that give the clerks sorting mail on Sunday night more trouble?

Mr. SHAVER.—It is more inconvenient. It takes longer to sort mail into the boxes as the boxes are full from Saturday night. It takes at least 25 per cent more time.

Mr. SHEPPARD.—One of the boxes last Sunday night was jammed, and I had to leave the rest on the floor.

Mr. SINCLAIR.—We want to know whether it would not be possible to have a shorter office day, seven hours, say eight to five.

Q. (To Mr. Sinclair).—At the present time all clerks are working how many hours? A. Eight hours a day.

Q. As a matter of fact do you stay all that time? A. Yes, and in some instances such as money order registration clerks, about half an hour longer. For instance, the registered mail may be opened—the man who opens it has to complete it—and the man may be there over the legitimate office hours. There is a strong feeling that as we do not get Saturday that other offices get in the service, it would be only fair to ask for a shorter office day, getting off at five and starting at eight.

Q. Do other officials get an eight-hour day? A. Yes, and Saturday off at one o'clock.

Q. I was under the impression that though the legal hours were eight hours, clerks were not kept that long? A. We always work eight hours.

Q. Have you anything to say as to the sanitary conditions of the offices? A. Yes. The ventilation in this building is very bad, and it is very, very unhealthy for any man working here. One man has had to quit the service because of conditions. The atmosphere becomes vitiated especially in winter time. All the conditions go to make the atmosphere bad, if there is no proper ventilation, and there is no proper ventilation in this building.

Q. Have you experience of other post office buildings? A. Winnipeg and Vancouver, and particularly Vancouver.

Q. How are they? A. The Vancouver post office is very well ventilated, even to the basement which they utilize for post office business, and there the ventilation is such that it is quite a good place to work. In this building it would be impossible to work in the basement. Another thing is the sanitation. We have not the lavatory accommodation such as is needed here. There is only one sink, and sometimes it is in such a state that one would rather go home dirty. The odours sometimes are very offensive.

B. F. SHEPPARD, sworn.

By Mr. Lake:

Q. The statements you have already made you will now repeat under oath?
A. Yes, sir, I do.

Q. What is your opinion in regard to the night work? My own opinion in regard to Sunday and night work is that if it is not practicable to give time off they should be paid.

Q. You think the best solution is to give a day off? A. Yes, that is what I think.

E. H. BLACKMORE, sworn.

By Mr. Lake:

Q. What is your position? A. Paying clerk in the Money Order department.

Q. How long have you been in the service? A. Over five years, of which I spent 3½ in Calgary, and I was transferred here last May twelve months. Night work does not interfere with our branch, but we know what the conditions are. In Calgary they have a complete staff for each operation.

Q. The clerks who have to do night work or put in Sundays there have an allowance of a day made to them? A. Yes, they put in six days a week, and no more. There is a matter of salary I would like to mention. I have been in the service going on six years. I handle daily \$4,000 and now have \$800 a year, and the \$150 provisional allowance, or \$79 a month. My expenses run about \$75. There is not enough money to keep good men in the service. I had an offer of a situation recently at \$4 a day, but I like the post office work, and would rather stay here if the salary would suit. I do not think \$79 is enough for any man who is handling \$4,000 a day and accounting for it. I think the clerks employed in the Money Order and Registration branches should have a little more.

Q. You have to put up a bond? A. Yes, and 75 cents a year is kept out on account of the premium. We are all under bond. I stay in the service because of the chance of promotion, but the salary is certainly very low.

The deputation withdrew.

NOAH SHAKESPEARE, called and sworn.

By Mr. Lake:

Q. You are postmaster at Victoria?—A. I am.

Q. How long have you been in the service? A. This is my twenty-fifth year as postmaster.

Q. Have you an assistant? A. Yes.

Q. What is his salary? A. \$2,000.

Q. The staff is principally a clerical staff? A. Yes.

Q. Ranging in salaries from what? A. The lowest is \$500 with a provisional allowance which makes it \$680.

Q. Up to what? A. \$1,600 also with provisional allowance, \$180.

Q. The carriers do not get that allowance? A. No, nor myself.

Q. You receive \$2,800? A. Yes.

Q. Have you had any increase in salary? A. No, sir. My increase depends on the revenue of the office. For the amount of work being done now it seems to me the schedule is hardly a fair one. I have six suboffices which I have to look after and inspect during the year, each office twice each year. When I took office first there were no suboffices, and not one-third of the business, but since I attained \$2,800, four sub-offices have been opened, which increases my work.

Q. Does that tend to prevent you getting an increase? A. I think it helps to increase the business.

Q. On what is your salary based? The sale of stamps or the amount of business generally? A. The revenue of the office generally.

Q. And the revenue of the suboffices is included in the revenue of the office? A. Yes.

Q. The area directly served is the City of Victoria? A. The City of Victoria, yes.

Q. But you also make up mail from any places outlying? A. Yes, a large number of places.

Q. How many clerks have you altogether? A. 76 on the permanent staff, besides 9 temporary.

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Q. All engaged in this office? A. Yes. That includes the letter carriers of whom we have 24. There are three messengers, and the others are clerks.

Q. What wages do the messengers get? A. They get \$500 and a provisional allowance, the same that a clerk begins at.

Q. You have given me a statement showing the business transacted for April, May and June, 1911 and 1912. I notice the sale of postage stamps in June, 1912, amounts to \$12,367.76, while in June, 1911, it amounted to \$9,257.42. Is that fairly representative of the increase that has taken place? A. Yes. Each month we find an increase.

Q. Do you find yourself able to handle the business? A. Yes, but of course there is a good deal of hard work.

Q. Are you able to get additional assistance if you require it? A. Since the present administration has been in power I have been able to get assistance more freely and readily than before. Sometime ago I made application for eight additional clerks which were absolutely necessary. The institution was running short handed and they readily gave them to me. I asked for four carriers, and they readily gave me these, and I am asking for two more.

Q. How long ago did you ask for the last two? A. Two weeks ago.

Q. The carriers were up just now, and said that still more were required. That will improve it? A. Yes. There is too much for two deliveries, and the only way to do is to have additional help.

Q. The increase in business has been considerable, I suppose? A. Oh, yes, and it is increasing continually. Our Christmas business is four times as large as it was three years ago.

Q. What provision have you for handling the Christmas business? A. We get extra help from the government in the way of wagons and teams to take out parcels and in the way of extra men employed. Last year there was quite a heavy bill, the work was so heavy. The year before that it cost about \$175, but I think last Christmas it was \$400.

Q. I presume the government meet any bill providing the work is done? A. Yes. Of course I get authority before spending the money.

Q. Do you get that authority by wire? A. Yes, when it is urgent. I write two months ahead for the Christmas work.

Q. Do you consider that at the present moment your staff is sufficient to give good service to the public? A. Well, it is hardly up to the mark.

Q. Are you troubled with too little space in the post office? A. Yes. We have asked for more space for quite a while.

Q. How many years past have you been asking for more space? A. For three years anyway.

Q. For three years you have not had space to do your work properly? A. Yes. We expect soon to have more room when the Customs parcels are moved out and put in the Custom House. We will put the Money Order branch down there, and convert the present space used by them to other uses. My office will be down there too, and my present office will be used for stores.

Q. For three years you have been trying to get more space and more assistance? A. Yes. Of course we have been getting some, but not sufficient. This year the government has been more ready to respond to my requests.

Q. You have found that there has been considerable complaint from the public? A. Yes, but the chief difficulty that I have had to contend with for years has been the low rate of pay that the men have been receiving from the government. Young men whom you expect to have a good education and a good reputation and to stay in the office and give satisfaction cannot be got for \$2 a day. They only come in for their own convenience till they get something better to do. Take the man on the street, common labourers, they get \$3.50. One young man left last week because the salary was not high enough.

Q. You find it takes some time to train them? A. Yes, we get a young man in who stays for six or twelve or eighteen months, and he is just getting useful when he leaves. You have to take another greenhorn in and train him, and we are continually changing in that way, principally on account of the low rate of wages they receive.

Q. Do you think you have more trouble over here than elsewhere in the west? A. No, they have the same trouble in Vancouver. The present administration have paid the men more; they have certainly done better. We are now giving the business section three deliveries a day which is greatly appreciated.

Q. You put down the difficulties in meeting the wishes of the public in the past to the difficulty of keeping young men who have been trained in the service on account of salaries? A. Yes. The cost of living here is so high in comparison with the east, that the salaries are not enough.

Q. Do you think the cost has increased here? A. Very materially in the last few years.

Q. Compared with five years ago, what would you say the percentage was? A. I would say 30%.

Q. Do you get office supplies on requisition from Ottawa? A. Yes. They are supplied by the department there, by the postal stores branch.

Q. Do you get them pretty expeditiously? A. Yes. Once in a while they are slow.

Q. Are you satisfied with the quality? A. Not always.

Q. Can you give any specific instances? A. We use a great deal of straps in the letter carriers' branch, especially during the Christmas holidays, to tie up the bundles of papers, and some we got snapped. I called the attention of the department to that early this year. I keep all these broken bits of straps, and they can be seen by any one from the department who wants to. I now get a better quality than I did.

Q. In regard to the uniforms, how are they? A. The uniform now is better than ever. It is a better fit. They send a man out who measures the men. We used to have a great deal of trouble with misfits. The men would send the measures down, and the department would send back the most awful fits.

Q. And is the quality better? A. Yes, the quality is better.

Q. Do you consider the two uniforms they get serve them for a year? A. Yes, they do.

Q. One of the carriers was pointing out the quality of the trousers where there was a tear from the carrying of the mail bag. A. The clothing is, I think, of good quality. I know we have examined it, and the general opinion has been by carriers and myself and the superintendent of letter carriers that the quality is satisfactory.

Q. Do you purchase any outside or additional supplies? A. No, yes, excepting soap or oil or something small.

Q. Have you any suggestions that you would like to offer looking toward efficiency of the service? A. We hope to have more room in a few days, and that will be a great help.

Q. You have stated your opinion that the rate of pay should be advanced? A. Yes.

Q. What do you think in regard to the superannuation system? A. Superannuation should be taken as regards the post office staff.

Q. Do you think it would tend to help the situation? A. Yes, that is the general feeling.

Q. Are you troubled by men who are beginning to get beyond their work? A. No, I do not see why the carriers and myself should not be entitled to the provisional allowance, especially as the postmaster has so much extra work in the way of supervision of suboffices.

Witness retired.

The Commission adjourned.

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NAVY YARD, ESQUIMALT, July 26, 1912.

GEORGE PHILLIPS, called and sworn.

By Mr. Lake:

Q. What is your position here? A. I am naval stores officer, and accountant, officer in charge of works, and officer in charge of the yard under the commander in charge of the station.

Q. In other words you are the officer in charge of the civil side of the yard? A. Yes.

Q. How long have you had the position? A. Under the Canadian government from the opening of the yard.

Q. And before that you had been holding a similar position? A. Before that I was the local agent on behalf of the Admiralty. I came out from the Admiralty in 1894.

Q. Had you any service before that? A. Yes, I was at the Admiralty in London in the works department, and came out under the works department until the winding up of the yard, and in the interval I acted as the representative of the Admiralty out here.

Q. What are the positions and salaries of the permanent staff under you? A. One surveyor-assistant at \$1,500 and \$200 allowance. One senior clerk, rising from \$900 to \$1,200 with an allowance of \$17 per month. Three clerks ranging from \$500 to \$900 with an allowance of \$25 per month, such allowance automatically reduces as the clerk gets more pay. A telegraph operator rising from \$780 to \$1,020. Foreman storehouse man at \$960 to \$1,140 with an allowance of \$17 per month; two storehouse men and two storehouse assistants and one messenger with salaries \$1.70 to \$2.10 per nine hour day with a special allowance of 75 cents per day.

Q. Does that daily allowance cover Sundays as well? A. Yes.

Q. Would you tell me the nature of your work? A. The provision, care and maintenance of stock and stores for His Majesty's Canadian ship *Rainbow*, and fisheries protection vessels, work for the Admiralty and upkeep of the yard.

Q. What work do you do for the Admiralty? A. We look after all their stores, and if they want any work done—there is a good deal of re-fitting—it is done here.

Q. Under your superintendence? A. Not under my own actually. We have an engineer officer in the yard who attends to that.

Q. That officer is an officer of the Canadian service? A. Yes, he is the chief engineer of the *Rainbow* and he also acts as the engineer of the yard.

Q. And the men employed under him, are they artificers of the ship? A. Civilians and fleet men who come to work in the yard under the engineer.

Q. Are they paid by you? A. Yes.

Q. All accounts for re-fitting, done by the engineer's department, pass through your hands? A. Yes.

Q. In regard to the work for the Admiralty re-payment is made? A. It is collected at this end.

Q. Directly by you and not through the Naval Department at Ottawa? A. By me.

Q. In regard to the artisans who are at work in the shops, I presume you get them at the rate of wages usual throughout the district? A. Yes.

Q. Do you find that they are receiving a higher scale of wages than your clerical assistants here? A. Yes, they are.

Q. Or than your storehousemen? A. It depends absolutely on the work or trade of the artisans.

Q. Do you find it difficult to keep men at the wages paid? A. No.

Q. You have very considerable difficulty in keeping your clerical staff though?
A. Yes, I have.

Q. The reason, I suppose, is that whereas the artisan class is receiving the average rate of pay in the district, the clerical staff is not? A. That is so.

Q. Could you tell me about the amount of business which passes through your hands? A. That is rather hard to answer as the yard has not been organized long, and we have no absolute record.

Q. During the last fiscal year about how much money do you suppose passed through your books? A. The difficulty would be that the *Rainbow's* accounts and the yard's overlapped considerably at the commencement, and matters have not settled down sufficiently for me to give an intelligent statement.

Q. Your clerks are on the permanent Civil Service list? A. Yes, they are on the permanent list, outside service.

Q. And receiving the regular fixed increments between minimum and maximum?
A. Yes, they receive a yearly increment of \$50.

Q. In your opinion is the rate of wages sufficient to keep good men? A. It is not, sir.

Q. Do you consider the cost of living has very largely increased in recent years?
A. Yes.

Q. Could you give an estimate for the last five years for instance, of what the increase in the cost of living has been? A. I should say at least 50 per cent.

Q. Have you gone into this matter and made a calculation? A. I am only speaking from my personal observation as to my own expenses.

Q. You have an official residence so you cannot speak of rents? A. No.

Q. What is your opinion about the increase in wages of domestic servants?
A. They have gone up over 100 per cent in 14 years.

Q. Are you or any of your men under the Superannuation Act? A. No, we are not.

Q. Is there any deduction made in the salaries of yourself or your men under the Retirement Act? A. No.

Q. Do you consider it would be a good thing for a reduction to be made from the salaries of the officials employed here for the purpose of entitling them to superannuation at the close of their service? A. Yes, I believe it would meet with the approval of all ranks.

Q. Do you think a pension system would enable you better to secure clerical assistance here? A. Yes, undoubtedly it would.

Q. Have you any suggestions to make for economy and efficiency of the service here? A. I have no suggestions to make at all.

Witness retired.

JOHN A. WILSON, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am director of stores in the department of the Naval Service at Ottawa.

Q. How do you manage the purchase of stores? A. We make it a rule wherever possible that tenders are called for for stores purchased locally. Our requirements from year to year for fixed stores can be usually forecasted along certain lines, and therefore it makes it easy for us to buy once a year the bulk of our stores instead of making several purchases at different periods. In that way the great bulk of the purchasing work will in future be done from Ottawa. However, they cannot cover everything there and the naval stores officer has a system by which he can purchase

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supplies which are urgently required and not of great value and not worth referring to Ottawa.

Q Has the naval stores officer here up to the present time been calling for tenders and making contracts for the supply of goods? A. Yes.

Q. Who have been called upon to make these tenders? A. Different firms in the town. It is laid down in Mr. Phillip's instructions that all firms in a position to supply shall be asked to tender.

Q. There is no restriction as to which firms shall be asked for tenders? A. There is absolutely none.

Q. And the custom is to accept the lowest offer? A. The lowest or most advantageous offer.

Q. This has been the system up to the present time? A. All purchases have been made under that system.

Q. Are you going to introduce a new system by which tenders will be called for from Ottawa? A. We do that now. These are for stores urgently required and for which we have not made provision, or where delivery has been delayed, and Mr. Phillips has to make purchases locally to fill an immediate want.

Q. But with regard to larger stores? A. They are all purchased at headquarters.

Q. After calling for tenders? A. By public advertisement or otherwise.

Q. Do you generally call for tenders by public advertisement? A. In a large contract we try to do so unless the time is so short that we have to apply direct to tenderers. It takes three weeks or a month to enable a call to be properly advertised. In cases where we cannot advertise we make it as widely known as we can sending out fifteen or twenty tender forms to firms in a position to supply the goods we need. Our difficulty here is that firms will not take the trouble to fill in the tender forms.

Q. In regard to hardware, for instance, do you ask for tenders carrying a large number of articles? A. Not usually here. At headquarters we do, but here it is more a matter of smaller purchases.

Q. You have no standing contract with firms here? A. We make a fixed quantity contract, so many articles or lbs. of iron or barrels of cement or the like. We have a complete record in black and white of all purchases made here.

Q. Do tenderers tender from samples? A. Tendering is always done from samples. We have samples at headquarters and the articles supplied are always compared to see that they conform strictly to sample. Out here Mr. Phillips has samples of such goods as he may require to call for tenders for, and these can be seen by firms who desire to tender. We find here, however, that the tenderers will not take the trouble to come out and look at the samples nor will they take the trouble to fill in the tender forms.

Witness retired.

The Commission adjourned.

Afternoon sitting.

Post Office Building,

July 26, 1912.

Mr. A. J. DALLAIN, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am classified as accountant, but I am also chief clerk and purchasing agent for British Columbia for the Department of Marine and Fisheries.

Q. When did you enter the service? A. About 18 years ago.

Q. Who is the agent here? A. Captain George Robertson. He is away north at present with Colonel Anderson, the chief engineer of the department.

Q. You have handed me a statement as to the number of persons employed in your office. Besides yourself there is a clerk, and a book keeper, three stenographers, junior clerk, foreman of works, wharfinger, superintendent of lights, inspector of lighthouses, lighthouse erector, gas buoy inspector, night watchman, and you have, of course a large number of men employed at lighthouses. Can you give me an idea of the number? A. In 1907 we had 52 lightkeepers and in 1908 we had 68.

Q. A large number are forced to employ assistants by your regulations? A. Yes, that is where a fog alarm is in operation in connection with the light.

Q. You have one sub-agency? A. Only one, that at Prince Rupert.

Q. Do you cover the mainland at all? A. Yes, we look after all the interior lakes, Kootenay lakes, Arrow lakes, Kaslo and around there.

Q. Is there any other marine agency in British Columbia? A. No, it is all managed from here.

Q. The harbour of Vancouver comes under you? A. Yes.

Q. Have you a staff there? A. No, everything is done from here.

Q. You have harbour masters, I suppose? A. There is a harbour master and port warden and shipping master in each port, and some ports have deputies as well.

Q. Could you give me an idea of the number of men altogether who are directly under this office? A. Offhand I could not, but I will furnish you with that information.

Q. In regard to the salaries paid in the office at Victoria do you and the other clerical staff receive any higher salary than is given to similar officials in other parts of Canada? A. So far as we know we are not; we are classified the same.

Q. There is no provisional allowance in your department? A. None. We differ in that from other departments here.

Q. Have you a regular annual increment? A. \$50 per annum applying to all the staff.

Q. I presume the terms designating the officials under you indicates pretty clearly the nature of the work carried on? A. Yes, it does.

Q. What is the work done by the department at life saving stations? A. We have at one station two men regularly paid on salary, and always on duty. It is pretty well up to date, the station at Banfield. At two others they are only employed about six months in the year. There is at each a coxswain who receives additional pay for his services.

Q. Do you think the lighthouse keepers are as well treated as those on this coast on the other side of the line? A. I do not think so, but I will obtain comparative information and send it to you.

Q. What amount of money passes through the office here? A. In 1907 it was \$159,000, and in 1912, \$365,000.

Q. This represents what? A. The full amount spent in the operation of the British Columbia Marine agency, salaries and everything else.

Q. You manage the whole accounting for the agency? A. Yes, and also the purchasing and attending to tenders.

Q. What is the nature of the stores you purchase? A. Coal oil, gasoline, lubricating oil, booms, and everything in connection with the repairs of gas engines and machinery.

Q. In regard to these articles, do you usually call for open tenders? A. Yes, tenders are publicly called for in the papers, and the tenders received are submitted to Ottawa for approval.

Q. Do you have the tenders directed to you or to the department at Ottawa? A. These are sent in care of the agent, with instructions from Ottawa that they be opened by him in presence of the chief clerk and a comparative statement made and forwarded to Ottawa.

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Q. That is carried out but the tenders are adjudicated on at Ottawa? A. Yes.

Q. Do you consider your staff sufficient to give good service to the public and to the government? A. No. I have only one book keeper, and as we keep stock now and handle a far greater amount of money it involves a good deal of book keeping.

Q. Does this mean working a good deal of overtime? A. Yes.

Q. And is the work getting behind? A. Oh no, we would never allow that; we would sooner work overtime at night and on Sundays.

Q. What are the regular hours in the office? A. From nine in the morning till five at night. I have often worked after ten or eleven at night.

Q. Have there been any complaints from the public? A. No. Apparently they are fairly well satisfied.

Q. Have you anything to say personally in regard to the cost of living here? A. Ten years ago I think I could have lived equally as I do to-day on say \$75 a month. There is the difference as between \$60 and \$100. I could live as well when I was getting \$60 as I can now on \$100.

Q. Have you any difficulty in keeping your clerks? A. We have. There are one or two cases most deserving. Our junior clerk has been in the office a long time, he knows the work, and does good clerical work. He is a little discontented, and has tried to get out on several occasions, but the superintendent has got him to stay on in hopes of something better. Stenographers have started lately a little better, but still much lower than outside.

Q. You feel that the staff is underpaid? A. I certainly do.

Q. You think they should at least have the provisional allowance? A. I do.

Q. What do you think of superannuation? A. I would like to see that. I have been in the service for many years, and I do not know how they would manage it, but it would be welcome.

Q. You are in favour of it? A. Yes, but in what form I cannot suggest.

Q. Have you any suggestions to make as to great efficiency or economy in service? A. I do not think so. We have adopted a uniform system of accounting adopted generally by the departments though it involves a lot of work. The inspector of agencies was here lately, and stated to us all that he found everything most satisfactory.

Q. What leave is granted in your department? A. Those who wish it have never been refused, but it has been understood up to very recently that on that subject the agent's consent must be obtained, and that he could refuse. I pointed out that every clerk in town got it, and the clerks in our department ought to be treated equally well.

Q. Have you had three weeks' leave granted? A. No. We have got two weeks, and we have been able to do it say for a week at a time.

Witness retired.

D. B. MCCONNAN, called and sworn.

By Mr. Lake:

Q. What is your rank? A. Assistant receiver general.

Q. And when were you appointed? A. November 1907.

Q. Previous to that you were what? A. Accountant.

Q. How many years have you been in the service? A. Twenty-one in the assistant receiver general's office and three and a half temporarily with the post office, twenty-five in all at the end of this year.

Q. What does your staff consist of? A. An accountant, ledger keeper and savings teller.

Q. What territory do you cover? A. The whole of British Columbia and the Yukon, and sometimes, not very often, portions of the Northwest. I have had

requests from as far east as Edmonton. One of the banks supplies Calgary from the office here.

Q. What is the nature of your work? A. It is the supplying of all the banks with whatever they need in the way of currency. We have a Dominion Government savings bank as well.

Q. Deposits to the credit of the receiver general are not made in your office? A. No.

Q. Is your staff sufficient to give full service to the public? A. I am having a new clerk appointed on the 1st of August. At present we are much pressed with work, but that is just the growth of work during the past year.

Q. How are your hours? A. Nine to five, but sometimes it is half past, and six or seven.

Q. You frequently have to work late? A. Yes, and often Saturdays.

Q. Have you any complaints from the public regarding the service? A. No, sir.

Q. Have you any difficulty with keeping clerks in your employ? A. Well up to the present they have remained with me. I lost two very good ones this spring, and I have two new ones in now.

Q. Why did these two leave? A. On account of salaries. They would rather go into business than run the chance of perhaps getting sufficient salary sometime.

Q. Their loss would naturally cripple your work? A. It has crippled it.

Q. Are you and your officials paid any higher salaries here than are paid to officers holding similar rank in the east? A. No, sir, unless I might say the two new ones are appointed at a higher salary than has formerly been done. Mr. Winsby and myself are at the same salaries as are paid in the east.

Q. There is no allowance? A. There is no allowance.

Q. In the matter of living, do you find there is an exceptional increase in the cost here? A. Every year I find there is an increase.

Q. What would you estimate the percentage of increase to be? A. Roughly speaking about 40 p.c. Some things possibly have not increased to that extent, and others have increased more.

Q. Do you receive a regular increment to your salary? A. I have been receiving, but there is no statutory increase provided for. One year, for instance, two in the office got increases, and two did not, but the next year the four did.

Q. The increases are in the discretion of the minister? A. Yes.

Q. And any new clerk entering would then have a fixed salary? A. The new men will receive \$800.

Q. Will that be with a regular increment? A. I have had no information on that? It is purely at the will of the minister.

Q. And they may or may not get it? A. They may or may not get an increase.

Q. I suppose you make recommendation? A. No, they make application, and they send the application on with a recommendation. Formerly, before my taking over the office it was done wholly and solely from Ottawa at the good will of the minister; it is so still for that matter. It is very seldom that clerks apply for an increase, as we consider that the department knows as much about our efficiency as there is to tell.

Q. Do you get any leave? A. Three weeks each year, the regular Civil Service term. Sometimes we cannot get it owing to pressure of business, but still it is there for us if we wish to take it. Q. Does your staff consider they are being properly treated by receiving the same rates of salary as are paid in the east? A. I do not think the staff is being properly treated.

Q. Do you think they should receive a special allowance to meet the increased cost of living in the west? A. They should receive a special rate of pay.

Q. Do you think the salaries paid enable you to keep up your position? A. I do not.

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Q. Can you tell me what the managers of the branches of the banks get in Victoria? A. From \$3,000 to \$5,000.

Q. Do they get any special allowance for living in the west? A. There is an allowance of from \$100 to \$300 yearly provisional allowance for living in the west.

Q. You feel there is an obligation on you to fill as good a position as a bank manager? A. Most decidedly so, and I consider the department must have a responsible man for such a position and must pay him in accordance. He is worth as much or more than the best paid bank manager.

Q. Have you any suggestions you would like to make as to improvement in the service, enabling you to get better work and give better value to the public? A. I think it would be of great advantage to A. R. G., especially to me out here so far from Ottawa, to be able at some time or other, say every couple of years, to have a personal interview with the powers at Ottawa. It would improve the esprit de corps if we could discuss the wants and affairs of British Columbia personally with the controller. I think the system could be improved too, so far as promotions are concerned, that instead of a new man being put in as A. R. G., the next in seniority should have promotion.

Q. You would like to see the outside service brought under the Civil Service Act? A. Yes.

Witness retired.

THOMAS ROBERTS, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am senior clerk in the Customs service.

Q. How long in the service? A. I have been in the service since 1890. I entered first at \$3 a day until I got an appointment in 1892 at \$900 as clerk.

Q. What is your present salary? A. It is \$1,400. Last month was the first time.

Q. What were you receiving up to that? A. \$1,200, with 5 % deduction for retiring allowance.

Q. Did you get regular increases? A. No.

Q. How did you get them? A. The collector wrote, except once when I went to Ottawa myself and saw Mr. Paterson, the minister.

Q. What were you getting then? A. \$1,100, and he raised me to the maximum of \$1,200. Then I was examined and raised to chief clerk.

Q. Are you receiving about the same rate as would be given to a man holding your position in the east? A. Yes, I suppose about the same.

Q. You are not receiving more, and there was no provisional allowance given to Customs officers for service in the west? A. No.

Q. Do you find it hard to make both ends meet? A. I have never been able to. I never could live on my salary since I went into the Civil Service.

Q. What is your opinion of having the outside service under the Civil Service Act? A. I think it would be all right. It has never been, and when a position was opened a politician was popped into it. When there was a vacancy here for an appraiser I was senior, but a politician was put in.

Q. You think that is a bad system, and that promotions should be in the service? A. Yes. That is one of the worst evils in the service, that men who practically know nothing come in and draw big salaries.

Witness retired.

JOHN CARR, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am clerk in the Post Office inspector's office. I have been in the service about two years.

Q. What is your suggestion? A. That if a man, regardless of length of time, is competent to do the work assigned to him, he should be paid. A man may put in twenty years—of course length of service should count—but a man may put in two years, and perform the work equally well, and should be paid accordingly. I have to go out, supervising transfers and making changes just the same as the inspector, and salary I get is only \$850.

Q. You go out by yourself? A. Yes. I have practically been acting as post office inspector, inspecting agencies and looking after the payment of mail services and making mail contracts, advertising and such like.

Q. What part of the island have you been inspecting on? A. Pretty nearly all—Cumberland, one of the largest next to Nanaimo and Victoria; Ladysmith, and all the Gulf Islands, Comox, Union bay. A man to inspect Cumberland office must be as efficient as to inspect the office at Victoria.

Q. What is the work at Cumberland? A. \$2,000 in orders were issued that day I was there.

Q. It would rank third among the Vancouver Island offices? A. Either third or fourth.

Q. Does the post office inspector also make an inspection? A. Oh, no, I made the inspection for him. That is the regular inspection.

Q. Are you under the post office inspector? A. He and myself are doing duty outside.

Q. How many offices have you inspected this year? A. This year so far about twelve, but we are back in the work.

Q. How many are there to inspect? A. I should think roughly 25 or 26. Another branch I take exclusively is the establishment of rural mail routes. I have just got back from examining into one between East Wellington and the mine. I have been looking over the ground to see whether it would be feasible or not.

Q. Have you been employed on this service before? A. Yes.

Q. And your recommendation has been accepted? A. I have reported on it to the department.

Q. You say the rural mail delivery work is under you? A. Yes, subject to confirmation, of course, but when Mr. Fletcher is not here I sign all the reports.

Witness retired.

The Commission adjourned.

Post Office Building,
Saturday, July 27, 1912

WILLIAM HENDERSON, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am resident architect of the department of Public Works for the province of British Columbia.

Q. When did you first enter the service? A. I first entered the service in 1860. Then I went to the old country and came back in 1872. I re-entered the service in that year, the day after I landed, and remained in the service until the latter part of 1887. I again entered the service in December 1896.

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Q. In your present position? A. In my present position at Regina. In 1878 I was transferred from Ottawa to Battleford, then Winnipeg, then when the government changed the seat of government from Battleford to Regina I came to Regina. I lived at Qu'Appelle for four years. From Regina I was sent out here to supervise the erection of this building which was commenced about 1895, and completed about 1898.

Q. Are you entitled to superannuation? A. No. I was on the superannuation list, but when I was transferred to Battleford from Ottawa that was cut off.

Q. By your own will? A. No.

Q. Are you contributing even to the retirement fund now? A. No, I do not contribute to any fund. Of course I am a permanent official of the department appointed by order in council.

Q. What extent of territory do you cover? A. I cover the whole of British Columbia.

Q. How many assistants have you? A. I have practically one assistant in the office for the public works and one for the telegraph and telephone service, which I have charge of.

Q. Your duties lie with all the public works outside of the engineering? A. Outside of the engineer's department which is conducted from New Westminster.

Q. How many employees have you in the office here? A. Three besides myself—assistant for public works, assistant for telegraphs and a stenographer. I am head of the telegraph service except for the Yukon.

Q. Where is it managed from? A. From Vancouver by the superintendent of Yukon telegraph lines.

Q. Have you got any sub-offices in other cities or towns? A. Where there is a new building being erected there is a clerk of works who is under me.

Q. But you have no permanent officer outside of this? A. None.

Q. You have temporary officials under yourself as head architect? A. Yes.

Q. You have caretakers under you, I suppose? A. All caretakers are under me after a building is completed, and I have to look after all necessary repairs.

Q. What salary does your junior clerk enter at? A. He entered at \$100 a month in 1901.

Q. You have sufficient assistance to cope with the business? A. Sometimes I have not. I have authority to employ a draughtsman when needed, but I do most of the work myself.

Q. You can carry on the work reasonably well in the interests of the public? A. Quite satisfactory to every one so far as I know.

Q. Can you give me a rough idea of how many employees you have throughout the country? A. I have a caretaker here and three cleaners. I have a caretaker at Vancouver and seven cleaners. We have two buildings there.

Q. Are all the offices collected in the two buildings? A. No, the superintendent of immigration is on the wharf, and the examining warehouse has just moved to a building on Water street, the place we had having become congested. I have two caretakers at New Westminster, one at the public building, and one at the Indian Fisheries building. I have caretakers at Kamloops, Nelson, Rossland, and Fairview, one at Nanaimo, one at Ladysmith, and one at Cumberland.

Q. Are these men paid by your office? A. No, only the telegraph salaries are paid by my office. These are paid from Ottawa.

Q. Have they to purchase small supplies? A. Yes, this is done through my office by requisition.

Q. You authorize the purchase? A. Of ordinary caretakers' supplies I do.

Q. Have you to make any purchases of large character? A. No. All works are done under contract, but sometimes things have to be done that we have no contract for, but we are confined to a certain amount for them.

Q. What is the limit? A. \$5,000. Anything under \$5,000 we have authority to do by day labour if it is better.

Q. Do you find it so? A. No, I prefer the contract. There are some occasions but it does not occur often, not even once a year, when it is necessary to do work by day labour.

Q. All large works are done on tender and contract? A. Yes, awarded at Ottawa. I send the tenders there. Except for a small contract they have to be called for by public advertisement and sometimes by calling upon the people I know will give them.

Q. Have you a list? A. I have a list of persons whom I must purchase from. I am not confined to any list to ask for tenders from, and never have been.

Q. Then you have clerks of works? A. I have one at Vancouver in the erection of the examining warehouse, one at Chilliwack on the new public building being erected there, one at Grand Forks, one at Cranbrook, one at Vernon. This time I was up at Kamloops I let a small contract for \$1,200 to re-arrange the post office fittings there.

Q. How did you do that? A. I called for tenders, got five in, and gave it to the lowest. I asked people who knew who would tender. In this case I applied to the mayor, and some he gave me, and those I knew in that line I called on. The department gave me some names.

Q. Practically everybody had a chance? A. Everybody had an opportunity that wanted to.

Q. How about telegraph employees? A. In the Victoria-Cape Beale line there are eight operators and linemen, I think. On the Cape Beale-Alberni line there are four linemen and four operators. On the Clayoquot line there is one operator and a lineman who acts as operator besides. The same operator who is on the Cape Beale Alberni line acts as operator for Clayoquot at Alberni. I have an operator at Cumberland, one at Courtney, one at Comox, an operator at Campbell River, and a lineman at Campbell River. Then the lineman at Cumberland looks after the line from Comox to twenty miles the other side of Parksville, or McBride Junction as it is now known. He looks after the lines from Cumberland to Hornby island, and from Hornby island to Denman island. Then from Campbell river to Powell river we have three or four operators and a lineman at each point. Then we have one man who has a general supervision from Campbell river to Powell river, who was provided with a boat and makes general repairs. On Salt Spring island we have telephones, but they are under commission. There is no paid operator on Gabriela Main, Pentler, Galiano, Thetis, where there are telephones. We have a telephone from Golden to Windermere, and Wilner, with an operator at each end, and the rest on the highway are settlers. There are the Okanagan telephone and telegraph lines under Mr. Palmer, who resides at Kamloops. I did have jurisdiction, but it got so unwieldy that we put on a superintendent on that portion, who reports direct to Ottawa. I sign his cheques and his accounts go through the hands of the accountant at New Westminster, who handles the telegraph and engineering accounts.

Q. Why do you sign his cheques for him? A. Because I have an order in council to do so. When the line was under me I did so, and the requirement of the order in council still exists.

Q. Is it right you should take this responsibility? A. I don't take it. The accountant sends them to me, and he takes it.

Q. Would it not be better to have the signature attached by the man with responsibility? A. I think Mr. Palmer should sign his own cheques.

Q. Do the telephone lines support themselves? A. Oh no, they are run at a loss to the government of pretty nearly \$30,000 per annum.

Q. And the telegraph lines? A. The whole thing. I do not know about the Yukon and the Okanagan, but those under me are run at a loss of between \$25,000 and \$30,000. These lines are built by the government for the benefit of settlement, and not for commercial purposes, although we do commercial business, and try to do the best we can; as the country grows up companies come in and take it.

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Q. In any of these cases have you found companies come in and take the business away after you have developed it? A. I cannot say that they do yet. The C.P.R. does come in.

Q. What are the wages of operators and linemen? A. We have one lineman at Golden who gets \$90 per month; who says he cannot live on the \$90 because it costs him so much. He had to travel over close on 80 miles of the line.

Q. And pay his own expenses? A. Pays his own expenses and living. His expenses come to nearly as much as he gets. We have an operator at Wilmer who gets \$55, and an operator at Golden who gets \$55 a month.

Q. Is the range about equal to what they would get in private life? A. We do not pay as much as companies pay to their officials. Our linemen only get \$70 with two exceptions, one getting \$85 and one \$90.

Q. Do those at \$70 find themselves? A. Yes. Some have to travel thirty to forty miles. The C.P.R. pays linemen \$85 to \$90 a month.

Q. Do you find a difficulty in keeping your men? A. We find it difficult to get good men, and that is a detriment to the service. They go to other positions.

Q. Is that the case in regard to operators also? A. Yes as soon as they can find a better job they leave.

Q. And they find better wages? A. Yes, because the government does not pay the same wages as public companies.

Q. Is that true in regard to clerks of works? A. No, I think the clerks of works are very well paid. They get from \$7 a day down to \$5.

Q. What class of men are they? Such as would be otherwise classed as foremen? A. Not all. Some are a good class, and some I find are very useless. I am not consulted in that matter. I am told that a clerk of works has been appointed, get his name, and that is all.

Q. Has that been the case always? A. As far back as I know. Sometimes I get a first class man.

Q. They are only temporary employees? A. Temporary for the occasion.

Q. What would you think of having permanent officials acting in that way? A. There would not be employment always for them. A man qualified for a clerk of works would be very little use at anything else. A good mechanic is the best man for a clerk of works. His duties are to see that the specifications and plans are carried out, according to the intent and meaning, and that all materials used is up to specification, and that the workmanship is good according to what is called for by the specifications. A clerk of works should have judgment within himself not to be arbitrary as to materials. He may have to take the best in that locality.

Q. Why I asked that was you might have a clerk of works who would be willing for a consideration to allow a contractor to put in poorer material than is called for. A. That can happen of course, but I have never found that.

Q. What do caretakers generally receive? A. We have a head caretaker at Vancouver who gets \$75 a month, and quarters, fuel and light, and a caretaker here at \$50 a month, quarters fuel and light. Caretakers have all quarters as a rule.

Q. Do you consider they receive adequate remuneration? A. No, \$50, even if you have quarters, is not sufficient for a man with a family or any man. I speak for British Columbia, of course.

Q. You consider the cost of living here is greater than elsewhere? A. I do.

Q. There has been an increase in the cost of living in British Columbia in recent years, I am told. What would you consider the increase in the last five years was? A. I think it has increased at the very least 25 p.c.

Q. Do you think that is the figure that would apply in Victoria? A. I think it was more in Victoria. I should say here it is 30 p.c. or 50 p.c., but in other parts of British Columbia it is at least 25 p.c. House rents have doubled here in the last five years.

Q. What is about the amount of money that passes through the hands of your office? A. Between contracts and one way and another, half a million a year.

Q. But that does not pass through the books of your office? A. I do not keep any financial books at all. It is all done at Ottawa and New Westminster.

Q. If you sign cheques you must have some account of them? A. I keep track of that. Credits for maintenance of telegraph lines pass through my hands, and I keep accounts.

Q. Do your officials get leave? A. No, they get no holidays. All officials under me if they want a holiday must get substitutes.

Q. At headquarters do you give men under you leave of absence? A. No, there is none coming to them. I do not think they can claim holidays as in the inside service.

Q. But do you in practice let your employees go for a certain period each year? A. They may get a day now and then, but that is all.

Q. Don't you think it bad policy to have officers of one department getting holidays, and others not allowed? A. I think it would be better if all were treated alike.

Q. Do you and your officers receive any higher scale of pay than the same men in the east get? A. I am not able to say. The superintendent of telegraphs is on the pay list for \$110 and that I regulated myself.

Q. If he wanted an increase, he would apply to you? A. Yes, and I would send it on to Ottawa.

Q. Have you any suggestions to make whereby the service might be improved? A. I think it would be improved if there were something to look forward to; if they came under superannuation.

Q. You feel you could keep better men? A. Yes. The good men would have something to look forward to, and would not be wanting to leave for better jobs.

Q. You think that would be the best method to improve the service? A. That is the best method for retaining good men and for the public service generally.

Q. Do you say that as a business proposition it would be to the interests of Canada? A. As a business proposition it would pay the people. It would pay the government even if it was a private institution.

Q. You have many buildings to put up? A. The officials at Ottawa cannot realize nor be made to believe the way this part of the country is developing. At Vancouver a building being put up to-day is too small before it gets completed. We have been renting a building outside for the past five years for Customs, &c.

Q. Have steps been taken to provide that accommodation? A. Yes, now they have.

Q. Have you to pay very high rent? A. We have to pay for a place for the express examining warehouse \$300 a month.

Q. Roughly speaking, what interest on the capital investment of a building are you paying in rent? A. We are not renting a building except the one rented by the Customs, and according to value now, the rent is not more than two or three per cent.

Q. So you really are renting very economically? A. Very economically.

Q. But any additional buildings you may have to rent will be different? A. We would have to pay four times the rent now.

Q. In regard to this building the post officials say it is inadequate. A. That is not true. It is perfectly adequate for all purposes of the post office for the next twenty years. What is wanted here is an examining warehouse. We have rented one for which we are paying \$400 a month. The post office here have as much accommodation as they have in Seattle for a city of 400,000, and it is a new building.

Q. Do you mean the amount of space now at their disposal or what you could put at their disposal? A. I mean what they have now. We have torn out the examining warehouse entirely, and given that to the post office. It is not fitted up for them. I recommended that the whole of this building be given to the post office, and a new

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examining warehouse on ground now occupied by the Marine and Fisheries building to be replaced with a large building to be used as an examining warehouse.

Q. You mean that as soon as additional space now at the disposal of the post office is fitted up and made available, they will have ample space? A. For the next twenty years.

Q. At the present moment they have not such ample space? A. Oh yes, they have.

Q. All the evidence given yet is that the limited space prevents them giving the service to the public they should give. A. I do not see where that is. All I see is that many people are anxious to get a new building.

Q. The officials were not. They asked for more space. Perhaps they might have put it better if they asked that the space at their disposal be better utilized. A. That is it.

Q. Do you think if they carry out the arrangements you make it will serve for all purposes? A. Yes, it will serve for all purposes.

Q. In the case of this building rented for an examining warehouse what percentage would \$400 a month be on the value of the building? A. About 5 p.c.

Witness retired.

D. B. McCONNAN, recalled.

A. When I stated yesterday that I had no difficulty in keeping my staff, I omitted to say that Mr. Winsby has threatened to leave; if his salary is to remain at \$1,700 he will not remain. He has had offers from outside, one of \$1,800 to go into real estate, and a guarantee of 25 p.c. on his sales.

Q. Is Mr. Winsby entitled to superannuation? A. No, he is on the retirement fund. He has been in the office for twelve years.

Q. And a very capable man? A. Most capable and reliable.

Q. What do you think in regard to the Civil Service Insurance Act? A. I think it is manifestly unfair to expect a man who contributes 2 p.c. to superannuation to be charged another 1 p.c. if he is going into the insurance fund.

Q. That is to say, he would have to pay 3 p.c. before being allowed to contribute? A. To take advantage of the insurance. I would take it out personally if it was not for that. I have to take out more insurance. I have had to let two policies lapse on account of salary. In regard to the retirement fund, I think the legal rate of interest of the province where the official lives should be granted instead of 4 p.c. Money is worth here from 6 to 7 p.c., and you can get the best security even at 12 p.c. I think there should be some allowance made whereby a widow would derive some benefit under the superannuation system.

Q. Do you think retirement should be compulsory after 25 years service or when a man reaches a certain age? A. I think in the interests of the service it should be compulsory at 60 because a man gets in a groove and if there is any change in the system he cavils at it and thinks it is not for the interests of the service.

Q. You think it would be in the interests of the working of the service and would give young men a better chance of advancement? A. I certainly do.

Witness retired.

RICHARD JONES, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am collector of inland revenue.

Q. When were you appointed? A. I was first appointed inspector of weights and measures and gas in June, 1884, and when the collector died I was appointed for the position in June, 1887.

Q. Do you come under the Superannuation Act? A. Yes, under the old system.

Q. What is your staff? A. There are four; deputy collector, first class excise officer, second class officer, and one who I fancy will be put on the pay list in the present month.

Q. Do your officers receive a regular increase according to the scale set out in the new Act? A. Yes.

Q. Do you receive any special allowance for residence in the west? A. Since January 1, 1911, we have been getting \$100, some \$150, some \$125, and myself and the deputy \$100, for provisional allowance.

Q. For residence in western Canada or Victoria? A. I fancy it is for residence in Victoria. Vancouver office gets about the same.

Q. What extent of territory comes under your supervision? A. I have supervision over Vancouver island and the adjacent islands, but there are no factories or breweries on any but Vancouver island.

Q. You do not touch the mainland? A. Not at all.

Q. Have you any officers in other parts of the island? A. I have one deputy at Ladysmith, a deputy at Nanaimo, and an assistant deputy and collector at Cumberland.

Q. In regard to your officials do you find there is any difficulty in keeping them at present salaries? A. No. I think they are all satisfied, and all are good officers. Everything moves along well.

Q. There are no complaints from the public? A. We have never had a complaint. We are on the spot to oblige the public in every possible way.

Q. In regard to your subordinate officials, are they satisfied? A. Yes, and are doing their work well.

Q. About what is the amount of money you collect in your district? A. It is gradually increasing. In 1909-10 we collected \$221,109.18; in 1910-11 we collected \$243,925.86; in 1911-12 \$257,309.29.

Q. Have you had to increase your staff? A. Not for some years.

Q. And you are able to handle the business at the present time? A. Yes, I am.

Q. Do you get your office supplies from Ottawa? A. Yes, except in the case of ink or something small.

Q. From the Printing Bureau? A. We make requisitions on the clerk of supplies.

Q. Does he send them or send on the order to the Printing Bureau?—A. We requisition the department, and they pass it on to the printing and stationery office, who send it on to us.

Requisitions are met promptly and the quality is satisfactory? A. Yes.

Q. Have you any purchases to make? A. Nothing but a small office purchase now and again.

Q. Have you any suggestions to offer in a general way as to improvement of the service? A. No, I have not.

Q. How as to leave? A. Each man is entitled to three weeks.

Q. Can you give me any opinion as to the increase in the cost of living? A. It is a burning question with us all. I should say fully 40 per cent in the last few years.

Q. Say the last five years? A. In the last four years fully 40 per cent increase.

Q. Do you feel you cannot live as well as two or three years ago? A. I certainly cannot, there is not the slightest doubt of that. As to servants, a few years ago a good China boy got \$8 to \$10 a month, but now you have to pay them \$30. Taxes have gone up. House rent for a modest house would be \$30 to \$35 a month.

Q. What is your salary? A. \$2,000 and \$100 allowance. My salary was \$2,420 when I was doing gas inspection also, and we now pay \$1,200 and allowance for that.

Q. Is there just one man doing gas inspection? A. One man reporting direct to Ottawa. I was getting \$300 and now he gets \$1,300 in all.

Witness retired.

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Dr. GEORGE L. MILNE, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am immigration agent and controller of Chinese immigration. I was medical officer as well up to three months ago.

Q. How long have you been immigration agent? A. I inaugurated the service in 1904.

Q. What is the number of your staff? A. Eleven inspectors under the Immigration Act.

Q. All European? A. Yes. I have two Chinese inspectors and interpreters, Lee Mong Kow, and Lee S. Yue. Mong Kow has been connected with the immigration of Chinese at Victoria for 25 or 30 years. The rest are inspectors and clerks, interpreters and guards.

Q. Your jurisdiction simply covers Victoria? A. Victoria and adjacent ports, Esquimalt.

Q. Are immigrants allowed to land at any other port on the Island? A. No. Under the Act, Customs officers are immigration agents. Where there are no immigration officers, Customs officers act in that capacity. We have a man who goes through the Island as a sort of inspector and reports here. He is under my branch directly.

Q. As a matter of fact it is not practicable for Chinese to land elsewhere? A. No, and as I say, Customs officers at each port are our inspectors.

Q. Have you any control over their entry into Vancouver? A. We have an officer there.

Q. Under you? A. No. The officer there is controller of Chinese immigration and immigration officer also.

Q. About what salary do your clerks commence at? A. \$50 a month upwards.

Q. Do they get an annual increase? A. No. All increases have been granted by the department at their discretion on my recommendation.

Q. Do you find it difficult to keep good men? A. I have kept my men although once one of them retired on account of the wages, the inspector at Seattle now, but he got an increase and came back. Mr. Speed, one of my useful inspectors, gets \$75.

Q. Have you anything else to say about salaries? A. Myself, I am the chief complainant. I was getting \$2,750 and then had the Chinese work tacked on, with the collection of some \$350,000 last month, and they reduced my salary to \$2,000 when they appointed a medical officer to do the work I had done in that connection.

Q. Do they give you an increase with the Chinese work? A. No. I was getting \$2,750 with the immigration work, and then given the Chinese work with all these men under me, and it was docked \$750, which I do not consider right.

Q. What is the increase in the work? A. United States Immigration Department had officers here doing their work before ours, and now has a large staff here.

Q. Is it their system to examine passengers before sailing? A. Yes.

Q. Do they do it in Europe? A. They do it all on the line here. They have officers in Europe I know. They do their work here before vessels sail for American ports.

Q. A man might go without a certificate and be admitted at the other end? A. No, I don't think they would let him start.

Q. How does your present salary compare with those given to men in your position in the east; of course they are not handling the Chinese work? A. They are generally in the neighbourhood of \$600 for the Chinese work.

Q. You are immigration agent here, what would you get at Halifax? A. I think about \$2,000 or \$2,500, but that is only as immigration agent. When I was immigration agent alone I was getting \$2,750, but then I was doing medical work. Then there is a lot of money handled.

Q. Do you pay for your own bond? A. No, the government pays for the bond.

Q. And that applies to your staff who are bonded? A. Yes, they pay it.

Q. Are you entitled to leave? A. All the staff are entitled to three weeks leave.

Q. You get no provisional allowance for living in the west? A. Nothing at all.

Q. What is your view as to the increased cost of living? A. The increase even over Vancouver is very great.

Q. What is the increase in the last seven years in the cost of living in Victoria itself? A. Well, it will cost from 25 per cent to 33 per cent more. I think stuff is 25 per cent dearer here than in Vancouver.

Q. For what reason? A. I do not know. It seems to be more or less of a combination than anything else.

Q. How about rents? A. Rents have gone up fully 25 per cent within the last few years, perhaps 50 per cent in some cases.

Q. Do you come under the Superannuation Act or Retirement Act? A. No, neither myself nor any of my officers.

Q. What is your view about superannuation as a financial proposition for the government? A. I do not know whether it would be an advantage to the government, but it would be an advantage to the individual.

Q. Do you think it would enable you to get better men and to have them stay with you? A. Men would be rather more contented and would remain with the department rather than leave.

Q. And without a superannuation system you are liable to be filled up with men beyond their work? A. Yes.

Q. Would it pay the Government even if the employees did not contribute? A. Well, it would give a man something to look to. The provincial government are much higher than the Dominion, and they provide much more liberally in the way of superannuation.

Q. From your knowledge the provincial officials and staff are paid on a much more generous scale than the Dominion officials? A. Yes, there is a considerable increase. They treat their men very liberally indeed. Their salaries are fully one-third more than in the Dominion service.

Q. You say that \$350,000 was paid in last month in connection with Chinese immigration. Was it in cash? A. When a ship comes in they give me a cheque for the whole amount, so that in this way we avoid the escape of any of the Chinese.

Q. How does the shipping company do? A. They collect the money from them at the start.

Q. What was the immigration of Chinese last year? A. From July 1, 1911, to June 30, 1912, there were 4,391 Chinese entered Canada here. Then we get paid for board and medical treatment of immigrants in this building. The receipts for board and treatment last month from the ships amounted to \$850. Taking out the cost of treatment and of board, it gives us a profit of about \$400 a month.

Q. The Chinese all pay the tax?? A. Yes, except the children of merchants only under 21 years of age.

Q. What proportion of Chinese women do you get in? A. Very few, not one in five hundred.

Q. In regard to Japanese, how is it? A. It is just the other way. From June, 1911 to June, 1912, the Japanese immigration was 305 males and 414 women and children.

Q. Japanese immigration is continuing very low? A. Yes. They are supposed to keep it down to about 400 a year, but of course these are women coming to join their husbands.

Q. Have you any suggestions to make? A. No. Things are working very harmoniously. Sometimes we have had to employ extra staff.

Q. Have you had any difficulty in getting men at a salary offered? A. No.

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Q. What are the regular hours of your men? A. From eight in the morning till five at night. When men are doing overtime they should be paid. Sometimes a boat comes in any time from five a.m. I think we should be paid on the same basis as the Customs. Sundays and holidays the ships pay, but the government should do it. We have to be careful watching the ships.

Q. You believe there is no smuggling of Chinese going on now? A. No, not so far as ship arrivals are concerned.

Q. Do you have to purchase a number of supplies? A. Yes.

Q. How do you do? A. An order is sent in through me. Nothing is bought here that is not ordered by myself.

Q. To what extent? A. About \$150 a month.

Q. Do you make both ends meet in the building? A. Yes, we have a handsome revenue here for the department to between \$3,000 and \$4,000 a year. I get a Chinese to contract for feeding these people at 36 cents a day, and charge the ships 50 cents. I find it more economical than employing cooks.

Q. All these arrangements are in your absolute control? A. Yes.

Q. When Chinese immigration was under the Customs Department, how did they manage? A. They had to do it chiefly on the wharf and keep them in sheds, handling them poorly.

Q. Was the department at a loss? A. No, I think not. I think they made the ships pay for everything.

Q. Do you manage to make a profit here? A. Yes.

Q. When a Chinaman goes back how do you identify him? A. He has to register here before he goes, for which we charge them a dollar.

Q. Do you think there is much substitution? A. No. Sometimes we find a few frauds, but very few.

Witness retired.

Commission adjourned.

EVIDENCE
OF
HEADS OF DEPARTMENTS
DOMINION CIVIL SERVICE
VANCOUVER, B.C.

*Taken before Mr. R. S. Lake, Public Service Commissioner, in the office of the
Inspector of Customs.*

JULY 30TH AND 31ST, AND AUGUST 1ST, 1912

ROBERT GEORGE MACPHERSON, postmaster, Vancouver, B.C. Appointed September 16, 1908. Salary, \$4,000.

Q. Do you contribute to the superannuation fund? A. No, but five per cent is deducted annually from my salary for the retirement fund.

Q. I wanted a general statement as to the position of your staff, rates of pay, hours of work and so on? A. I have been preparing a statement. I did not bring it up with me, but you can put it in. It is not quite completed. The office hours of work I have divided among three staffs of eight hours each. The first staff goes on at eight in the morning and works till four. The next staff works from four till twelve, and the next from twelve till eight, so that we keep as much as possible to eight hours, though there is no suggestion made by the department that it should be.

Q. No excess is paid for night work? A. No.

Q. Do they take that in turns? A. Yes.

Q. And Sunday work? A. Sunday work does not make any difference. We endeavour to give them one Sunday in four only to work.

Q. How do you manage that? A. We manage it by possibly on Monday morning getting on a little extra start, that is that the men go on at four may report at one. It means simply an elastic system by which we endeavour as much as possible to eliminate Sunday work.

Q. Have you any work in the day time on Sunday? A. Yes, it is generally a very busy day.

Q. Is the office open to the public? A. No, but other work has to go on. All Saturday night's mail is piled up, and on Sunday everything has to be up by seven in the morning to get the carriers out. Up till two years ago the office was open on

Sunday, but the men really could not do good work, because of disturbances from men coming and making inquiries. There is no noise now, and I think it is a good thing to close on Sunday. It does not mean extra work on any class of men.

Q. Now as to vacation? A. The city sortation clerks get three weeks' holiday after being a certain time in the service. The first year one week, for the second year one week more if I remember correctly—I am subject to correction, but three weeks is the general rule.

Q. You have a large staff provided? A. Yes, plenty of staff. Of course work is just a little ahead of us in a growing city like this, but not much. Though in fact men always have to have their shoulder in the collar.

Q. You said you were appointed in 1908. Can you give me comparisons between the number of men then on the staff and now? A. The number of men then on the staff was in the neighbourhood of eighty, to-day we have about 210.

Q. Does that coincide with the development of the city? A. Just about.

Q. Do the staff get the same rates of pay as in eastern Canada? A. Yes, with the addition of \$15 a month for living allowance.

Q. Does that apply to all the staff? A. It applies to all the staff now, except the postmaster and assistant postmaster.

Q. What is the reason given for not applying that to you? A. I have never asked the reason.

Q. Do you know of the existence of any general regulation in regard to it? A. No, but I fancy the reason would be that with \$4,000 a year fixed as the maximum for a first-class office it was considered a good salary in those days, some twenty years ago.

Q. And in regard to your assistant who only gets \$2,400, the same reasons will apply? A. Yes, when these salaries were fixed they were considered good. Whether they would be considered good now is a matter I do not wish to express myself on.

Q. Do increases of salary in your office go by regular yearly increments? A. Yes.

Q. For all the staff? A. Yes.

Q. How are appointments made to the staff? A. Appointments are made through recommendations by the patronage committee, or the member supporting the government.

Q. Do they communicate directly with you when vacancies occur? A. No, I will apply for one or two men to the department at Ottawa who authorize the appointment of men who shall be recommended by the member of parliament or the patronage committee as the case may be. The member of parliament does it now entirely.

Q. Not the patronage committee? A. No.

Q. Was the patronage committee recognized officially? A. I think so. It was recognized officially where the constituency was represented by the opposition. The defeated candidate at least had a say, although let me say in connection therewith during the whole time that I was member I allowed the postmaster to pick his own men. I had to sanction and he selected the men.

Q. Subject to your approval? A. Yes, always with my approval. I, of course, always approved.

Q. Did these men when selected have to go through an examination? A. They had to pass an examination, and I will say further since coming into the office I have selected my own men and under present conditions I can select or reject men as I see fit.

Q. You are satisfied with conditions? A. Absolutely.

Q. The men in your office, do they have to pass examinations? A. Yes, or they cannot get on the permanent staff. They are appointed at \$500 a year with \$180 a year provisional allowance. I don't know how it is going to work out.

Q. Are a large proportion of the men now in the office temporary? A. They are all temporary appointed under the late Act.

Q. When did the late Act come in? A. It has been in force now about three or four months.

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Q. Previous to that men were taken in and could get on the permanent staff without examination? A. Yes, if they discharged their duty correctly.

Q. Do you find difficulty in getting men? A. No.

Q. And after you have got them and trained them do you find difficulty in keeping them? A. Well we find that if we get a young man—I am free to say we have very few Canadians. Old countrymen stay with us better than Canadian do. The English, Irishmen and Scotchmen stay.

Q. You don't find you are losing your permanent men? A. Not to any great extent. We endeavour to get men who will stay. After a man gets in there is no trouble.

Q. Does he get any examination? A. Yes, he gets an examination on his work before I recommend his increase.

Q. I understand you to say he gets a regular increment? A. Yes, that is subject to a favourable report on his abilities.

Q. How is the examination carried out? A. It is entirely on his work.

Q. On the report of his immediate superior to you? A. No. He is given an examination for example on his ability to sort so many thousand addresses. He has to place them in separate receptacles, and after it is done my officials go over it and find how many he has thrown correctly and incorrectly. If we think fit we give him another examination. If we find that he is a man who will not make good we try to get rid of him, tell him it is well to resign perhaps. After a man has been some years in the service his increase comes regularly.

Q. You have had no examination under the new law yet? A. No.

Q. It is a qualifying examination they go through under the new law? A. Yes, a qualifying examination, a literary examination.

Q. How is the literary examination conducted? A. The papers are sent from Ottawa and the examination is held here.

Q. What is the revenue of your office? A. The revenue was \$365,000 for this past year.

Q. It is made up from various sources? A. Yes, stamp sales, commission on money orders and rental of postal boxes. I may say that it is approximately from \$360,000 to \$390,000 this year, and will come to about \$400,000 this coming year.

Q. What is the expenditure? A. I could not give it now, but you will have it in the statement.

Q. About letter carriers. What is the number? A. About 105 men.

Q. What salaries? A. They start at \$2.25 a day and go up to \$3.25. A letter carrier working regularly who has been five or six years in the service will receive in the neighbourhood of \$85 a month, and then he gets as well two suits of uniform two pairs of boots, two caps, a raincoat and street car fare so long as he is in uniform.

Q. There is a distinction between them and the clerks? A. The clerks do not get as much money and are obliged to pay their car fare.

Q. You consider the letter carriers are really better paid? A. Yes, absolutely better than the city sortation clerks.

Q. You mention just one class of clerk, the city sortation clerk? A. It means all men who work inside their office.

Q. In addition to what you have told me the letter carrier gets a certain amount of sick leave or vacation? A. They are both in the same position as far as that is concerned. The city sortation clerk if he is ill gets his pay just the same.

Q. In regard to bonus? A. It is given to the letter carriers. They can either accept an extra number of days for holidays or take a cash bonus of \$20.

Q. In addition to the holidays? A. Yes, in addition to the fortnight.

Q. I suppose they work on public holidays? A. Yes, we give one delivery in the morning.

Q. How many hours do they work on holidays? A. On an average about eight hours a day, though of course at Christmas time they work longer.

Q. The present regulation I believe enacts that men shall be two years in each class before getting promoted to a higher class, and the letter carrier only gets no higher grade? A. Yes, but he gets advances in salary just the same every year.

Q. I notice you have four first-class clerks? A. Yes. The first is head of the registration department, the second is head of the money order branch, a third is head of the despatching office, and another is head of the foreign mail despatch. The second-class clerks are men who have been a long time in the office, and who are working up and will eventually command first-class positions.

Q. You spoke of having one of the junior third class clerks as accountant. Is he acting alone at the books, or has he assistants? A. He has three assistants.

Q. Are they also clerks of the same rank? A. One is in the same rank. The other two are less.

Q. And do you consider the responsibilities of that office entitle him to a higher position? A. Yes, to higher pay.

Q. The accountant whom you had before left you? A. Yes.

Q. For what reason? A. He was given a much better salary.

Q. What was the salary given him? A. He started I believe at \$1,800 a year.

Q. And he was receiving \$900 here? A. Yes.

Q. Have you had many other cases of good men being taken away from you? A. Not many.

Q. The man you mentioned received the offer while in your employment? A. Yes.

Q. Are there any in your office who contribute to the superannuation fund? A. There are a few I fancy. Just the assistant postmaster does and a few others.

Q. And all the rest contribute to the retirement fund? A. Yes.

Q. What is your opinion of the superannuation question, and the effect it would have on the staff generally? A. I really could not offer much opinion on its effect on the staff. My own opinion is that after a man has given the best that is in him for many years to the government of his country his latter days should be kept free from want by superannuation payments.

Q. Looking at it from a business point of view—this is a young city and I presume that most of the men are comparatively young men—do you think it would pay the government to superannuate their own servants after they reach an age beyond their work rather than keep them on the staff? A. Yes.

Q. Do you not think it would have a good effect on the young men in the service? A. I do.

Q. Have you any views as to what age, if superannuation were introduced, a man should be compulsorily retired? A. I think a man should be compulsorily retired at 65.

Q. Have you any old men getting beyond their work? A. Well, we have one or two.

Q. Why don't they dismiss them? A. Well, these men have to support themselves and their families and the retirement fund they would get would not keep them for a year. They would be paupers if discharged. Their days of usefulness are over so far as making money outside is concerned.

Q. Does this mean that you would not recommend their dismissal? A. I would never recommend their dismissal. Certainly not.

Q. Would it not be detrimental to the public interest to keep men on the staff who are getting beyond their work? A. It is perfectly obvious it would be detrimental, but we manage to let these men down as lightly as we possibly can in their work.

Q. Can you not foresee a time when you will have a considerable number of such men on your hands? A. There is no doubt of it.

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Q. And have you not thought about it, and what is the best solution? A. There is only one solution, and that is after a man has given a certain number of years to the service, whatever department he may be employed in, and has reached the age of 65, that the government of the day shall say that the last few years you are going to spend on earth shall be spent at the expense of those to whom you have given such good service.

Q. Are you merely making this statement from a humanitarian viewpoint or from a business standpoint? A. I am making it from a humanitarian standpoint first of all, and business comes in second. But putting humanity on one side and looking at it from a purely business standpoint we must have young men to discharge the duties of the office. I mean by young men, men who have not reached the age of 65. Business demands that young men, full of the fire and vigour of youth shall be employed. The government of the day recognized the fact that when a man who sat on the Bench had reached a certain age his power and usefulness had ceased and they retired him on full pay. If a judge upon the Bench is not able to exercise his duties in a competent manner after a certain age, why can a man who is handling letters or working in any other department do any better? There is not a judge in the country but will retire on full pay after he reaches a certain age no matter if his powers are unimpaired.

Q. How are your letter carriers paid? A. They start at \$2 a day with 50 cents living allowance or \$2.50 a day and two weeks later they get \$2.75 a day. Then they advance by different scales according to length of service.

Q. I want to know how long they are on the first scale before they reach the second? A. They go up by four scales, A, B, C, D and E, with two years between each. As they rise from one grade to the other their wages are increased 25 cents a day till they reach \$3.50 a day.

Q. What is the expenditure in the office? A. \$192,000 a year.

Q. And the number of employees? A. I think I said before roughly 210, but I have now the figures with me and am able to give you the correct total which is 225.

Q. That includes the letter carriers? A. It includes the letter carriers and the whole staff.

Q. What rates of pay do the junior clerks receive? A. \$500 a year to start with and \$180 a year for living allowance. Then they get \$100 a year increase until they reach \$980. At the commencement they are getting \$680.

Q. Then after that there are a few offices I presume to which promotion can be made? A. Yes, the men in charge of the different branches of the office.

Q. To what figure practically do their salaries reach? A. We go up to \$1,700 for a chief clerk.

Q. Of course there are very few who get that? A. There are two getting \$1,600 now, and they also receive the living allowance.

Q. And this \$180 a year is an allowance given in addition to the prices paid for the same work in eastern Canada? A. Yes, because of the extra expense of living in the west.

Q. You have lived in Vancouver a long time. What is your estimate of the increased cost of living here say during the past five years? A. I should say the increased cost of living here during the past five years is 35 per cent. It is 100 per cent higher than in 1900.

Q. You were in parliament for a number of years and spent part of the year at Ottawa and were able to make a comparison of living between the east and the west. What would be your estimate of the extra cost of living in the west as compared with the east? A. I should think it is about 25 per cent to 35 per cent higher here than in the east.

Q. Do you get any local supplies? A. No, all the stationery and supplies come from Ottawa.

Q. From the King's Printer or from the controller of the postal stores? A. Direct from the controller of the postal stores.

Q. The quality is all right? A. Yes.

Q. And it comes expeditiously? A. Yes.

Q. Have you any suggestions to make which you think would improve the general system or improve the service you are able to give to the people?—A. Well, there ought to be a raise of wages for the men working inside at once.

Q. All round? A. Yes, I think so for the lower salaried men. I am not speaking for anybody else but the men receiving from 680 to 980 a year. I think there should be a substantial increase in that the higher officials need not participate in the raise. I am of opinion also that the letter carriers are better paid than the clerks inside the office. There is no doubt that the clerks are not on the same standard of salary as the letter carriers.

Q. What is your opinion in regard to bringing the post office clerical staff under the provisions of the Civil Service Amendment Act, 1908? A. The outlying principle is all right, but in a growing city like Vancouver the post office will require ten or fifteen men extra a month to meet the requirements. We are 3,000 miles away from the governing body, and if these men have to go up for examination it will take a month or six weeks, or possibly two months, before they can be appointed, with the result that our office would be in a congested condition and we would not be able to meet the requirements of the public. A man will drop out here on one day's notice, and we are obliged to pick up a man who comes asking for a job to put in his place. If you are going to put the postal service of the country on a basis of matriculation examination, I am quite positive it would work havoc in the post office.

Q. Well, have you anything else to say in regard to the service? A. I do not think so particularly, but there is one other point I would like to make, and that is that during the Christmas holiday rush the men in the service are required to work fully double the hours they work during the other times in the year. This work is always done in accordance with the spirit of the holiday season. I have never heard a man grumble over the amount of work he has been obliged to do during this season, although not one cent of extra pay is allowed him for his extra work. I have myself during the earlier years of the office given the men a Christmas dinner, but when the staff got so large I found it impossible to continue that plan as I could not afford to spend the money. I am quite of opinion that the government should pay a reasonable extra sum to the men on the permanent staff during the Christmas holidays.

Witness retired.

JOHN RICHARD MURRAY GREENFIELD, post office inspector, Vancouver division. Appointed May, 1904. Salary, \$3,300.

Examined by Mr. R. S. LAKE, Public Service Commissioner, July 30, 1912.

Q. How long have you been in the service? A. I have been in the service practically thirty-nine years. I joined it on October 16, 1873.

Q. How long have you held your present position? A. Eight years since last May.

Q. Do you contribute to the superannuation fund? A. Yes.

Q. What number of staff have you under you? A. Two assistants, eight clerks.

Q. What are their rates of pay? A. One assistant \$2,200, one assistant 1,800, one chief clerk \$1,450, seven clerks ranging from \$500 to \$1,050, and one messenger at \$2.75 per day.

Q. Is provisional allowance given for extras? A. A provisional allowance of \$15 a month is given on all salaries up to and including \$1,600 a year.

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Q. Does that mean that any officer receiving more than \$1,600 a year will not receive provisional allowance? A. Yes.

Q. Are any of your subordinates on the superannuation list A. Myself and the first assistant.

Q. And the remainder I presume contribute to the retirement fund? A. Yes, the permanent officials.

Q. Are all these you have described permanent? A. No, sir. Three are temporaries.

Q. Will they be made permanent presently? A. They are appointed provisionally for a year until they pass the Civil Service qualifying examination. In regard to stenographers and typewriters, it is impossible to obtain competent stenographers and typewriters for the minimum salary paid by the government. The result is that we have to take them from the school of stenography, and two out of three at present are under the age of 16, and will be two years yet before they are qualified to present themselves for the qualifying examination, and according to the provisions of the last Post Office Act we can only give employment for one year in a temporary capacity, so a change will have to be made before these can even present themselves for the qualifying examination.

Q. Do you consider that 18 should be the minimum age for permanent appointment? A. No, I would lower it. Seventeen would be a good age.

Q. Do your permanent clerks receive regular yearly increments to their salary? A. Yes.

Q. That comes to them on your report? A. Yes on my report as to their efficiency.

Q. What are their hours of work? A. During the summer months, from the first of June to the 30th of September, their hours are from 9 to 4 with an hour and a quarter allowed for lunch. From the 1st of October till the 31st of May their hours are from 9 to 5 with the same allowance for luncheon.

Q. Do they work overtime much? A. Yes, considerably.

Q. Do you find any difficulty or any objections on their part to doing overtime work? A. None whatever.

Q. What vacation do they get? A. Three weeks in every year, except the messenger who is what we call on the graded list. He is allowed fourteen days annually and a bonus of \$20, or in lieu of the bonus he can claim an additional ten days annually making 24 days annually in all.

Q. That of course is longer than the clerical staff are allowed? A. Yes.

Q. The clerical staff I presume just get 18 days? A. Yes, 18 working days.

Q. Have you any difficulty in getting clerks or keeping them when you have got them? A. Junior clerks, yes.

Q. Have you any suggestion to make as to how you could better get good men and keep them? A. Yes, by raising the minimum salary.

Q. What do you think the minimum salary should be? A. In the city to-day I think \$750, with provisional allowance.

Q. What is your personal opinion of superannuation? A. I am very much in favour of superannuation.

Q. Do you say superannuation would be a good thing from a business point of view, apart from humanitarian considerations? A. I think it is a good thing for the service. Speaking from my own experience I may say candidly that it is the only inducement that has kept me in the service.

Q. Have you any men on your staff who are beginning to get beyond the age of efficient service? A. No. I am very fortunate in that respect. I have a young staff.

Q. But you can foresee a time coming when such a condition will arise? A. Yes.

Q. Can you see any other way of meeting the difficulty which will then confront the government, other than superannuation? A. No. I think superannuation is the proper idea.

Q. At what age do you consider there should be compulsory retirement under superannuation? A. Well of course that varies. I am a man who has passed my sixtieth year and as far as activity is concerned I feel as active and capable as when I first entered the service. Then I know men a good many years younger who are not physically fit to give good service. If there could be an elastic idea of age ranging from 65 to 70 it might work.

Q. You think at any rate at 70 a man should retire? A. Oh, yes, I think compulsory retirement at 70 enough. If I am spared my present good health I hope to retire at 65.

Q. You think you are satisfied as to whether the limit should be 65 or 70? A. No. I say between, but it should not be a greater age than 70. It depends a great deal on the man.

Q. What extent of district does your inspectorate cover? A. It covers the whole mainland of British Columbia from the summit of the Selkirks to the coast, and candidly I cannot tell you how far north. East of the Selkirks is in the Calgary division.

Q. Then do you go as far north as the limits of British Columbia? A. Yes.

Q. And Yukon is in the Victoria inspectorate? A. Yes, Yukon, Atlin and all the islands.

Q. I presume you and your assistant have to be away inspecting a great deal of time? A. Yes.

Q. Are you able to inspect the whole of the district? A. Yes, we manage to do it. We have a system for money order that must be inspected at least once a year?

Q. That is under the regulations of the Post Office Department? A. Yes.

Q. You don't find you have to take juniors out of your office to help? A. Last year we did take one.

Q. The man you took? A. Was the chief clerk.

Q. What is his salary? A. His present salary is \$1,450 a year.

Q. You have an accountant in your office I suppose? A. No, I have what they call a second assistant, who takes charge of all the mail service. He takes charge of the books, prepares pay-sheets for all mail services performed. Four times a year the pay-lists go out. This pay-list has to certify that all services for which payment is asked has been performed.

Q. You handle no money? A. Practically no, the only money we handle would be, supposing we closed the post office, the postmaster would have to turn in his stamps and money and we would put it in the post office and send it to the department.

Q. About what is the amount of expenditure in your postal division? A. The expenditure for mail service is annually approximately \$172,000.

Q. Can you make any suggestion for bettering the service? A. Do you mean in regard to salaries or anything like that? Well I have already suggested that the minimum salaries be raised to \$750 a year, and of course as I have already stated I am strongly in favour of superannuation, and especially on the lines of the Bill that was introduced into the Senate some two or three years.

Q. By Senator Power? A. Yes, for the simple reason that it makes provision for a civil servant's wife and family, both in event of his dying before obtaining superannuation and after.

Q. Is it that particular feature that makes you favour Power's Bill? A. Yes, it is that particular feature.

Q. No other feature in that Bill appeals to you? A. No. I am perfectly satisfied.

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Q. As a business proposition do you think superannuation would be a good thing?

A. I do unhesitatingly, and in saying it I speak from my own experience during the long time I have been in the service.

Q. You don't purchase any supplies outside? A. No.

Q. What is your experience with regard to the cost of living? A. It has increased I should say in the last three years in Vancouver basing it on a conservative estimate, fully 25 per cent.

Q. It is a matter you have thought about a great deal, a deliberate judgment based on your experience? A. Exactly, yes, and by my own household expenses.

Q. Have you any further suggestions? A. I would also suggest the extension of the provisional allowance to all employees west of the Great Lakes regardless of rank and salary.

Witness retired.

JOHN MOORE BOWELL, collector of customs, Vancouver, B.C. Appointed July 1, 1887. Salary, \$4,000.

Examined by Mr. R. S. LAKE, Public Service Commissioner, July 30, 1912.

Q. Had you been in the service before you were appointed to your present position? A. I joined the service as a junior clerk in the department on October 1, 1878. I was private secretary to my father at that time Minister of Customs.

Q. You contribute to the superannuation fund? A. Yes, I always have since I refused to change to the retirement fund. I have been in the service 35 years, and in two years more or thereabouts I quit paying two per cent of my salary, and I get seven-tenths of the average salary for the last three years service.

Q. I would like a statement of the number and positions held by different members of your staff? A. I am having that made out in a tabulated form.

Q. What are their hours of work? A. From nine till four.

Q. That is the inside staff? A. Yes, that is, but the outside staff work from eight in the morning till six at night—that is landing waiters and the lockers and the appraiser's staff, they are usually off at four but they can be called upon up till six. In the long room they are supposed to work from nine till four, but while they are locked up to the public then, they have to stay as in a bank or counting house and finish the work for the day. They have to be there till such time as they get through.

Q. In regard to the outside staff if they are working beyond the hours specified—
A. They get forty cents an hour.

Q. That is allowed by the department? A. Yes, it is collected by me, sent to the department and then sent back to me.

Q. Is any charge made for boats arriving during the night? A. Yes, we have five or six clearing officers in the long-room, and we can clear any hour of the night.

Q. There is no extra fee payable by the boat itself? A. No, the department pays it.

Q. So that a boat coming here any hour of day or night is entitled to your services? A. Yes, a man is set aside to enter and clear a boat any hour in the night. The officer receiving has to provide his own telephone, and we insist upon a telephone being in his house.

Q. What vacation are you allowed? A. I have power to grant three weeks leave of absence in a year.

Q. In the matter of pay, do they get the same rates as officers holding the same position in eastern Canada? A. Generally speaking I think they get a slightly higher salary.

Q. Have you worked it out? A. No, I have not, but can tell you by looking up the establishment returns.

Q. No provisional allowance has been made for Custom officers in the west?
A. No, I think we are the only branch that has no provisional allowance.

Q. The fact that you are living in the west is not recognized as entitling you to a specific increase to your pay? A. No.

Q. At what rate of pay do your junior clerks come in? A. At present all my new appointments in the longroom are made at \$1,000.

Q. Does that include the clerical staff? A. Yes.

Q. They are being appointed at \$1,000? A. Yes, that is the last appointments. Previous to that it was \$800 and \$900.

Q. Up to what figure do they rise? A. Just whatever the government chooses to give.

Q. No regular increments of increase? A. Not that I know of.

Q. Any increase of salary given, have first to be recommended by you and passed through the minister? A. They send me a return on which I send a report good, bad or indifferent, and the government make their own increases.

Q. But the increase does not come with any regularity? A. In the past few years it has been about \$50 a year all round.

Q. On all who are reported as being good? A. Yes, and some few that I declined to report on.

Q. That you personally did not think worthy of increase? A. Yes, though I always give a man a good report if I can.

Q. Then these officials who enter at \$1,000 a year, to what can they rise? A. If they pass the Civil Service examination, I should think to \$1,200 till they get their promotion examinations.

Q. Promotion examination is examination in the work of the office? A. Yes, schoolboy examination practically—mathematics and all the rest of it.

Q. How long has a man to be in the service before he can enter for these examinations? A. As soon as a man has passed the qualifying examination he can ask approval for the others.

Q. Can you take any one into the service unless he has passed the qualifying exercises? A. Only the examining officers on the dock.

Q. Have you any class of men employed without examination? A. They all pass a preliminary examination in reading and writing and rough arithmetic before we put them on the staff as temporary clerks. They pass an examination before the inspector.

Q. In regard to the examining officers who have not passed examinations, what range of salary do they get? A. The highest to-day is \$1,000.

Q. What are their duties? A. On the docks checking in freight off vessels, checking it out again, and they are also sent out to look after smuggling cases.

Q. All employed outside? A. Yes.

Q. How many officers on the temporary and permanent list? A. I will give you that with the other statement.

Q. Do you have any difficulty in getting good men or in keeping them? A. No, but we have difficulty in keeping good men. I have two men in my long room that my chief clerk tells me he has been told will only remain till just such time as the merchants want them.

Q. You fill the ranks of these clerks with men who are nominated by the member for the constituency? A. That has been the system for years, but they have to pass a qualifying examination before the inspector before they can be made permanent.

Q. What would be your opinion of leaving all appointments open to competitive examination? A. I would be strongly in favour of it, with the exception of the collectors.

Q. At what age do you think a man or boy should be allowed to enter the service?
A. About 18, not younger, that is as clerk. Of course as messenger boy or stamp clerk about 16 or 17 would do.

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Q. Do any members of your staff contribute to superannuation besides yourself?
A. Yes.

Q. How many? A. I can only think of Colonel Worsnop and myself.

Q. And all the rest contribute to the retirement fund? A. Yes, I think so.

Q. Have you formed any opinion on the age at which retirement should be made compulsory, provided you had superannuation generally applicable for the service?

A. I have always thought that a man's term of office might last till such time as he is unable to hold it. I do not think when I am 60, about five years from now, the office will be any the worse from my being in it.

Q. Then you don't think there should be a compulsory limit? A. I don't, more than in any other business.

Q. In the public service in other countries they have fixed limits? A. I know that, but I don't approve of it, because many men are just as good at 60 as others at 40.

Q. Have you any men on your staff who are getting beyond the age to do effective work? A. Only one or two including waiters. Beyond that I have altogether a young staff with the exception of two or three men who were in a few years ago.

Q. Have you a man over 70? A. No, I never had.

Q. The service in your opinion then would be improved if you felt yourself free to dismiss two or three of the oldest employees and put younger men in their place?
A. Yes.

Q. The reason that prevents you from carrying it out is humanitarian? A. Exactly.

Q. What is your opinion of a general system of superannuation? A. I have never studied it thoroughly.

Q. Do you believe it should be general in the service? A. Yes.

Q. If it was to be brought about that every man in the service must contribute to the superannuation fund? A. Yes, but I would like it put on a different basis than it is to-day. For instance, I retire to-morrow, and two months from now I die. I have been paying into that fund 2 per cent all these years, and when I die my wife gets from two to three months' gratuity.

Q. And if you die before superannuation she gets nothing? A. Yes, for two or three months probably the same.

Q. Would you be prepared to say that a man should contribute even more than 2 per cent? A. I would be quite willing to pay 5 per cent the same as the retirement fund, if I knew that my wife as long as she remained a widow would have some compensation, and the children also till they are of working age.

Q. As a business proposition, do you think you could get and keep better men and give better service under a superannuation system? A. I am certain of it. It is the only reason that has kept me in the service.

Q. That would also apply to young men thinking to enter the service now? A. I think so.

Q. Quite apart from the humanitarian standpoint? A. Yes, it is a business proposition entirely. If a man knows that his family will be assisted if anything happens to him he will think twice in leaving it. I will give you a sample. In the past year the cashier who was handling my cash for years left. The Board of Trade wanted him and offered him \$3,000 a year.

Q. What was he receiving from you? A. \$1,800, I think. He suddenly informed me that he was going to quit and he quit. Two weeks afterwards in came my assistant cashier, whom I brought up to the work, and he resigned. He was also offered employment at a better salary.

Q. Did it cripple the work? A. Yes, because I had to teach new men.

Q. You were appointed here in 1887 you told us. What were the customs receipts then and what are they now? A. From July 1, 1887, to June 30, 1888, they were

\$67,000, and for the year 1910-11 collections were \$8,645,000. I expect this year we shall go over \$9,000,000.

Q. Do you find the cost of living has gone up much? A. When I came here first the salary was \$1,800, and I could live better then than on \$4,000.

Q. But within the last five years has there been any material increase? A. In the last ten years there has been about 50 per cent, and in the last five years about 25 per cent. My grocery bills a few years ago would run to \$25 a month, and now they run to \$50 or \$60.

Q. The same family? A. Only that one girl is dead and one boy married.

Q. You have your own house? A. Yes, and it is a good thing I do. The house that I used to rent for \$50 a month you could get \$100 a month for easily now.

Q. Have you any suggestions you could offer to make the service of your department better, I mean in the way of improving the status of the officials and looking simply to efficiency in the service? A. Well, I think the new men coming into the service should be put into the junior branches and the older men advanced—the capable men I men.

Q. What you mean is that the junior men entering the service should see a prospect of promotion to the higher branches? A. Yes, and I am adopting it now as fast as I can.

Q. Just now you said you would not fix a specific date for retirement. Don't you think if you had a definite age fixed it would enable you to accelerate promotion? A. It might have that effect. I did not think of that point of view. The only thing is that I don't think a man who can earn \$4,000 should have to get along on \$2,800 a year when he is still capable of earning his full salary.

Q. Have you any suggestions you can think of at present? A. There is one, that I do not think that younger men coming into the service should receive more salary than the older clerks who are just as capable and more capable. The new men coming lately have been getting \$1,000 a year on first appointment, while I have men on the staff who were appointed at \$800 and have only been increased to \$950 this year. These men are capable and know the work while the younger men have to be taught. While the minimum salary has increased, those already in the service should be increased in proportion. I had a young man recommended for permanent appointment some time ago. They have given him the permanent appointment, but have not increased his salary. He has been with us two years, and is one of the most capable men in the branch, and only gets \$950, while several new men are getting \$1,000.

Q. Anything more you can think of? A. Not at the present moment.

Mr. BOWELL recalled the following day, and examination continued.

Q. How many men have you in the Customs Department here? A. There are 43 on the permanent staff including myself, and 78 temporaries, 121 altogether.

Q. These temporary men have many of them been a great number of years in the service, and to all intents and purposes are permanently employed? A. Yes.

Q. How many would you consider absolutely temporary? A. Not one. A number have only been employed within the last six months, and they will not make any one permanent until they have had six months probation.

Q. Outside of those a large number have been here a long time? A. Yes, some of them ten or twelve years.

Q. And these men while doing the work of permanent officials receive none of the benefits, neither holidays, sick leave or anything, and if they are absent for a few hours they lose their pay? A. Not for a few hours, but if absent for a day they are not paid.

Q. In your opinion, the regular officials should be put on the permanent staff, or let out if they cannot pass the examinations? A. I would think so.

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Mr. Bowell also handed in statements showing the salaries received by two of his former officials who had resigned: Mr. Blain, formerly chief clerk, had received \$1,500 in the Customs, and was now secretary of the Vancouver Board of Trade at \$3,000 a year. Mr. G. McLellan, who was getting \$1,800, had resigned to take a position with a private firm at a much larger salary though he could not say what he was receiving. Mr. Bowell also handed in a statement by the chief of police of Vancouver showing salaries paid civic officials, which was duly filed with the secretary.

Witness retired.

CHARLES ARTHUR WORSNOP, surveyor of customs for the Port of Vancouver. Appointed 1895. Salary, \$2,400.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 30, 1912.

Q. How long have you been connected with the service? A. I entered the service temporarily in October, 1888, and was permanently employed the following year. I have held the present position seventeen years.

Q. Do you contribute to the superannuation fund? A. Yes, two per cent.

Q. You have charge of the outside staff of the port? A. Yes, everything outside the long room.

Q. How many men have you? A. Sixty-four on the outside staff.

Q. Can you tell me taking similar offices in eastern Canada, whether you are receiving a higher rate of pay at this port than they are there? A. I don't think so.

Q. Do you get any provisional allowance? A. No.

Q. Do you find much difficulty in keeping your men after they have become experienced in your work? A. There is always a tendency to drift away.

Q. Has that tendency been increased during the last few years? A. I think it has.

Q. And what do you put down as the reason? A. On account of the greater opportunities that have been offered outside the service.

Q. And generally speaking, you think salaries should be higher? A. I think they should be higher to retain the men.

Q. And in regard to superannuation, what is your view? A. My own impression is that superannuation is a very good thing, but I think it should be coupled with some allowance for the widow and children in addition to superannuation.

Q. Would you personally be prepared to pay a very much larger amount if it carried with it provision for your wife and family when you die or after retirement? A. Personally I do not think I would, because I already carry life insurance, and have been paying for so long on the other basis.

Q. Do you think it would be a good thing for the service generally and for the public if any new man in the service had to contribute say 5 per cent, to superannuation, provided after a certain time the wife and family or the heirs should participate in the benefits? A. I think it would be a good thing to provide an incentive to young men entering the service to make it their calling.

Q. And in regard to superannuation from your point of view, you would make it compulsory, and as a business proposition do you think superannuation a good thing? A. I do, but would like to see it made wider.

Q. Have you any men in your staff who are beginning to get beyond their work on account of age? A. Yes, there are several men who are pretty well on in life.

Q. If they were entitled to superannuation allowance, would you recommend superannuation? A. I would.

Q. And do you consider it would be in the public interests to pay superannuation rather than maintain them in their positions at the present salaries? A. I think so.

Q. It would also probably have the indirect benefit of inducing better men to come into the service? A. Yes, I believe it would.

Q. Have you any opinion as to the age at which, if there were a regular superannuation system, a man should be compulsorily retired? A. I think a man should retire at 65 years of age.

Q. In regard to the cost of living in the west, there has been a great deal of complaint made that it has increased greatly during the last year or two? A. It has increased very much.

Q. Say in the last five years, can you make an estimate as to what the increase would be? A. I should say that in everything it has been from 20 to 25 per cent, and in many things from 75 to 100 per cent.

Q. You have been here you say since 1888? A. In the service, yes.

Q. And the increase has been very considerable since that time? A. It has indeed. In the last five years particularly.

Q. You have no doubt been thinking a great deal about the service. Have you any suggestions to make that will tend to improve the class of men you get into the service, and improve the service generally speaking from the point of view of the staff? A. My own opinion is that if the outside service were put under a Civil Service Commission or some such body it would be better.

Q. That is, you would have the whole thing made over to competitive examinations? A. Yes, qualified by selection, of course. I mean the system of appointment on political grounds is unsatisfactory from any point of view.

Q. You would have the whole service open to competitive examination? A. That is another matter.

Q. But you don't believe in political influence coming in, and who would you have to nominate candidates? It must be either nominative or competitive? A. It would be better to have competitive examination.

Q. Then you would abolish all political influence after one is once in the service? A. I would.

Q. Anything else you can think of? A. I am sorry to say we have a number of men in the service who were appointed late in life, and it would be better if we had younger men, especially for the branch of service outside, where they have to be out in all weather and on their feet a great deal. I do not think these men should be appointed.

Q. At what age do you think men should enter the service? A. About 18.

Q. Have you known instances of men being appointed at upwards of 70 years of age lately? A. Oh, no, not recently.

Witness retired.

THOMAS RIDDELL BOYCE, inspector of ports. Salary, \$2,000.

Examined by Mr. R. S. LAKE, Public Service Commissioner, July 30, 1912.

Q. How long have you held your present position, and how long have you been in the service? A. I was appointed as inspector from the 1st of January, 1912. I have been in the service since the 22nd of May, 1888.

Q. Where did you do service? A. At Port Arthur, Ontario.

Q. All that time? A. Yes, up to the present year.

Q. Do you contribute to the superannuation fund? A. Yes, I have ever since 1889.

Q. Is Port Arthur the headquarters of your inspectorate? A. No, not yet.

Q. In what division does it come? A. In Hamilton.

Q. What position did you hold at Port Arthur? A. My position when I left was chief clerk, and I was acting collector during the absence of the collector.

Q. What does your district here comprise? A. That is a hard question to answer, and I will have to explain. My appointment on the first of January was for

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the district formerly controlled by Mr. E. F. Busby, which comprised the whole of the mainland of British Columbia. But I have received a letter from the superintendent of inspection since that informing me that my district consists of Vancouver, New Westminster, Abbotsford and Revelstoke, which would take me down Okanagan lake. I suppose they intend to appoint another inspector as the work is growing.

Q. The Victoria inspector has a separate inspectorate altogether? A. Yes, he has Vancouver island and the Yukon.

Q. How many are there in your office? A. I have not anybody, but the department have expressed a wish to appoint an assistant.

Q. You have not even a stenographer? A. No.

Q. You are away part of the time I suppose? A. Yes, I am away probably nine months in the year.

Q. How often are you supposed to inspect offices? A. Once a year.

Q. Then you must be in nine months giving a more frequent inspection? A. Mr. Busby told me he was seldom away more than three months, but then he had an assistant and could get through the work more than I can.

Q. Before your district was divided what additional ports did you have over what you have at present? A. I have lost Grand Forks and three outports, Greenwood and five outports, Rossland and two outports. That is all in addition to what I have at present.

Q. Under Mr. Busby did you have any staff besides an assistant? A. We had one assistant, but Mr. Busby was a sort of acting superintendent of inspection during the last year or two.

Q. For what district? A. For no district. He enjoyed the confidence of the department and was consulted in matters regarding other inspection districts.

Q. Outside British Columbia altogether? A. Yes. For instance he sent me to Calgary to stay for a month. Then he sent me to Kingsgate, Rykerts and Gateway, all outside my district.

Q. What was his salary as inspector of this district? A. \$2,500.

Q. Then are we to assume there is no special salary attached to the position of inspector of customs for Vancouver? A. The minimum salary under the law is \$2,000, passed years ago.

Q. That applied to all parts of Canada? A. Yes, on inspectors.

Q. Are there no increments? A. No. The maximum salary of \$3,000 was changed last session.

Q. And in order to get any increase above \$2,000 it will be at the discretion of the department? A. I suppose so.

Q. You have had some experience of the cost of living at Port Arthur. Can you give us any comparison between there and here? A. Yes. I had a good house in Port Arthur that I paid \$25 a month for rent; that same house in Vancouver I could not rent for less than \$75.

Q. What about the difference in the cost of groceries? Are you a family man? A. Yes I am a family man, but I am not keeping house because it is cheaper for me to send my three children to Columbia College where I pay at the rate of \$75 a month.

Q. You feel that your present salary while sufficient in Port Arthur is insufficient to enable you to live here as you have been accustomed to? A. Yes.

Q. I gather from that you consider that living is considerably higher in Vancouver than in Port Arthur, and it would be an equitable arrangement if an allowance were made for it? A. I think the minimum for Vancouver too low. As a matter of fact if I started housekeeping I would be put to the cost of a rent of \$75. It is cheaper to send the children to college.

Q. The \$2,000 I understand is the minimum for the inspector in the east, so

that as a matter of fact the inspector in Vancouver gets no more than the inspector in the east? A. No.

Q. Are you entitled to leave of absence? A. Yes, I am entitled to three weeks leave, the same as other officers.

Q. Some officers do not get that? A. Well, I really don't know that. I know that it is the common allowance.

Q. What is the revenue of your district as far as you know? A. This is only an estimate, but roughly speaking it is eight and a half millions.

Q. How much from Vancouver, and how much from elsewhere? A. Vancouver will be \$7,000,000. New Westminster, Abbotsford and Revelstoke make up another million, that is roughly.

Q. I presume there are a number of outports? A. I have four ports, 19 outports and four preventive stations.

Q. And have also officers stationed at different points on the frontier who may be called upon? A. Yes.

Q. What salary do they receive? A. The majority receive less than \$1,000.

Q. How many preventive officers have you? A. There are about eight frontier preventive officers.

Q. And at what salary do they begin? A. As a rule they are appointed at \$900 but some are increased to \$1,000 and some to \$1,100. They range from \$900 to \$1,100.

Q. You can get good men to work for that money? A. Yes, we have men who will take the position for that looking for better times.

Q. Have you any suggestions for the improvement of conditions that would make your branch of the service more efficient? A. Yes. I think the minimum salary for British Columbia for all officers should be \$1,000. It is absolutely impossible for a man in British Columbia to live decently on less, and they are handling enough revenue. Their responsibilities are great. Many a time they take their life in their hands in the prevention of smuggling. I think \$1,000 should be the minimum.

Q. I suppose there are temptations to men on small salary? A. There are temptations to every man with a small salary and a family to keep.

Q. If there was corruption going on I suppose you would find it out? A. We have good officers on the frontier, but do not trust to them entirely. An army of a hundred officers could not stop petty smuggling going on—opium for instance.

Q. Have you no other suggestion? A. I have none except that the minimum salary is too low. As a matter of fact I have not been long enough in British Columbia to know the conditions here.

Q. You told me something in regard to the increase in the price of houses, and then put me off saying you were not keeping house, but I presume you had the curiosity to inquire about the cost of things? A. Oh, yes. The cost of commodities here has gone up I should say ten per cent within the last year.

Q. Compared with Port Arthur when you came here how did you find them? A. I found them higher.

Q. Much higher? A. I have not gone into the matter, but I should say about 25 per cent higher.

Q. Is Nelson an outport? A. No. Nelson is a port of entry attached to the Calgary inspectorate.

Q. What is your opinion with regard to the retirement fund? A. To my mind it does not work out with any benefit to an officer.

Q. I suppose you are under superannuation? A. Yes. I would not come in under the retirement fund.

Q. Would you advocate for the future that superannuation should be made compulsory and all salaries come under it? A. Yes, I think I would, and the retirement fund whereby the department compelled you to give up five per cent of your salary and allow you 4 per cent interest half yearly should be done away with. I can take 5 per cent of my salary and place it in the savings department in a bank and draw

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interest on it, and then if I wanted to use it I could get it. Under the retirement fund I could not.

Q. Have you any views as to the compulsory retirement of those who come under the Superannuation Act? A. You mean those who have been under the Superannuation Act?

Q. Yes. At what age should they be called upon to retire? A. I have not any views at all, though I don't think they should be called upon to retire until they are incapable. I have found capable men at 70 years and some incapable at 40.

Q. Have you any idea of the total revenue of the British Columbia ports? A. The revenue for the Victoria district would be about four millions, or twelve and a half millions for these two ports.

Witness retired.

EDWARD BAILEY PARKINSON, collector of Inland Revenue, Vancouver, B.C.
Salary, \$2,200.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 30, 1912.

Q. How long have you been in the service? A. I joined May 3, 1893. I was appointed collector of Inland Revenue in January, 1908.

Q. I suppose you contribute to the superannuation fund? A. No. In 1897 or 1898, when we had to elect whether we would remain under superannuation or come under the retirement fund I came under the retirement fund.

Q. What staff have you? A. Eight officers in my office.

Q. Inside and outside? A. No, we have a big staff of officers. This is my permanent list.

Q. Have you an assistant? A. Yes, and an accountant and six clerks. I have four officers in the distillery at New Westminster and nineteen or twenty other outside officers.

Q. What pay do your outside officers get? A. The highest is \$1,300 and the lowest \$200, but the man getting \$200 is only giving part of his time to the work. For the man giving all his time the lowest is \$1,300.

Q. They get all fairly paid I presume in accordance with the duties required of them? A. Well paid indeed. Far better than the inside officers.

Q. With regard to the inside office, at what salaries do they commence? A. A third class officer during a probationary term of six months gets \$600 per annum.

Q. Does he get provisional allowance? A. He does when permanently appointed. During the first six months after he is appointed he is paid at the rate of \$700 a year. It is hard to get officers who have passed examinations in the east, so a man is allowed to come in and has to pass a qualifying examination within six months during which he serves as a probationary officer. If satisfactory, he is made a permanent officer and commences at a salary of \$700 per annum, and goes up by annual increments to \$1,000, which is established as the maximum.

Q. Does this scale apply in the east as well as the west? A. Yes.

Q. Do you get an additional allowance in the west? A. Yes.

Q. Can you give me any general idea what that is? Is it settled arbitrarily? A. Yes. We had no say in it. We had a statement sent out authorizing me to pay the sums set down as provisional allowance for residence in British Columbia. It varies from \$50 for junior clerks to a maximum of \$150 a year.

Q. This provisional allowance is fixed upon no regular scale that you are aware of? A. No.

Q. Have you any criticism to offer in regard to it? A. I think it is generally agreed that the provisional allowance is not quite fair.

Q. For what reason? A. One officer that is getting we will say \$2,100 a year, a married man with five children, who has been twenty years in the service. He gets \$100 a year provisional allowance. This man supports a wife and five children and pays \$50 a month rent. On the other hand here are younger officers only three or four years in the service getting from \$900 to \$1,200 or \$1,250. It is felt by some of the older heads that we do not receive the recognition we should. The old standard was that if a man received \$1,000 a year he was not entitled to provisional allowance. This has only been going a short time. The older officers maintain that it is unfair to set a standard that a young officer living at home with his parents gets one half the older officer's salary besides a larger provisional allowance.

Q. Do you consider that the junior officers of your inside staff are getting sufficient pay? A. No, I don't, in comparison with what has come before me lately in regard to the Customs. These officers have been with me three or four years passing revenue examinations and high school examinations, while young fellows are getting \$1,000 who are quite inexperienced.

Q. Do you find it difficult to keep clerks after you trained them? A. That question is hard to answer. They are all looking to the future. The clerks I have chosen myself all stay with their parents and get off very easily, and I am able to keep them.

Q. What hours do they work? A. From 9 to 4, though 8 to 6 are the hours if required.

Q. Do you find you have more men than you want? A. No, I am well fixed for officers just now.

Q. Have you had to make an increase lately? A. Not for three years past.

Q. How much vacation do you allow? A. Three weeks per annum.

Q. Do your officers have to give bonds for the discharge of their duties? A. Yes.

Q. Do they pay for it themselves? A. Yes, it is taken out of their salary monthly.

Q. Do you keep any men on the staff who have failed to pass examinations? A. Yes, I do.

Q. How many? A. I have only one now in the regular office.

Q. He has never passed an examination? A. He has tried three or four times. He is a splendid officer, but no matter how much you coach him he falls down on examinations.

Q. What salary is he getting? A. He is only on the temporary list, and is getting \$600 with provisional allowance. He gets I think \$700.

Q. How many temporary officers have you? A. Eight or nine.

Q. And they would come in at what figure? A. Many are outport officers. They vary from \$200 to \$500.

Q. But they are men who have other business as well? A. Oh, yes.

Q. What area of country is served by your staff? A. All the mainland of British Columbia, that is the Vancouver division.

Q. What is the amount of your revenue? A. From April 1, 1911, to March 31, 1912, our last figures were \$633,283, an increase of \$107,000 and some odd dollars over the previous year.

Q. How does it compare with five years ago? A. I have not the figures for five years, but since 1906 it has increased \$288,950 in six years.

Q. Have you any suggestions to offer which will improve the service you can give to the public, looking at it chiefly from the point of view of improving the efficiency of your staff? A. With one exception my officers have done very well in passing examinations and are an attentive, good lot of officers.

Q. Have you any suggestion to make in regard to them, on superannuation and matters of that sort? A. I think the boys ought to receive more recognition in salaries, and there should be a larger allowance for the increased cost of living in the west.

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Q. Any particular view in regard to superannuation? Do you think there should be superannuation for the whole service, all to contribute? A. I do, and it is the general view as long as there is provision for the wife and children.

Q. Have you any men on your staff who are beginning to get beyond the age of effective service? A. None whatever.

Q. But of course that condition must arise some time in the future? A. Yes, sir. But the majority of my officers up country and local are quite young. I have one only that I am not satisfied with.

Q. He is getting a little old for his work? A. Yes.

Q. What steps do you intend to take when he gets so old that he cannot do his work properly at all? A. I don't know, it is only a small matter. He has one little cigar factory to look after and he also keeps the post office.

Q. So he will be provided for to a certain extent? A. Yes, he is very well off.

Q. Have you formed an opinion on compulsory retirement? A. I have not really.

Q. Have you any suggestions to make in regard to improving the service? A. I consider that the minimum and maximum salary for the grade of each officer should be raised \$200 to be commensurate with the salaries paid by commercial firms. I also think that the increase takes too long for each officer. We think that a man of my age is a better man and better deserving of the maximum salary than he is seven or eight years later. We think that the men ought to be graded \$2,300, \$2,500 and \$2,800 and to arrive at the maximum in three years instead of seven.

Q. You have already said that the cost of living is very great. Have you noticed any great increase in the last few years? A. Yes. My rental has gone up since three years ago last June from \$32.50 to \$50 a month.

Q. And about your grocery bills? A. There is no question in my mind but everything has increased.

Witness retired.

JAMES STOTT, inspector of gas and electricity.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 30, 1912.

Q. Under what head do you come? A. I report to the department at Ottawa.

Q. Have you an office and staff? A. Yes. I have an office with three assistant inspectors and one clerk.

Q. How long since you were appointed? A. I have been three years in Vancouver and one in Alberta.

Q. What pay do your officers get? A. \$1,200, \$1,150, \$1,050, and the clerk \$800.

Q. Are these the same rates paid similar officials in the east? A. I think not. Taking five of the largest cities in the east I think the run is higher.

Q. Have you much electrical inspection work? A. In electricity we lead in the number of meters inspected, and we have about four or five thousand in gas.

Q. There is no additional allowance made in respect to residence in the west? A. There is an allowance in the blue book, but it is more or less meaningless to us. It applies only to officers drawing less than \$1,000 a year.

Q. Does your clerk receive it? A. No, he is only temporary.

Q. Has he to pass an examination? A. I don't know. There has never been any grading done with reference to clerks.

Q. How long has he been with you? A. He has been here about nine months.

Q. Is he the first clerk you have had?—A. Yes.

Q. So you have not had much experience with other clerks? A. No.

Q. Do your sub-inspectors get regular increments of increase? A. No.

Q. Do you yourself? A. No. I have had only one increase in the last four years.

Q. That was granted simply at the discretion of the minister? A. It came from Ottawa.

Q. Are you asked at any time to recommend increases for your subordinates? A. No.

Q. What hours do you work? A. In the office from 9 to 4. Outside work, of course, is different.

Q. Do all your officers do outside work? A. Yes, the inspectors. We have all the mainland of British Columbia to look after.

Q. In the office hours, from 9 to 4, are the inspectors much in the office? A. No. The assistant inspectors have to inspect the meters on companies' premises.

Q. Do they have to do a great deal? A. Yes, they have to do a great deal now. We are working short handed.

Q. But you have to get through the work? A. Yes.

Q. Have you had to increase the staff lately? A. Yes.

Q. How long ago? A. We got one on the first of July last.

Q. What was he paid to begin with? A. \$1,200.

Q. But inspectors formerly were receiving less on appointment? A. Yes, and are still receiving less.

Q. So you have a new man receiving more than an old one? A. Yes, they made that arrangement that when a graduate in electrical engineering was appointed he should not receive less than \$1,200.

Q. No complaints have been made that new men are being brought in under similar conditions and are receiving higher salaries than the old hands? A. No, we have had no complaints.

Q. Outside of your clerk they are all on the permanent list? A. Yes.

Q. Do they contribute to the retirement fund? A. No.

Q. There is no deduction from their salaries? A. They have to pay for their guarantee bond.

Q. What is your opinion in regard to superannuation? A. Well, I would not like to express an opinion. I have not really looked into it, but I think generally speaking superannuation would be a good thing.

Q. And as far as you are concerned you would be willing to contribute out of your salary? A. Yes.

Q. Is there any suggestion you would like to make? A. Well, in connection with the inspection of gas and electricity I think the standard should be raised all around as far as men and salaries are concerned. We have to do with some very important matters sometimes in settling disputes between large companies, which require a very accurate knowledge of electrical apparatus, and it needs trained men to handle the work, and yet the government is keeping down the salary to that point where we cannot get the best men.

Q. So that in addition to inspecting meters you have to settle disputes? A. Yes. If the meters are all right it is easy; but it is a question whether a meter is right or wrong. One company says it is right and another says it is wrong, and a man has to be the judge.

Q. Do you find any appeals to the law courts after your decisions? A. We have not had any.

Q. Have you any other suggestions? A. In connection with the clerk—it is a new thing in connection with gas and electricity, and I really think the clerk should get more than \$800 a year in this country. The man we have is a married man, 40 years of age and has a family, and to live in Vancouver on \$66 a month is pretty hard. Then the standard should be raised both for examinations and salaries.

Q. You want a higher standard of men and salaries also? A. Yes.

Witness retired.

The Commission adjourned.

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MALCOLM R. J. REID, Dominion Immigration Agent and Controller of Chinese for the Port of Vancouver. Salary, \$1,500.

Examined July 31, 1912, by Mr. R. S. Lake, Public Service Commissioner.

Q. How long have you been in the service? A. I joined the immigration staff on October 14, of last year. I was appointed Dominion immigration agent on March 21, of the present year and made agent and controller on April 1.

Q. What was your business previously? A. I was a teacher in the city schools for five years.

Q. You had no experience in immigration affairs? A. Not up to that time.

Q. What is the number of your staff? A. In the immigration department there are two inspectors and one stenographer; in the Chinese department two inspectors and one stenographer. We have had authority for another inspector who is coming on in the morning.

Q. What salaries do they get? A. The least is that of the stenographer who gets \$1,000 a year. He is a man who was recently appointed.

Q. Did he get that to begin with. A. He got that to begin with. The least paid inspector gets \$100 a month, the next inspector \$100, and the next inspector gets \$125.

Q. What did you say your own salary was? A. \$1,500 a year for the inspectorship.

Q. Have you a medical inspector? A. Yes, he gets \$1,500 a year.

Q. All his time at the disposal of the department? A. Yes, but his duties are very light. He only meets and passes the boats.

Q. What are your hours of work? A. From 9 to whenever you are through. We are supposed to quit at 5, but I never quit at 5 since I went into the service. There is no overtime, but if we work overtime on Sundays checking out Chinese the Canadian Pacific Railway pay the men overtime.

Q. Then you have to meet any boat that comes in at any time? A. Yes, at any time when a foreign or Australian boat comes in we may be down till 12 and 1 in the morning.

Q. In regard to vacation? A. As I understand it one man has been there for seven years and never had a vacation. As far as I know there is no vacation allowance. There is supposed to be, but you see you cannot get competent men to relieve them.

Q. There is supposed to be three weeks vacation? A. I believe so, though I have seen no set rule.

Q. But it is never taken? A. No. It is impossible to take it the way the port is growing. Two inspectors have been on seven years, one about three, and there is a Hindu inspector also. We have never had an increase of staff till this man coming on in the morning, so there has been no chance to take a holiday.

Q. Do you contribute to superannuation? A. No.

Q. Do any of your staff? A. No, to no fund.

Q. Is there any regular increment of increase in the salaries of your officials? A. Not that I know of. No regular increase.

Q. You have not been long enough in the service to know how increases are paid as a general rule? A. No. There was a special increase to one inspector on account of his talking Hindustani.

Q. Is he an Englishman? A. He was born in India of European parents. I find I have missed out of the staff the Chinese interpreter. He gets \$1,000 a year and I have authority to put on another at \$5 a day whenever the service requires it.

Q. Are all your officers supposed to be permanent? A. I understand they are all to be permanent with the exception of the interpreter at \$5 a day who is only temporary, and the last stenographer was only taken on on three months probation but now will be made permanent.

Q. I understood you to say that the stenographer got \$1,000? A. He gets briefly \$85 a month.

Q. There is no examination for any of your men? A. No. Except that the late Mr. Harper used I believe to examine them on immigration.

Q. Who was Mr. Harper? A. He was recently murdered at Windsor, Ontario. He was travelling immigration inspector.

Q. Was he employed here? A. He came up once or twice to conduct examinations.

Q. There is no regular examination? A. No, except that men have to be more intelligent than is required in some other positions, as they have to deal with different races of men instead of passing goods through the customs.

Q. There is no particular difficulty in keeping your officials once they are appointed? A. I had a good stenographer who left last month because the salary was not sufficient. He went back to his old position.

Q. What was he getting? A. \$85 a month. We took him from the Union Steamship Company. He had been with them for seven years.

Q. They probably gave him something more when he went back? A. Yes, I know they did. I promised to get him raised to the rank of inspector at \$100 a month, but even at that he would not stay.

Q. What number of Chinese pass through your hands here? A. During the last three months of this year 400 paid the head tax of \$500 each, about 54 came in free, two were ordered to be deported, and something like eight were rejected and afterwards paid the tax—that is the new arrivals. Then there were over 600 Chinamen who had been to China and had returned within the year—they pay nothing. On this boat due now there are 550 Chinamen coming who have already been in the country, and about 115 new arrivals.

Q. I suppose you have special means of identifying them? A. Yes, we have a very good system at present. When they register out their photographs are left on file, and a form made out known as C 19. A number is given them and their description is taken with place of birth, full name and occupation, and where they have lived. After October 1, they will also have to produce their head tax receipt to show that they legally entered the country in the first place, otherwise they cannot register out. If they cannot show it and go to China and return they will have to pay the poll tax the same as a new arrival.

Q. About what number would you estimate the new arrivals from China for the past year? A. About 1,600.

Q. Half the fee goes to the provincial government. I believe? A. Yes. During June, I collected just on \$100,000.

Q. How do you deal with it? A. The money is placed to the credit of the Chinese Revenue Trust Account with the Canadian Bank of Commerce. Deposits have to be sent by the accountant—one of the stenographers acts as accountant. We send the returns four times a year to the Receiver General, and the bank also wires the returns.

Q. Who is the one who passes over the proportion to the provincial government? A. The Receiver General. We have nothing to do with that.

Q. Do you get a large number of other immigrants? A. No, though there has been some rush this spring of railway labourers on account of the relaxation of the immigration laws.

Q. Where are they mostly from? A. From the States.

Q. Do you get many from the Antipodes? A. Yes, lately we have had some very good immigrants from Australia and New Zealand.

Q. Do they apply to you for advice? A. Yes. In fact either an inspector or myself meets the boat at Victoria and inspects the immigrants on the voyage in, and I have made it a rule since I took office to help these people. For example on the last boat several men obtained positions on farms and several girls as domestics through our office. This is a new departure though on the part of the government.

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They have made the immigration agents employment agents for the purpose of placing farm labourers and domestic servants, although we have inquiries for other classes, and if we can oblige them we do it.

Q. In case a person coming out for settlement inquires about the selection of a suitable place what do you do? A. We have many inquiries and if it is for the Dominion we answer it direct. If it is for Vancouver we work hand in hand with the progress club and send literature to indicate to the settler where he is likely to find land, but if the questions relate to homestead land in British Columbia I always send to the Minister of Lands in Victoria to answer.

Q. If a new settler writes in a general way saying he is coming to settle in the country and wants your advice as to where to go, what principle would you act upon? A. If a man says he has capital I advise him to settle in the vicinity of Chilliwack or along the Fraser valley, where land can be bought fairly cheap and near to civilization. If he is a man with a family it is no use to send him away to Fort George or some place out of the world.

Q. Do you find that land agents or others approach you to get you to persuade immigrants to go to any particular point? A. I have had only one man.

Q. Was that recently? A. Yes.

Q. What action did you take? A. I told him I could not recommend them to any particular point at all. I told him I could not give the information here, and referred him to the Dominion Land Office at Calgary. Our principal business here is not to bring people in, but to put out the undesirables.

Q. You find you have to do a great deal of deportation? A. Yes. It keeps one stenographer busy arranging deportation papers.

Q. You spoke of overtime being paid by the C.P.R.? A. That is for inspecting on Sundays.

Q. But what is that paid for? A. On Chinese, because we have to bond them through on special trains. They are principally American Chinese and go through in bond to the States. If held over Sunday it is a big expense to feed them. It costs 60 cents a day for each man.

Q. These are immigrants from the C.P.R. ships? A. Yes.

Q. Is that the only line? A. The Blue Funnel brings in a very few, not more than ten in fact, they would not average more than five, because they land their passengers in Victoria. At present the C.P.R. have control of the detention shed and we are practically forbidden to put in any other immigrants than those they bring in.

Q. It is their shed, is it? A. Yes, and I understand the government only pay rent for four rooms, and recently the C.P.R. have given two additional rooms and charge no rent.

Q. You have guards there? A. No. The C.P.R. police act as guards. We have not so much control as we should have.

Q. Have you any suggestion that you wish to make for the improvement of the service? A. I wrote to Ottawa a short time ago a private letter to the superintendent, pointing out that in my opinion there should be no strings on a proposed new detention shed which I understood the Grand Trunk Pacific Company was to build and lease to the government. One company should have just the same rights there as any other. In any case the C.P.R. have the advantage as they have finer steamers and direct railway connection, so it is not necessary to help them. The police should also be under our control. For example last week an American Chinese woman being detained by the American authorities for examination in the same building, one of the police was supposed to have attempted to indecently assault her. The company at once held an investigation, but the man resigned before the investigation came off, but at the same time that is a reflection on our department. I have no strings on the police, but if it comes out they will blame the controller of Chinese, while my men have nothing to do with it.

Q. Have you anything else to suggest for the improvement of the service generally? A. In my estimation outside points, such as White Rock, Huntingdon and Cloverdale, should really come under control of the Vancouver office.

Q. How are they controlled at the present time? A. They report direct to Ottawa.

Q. What officials are there at these points? A. At White Rock there is an inspector in charge and two inspectors under him.

Q. Do they deal entirely with Chinese? A. No, this is white traffic. There is no Chinese traffic from the states. There is one inspector at Cloverdale and one in the vicinity of Hall's Prairie. At Huntingdon there are I think three inspectors in charge.

Q. This is all for the control of white immigration? A. Yes.

Q. What salaries do these inspectors get? A. I think the inspector in charge gets \$100 a month, possibly a little more, because I am of opinion that no inspector gets less than \$100 now. But suppose there is a rush of immoral characters to the city, I get the blame for it and have nothing to do with it. These men guard the boundary and if they let them in, how can I get rid of them?

Q. These officers are absolutely independent of your authority? A. Yes.

Q. There is no superintendent for this coast? A. No. The travelling inspector visits the coast once a month. I claim that Vancouver should have a commissioner the same as Bruce Walker in Winnipeg, because from the way British Columbia has grown we are entitled to it, and Vancouver would be the proper place for it. We have more than half the population of the province within ten miles of Vancouver. In many cases we have to report matters to Bruce Walker in Winnipeg which might be handled easier without reference to him. We have the penitentiary full, the asylum full and the jails full, and we have sometimes to wait a month for guards to come to take out undesirable immigrants for deportation. I claim the Vancouver agency should have power to deal with these things and report directly to Ottawa.

Witness retired.

Dr. SIMON FRASER TOLMIE, Chief Inspector of the Health of Animals Branch for British Columbia, and British Columbia representative of the Dominion Live Stock Commissioner.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 31, 1912.

Q. How long have you held your present appointment? A. About six or seven years, I think, though I was in the service a short time before that as inspector at Victoria. Then I went into the Provincial Government service.

Q. Do you contribute to the superannuation fund? A. No.

Q. Nor to the retirement fund? A. No; though I have been asked to.

Q. Are you required to give any bonds? A. Absolutely, no.

Q. What is your salary? A. I get \$1,000 from the Live Stock Commissioner's branch, \$1,300 from the Health of Animals branch, and \$200 for western living allowance, \$2,500 altogether.

Q. How many officials have you under you? A. Fifteen.

Q. Have you an office? A. I have an office in Victoria.

Q. And staff? A. No staff. I get the stenographer's work done outside.

Q. I suppose the fifteen you have are all inspectors throughout the province? A. Yes, and one stenographer.

Q. What does the stenographer get? A. \$1,000 a year, \$300 and \$200 western allowance.

Q. What do your other inspectors get? A. The other inspectors are varied. They

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range from \$1,200 up to about \$1,500, with the western allowance of \$200 which they all get.

Q. Do you or any of your officers get any allowance outside of salaries? A. No, not more than, for instance, we have some car inspectors, one at Revelstoke. He gets \$1 a car for seeing it is clean, but gets no salary.

Q. But none on salary get fees? A. No.

Q. You have no regular hours of work, I suppose? A. Yes. Our regular hours are from 9 to 12 with an hour and a half for luncheon, and then work till 5.

Q. Do you give any specific vacation? A. Three weeks a year.

Q. And you are able to take that? A. Not always. I had my first vacation this year since I entered the service, and that was on account of illness.

Q. For seven years you had no vacation? A. No.

Q. You say all your officers have special allowance for residence in the west? A. Not those working without salary. All on salary do.

Q. Do they get higher salary in British Columbia than in the prairie provinces? —A. No, they do not.

Q. Where does the western allowance come in? A. West of Fort William.

Q. Do the salaries increase by increments year by year? A. Increases are paid according to a man's hustling ability.

Q. What would your opinion be in regard to increase of salary? A. The fairest way would be to have a regular increase according to years of service.

Q. Would that work out? A. Yes, I think it would, though our experience is that some men are worth far more than others.

Q. You would attach to that a contingent that if in the opinion of the chief inspector their services were such as to merit it increase might come more quickly? A. Yes.

Q. Your men are all qualified veterinarians? A. Yes, with the exception of the car inspectors and range riders.

Q. What are they? A. They are used in various capacities for the ranches. They ride around, read brands on cattle, and advise us generally as to the condition of cattle on the ranges.

Q. Are they permanent employees? A. They are employed as long as we keep them.

Q. Are they paid regularly? A. We pay a range rider \$115 a month, but he supplies his own horse and feeds himself. We have one working at present.

Q. Where is he employed? A. He is at Kamloops just now. We usually employ from one to three others, but the others have quit and this man threatens to quit.

Q. On the ground that the expenses are too great? A. Yes. He figures up by the time he pays for his horse and keeps himself and buys horse feed he has not much left.

Q. Apart from that, do you find your rate of wages satisfactory? A. It is hardly high enough in this country. Considering a man's ability as a practitioner the men we have have stayed with their job pretty well, but I think we can feel sure that if they were promised advances every year or two they would be better satisfied.

Q. Are they appointed by order in council? A. Yes.

Q. Outside of expenditure on the staff have you any other? A. No, except in building quarantine stations and so forth. If that money does not go through it is paid on my recommendation. I never had any other except last year when we had three range riders working and I was given an advance of \$1,000 towards paying for them.

Q. You have some quarantine stations? A. Yes.

Q. Where are they? A. They are situated at Victoria, Vancouver, White Rock, Huntingdon, New Westminster, Keremeos, Mincaster, Midway, Grand Forks, Nelson and Rossland.

Q. Have you a regular establishment in each place? A. With the exception of New Westminster.

Q. The inspector in each place has control of the establishment? A. Yes, though in some places an inspector covers two points.

Q. Have any suggestion to make that might improve the service? A. I was speaking to some of my inspectors upstairs, and they thought if there was some superannuation fund it would be something to look forward to. Another man mentioned about giving reasons for discharge, though there has not been much call for that because where a man was dismissed it was generally for sufficient reason.

Q. You have had some men dismissed? A. Yes, some.

Q. Dismissed by order in council I suppose? A. Yes. I would not have power to dismiss any one. I could lay a man off on salary till his case was taken up by the Veterinary Director General.

Q. In regard to superannuation, do you know whether your inspectors would be quite willing to subscribe to a superannuation fund? A. Yes, if as I understand you get it back on leaving the service.

Q. Well there are different ways of arranging it, but I think the civil servants at Ottawa are arranging for a fund that would provide for a man's wife and family in case he died in harness. The general idea seems to be that it should really be more of an insurance fund which belongs to him and his heirs. In case of such a fund you are sure your men would be willing to contribute? I am sure that if some of our men who have been getting \$1,200 a year died to-morrow it is a question whether the family could pay the funeral expenses. Take the man at Nelson getting only \$1,000 a year. He might make a little by private practice but so much has been added to his work that it leaves him little time.

Q. Do you allow your men to engage in private practice? A. Yes, where there is no private practitioner. Then it is a benefit to the inspector and to the community.

Q. But you don't allow them to let it interfere with their government duties? A. No, not at all. In Vancouver none of us are allowed to practise.

Q. Any other suggestions? A. No, that is all except the raising of salaries on account of the high cost of living. I think the chief inspector should look into it and make a report to the Veterinary Director General.

Q. You don't think the special western allowance is adequate to make up for the higher cost of living here? A. Yes, I think it will provide pretty well, but it will take about a year to see how it works.

Q. What do you think of the idea of starting men on an initial salary of a low sum and then allowing them to work up by regular increments to a higher salary? A. That would be all right as long as they did not start them too low.

Q. My idea is to prevent favouritism by giving one man a larger salary than another? A. That is all right in its way, but we find one man will do better service than another, particularly in handling outbreaks of contagious disease where a man's ability in handling the public counts for a great deal.

Witness retired.

GEORGE MIDDLETON, Manager of Dominion of Canada Assay Office, Vancouver, B.C.; Salary, \$2,650.

Examined by Mr. R. S. Lake:

Q. What staff have you? A. Two assayers, one melter, one computer, one book-keeper, and one assistant melter and janitor.

Q. Their salaries range? A. From mine down to \$80 a month to the janitor, who assists with the melting as well.

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Q. Your assistants receive fixed salaries? A. Yes.

Q. How long has the office been established? A. Eleven years on the 1st of July, last. I was appointed when the office was established.

Q. In charge? A. No, I was chief melter. I was general foreman on the C.P.R., and when Dr. Haanel came out and established this office, they asked me to take this position. I was general foreman in the C.P.R. mechanical department.

Q. How long have you held your present position? A. I was appointed February 1, 1907.

Q. At your present salary? A. No. I got \$2,500 at the start, and was raised two years ago to \$2,650.

Q. Has there been any increase in the cost of living since you started here? A. I should say at a most conservative estimate it has increased 40%.

Q. It has gone up in all parts of Canada. Have you had any experience in other parts? A. Not much, but for instance a house a man could rent in Vancouver for \$20 when I started here you could not get now for \$50. I know that, and everything outside that has increased very much.

Q. So you feel what would be adequate then is inadequate now? A. Yes. This position here ought to be put on a level with that of a bank manager, but the salary would not admit of that.

Q. Now in regard to your assistants, are they young men? A. Some are fairly young men running about from thirty.

Q. And one of your assistants is sick? A. Yes.

Q. Does he draw his salary while away? A. No. He has been here since the office was established, but does not draw salary now.

Q. Is he supposed to be a temporary employee? A. Not more than others.

Q. Is no sick leave allowed? A. We are allowed two weeks for sickness and three weeks' vacation, though I have never had one holiday since I have been manager.

Q. What is the reason for that? A. It is a difficult matter to get away. You have to get on order in council authorizing some one to sign for you. The banks have to be notified and you have to get another order in council rescinding the first order. It is complicated, and I would not ask for it often.

Q. Do your assistants get vacation regularly? A. Yes.

Q. But this assistant you speak of has been ill for more than a fortnight? A. Yes, since April 1, but he will start work again on October 1.

Q. He is only allowed to draw pay for the first fortnight, and after that he loses it? A. Yes, though he has been applying to Ottawa, and may get it.

Q. But under the regulation he does not? A. No.

Q. Do your assistants get regular increases in salaries? A. No, but from time to time increases have been given.

Q. Do you find any difficulty in keeping good men? A. No. I have been very fortunate in this respect. Our men are all under heavy bonds.

Q. Who pays for these bonds? A. The government.

Q. Do any of you contribute to the superannuation fund? A. No.

Q. Nor to the retirement fund? A. No.

Q. Could you make any suggestions that would enable you to better conditions in regard to the staff? A. I don't know that I could, only that the government might increase the salaries by regular increments of increase.

Q. What do you think of the superannuation plan? A. I have not given it any thought.

Q. At present we have no superannuation law under which any official could now come. I was speaking in regard to the request from some quarters for a superannuation fund? A. I think the government should show some consideration. After a man has given his life to the work, the government should not cast him aside. They could do it as well as the C.P.R.

Q. Have you any knowledge of the superannuation plan of the C.P.R.? A. No. I had just left before it came into force, though I had been 21 years with them before.

Q. You favour superannuation? A. Yes, I think a man should be superannuated.

Q. Are you prepared to contribute towards it? A. It depends if it was a businesslike proposition.

Q. What class of work do you do here? A. We receive bullion and I weigh it and give a receipt. For instance to-day I have taken in \$10,000 worth of bullion.

Q. Where did it come from? A. From Nelson, from the Motherlode mine.

Q. Do you receive it from individuals as well? A. We receive it from individuals. It goes through a certain process of melting, assaying and computing values, and we pay for the value of that bullion.

Q. Is the whole thing done in your office? A. Yes. I sign all cheques and we do everything here.

Q. What becomes of the bullion? A. We dispose of it. We have been disposing of a great deal of it lately to the United States treasury.

Q. Do you send any to Ottawa? A. No, we have not been sending any to Ottawa.

Q. Where do they get theirs from? A. They get some from Klondyke and some from the east I understand.

Q. What do you suppose passes through your hands in the course of a year? A. I have had as much as one million and three quarters in a year. As gold is the standard we pay \$26 and \$27 per ounce for it and get back the exact amount we disburse.

Q. Is the office self-supporting? A. No.

Q. To what extent is it not? A. We have to sell this bullion again and it brings us just what we have paid out.

Q. You charge the man who brings it in the whole cost of melting and assaying? A. Yes.

Q. So far as this office is concerned it is just a convenience for the country? A. Yes, a market for bullion for the mining community.

Q. Do you handle other metals? A. No, only gold bullion, but it keeps trade here. For instance a man came here last week from Whitehorse with a lot of bullion. We deposited the money for him in Kamloops at his request and he went and bought a lot of horses and expended money here. Had he taken it to Seattle all that trade would have gone there. Again yesterday we had a lot of the proceeds of bullion deposited in different banks, and that all enables them to carry on business and help the merchants.

Witness retired.

The Commission adjourned.

VANCOUVER CIVIL SERVICE DELEGATION.

On the evening of Thursday, August 1, 1912, Mr. Lake, Public Service Commission, met about eighty members of the Dominion Civil Service of Vancouver, in the long room of the Customs Department.

Mr. J. R. M. Greenfield, post office inspector, presided, and in opening the meeting said:

"I have much pleasure in introducing to you Mr. Lake, who has been appointed as one of the commissioners to inquire into the Civil Service. I feel in talking with Mr. Lake that we have all a friend who will try to adjust any grievances you may wish to lay before him. In order to feel the pulse of the service and find out the

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conditions existing a full meeting of the civil servants association was held on Monday, night, and each branch appointed a delegate to present its views. On Wednesday night we had another meeting in committee of the whole, and we decided to place the following matters before you:

1. Cost of living and salaries (Minimum and Maximum).
2. Provisional allowance.
3. Superannuation.
4. Classification.
5. Promotions.
6. Insurance.
7. Working conditions, hours &c.

The names of the gentlemen selected to deal with these matters will be found on the paper before you:

Mr. F. G. Allen of the Vancouver post office staff, selected to speak on the increased cost of living and provisional allowance.

Mr. F. R. Greer, Customs Department, chosen to present the subject of superannuation and insurance.

Mr. J. E. Fagan, Customs Department; Mr. R. J. Butler Post Office; and Mr. E. Parkinson, Inland Revenue, to speak on the subject of classification and promotions.

Mr. T. Wooton, Mr. F. R. Greer and Mr. J. H. Hawke, Customs Department, to present views in regard to working conditions, holidays, hours, &c.

Mr. C. P. Carr, Post Office, wishes to present the views of the letter carriers, and Mr. J. Dunsmuir desires to present matters relating to the Public Works Department.

Mr. F. G. ALLEN, of the Post-office staff dealt with the cost of living in Vancouver, speaking as follows:—

Mr. Chairman and Gentlemen of the Commission:—

Before going into the question which I have been requested to present to you, to-night, I should like to be permitted to express briefly the thanks of those I represent, for this opportunity of laying before you in a feeble manner, a question which has of late years been so prominent that it has grown monotonous. We desire to thank the Government through you sir, for the manner in which it has taken hold of this question and given it new life. The Prime Minister at Halifax said: 'We propose also to extend that reform of the Civil Service which we initiated while in Opposition, and which the late Administration carried out in part upon our initiative.'—Hon. R. L. Borden, Prime Minister, at Halifax banquet. We are thankful for those words because we believe that promise is being carried out, and your presence here is a part of that promise.

The question of the cost of living has become threadbare. The Labour Department has furnished, and is furnishing exhaustive reports in the *Gazette* and to-day it is not necessary to furnish further proof, we are all aware of it, it affects us all. I will ask you, however, to allow me to make three statements.

First.—Secretary Wilson of the United States Government reports that in 40 of the cities, the following increase in 5 cities, 20 per cent; 10 cities, 21 to 30 per cent; 12 cities, 30 to 40 per cent; 12 cities, 45 to 50 per cent; 11 cities, over 50 per cent.

Second.—Bradstreets index shows that \$3.42 in 1896 has same purchasing power as \$9.12 had in December 1, 1909 and the end is not yet.

Third.—Sir J. P. Whitney said, it cost at least \$1,500 to support a family in Toronto, and what is said of Toronto applies equally to Vancouver. The 'index number' of the Department of Labour is higher than ever before.

Before going any further, I might state that I have travelled, from Halifax to Victoria looking into the cost of living, on behalf of the Post Office employees of the

Dominion, and the report was presented, to the former Commission and is embodied in their report. It contained the actual living expenses of employees and in every case was shown, that the salary received was not equal to the expenditure. I can refer you to that report because every statement made can be verified on oath if necessary. A Government should be an example to the country in the treatment of its employees.

I am speaking now, sir, on behalf of Vancouver, and wish to make a few statements for those of the service living here. There are conditions which make it a very expensive city to live in. Up to a year and a half ago, I lived at Ottawa, and being a family man, and enjoying the reputation of being an expert in household matters, I can give an honest opinion without fear of being charged with exaggerating, and will give a few reasons to support my statement, very briefly.

The lack of local market such as exists in Toronto, Hamilton, St. John, Montreal, Quebec and numerous other places. We have no market where the farmers can sell their produce from their carts direct to the customers. We have therefore the middle man.

There is no place in Canada where combines control, as here.

Vegetables, fruit, dairy produce and meats are exceptionally high. More especially eggs and butter.

Practically no local supply and a great demand.

We pay \$8 a ton for soft coal within 40 miles of the mine. Rents enormous, owing to the price of real estate.

We have what I call the 3 R's to contend with, owing to peculiar conditions. The 3 R's—rents, railways, and restaurants. They all reap a harvest owing to distance of our homes from our places of employment.

Labour is very high. The men working on our streets are paid \$3 per day. More than many of the Civil Service get.

In the report of which mention was made earlier, comparison was quoted with salaries paid to bank clerks and school teachers, two of the lowest paid classes and even these classes, eclipsed the civil servant.

It has been stated at times that the civil servant lives extravagantly, and at the risk of wearying you I should like to quote Dr. Engell's law to disprove these statements.

Dr. Engell, as you know, is an eminent Prussian scientist, who was engaged by the government to investigate labour conditions and he formulated what is now called 'Engell's law,' which shows what percentage must be expended by a man with a wife and four children whose wages run from \$750 to \$1,000.

This law was used for a similar purpose by the United States Government Labour Department in several States and proved a great success. I have chosen Massachusetts as being nearly like our own conditions. Then I quote Prussia and finally compare with Vancouver.

COST OF LIVING.

Dr. Engell's law—showing percentage to be expended for a family of 6, man, wife, and 4 children, wages from \$750 to \$1,000.

MASSACHUSETTS.

Rent	20	per cent, equals \$	200
Food	50	" "	500
Fuel	4	" "	40
Clothing	16	" "	160
Sundries	10	" "	100
	<hr/>		<hr/>
	100	" "	\$1,000

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PRUSSIA.			
Rent	12	per cent, equals	\$ 120
Food	50	"	500
Fuel and light	5	"	50
Clothing	18	"	180
Sundries	15	"	150
	100	"	\$1,000

Supposing we apply Engell's law to Vancouver:—

Rents	\$500	equals	50 per cent.
Food	500	"	50 "
Fuel	50	"	5 "
Clothing	160	"	16 "
Sundries	100	"	10 "
	\$1,310		131

Whilst the man in Prussia and Massachusetts requires \$1,000, a man in Vancouver under similar conditions requires at least \$130 more or \$1,130. I maintain, moreover, that a man ought to be in a position to put aside 15 per cent of his earnings, for what is termed 'a rainy day,' and every man in this room will bear me out that it 'rains' sometimes in Vancouver.

The foregoing schedule only provides a 'hand to mouth existence.'

In conclusion, therefore I hold that a man in Vancouver should receive as a minimum wage in order to live at all befitting his position \$130 a month, and that the provisional allowance should be at least 25 per cent. I have no doubt there are people existing here on \$800 a year, and I will quote you a case. I asked a poor fellow how he did it. He rented a house at \$35 a month, leaving him \$30, to live on. He took in roomers and lived in the kitchen with a motto on the wall, 'God bless our home.'

What is the remedy? I can give you one. It was made by the Great Physician. You will find it in the New Testament. Here is the prescription.

'Render unto Cæsar the things that are Cæsars.' Thanks for the patient hearing, we feel we have your sympathies and the fact that this Commission is looking into the matters brought up to-night is in itself sufficient evidence that the government is desirous of doing something to remedy the evils that we have suffered from so long and patiently. I have much pleasure in thanking you heartily on behalf of the Civil Service of Vancouver.

Mr. GREER.—On behalf of the civil servants of Vancouver I have been asked to present their ideas on insurance and superannuation. You know, Mr. Chairman, that the superannuation question is agitating the minds of the civil servants of Canada more than any other question outside the cost of living, which Mr. Allen has handled so ably before me. But as one who has been many years in the service of the Dominion, and is reaching the years when his services are not up to the mark they were when he started in, and has to look to something to take care of himself in his old age, or his widow or his orphans should he pass away before his time, it has from this standpoint been discussed for the past year by the civil servants of Vancouver. When the Power's Bill was passed some two years ago we called a meeting and discussed it clause by clause. While some thought it was not up to the mark; others thought it better than any other Act we had along the same line. The question before us was whether it should be contributory or non-contributory superannuation? The civil servants have come to the conclusion that it should be contributory, for the

reason that if it was they would have some say in the framing of this Bill. If non-contributory they would have to accept the Bill as framed by the government.

I had the pleasure last year of being a delegate from British Columbia to attend the meeting of the Civil Service Federation in Ottawa, and the superannuation question agitated the minds of the federation more than any other question brought up there. While we fought the different clauses of the Bill through, the committee went to Mr. Fielding to get his views. I might say that Mr. Fielding did not promise us anything at all, but said we would come back again, and no doubt the government would be pleased to receive us as they recognized that superannuation was something that the government sooner or later must extend to its employees, because they were losing some very efficient officers, because they see no hope in remaining in the service.

The idea of the civil servants of Vancouver is that we shall accept an Act drawn along the lines of the Power's Superannuation Bill, and that the government have framed it to their liking and it should be passed back to the civil servants for their consent as it were, and after they are through with it passed back and made law if satisfactory to the government. The civil servants of Canada seem to be in a frame of mind that they would contribute as much to superannuation as the government would. I cannot say much more on superannuation. It is a question that has been before the House on different occasions, and the matter as I have discussed it has met with the approval of the civil servants of Vancouver.

The insurance question has been coupled with superannuation, but I do not wish to say much about it for one reason—and that is that the government of Canada already offers what is I believe the best insurance in the world for civil servants, and I am sorry to say that a very small percentage of the civil servants of Canada have taken advantage of this low insurance. There is one thing sure; the civil servant wants to help himself, and I cannot see why when they have been offered so low an insurance as they have been offered by the Dominion government they do not take advantage of it. The question arose in the federation last year of raising this insurance from \$2,000 to \$5,000. That was agreed upon by the federation and seems to be pleasing to the civil servants of Vancouver. Another question that agitated their minds was two per cent and three-and-a-half per cent superannuation men not being allowed the privilege of this insurance, and I think considering the small salary these men are receiving at the present time it would not involve the government to any great extent if they would throw down this gauntlet of three-and-a-half per cent and allow all the civil servants of Canada to partake of its benefits, no matter what superannuation they might belong to. Mr. Commissioner, I do not wish to take up any more of your time this evening. I have covered the ground as concisely as possible, and hope I have done it satisfactorily to yourself and the gentlemen who have asked me to lay it before you.

CLASSIFICATION AND PROMOTIONS.

Mr. J. E. FAGAN, of the Customs Department, said:

‘On the matter of classification and promotion as far as regards the Customs service, and landing waiters dept., we beg to suggest that the classification of officers should be along the lines of responsibility, efficiency and length of service. According to our schedule of wages at the port of Vancouver or the Dominion of Canada, we run now from \$800 to \$1,000 a year. The first year \$800, the second \$900, the third \$950, the maximum is \$1,000. In the American service, in Tacoma and Seattle, men in similar positions are paid in the first year \$1,080, in the second \$1,260, and in the third year while we are paid \$900 they are paid the maximum of \$1,680, while in four years we reach only a maximum of \$1,000, and we respectfully suggest that the maximum of landing waiters in this port be increased to at least \$1,200. Our rate of overtime is 40 cents an hour for services rendered after hours while the American officers

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are reimbursed at the rate of one day's pay for half a night's work. If they work from 7 till midnight they have a full day's pay, and if they work after one in the night they receive two day's pay. Recently freight handlers on our wharfs, such as checkers and freight handlers were remunerated at the rate of 35 to 40 cents an hour, but on May 1 it was increased to 40 cents an hour with 45 cents for Sundays, so that checkers and freight handlers are increased less than other men.

Promotion, we respectfully suggest, should be along the lines of ability and experience. We have a number of temporary officers, not on the permanent staff, and any time any of these men are off from sickness or any other cause, they are docked the day's wage. While the permanent officers are allowed three weeks' vacation per annum, these men are not allowed any, and if they wish to take two or three weeks' holiday their salary is deducted. We respectfully request you to give these men in the temporary service some consideration. That is all I can say for the Customs department. Gentlemen from other branches who are more eloquent than I am, can present their views on classification, which is after all a matter of detail and if given, promotion would follow along proper lines.

Mr. LAKE.—Do the Customs men receive no remuneration for provisional allowance?

Mr. FAGAN.—None whatever. It has been reserved to the Inland Revenue Department. We do not begrudge it to them, but we think it should be granted to us, as when the other departments get it we have just cause for complaint.

Mr. R. J. BUTLER, Post Office, said: 'I have not much to say with regard to the classification of Post Office clerks. They are apparently well satisfied with the present classification. In a few individual instances they have grievances but these will be set right with proper classification. It is thought that promotion from one class to another should be followed by an immediate increase in pay. As it is the maximum in one class is the same as the minimum in another, and we think increases should be \$100 a year instead of \$50, and Sunday work should receive some consideration.'

Mr. E. B. PARKINSON, collector of Inland Revenue, presented the following memoranda on behalf of the staff:—

GENTLEMEN,—We, the members of the Inland Revenue Staff of the City of Vancouver, beg to submit the following suggestions for your information and consideration:—

That we are in favour of a superannuation plan as outlined by a committee appointed by the Civil Servants Federation and presented to the Government at Ottawa, in the Spring of 1911.

That we believe a third class excise officer in this department should be appointed on probation at \$800 per annum, and after passing the qualifying examination should receive \$900 per annum with annual increments of \$100 until \$1,200 per annum is reached, because we believe that every young man should be given encouragement to marry and create a home of his own by the time he has reached the age of twenty-five years. Under the present conditions (and there are no indications that such conditions will change for the better for many years to come) it is a gamble for a man to marry on less than \$100 per month: That second class excise officers should receive on appointment a salary of \$1,100 per annum with annual increments of \$100 per annum until \$1,400 is reached; That first class excise officers should receive on appointment a salary of \$1,300 per annum, with annual increments of \$100 until \$1,700 is reached, and that special class excise officers (those in charge of a distillery or malthouse) should receive a salary of \$1,800 per annum, with increase of \$200 per annum until they reach the maximum, which should be placed at \$2,400. We are also of the opinion that all officers in a first class division, such

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as Montreal, Toronto, Winnipeg and Vancouver should receive an additional salary of \$100 per annum, on account of the extra special work involved in a large division.

In connection with the above, we would respectfully beg to draw the attention of the Commission to the fact that the cost of living (especially in the west) has increased from twenty-five to thirty-five per cent in the last few years, while there has been no appreciable increase in the salaries of excise officers.

We are of the opinion and would respectfully suggest that the following scale of salaries should be adopted for collectors, deputy collectors and accountants, viz.:—

Collectors—First Class	\$2,400	to	\$3,200
Second Class	2,100	“	2,800
Third Class	1,900	“	2,400
Fourth Class	1,700	“	2,200
Fifth Class	1,500	“	2,000
Sixth Class	1,200	“	1,700
Seventh Class	1,000	“	1,400
Deputy Collectors—First Class	\$1,800	to	\$2,300
Second Class	1,600	“	2,100
Third Class	1,400	“	1,900
Fourth Class	1,200	“	1,600
Fifth Class	1,000	“	1,400
Accountants, &c.—First Class	\$1,600	to	\$2,100
Second Class	1,300	“	1,600
Third Class	1,100	“	1,400
Fourth Class	900	“	1,200

All increases should be so arranged that an officer should reach the maximum of his class within three years from the date of his appointment, on account of the fact that a man is more urgently in need of the larger salary while his children are young, than when they have reached an age at which they are able to assist in their own support.

In conclusion we would beg to say that we are more than ever convinced that all officers in the west should receive an additional allowance of at least \$350 per annum, irrespective of position or salary, on account of the extra cost of living in this part of the Dominion.

On behalf of the staff, we beg to remain, Sir,
Your obedient servant,

E. B. PARKMAN,

Collector Inland Revenue.
Delegate to the Association.

WORKING CONDITIONS, HOLIDAYS, HOURS, &c.

Mr. T. WOOTON, Customs Department.—Mr. Chairman and gentlemen. I have just a few remarks to make on the hours we are working. We start at 8 in the morning and sometimes work from 7 to 10 in the evening, and sometimes also on Sunday afternoon. We are not I maintain getting such a salary as requires us to work these hours, and it is a hardship to the different officers to be so called upon, and we ask you, sir, to remedy this condition.

Another matter I wish to speak on, and I think it a gross injustice that men should be expected to work from year to year without the privilege of taking a holiday.

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In the smallest firm, after a man has been working twelve months he is granted a week on pay, but I have been in the service five years and have not had a holiday, and if I took one my salary would be taken from me. There are men who have been fourteen years in the service and have not had a day without their salary being taken from them. I am speaking for the civil servants of Vancouver, and I think it is time that a change should take place and we should be allowed a holiday once a year. I do not mean that for a man taking a day in and out now and again it is not right to stop his pay, but I do think a regular holiday should be given to every man after he has been in the service one or two years. I thank you for your attention.

Mr. F. R. GREER, Customs Department.—Mr. Chairman and gentlemen, it is hardly fair that Mr. Greer should be called upon so often to speak on different subjects, when we have such a large number of civil servants in the city. However, I have been elected for it and must do the best I can. I am going to infringe on one of the best speakers in regard to classification of the Customs. It has been one of my pet ideas that the four big ports of Canada should be classified, that is, Montreal, Toronto, Winnipeg and Vancouver. A very large number of civil servants are gathered in these four large ports, and it is I think a very important matter that the government should classify one of the most important branches of the service. In the Customs at the present time the Long Room is looked upon as the executive point. It collects the duties and makes the returns to Ottawa. The Long Rooms of these ports I suppose contribute to the Treasury from \$50,000,000 to \$60,000,000, and it is too bad there has been no classification of the men doing this work. I have working under me thirty clerks. Outside of my chief clerk one man is not one iota better than the other. The man who came in two weeks ago comes in at more pay than the man who has been in two years. It is a most unfortunate thing. I have one young man in the office who has been two years in the service and passed his examination, and only to-day received a letter saying that he was placed on the permanent staff at \$900 a year, although he loses five per cent of this which the government takes to look after him in his old age, while I have mere boys who entered last month and were given \$1,000 a year, while old clerks doing the work of the Dominion government are receiving the same pay as the men that came in within the last two months. I want to impress it upon the Commission. You are here for the outside service, and the only way to get at it is for some one to tell you the grievances under which he is working. My idea of the office, and I will say it emphatically—I have been fifteen years in the service—is that a young man should not come in at a maximum salary straight. When you put a new man in the service raise the old man to his standard. You must remember I have to teach these men and help them along, and if a man says, 'There is Jones or Smith who has just come in and is getting more salary than me. Let him do the work.' Well, he does not quit the service, but he does not do his work with the grace with which he should do it.

These new ports should be classified and these new men should come in at a lesser wage than the old ones. With the cashier's desk in the Long Room, ledger receipts, &c., there is plenty of range, and one position is not as important as the other. Books should come first, then he should pass on further to the manifest, and from that he passes to be computing clerk. He is a collector of revenues for the Dominion and sees that importers' goods are dealt with with equity. His work is in touch with the department, and from there to the cashier and from the cashier to the chief clerk you have a line of promotion in which a man might be encouraged under proper classification.

During the past two years we have had some splendid officers resign, and if you could read those letters to Ottawa, almost always the last words were, 'We can see no hope in the service.' In Vancouver there are 125 civil servants and they see no hope, but if they could rise and be promoted to collectors and passed up, the same as in the old country, it might be different. This is a classification that my predecessor

did not call attention to, but I think it is a matter the government should take up and give the outside service some classification as well as the inside service.

The working conditions in the port of Vancouver, of course I am speaking for the Customs, are not as pleasing to the officers as they might be. The different departments that have connection with the Long Room are scattered in different parts of the city and it makes the work very hard. There is another part of working conditions in the Customs I wish to call attention to. It is this: We have men in the Customs at the present time working seven days a week including Sundays, and if they lose a Sunday they are docked one day. That is a condition I do not think the government of Canada wants. I think every man should have at least one day to serve his God if so inclined, but such is the condition in the Civil Service in Vancouver at present, and it should be taken up. Some say these men's hours are not long, but when one thinks that a man goes to the docks in all seasons often in the blowing rain to meet a steamer and often works ten hours he should at least have one day to spend with his wife and family.

Mr. LAKE.—Are you speaking principally for the outside service?

Mr. GREER.—Yes, entirely. I will not touch the inside.

Mr. LAKE.—What I meant to say was, were you speaking of temporary employees?

Mr. GREER.—Yes, the temporary employee. He is compelled to work the same as others and receives no remuneration for extra work. The longshoreman will not work on the dock without overtime, without double pay of 60 cents an hour, but the Customs officer held responsible for large consignments of goods receive 40 cents for Sunday labour, which I don't think conducive to good service. This all I have to say this evening gentlemen on working conditions.

HOLIDAYS.—This is another question I would sooner that the men affected more than I am would speak on, but I feel as I have been chosen to speak, I will do the best I can. We have at present 75 or 80 men on the temporary staff who are hired at so much per hour, and if they lose a day through sickness or any other cause they are docked. My contention has been, rightly or wrongly, that if an officer appointed to the Civil Service of Canada is not suitable to pass and be made a permanent officer by passing his qualifying examination, he should not be retained in the service. That I think will be agreed to by most of the civil servants. At the present time we have men who have been ten, twelve, thirteen and fourteen years in the service, and never allowed a holiday in that time. We think that when men in the service who have been surrounded by a certain environment and education drop in here and in some twelve or fifteen months are placed on the permanent staff and get three weeks holiday a year, while the older man drudging away year after year in the service gets no vacation, it hardly seems right. I am sorry to say we had one man whose wife died. He was away for two days and was docked for that time in going to bury his wife. I think these men should have some rest. There never was a machine made by man but requires rest sometimes. It is said that the Customs officer is not a hard worked man. I do not agree with that, because I have had several men come into this office who were disagreeably surprised to see how they had to get down to work from 9 till 6 each day because of the large increase in the business of this port and the necessity for keeping pace with it.

The hours of service I think should not be longer than they are at the present time. I believe there is a movement to extend the hours. I do not think it should be done. The outside man works from 9 in the morning till 6, and very often he goes back in the evening and works overtime, and it is not an uncommon thing for a man to work all night long, and when he has worked 24 hours he is not in a condition to go back and work at 12, which he is supposed to do. It should be impressed on the

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government that if they require overtime work on Sundays if a transportation company brings a large vessel into this port, and are making money out of their cargo and require a civil servant to go down at 7 in the morning, I think at least that man should be paid as much as the longshoreman who is wheeling a truck, or the transportation company should not get that officer and be compelled to have their vessel lie there till Monday morning at seven o'clock.

Another phase of this question is that the Customs officer at White Rock, is compelled to meet the trains from Vancouver running up to 12 o'clock at night, and immediately that train crosses into Blaine it is met by an American officer who receives \$3.50 for five minutes work, and if he works five minutes after midnight they have to pay him another \$3.50 or \$7.00 for the night while our man who is doing the same work gets 40 cents. When a steamer is going to the other side, before she arrives there the transportation has to go to the United States Customs, and even on a United States steamer he has to deposit \$5 before an officer goes down to clear it, and if the officer works after midnight another \$5 has to be paid or \$10 for the night. Here he gets 40 cents an hour.

Mr. LAKE.—I may say that the officer at White Rock was before us in New Westminster and gave the evidence you have done.

Mr. GREER.—Thank you. I am glad my evidence has been corroborated by the officer there. I may add that an order in council was passed not very long ago allowing for overtime 25 cents an hour to all points east of British Columbia, for British Columbia 40 cents, for Skagway and Whitehorse 80 cents, and Dawson \$1, showing that the government recognized a year ago that the west was entitled to better remuneration for the services of their officers than they get in the east, and I think the arguments you have heard to-night justify the same increases along these lines. Mr. Chairman, I think I have covered the ground just about as well as I can with what I have at command, and thanking you for your kind attention to these few remarks I will take my seat.

Mr. FAGAN, Customs Department.—I can only corroborate the statements made by Mr. Greer and the other speakers of the evening. In striking our programme we mentioned the night watchmen, and as Mr. Hawke here wishes to present their views, I will give him the opportunity to speak on their behalf.

Mr. J. H. HAWKE presented the following petition on behalf of the Customs night watchmen enclosing a letter they had already sent to the Collector of Customs:

To the Civil Service Commission,

Dear Sirs:—

We, the Customs nightwatchmen, respectfully wish to submit the following grievances as we see them for your consideration.

It is generally known that in Canada there is a law regarding Sunday labour, but we happen to belong to a branch of the service that knows no Sunday or holiday (only by losing time) as we are expected to be on duty 365 days in the year, without compensation for Sundays or holidays. We therefore think we are justly entitled to Sunday with our families when there are no particular duties to perform' such as watching ships, when we should receive compensation at the same rate paid the day man on the same ship.

When this branch of service was reorganized on Nov. 1, 1910, we did receive overtime up to Mar. 31, 1911, by sending in our overtime sheets in the regular way, which we continued to do up to Aug. 31, 1911, but received no payment after Mar. 31, 1911, although the fees for our services were collected from these ships up to the end of Sept., but no payment was made to us nor reason assigned for discontinuing this overtime, and on Sept. 26, 1911, we submitted a petition to the department, a copy

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of which we wish to submit to the Commission as we never received any reply officially yet.

We also think that after a reasonable term of service in this branch that we should be entitled to promotion to day duty of some kind.

The following letter was sent to the collector of customs, on Sept. 26, 1911.

Collector of Customs,
Vancouver, B.C.

Dear Sir:—

We, the undersigned, respectfully wish to call your attention to the overtime sheets which have been sent monthly since last March, and as yet no settlement.

We are chiefly married men with families, and in order to rent houses as cheaply as possible, viz., twenty-five to thirty-five dollars per month we have to move out in the suburbs and have our car fare (which is double fare after midnight) to pay therefor it is very essential that we get the overtime in order to meet our liabilities.

During the time we are on duty at the gangway of a ship all Sundays and holidays are paid by the ship, but the men that are not stationed at a gangway are obliged to patrol the the water side of such a ship with a row boat, which is no desirable position at times, therefore, we think such men are justly entitled to pay for Sunday work too.

Yours truly,

C. Prenter, Norman McDonnell, J. H. Hawke, M. T. Gauvern, and Jas. Harwin.

Mr. E. S. BLACK, Post Office Staff.—Mr. Chairman and gentlemen, I have prepared nothing on this subject, but I think it would be unwise to let this occasion pass without saying a few words on the hours of work in the post office, and working conditions at the present time. We have over 100 clerks on the staff of the post office, and out of that number only nine whose hours are regular. Of course we understand that in an institution like the post office, where work goes on night and day, there cannot be regular hours as in other places, but to show how irregular they are I might state that different shifts work from 7.30 to 4.30, 3.45 to 11.30 or 12, from 11.30 or 12 till 8 in the morning. The different staffs are changed once a month or once in three weeks. There is a general feeling that some consideration might be made for night work as it is more arduous than day, and the staff seem to consider that the night shift should consist of seven hours only instead of eight hours. Then the staff has to work one Sunday in three, and some have to work one Sunday in four. We would ask that some remuneration be given for this Sunday work. As far as regards holidays, all the members of the post office staff are entitled to three weeks per year and have no complaints to make.

Mr. Carr, presented the following petition on behalf of the letter carriers:

To R. S. Lake Esq.,
Dominion Civil Service Commissioner.

Dear Sir,—

We would submit that there has been an increase of 55 p.c. in the price of necessities of life in this city during the last ten years.

Salary.—On account of the increased cost of living throughout the Dominion would suggest an increase in salary of fifty cent per day, on all grades, maximum to \$100 per month.

Superannuation.—We are in favour of superannuation to take the place of the present retirement fund, superannuation to take place after 25 years service or at the age of 60 years.

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Classification or grades.—Would suggest that provisional allowance be \$20 per month.

Promotions.—The case of promotion the pay in no case to be less than before promotion. Senior men to be given the preference in promotions other things being equal.

Uniforms.—That raincoats be supplied yearly, for this city that a complete change be made in uniforms and the uniforms and boots be supplied locally. In conclusion would request that the carriers be replaced on the Civil Service instead of the per diem system as at present, believing it would do away with a good deal of hardship experienced at present, in case of sickness through the stoppage of pay, and that at least 21 days holiday, exclusive of Sunday's be given.

C. P. Carr, Sec.

Mr. J. DUNSMUIR.—Mr. Chairman and gentlemen. The caretakers and elevator men of the Public Works Department have a few grievances to lay before you. In regard to vacations they request that they be granted 21 days holiday after a year's employment. Some of us have been three years in the employment and have never had a day's holiday. I have been informed that in the maritime and middle provinces caretakers have been given them.

Our next request is for an advance in the wages of caretakers and elevator men. They would like to receive a 25 per cent advance owing to the high cost of living, due principally to rent and fuel. We are about the lowest paid men in the place and on the wages we get a married man cannot live. As Mr. Allen stated, you cannot get a house in town for less than \$40 a month and if you go out you pay car fare, so you have either to keep roomers or send your wife out to work. A single man may exist but a married man cannot.

As for promotion there is not much room for it in our class, but you can be promoted to chief janitor, and we think promotion should be given to the senior man provided he has satisfied his employers in the past.

I have heard a lot of talk about provisional allowance, and I think if any should be given it is to the men with small pay. They need it. We think we should be just the same as clerks and letter carriers in that respect as we are under the yearly wage limit.

We have another request and that is that copies of these schedules may be sent to the heads of each department so that our employers may understand what are our needs. I would like you to press this request for annual holidays. It is only justice when it is allowed in all the other provinces. Some time ago a request was sent to the department for it and it was said that we should have it, but did not. It seems to me that the blow is struck at the line of least resistance every time. That is all I have to say, thank you.

Mr. GREENFIELD.—There are a couple of points that have occurred to me in regard to insurance and annuities. It is a remarkable thing that in the whole Dominion of Canada there are only 200 insured under the Government insurance system, and while the annuity system is in vogue I have often asked postmasters on my travels whether they have had any applications for annuity and they say 'No.' Now it just occurred to me that in order to have efficient insurance and annuity, that the public should be made aware of the benefits that accrue from these things. I think if the Government would employ agents to go through the country and lecture on these annuities the system would be more greatly taken advantage of than at the present time, because there is no one to instruct the public as to the benefits to be derived from annuity and insurance.

This closed the meeting.

EVIDENCE OF HEADS OF DEPARTMENTS, DOMINION CIVIL SERVICE,
AND DELEGATION FROM CIVIL SERVICE ASSOCIATION, NEW WEST-
MINSTER, B.C.

Before Mr. R. S. Lake, Public Service Commissioner, in the Office of the Collector of Customs, August 1, 1912.

ANGUS MUNN, Collector of Customs, New Westminster, B.C. Salary \$2,000.

Q. How long have you been receiving your present salary? A. Since 1902.

Q. What salary were you getting up to that time? A. I started at \$1,400 as Collector of Customs.

Q. When did you first enter the Customs? A. In 1897.

Q. Do you contribute to the superannuation or retirement fund? A. To the retirement fund.

Q. I would just like a general statement as to the number, status and salaries of employees in this office? A. I have six employees in the office at present.

Q. Have you an assistant? A. No. I have had a chief clerk since April 1.

Q. What is his salary? A. \$1,500 since February.

Q. And how many clerks have you? A. Four besides the chief clerk.

Q. How do their salaries range? The four clerks get \$75 a month each and in addition to that one clerk gets an allowance of \$100, that makes his salary \$1,000 a year.

Q. And the others all get the same salaries you mentioned? A. Yes.

Q. No further allowance to any salaries outside of what you mentioned? A. No.

Q. In regard to the outside service of this port? A. We have just one landing waiter.

Q. Does that constitute the whole staff at New Westminster? You seem to have some preventive officers? How many sub-officers have you in the outports? A. Eight.

Q. What is their standing? A. Sub-collectors and preventive officers.

Q. What do your preventive officers get? A. Their salaries range from \$900 to \$1,100 a year.

Q. What is the special work of preventive officers? A. As a matter of fact most of them are collecting, and they are supposed to patrol.

Q. At what particular points are they stationed? A. Where railways cross the boundary and roads come in. Some are at roads, some at railway offices, while two sub-collectors are on the Fraser river.

Q. What salaries do these sub-collectors get? A. They run from \$1,450 down to \$800.

Q. They give the whole of their time to the work they do? A. I don't know about the man at Ladner. He could not afford to at \$800. He probably does some other work close to his office.

Q. What are the hours of work in your office—the hours you have to keep your clerks I mean? A. From 8.30 or a quarter to nine in the morning till 5.30 in the afternoon.

Q. You very seldom let them out before that? A. Very seldom.

Q. And sometimes you have to stay later? A. Yes, we come back after night and try to keep the work up.

Q. Do you allow any regulation vacation? A. We allow it, but with the staff provided I am unable to give each one the vacation they should receive.

Q. What vacation is supposed to be granted? A. Three weeks in the year.

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Q. But they have not been able to take it for some time past? A. The chief clerk had two weeks last year, but has had none since.

Q. You cannot see your way this year to give them all leave? A. Not without relieving officers.

Q. Have you ever had a relieving officer in the past? A. We have never had one since I have been in charge of the office. Any holiday work has to be performed by others.

Q. Yes, that is the case in other offices. It is found possible to do that by some of the others working a little bit harder. Don't you find it possible to do that here? A. No, we cannot. It all depends on how we take on the staff. If we employ a man for a couple of years and then a new man comes in he does not understand the work and cannot take his place. We want a number of experienced men all the time.

Q. Do find any difficulty in keeping clerks and other officers? A. I have had some difficulty. The only way I could keep them was to encourage them by telling them that increases would come.

Q. Have you had many leave you after training them? A. No, not many.

Q. Do they get regular increases? A. They have been starting at low salaries, and do not get regular increases.

Q. But salaries are increased from time to time? A. Oh, yes, in two or three years.

Q. Is that on your recommendation? A. Not wholly, because the same increases have been paid at other ports.

Q. But I suppose no man would get an increase unless you recommended him? A. No.

Q. In order to get an increase for one of your clerks do you take the initiative or does the clerk usually approach you? A. He must approach me. It is understood they must do that. They cannot go direct to the department.

Q. But a man does not get an increase as a rule unless he comes and asks for it? A. Yes, that is the case, though some received an increase on the first of April, which they did not apply for.

Q. Was there a general increase on the first of April? A. Yes.

Q. Do you know whether it was made from the Atlantic to the Pacific or just for the west? A. I don't know.

Q. Are you supposed to get any special allowance here on account of the cost of living in the west? A. No.

Q. How many of your employees are on the permanent list, and how many considered to be merely temporary? A. That is including the outport officers?

Q. Yes? A. Ten including myself on the permanent list, and six, including a substitute for Mr. Thomas on the temporary list.

Q. What is Mr. Thomas away for? A. He is away on account of illness.

Q. Does he get full pay during the time he is away? A. No. Three weeks only.

Q. A man is only allowed to be ill for three weeks? A. He is away for three months, but is only allowed three weeks pay.

Q. Will he have to pay for the substitute? A. No.

Q. In case of the permanent officers, if they get ill, how long is allowed them on full pay? A. There is no special rule about that.

Q. If a temporary officer is ill does he get pay? A. No, pay is supposed to cease with his work.

Q. Have any of these temporary officers been a long time in the service? A. No, not the officers I have now. You see the district was divided in April.

Q. About how long has the longest been with you? A. The longest has been no more than nine months.

Q. Do any of your other officers contribute to the superannuation or retirement funds? A. To the retirement fund, yes, all the present ones.

Q. But none to the superannuation fund? A. No.

Q. What is the revenue of your part of New Westminster and its outports? A. I cannot say off hand. I will get that down for you.

Q. What are the names of your outports and preventive stations? A. Huntingdon, Ladner, Steveston, White Rock and Chilliwack collecting stations.

Q. What is your personal experience of the increased cost of living in the last five or seven years? A. I should say it has been about 40 per cent in the last seven years.

Q. You are not speaking in a general way. You have gone into this question? A. No, I am speaking in a general way.

Q. Have you given much thought to the question? A. No, but I am a man with a family and know what it means.

Q. Are you pretty well convinced that it will cost you 40 per cent more to live in the style you were accustomed to seven years ago? A. Yes.

Q. In your view, do you think the subordinates of your office are getting sufficiently paid? A. No, I think not. Pay is better since April 1, and some of the officers are just taken on. I would like to see them get increases regularly.

Q. That is one of the measures you think would tend to improve the efficiency of the service? A. Yes.

Q. Have you any other suggestions that you think would promote efficiency in the service? A. No. Pay them good salaries.

Q. Do you think there is an alternative to good salaries in bringing them under the conditions of the Superannuation Act? A. Yes. I think it will encourage them.

Q. Have you any officials getting to an age at which they are not able to do efficient work? A. No, but I think after a man has been in the service for some time and has proved efficient he should be entitled to promotion.

Q. Have you any opinion as to the age at which men should leave the service under superannuation? A. No. It would depend on a man's ability to do his work.

Q. You would not fix a definite limit? A. I would have a period of service, say 30 or 35 years.

Q. You think the period of service would be better than an age limit? A. Yes, taking his health into consideration. Some men are more capable at seventy than others at fifty—at least in better condition as to their health.

Q. Anything else you would like to put on record in regard to the work? A. No, except overtime at frontier ports, but that I think it will be better to leave until the collector at White Rock appears.

Q. But you are capable of giving an opinion about that? A. I think they should be paid overtime at these ports, and the payment should be made by the railway company. For instance, when an American officer is called out after ten or half-past ten at night he receives \$5, I think it is for the work. On our side he receives 80 cents and the government has to pay it.

Q. Then you think the American plan the better of the two? A. Well, I think it seems unfair that a foreign railway should get past us free while on their own side of the line they have to pay overtime for customs officers.

Q. And what are your collections at this port? A. I have the figures here now. For the twelve months ending March 31, 1912, for New Westminster they are \$258,943.46 and for the outports \$236,474.91, or a total for the whole of \$495,418.37.

Witness retired.

CUTHBERT COLEMAN WORSFOLD, District Engineer of Public Works Department.
Salary, \$2,500.

Q. Do you do any work other than in the department? A. No.

Q. And the amount you have mentioned constitutes your whole salary? A. That is the whole salary.

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Q. When were you appointed to your present position? A. Since the 28th of May last.

Q. And how long had you been in the government service previous to that? A. Since March, 1892.

Q. In what capacity were you working then? A. I was first draughtsman, and then assistant engineer.

Q. Have you been in the west all the time? A. Yes, in this office under the district engineer.

Q. Do you contribute to the superannuation fund? A. No.

Q. Or to the retirement fund? A. No.

Q. Are you under bond? A. No.

Q. Could you give me a general statement of the number and status of the men employed in your office? A. I have four assistant engineers. Three are in the office and one on the works down the river all the time. He is looking after a contract we have there.

Q. What salaries do the assistant engineers receive? A. From \$1,700 to \$2,200 per annum.

Q. And you have what other employees? A. An accountant and assistant accountant.

Q. And what do they receive? A. The accountant gets \$2,300 and the assistant accountant \$1,500.

Q. And the juniors in the office? A. Just a clerk and messenger who gets \$70 a month.

Q. That is the whole staff? A. Yes.

Q. None of them contribute to the superannuation or retirement funds? A. No.

Q. What are their hours of work? A. From 9.30 to 4.30 with an hour for lunch.

Q. Do they ever stay overtime? A. Not very often, though I do at times, especially when it has been a month when there are a great many cheques to sign, but as a rule there is not much overtime.

Q. Do they get regular vacation? A. No one has ever got any in our office, though they are supposed to have three weeks under the regulations.

Q. Do they get it every year? A. Very few of us do. I have not had more than three days off since six years ago when I got leave to go to England. I have never had a whole week since then. I suppose it is our own fault.

Q. And your subordinates are in the same position? A. No, they get a certain amount, but the engineers, except for a few odd days have never taken a regular holiday.

Q. Are they all permanent officials? A. All I have mentioned except the clerk and stenographer.

Q. And in case they were sick they would still get their pay? A. Yes.

Q. Is any allowance given them for residence in the west? A. No.

Q. Do you happen to know whether they receive about the same rates of pay as similar officials in the east? A. The engineers I think receive about the same pay.

Q. Have you looked that up occasionally to satisfy yourself? A. The only thing I know about it is that some time ago we got a list from Ottawa regarding engineers, and it showed the senior assistant engineer starts a \$150 a month and gets an increase of \$100 a year up to \$2,400. The junior assistants start at \$125 a month and increase to \$1,800, and after that I understood that they were to be rated as senior assistants. Then their salaries could increase to \$2,400. That is the scale that applies to our service as I understand it.

Q. And that applies to you in British Columbia? A. Yes. I have had an increase every year to last year, and this year if I was still assistant engineer I would be getting \$2,300.

Q. The officials are receiving regular annual increments? A. Yes.

Q. But no special allowance for living in the west?—A. No.

Q. How are appointments made to your service? A. They are made by the chief engineer who notifies us.

Q. They are all professional men outside of the clerks and accountants? A. Yes, they are all qualified engineers. The assistant accountant was appointed about four months ago.

Q. Was he a local man? A. Yes.

Q. Was he appointed at the present salary? A. Yes, \$125 a month.

Q. Was he a young man? A. No, a man about 45 or so.

Q. He has had some experience? A. Yes, he is a good accountant.

Q. You have a number of officials in different parts of the country I suppose?
A. Yes we have—on the works.

Q. Their jobs are temporary? A. Yes.

Q. Have you any sub-offices? A. No.

Q. What is the extent of your district? A. I extend from the boundary line up to Chilliwack along the Fraser river to the east, then we cross the river. It is really the southwestern part of British Columbia, the New Westminster land district and Vancouver island and extends up the coast as far as the 51st parallel opposite the north end of Vancouver island. The eastern district of British Columbia comprises the Yale-Cariboo and Kootenay electoral districts, which are under Mr. Aylmer's charge.

Q. Where does he reside? A. At Chase. The northern district is in charge of Mr. Hull, with headquarters at Prince Rupert. He takes the district from the 51st parallel north to the Yukon.

Q. Does the money expended on public works in this district pass through your office? A. I draw cheques for everything in British Columbia as far as public works are concerned.

Q. You work as an accounting office for the whole province in that respect? I suppose the accounts for other districts are first certified by their offices? A. Yes, but we pay them.

Q. Can you tell me what the total expenditure for the past year has been? A. For the fiscal year ending March 31 it was \$716,962.

Q. Does this cover the whole expenditure for the engineers' branch of the Public Works Department for British Columbia? A. Yes.

Q. I suppose all your employees are active men—none getting beyond their work? A. Well, there is one gentleman old, but he still does his work well. He is assistant engineer on the river. He was surveying all last week and the week before and is perfectly capable.

Q. Is the dredging under your superintendence? A. The running of the dredges is not. It is under Mr. Bayfield, but I lay out the work that has to be done and Mr. Bayfield does it. I lay out the work.

Q. Just over your district or for the whole province? A. Just for my own district. The other engineers do theirs.

Q. Do Mr. Bayfield's accounts pass through your office? A. Yes.

Q. Have you made any calculation as to the cost of dredging per yard? A. No, though in our annual report we figure up the total dredging for the year and the cost per yard for each dredge.

Q. Do you do any contract dredging? A. No.

Q. Are you engaged in any very large dredging operations at the present time? A. Well, they are dredging in Victoria with two dredges as a rule, but one is now in Nanaimo. The main dredging has been in Victoria and Vancouver widening the Narrows, though that dredging is at present delayed by the waterpipes there.

Q. But the dredges are kept in continuous employment? A. Yes.

Q. Is there a special vote given by parliament for British Columbia? A. I don't

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know whether there is a special vote for British Columbia, but there as a special vote for dredging and we are getting our share.

Q. Do you find that work is ever held up because of the vote running out? A. No, we have never had to stop the work.

Q. And dredging goes on throughout the year? A. Yes, in this part.

Q. Can you tell me in two or three words what is the nature of your work? A. It is the general improvement of harbours and rivers, and on the coast the erection of wharfs and breakwaters, improving channels with dredging and making all necessary surveys for that. Outside of that all foreshore applications go through this office, and plans of wharfs have to be approved here.

Q. Do you have to send out an assistant engineer frequently to look into these matters? A. Yes, the assistant engineers have to travel around all the time and see the work going on.

Q. That statement practically covers all the work? A. Yes.

Q. Your staff really is sufficient at the present time to keep the work going? A. I have authority to look out for a draughtsman, but cannot find one to suit me.

Q. And outside of that things are all right? A. Yes.

Q. Have you any suggestions for the improvement of the service? A. I think it would improve the class of men you would get if there was some superannuation or something of that kind, because as salaries go now and the cost of living there is nothing to put by for old age.

Q. Have many of the staff left of recent years? A. No, except messenger boys and stenographers.

Q. Any other suggestions? A. The only difficulty to my mind with regard to superannuation is, suppose it were started on the same basis as other branches who already have superannuation, would we have to pay back fees? Because the average government official could not take it up if he had to.

Q. You find it takes the whole pay to keep things going? A. It does. Of course I have to carry good insurance as I have nothing else to look forward to.

Q. Do you take out insurance under the Civil Service fund? A. No.

Q. Do any of your officials that you know of take out insurance in the Civil Service? A. Not that I know of.

Q. What is your personal experience in regard to increase in the cost of living? A. Well, a great many things have more than doubled. Help in the household is treble what we used to pay, meat is very much higher and nearly everything is higher.

Q. In the last five years what increase in the cost of living do you suppose has taken place? A. Well, I think the average household bills are fully 35 per cent higher than they were five years ago.

Q. And it is a matter you have looked into? A. Yes.

Witness retired.

JOHN W. MACDONALD, postmaster, New Westminster. Salary, \$2,000.

Q. How long since you were appointed to your present office? A. Two years ago last month.

Q. Were you in the service previous to that? A. No.

Q. How many men have you employed under you? A. I have 11 clerks of Class A, receiving \$500 a year and the provisional allowance of \$180.

Q. Up to what figure do they rise? A. From \$500 to \$700. They have an increase of \$50 up to \$700.

Q. How many are there in the higher branches? A. None. All are Class A. You see this office was put on a semi-staff basis two years ago, and none have been in the service longer and were never put in the higher class branches.

Q. Then for the higher branch class of work, you are using Class A men?
A. Yes.

Q. Are they all permanent? A. Yes.

Q. And have they passed any examinations? A. They have passed the departmental examination, yes.

Q. Do you or any of your staff contribute to superannuation? A. No. The letter carriers contribute to the retirement fund, but not the inside staff.

Q. What are the hours of work of the inside staff? A. They are doing now about nine hours a day.

Q. Some of them have to work at night, I suppose? A. Yes. The man that works at night takes off two or three hours in the afternoon.

Q. Do they do it turn about? A. Yes.

Q. And do you have to keep some at work on Sundays? A. Yes. Generally four or five work on Sundays.

Q. Are they entitled to any vacation each year? A. Yes, to three weeks.

Q. And they get it? A. Yes.

Q. The rates of pay are the same as in eastern Canada, and in addition they get the provisional allowance of \$15 a month? A. Yes.

Q. Have you any difficulty in getting or keeping clerks? A. Yes, I find great difficulty in getting the right kind of men. I may say the men I have at the present time are faithful and good men, but are dissatisfied with the salary.

Q. Do they leave the service after you have trained them? A. Yes, some have left and several are complaining now of the conditions.

Q. If conditions were better and you were able to keep all your men, do you think you could do with a smaller staff? A. No, I don't, on account of the increase in revenue and increase of work.

Q. But a number of your staff cannot be properly trained. I want to ask whether if they were properly trained you could do with fewer? A. No, because the men are overworked at the present time and are putting in more hours than they are entitled to put in.

Q. In regard to the letter carriers? A. I have eleven. They are graded, A, B, C, D and E. I have men of all grades.

Q. They receive the regular salary given to letter carriers, and in addition to that? A. In addition they get the \$15 a month provisional allowance and uniforms and boots.

Q. Have you any difficulty in keeping them? No, they seem fairly well satisfied.

Q. Have you difficulty in filling offices? A. None whatever.

Q. Your clerks have to pay bonds? A. Yes.

Q. And they pay for that themselves? A. Yes, out of their salary.

Q. Do they do it individually, or does the government collect the money? A. The government collects the money.

Q. Have you any suggestions to improve conditions and enable you to get more efficient men and keep them? A. I have only one suggestion and that is that salary should be increased for the inside men.

Q. Do you think salary should increase each year? A. I think it would add to the efficiency of the service.

Q. Do you think a superannuation system would effect the same result? A. I think so. I am myself very much in favour of it and so are the staff as a whole.

Q. Would they be content with present salaries with superannuation in addition to that? No, I don't think they would be content with present salaries under the conditions.

Q. You think the condition is such that you will lose some of your clerks unless salaries are increased? A. I think so. I stand to lose two at the present time.

Q. What is keeping them in the service? A. The expectation of something being done to better conditions.

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both captains and firemen, policemen commenced at \$75 per month. The painters have had an increase from 40 to 50 cents per hour, and they are about to ask for more. The carpenters have had an increase from \$3.50 to \$4.25 per day, during the last two years. Both these trades work an 8 hour day.

For instance we as a body of government employees are expected to be neat and tidy in dress, temperate and modest in all our dealings with the public. Our character must be kept beyond reproach both on or off duty and we are entrusted with some very valuable letters during the course of our service, for which we get \$1.75 per day. The man who has education and ability enough to use a pick and shovel can have \$3 per day in this city and if he chooses he can spend it in the hotel bar-rooms and no one has a word to say about it.

The city council reduced the hours of labour from 9 to 8 and raised the wage from \$2.75 to \$3 per day.

My grocery bills show a steady increase during the past 18 months. The rents have increased to such an extent that it is impossible for a mail carrier to live within the city limits because one cannot rent a decent house under \$25 per month. The following items will show you how everything has increased.

Coal has increased 1 dollar per 100 lbs.

Wood has increased 75 cents per load.

Hair cutting has increased 10 cents.

Pair of shoes half-soled and heeled cost 50 cents more. The fact is that out of \$60 per month we are called upon to pay \$25 rent, \$20 to \$25 groceries, and butcher, \$3 for light and water, \$2, for insurance, and we have \$5 to \$10 left to keep our wives and families from reverting to the days of Adam and Eve, the fashions of which unfortunately have gone out of date.

The average man does not steal bread unless he is hungry, nor does he steal money if he has enough coming to him to make him feel satisfied and contented. We have a thousand and one temptations to contend with and so must say that if you take into consideration the low pay we get, the honour of the carriers is something we are justly proud of. We have at times some important and valuable matter to deliver and I think it is up to the department to see that we have a wage that will make a man anxious to keep his job, under all circumstances and not give him a paltry sum that would make a Chinaman grumble. It is not sufficient to live properly on and much less it is not enough to remove the temptation from men in the service. We are unsatisfied by the fact that if a man is ill or is hurt accidentally while on duty and he loses time, that time is charged against him and really the wage is small enough without anything being stopped for such reasons as these.

We cannot support an appeal for a pension at the end of any given period as we think that no mail carrier can do this job for many years. What we want is, less hours. We are working an average of nine hours. A better distribution of the work in order to lessen the loads we have to carry and an increase in the pay from \$1.75 per day to \$30 per month. We especially wish to be paid by the month as this will give us a chance to have sick pay while off duty through sickness or accident, and that we have our increases as allowed by Act of parliament.

We hope through your intervention that our efforts this time will bear fruit and if it does not, rest assured that the carriers of this city thank you heartily for anything you may feel inclined to do for them.

New Westminster.

No. 32 Branch.

JOHN GOUGH, letter carrier.—On behalf of the Letter Carriers branch I can only corroborate the statements Mr. Taylor has just made with regard to the costs of living here as compared with the east. I joined the service seven years ago last

September in Stratford, Ontario. I rented a house there and in comparison the rent here is double.

Mr. LAKE.—You came straight from Stratford and started to rent another house here. Can you give us a comparison of the difference?

Mr. GOUGH.—I had a seven-roomed house there with water, gas and electric light on a 66-foot lot with a garden and all I paid was \$10 a month. I moved into New Westminster last March and rented a four-roomed house and paid \$18 a month. I have the water rates paid, but electric light runs to about \$1.30 a month. In regard to the cost of coal also, in the east we paid \$6 or \$7 a ton for Pennsylvania hard and here I paid \$7.50 for a ton of soft coal, and a ton of hard will go further than a ton and a half of soft.

Mr. LAKE.—What did you pay for wood?

Mr. GOUGH.—\$5.25 for hardwood and you had to split it yourself.

Mr. LAKE.—Could you compare it with the same wood here?

Mr. GOUGH.—No, there is no hardwood for sale here for fuel; for the same kind of wood you get here you pay \$3 there, the same as here, but you can only get it for about three months in the summer and have to pile it to-day for burning. But in coal there is a difference of about \$5 in the same amount of burning.

Mr. LAKE.—Is coal cheaper to burn or wood?

Mr. GOUGH.—I cannot say as I have only recently come here.

Mr. LAKE.—What is your view of the comparative value of groceries?

Mr. GOUGH.—In Ontario my grocery bill ran on an average from \$7.50 to \$8 a month, but here it is from \$18 to \$20 without reckoning the butcher bill. I have the butcher to pay and meat is an average of about 4 cents a pound dearer here.

Mr. LAKE.—Are you living on the same scale as in Ontario?

Mr. GOUGH.—Well, not as good. Down there if you wanted a chicken for Sunday you could get a good one for 60 to 80 cents, but here you pay \$2 or \$2.25. It is the same in fruit. Take apples, here you pay 25 cents for 3 pounds, and in Ontario you could buy a whole bag for 60 cents and sometimes they would give them away. And strawberries, where you pay 25 cents for two boxes here, you could get two boxes for ten cents there. It is the same with raspberries, currants and other small fruit. I have been married for nine years and know what housekeeping is. I could live twice as good in Ontario for the wages I got there, I was getting \$2.50 when I left there and I am only now getting \$2.50 with the western allowance which makes it \$3, but I could live far better there on \$2.25 than I can live here on \$3.

Speaking of superannuation, I believe it was put through that they expect a mail carrier to walk for 35 years before they put him off with a pension. I think that an injustice because a man working in an office has more chance of putting in 35 or 40 years than a man walking about the streets. I think for the mail carriers there should be a rule that a man who has been 25 years in the service or has reached the age of 60 years should be allowed to retire with a pension.

Mr. J. W. HARVEY, Penitentiary Accountant.—I wish to say a few words on behalf of the older men on the staff on the subject of superannuation. We wish to know if we are entitled to our gratuity in case superannuation passes. Take my own case. I have been eighteen years in the service, but suppose superannuation passes and I wish to take up the amount of gratuity due me, I am afraid I would lose it. It might be used to allow us to make up arrears on superannuation payments. It would take back to 1900 to pay arrears on my salary to make up superannuation.

Mr. LAKE.—You wish to say that if you came under the Act, the fact that you have already paid for gratuities should be taken into consideration.

Mr. HARVEY.—Yes. There are a number of men who if their widows and children could be taken into consideration in event of death would like to provide for them

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by going into superannuation and giving up their gratuity. It is a question we would like looked into when the time comes.

Mr. E. W. MONEY, Junior Despatching Clerk in the Post Office.—My salary is \$56.65 a month. You get that on appointment and after that if you pass the examination, you get an additional \$50 a year. We work nine hours a day. We also work every third Sunday each taking turns and we get nothing for that, and we have to work till 11 o'clock at night. By the regulations we are allowed to have all legal holidays, but in my position on the despatch it is impossible to take legal holidays, because if we did the mails would not go out.

Mr. LAKE.—Are mails distributed on legal holidays?

Mr. MONEY.—Yes, the same as other days.

Mr. LAKE.—Any distribution in the office?

Mr. MONEY.—Yes, the wickets are open one hour and there is one distribution by carrier, but those who work on despatch are tied hand and foot. You have to send the mail out.

Mr. LAKE.—Have you never been able to get your regular holidays?

Mr. MONEY.—No. I have been in my own case, only on six months.

Mr. LAKE.—Are you speaking for your fellow clerks?

Mr. MONEY.—Yes I am. There is another matter I would like to bring to your attention. A temporary man was appointed who gets \$2.50 a day and does not have to work on Sundays.

Mr. LAKE.—How long ago was he appointed?

Mr. MONEY.—Now about six weeks ago.

Mr. LAKE.—And he works the same as the rest six days in the week?

Mr. MONEY.—Yes, his hours are the same. He works six days in the week. It is no use my dilating on the costs of living, but from what you have heard you can see that what we are saying is correct. I could not live on my salary in town. I live on the other side of the river, and am thankful I do, for if I lived in town and paid rent I would starve. Our increase is only \$50 a year for the first three years, and I am not getting a living wage.

Mr. N. A. MATHESON, Sub-Collector of Customs at White Rock, B.C.—There is a matter I have been asked to bring to your attention. It is the question of Customs overtime. Our service pays for overtime 40 cents an hour.

Mr. LAKE.—What do you mean by overtime?

Mr. MATHESON.—That is work beyond the regular hours of service, after 6 p.m. and previous to 8 a.m. Following the regular hours of service you are allowed if you work ten minutes of one hour 40 cents and if you work the whole of the two hours you are allowed 80 cents. That is the maximum allowed for all night's work. If you worked the balance of the night you would be allowed no more.

Mr. LAKE.—If you worked all through the night you would be allowed only 80 cents?

Mr. MATHESON.—Yes, or should you have to work all one night and on the following night, you could charge \$1.60 making 80 cents for each night, though for the second night you could not charge anything for any work you did. The amounts you may charge are calculated monthly and you are held down to 80 cents a night except for Sundays when you are allowed to charge your regular service of 80 cents. I wish to make a comparison with the overtime paid the American Customs officers in their service. We are held down to 80 cents a night for the month, but in the American service if an officer works after six in the evening he is allowed \$3.50 for his services up till twelve o'clock, and if he happens to work after midnight he is allowed \$7 for his services. If a man was to go to work half-an-hour before twelve

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and worked a quarter of an hour after he would earn \$7. He is not held down to any one day, but is allowed to collect the same rate day after day.

Mr. LAKE.—What are your regular hours for going on and coming off duty?

Mr. MATHESON.—Our regular hours of duty are from eight to six, but after these hours we have the Great Northern trains coming and going at all hours of the night, and it requires the attention of an officer to clear and inspect these trains.

Mr. LAKE.—You are supposed to be there whenever a train comes in?

Mr. MATHESON.—Yes. The department has a form we are supposed to fill showing the arrival and departure of each train. It has to be certified by the transportation agent of the company. In our case we have three trains going through after hours and besides we frequently have freight trains that come and go in the night as well. The Americans do not hold their officers down to any specific hour. They can work one day and earn \$7 inside the night of the same, whereas in our department we can only earn 80 cents a day.

Mr. LAKE.—You are not allowed to make more than \$24 a month overtime?

Mr. MATHESON.—Yes, that is only four weekly services. Sunday service is different. The weekday service is paid by the government, and our Sunday service is collected from the transportation company by our department.

Mr. LAKE.—And Sunday overtime?

Mr. MATHESON.—It is on the same basis as weekday, only we are allowed to charge 40 cents an hour for every hour actually worked in addition to the regular salary.

Mr. LAKE.—That is not counted under the limitation to 80 cents a night?

Mr. MATHESON.—No. In our case the Government pays all overtime except Sundays, but on the American side the parties requiring the overtime pay for it.

Mr. LAKE.—You are quite sure of that?

Mr. MATHESON.—Yes, I got it from their deputy collector at Blaine.

Mr. LAKE.—And is that amount collected from the railway at the point of entry?

Mr. MATHESON.—No. The statement is sent in by the agent each month to headquarters, and the Customs men collect it presumably at Port Townsend.

Mr. LAKE.—Do you know whether that applies to the steamship service also?

Mr. MATHESON.—Yes. To the steamship as well as the train service.

Mr. ALLEN, Inland Revenue Department.—Pardon me for speaking again, but there is one little matter I wish to touch upon. It is in regard to the provisional allowance and the way it is handled at the present time. At a meeting of our association it was suggested that the amount be based on a percentage of the salary paid. Suppose there was a percentage established. On the start it might mean a small amount to the lower salaried men, but as it stands now, the maximum is 50 cents a day to the lowest salaried men, and as you go up the scale it is reduced. I am speaking now of those in receipt of larger salaries of about \$100. They get \$100 whereas the man newly appointed gets \$150.

Mr. LAKE.—At what salary does provisional allowance cease in the Inland Revenue Department?

Mr. ALLEN.—At \$2,500. The way the Bill reads is to provide provisional allowance for all officers receiving \$2,500 a year or less. We consider that as provisional allowance was given to compensate for the difference in the cost of living in the west, it should be on a percentage basis. We have to live on a certain scale; we cannot help it, and it costs me correspondingly more to live than a man in my position in the east. In fact I was sent here, from a similar position in the east two years ago, and I figure I should be given an allowance on a percentage basis and with a minimum amount instead of a maximum amount.

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Mr. LAKE.—What percentage do you suggest?

Mr. ALLEN.—The association did not feel inclined to suggest that. We felt the department was in a better position to figure out the actual difference than we were.

Mr. LAKE.—Do you consider that provisional allowance should be given from the lowest to the highest, to all officials?

Mr. ALLEN.—Yes, because the idea was that provisional allowance should not cease until a man got a salary that would leave him a surplus. No salary in the Inland Revenue Department does that. Our highest salary is \$3,000. If a provisional allowance were arranged on the present basis our smaller salaried men would be drawing 15 per cent, whereas I would be drawing 5 per cent. I think the percentage basis would be the fairer way.

Mr. HARVEY, Penitentiary Accountant.—With regard to the penitentiary branch I would like to state that from the warden down our salaries are not in proportion to what other men are getting in this country, and if a living allowance is considered, our salaries should also be increased and a living allowance given besides.

Mr. LAKE.—I understand the provisional allowance is an allowance given to officials in the west over and above what the same officials get in the east, and I presume the same thing would apply to penitentiaries.

Mr. HARVEY.—A man getting \$56.33 a month is not getting the same salary as other men in British Columbia. I understand that from one end of Canada to the other penitentiary guards get this salary, but in the west a man ought to get an additional allowance.

Mr. LAKE.—By way of comparison can you tell me are there many constables employed by the city of New Westminster, and what do they get?

Mr. HARVEY.—Yes, I have not it in hand now, but can give it to you.

Mr. LAKE.—I wish you would.

Mr. HARVEY.—I will get the salaries paid to the asylum officials if possible, and the salaries paid to constables here and forward them to Ottawa.

The Delegation withdrew.

The Commission adjourned.

Held at Calgary, Alberta, in the office of the mail clerk service inspector's office, on Monday the 12th day of August, 1912, before Mr. R. S. Lake, Public Service Commissioner.

JOHN EDGAR JOHNSON, sworn, says:

I am a railway mail clerk for the Calgary district; salary \$1,300; received an increase last month of \$50; age forty-two years.

We have an association here which is of such a short duration, that it is hardly in working order, and our president is unable to come.

I came to Calgary from the London district a year ago last May. I have been here just a year and four months.

Q. Were you a mail clerk in the London district. A. Yes, I was transferred here.

Q. Holding precisely the position here as you did down there? Yes, exactly. Of course, I may say that I am in perhaps a better position to give you points on the price of living than those who have lived here for some time, or they might be able to give you better views of the service as it is and has been in this district, and I have prepared a schedule of the prices of articles for living in Calgary at the present time, in 1912, and in London, Ontario in 1910. Those prices are taken, the London ones from a memorandum book of my wife which she used to keep there of all our expenses, and they are to the best of my knowledge and belief absolutely correct, and the ones here are in the same way, and they are prices taken from the daily market reports.

Q. Have you not got the prices which you are actually paying to your local tradesmen here? A. Yes, these are the actual prices which we are paying at the present time.

Q. But you said just now it was taken from the market report? A. Yes, but those are based—of course, there are certain articles that will go up a few cents from day to day, so that I have averaged these from the market reports and from our own expense accounts just as they are coming to us. At one time of the year, eggs and butter would be a good deal higher than in winter time here—the price is almost prohibitory to the ordinary man, so that I have put them just as they are at the present time.

Q. I understand the London prices which you have here are from your actual accounts? A. Yes.

Q. These are the prices which you give to your local dealers in London? A. Yes, in 1910.

Q. And the figures you have given for Calgary for 1912, they are the prices you are paying to-day? A. Yes.

Q. That is from your actual accounts? A. Yes, actual accounts. There are some things that vary. I have not put down the different articles. Take butter for instance. It went up as high as 50 cents and 55 cents a pound in the winter.

Q. How have you entered your butter? A. Just as it is at the present moment, that is from the daily market report.

Q. Is that exactly what you are paying? A. Yes.

Q. I want your own experience and not market reports that anybody can get? A. That is my own experience. Why I mentioned market reports is this; these prices vary at different times of the year. I might put down 55 cents for winter and 35 cents a pound at the present time. I suppose we are paying less for butter now than we do at any time of the year. Now there are some things here, you will notice clothing—shoes, I have put it at twenty per cent increase at Calgary prices as to what they were in London. That, of course, is from my ordinary observation from buying clothes here and in London, and I consider we are paying twenty per cent more for clothing and shoes that I had to when in London.

Q. I see you have furniture 25 p.c. higher on this statement? A. Yes, and house rents, I have put a six roomed house at \$45.

Q. Is that the house you are actually living in at the present moment? A. I was speaking to my wife just before coming up, and she said the house next door which was identically the same as ours was rented at \$50 a month, so I have made a little difference, I am positive in saying we could get the same house as ours in London for \$18 a month.

Q. Did you own your own house in London? A. Yes, my brother-in-law is renting it at \$18 per month.

Q. Same sized house? A. One room more and hot water heating, and this house where I live simply has hot air.

Q. So that it is a superior house to what you are occupying at the present time? A. Yes.

Mr. DAVIDSON.—Does it take exactly the same time to get to your work from your house as it did in London? A. Yes, about the same time and it is the same distance away as my house in London.

Mr. LAKE.—Have you anything else to say? A. Yes, now I have made a statement of the actual amounts I paid to the grocer and the butcher in London, and the actual amounts paid to the grocer and butcher here in the fall of last year.

Q. Is this a statement of the cheques that you issued? A. Yes, which I issued to my grocer and butcher in Calgary and in London in the fall of last year, but I paid cash here. My wife was in hospital for some time and afterwards she just simply took things easily so that I paid cash for everything we got.

Q. And since that you have been paying how? A. By cheque.

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Q. So that the comparison of the cheques you paid for the same months of the year in London in 1910 with the comparison of the cheques you paid in Calgary in 1912, appear on this statement? A. Yes, on this statement and I verify those from my cheque book, and they are absolutely correct.

Q. This statement shows that from your personal experience with the sums of money which you have paid for groceries and meat in London for the months of December, 1910, and January, February, March and April, of 1911, amounted in all to \$101.59? A. Yes.

Q. While for the months of December, 1911, and January, February March and April of 1912, while living in Calgary, you paid a total amount of \$160.85 for groceries and meat? A. Yes.

Q. Was your family exactly the same size in both cases? A. Of course I have two boys, they are growing up, and there should not be that difference. Another thing I neglected to put in there, I had no vegetable garden, we bought directly from the grocer, and here we have a vegetable garden, so that this summer we have bought very little from the grocer.

Q. In London you bought all your vegetables and here in Calgary, you have been able to raise some of them? A. Yes, you notice tomatoes. Last week my wife bought some, and she paid 20 cents a pound—well, they are a luxury at that rate. In London, I suppose, in the month of March we are getting imported tomatoes for 15 cents or 20 cents per lb.

Q. When you came west, did you receive any increase to your salary? A. Well, a provisional allowance; when I came here I was given \$120 a year—a provisional allowance in August.

Q. Is that \$120 more than what you were receiving in the east? A. Yes, and in August of last year I received an increase in salary on account of my case examination, \$50 a year, that is the regulation increase.

Q. Would you have received the same increase, had you been in the east? A. Yes I might say when I received that \$50 increase, my provisional allowance was immediately cut down to \$70 a year.

Q. What was the reason for that? A. I had reached the maximum salary, the old maximum salary, which was \$1,200 per annum.

Q. For which a provisional allowance of \$120 was given? A. Yes.

Q. So that although you have passed your examination entitling you to \$50 a year, as a matter of fact you did not get that \$50? A. No, I received it but lost it on my provisional allowance.

Q. And next year when you get your regular increase again, then you should be receiving an additional fifty dollars again that will be deducted from you out of your provisional allowance? A. Yes.

Q. The net result is that although you have been promoted from the \$1,200 scale on account of your having passed the special examination you will not receive any increase in salary until the third year? A. That's right; it is a case of robbing Peter to pay Paul; putting it in one pocket and taking it out of the other.

Q. The position as I understand it is; that the clerk that is appointed at \$800 per year gets a special provisional allowance for work in the west of \$120 per year? A. Yes, up to \$500 or less \$120 per year.

Q. After he passes the \$800 mark he gets a special allowance of ten per cent of his salary in lieu of the \$120? A. Yes.

Q. After he reaches \$1,200 the provisional allowance practically ceases? A. Yes, it decreases until it does not exist.

Q. What other allowances do you get? A. None whatever; of course there is our mileage, we get half a cent a mile between eight in the morning and eight in the evening.

Q. For every mile which you travel? A. Yes, and a cent a mile from eight in the evening until eight in the morning. Q. Is that the rate you received in the east? A. The same exactly, yes.

Q. So that your move from London to Calgary has made it much more difficult for you to live on your salary? A. It certainly has; my mileage runs here are longer, and I make considerable more mileage than I did in the east, but it is altogether eaten up by the increased expense of living.

Q. The only improvement is in the amount of mileage fees? A. Yes.

Q. Even with that increase do you find that you are to-day in as good a financial conditions as you were? A. No, I am not; I can safely say my finances to-day are not as good as they were in the east.

Q. Have you anything you would like to say about the work? A. Yes, I have made a few notes, one of our greatest increases in living in the west is our travelling expenses; in my own London district I hardly know of a run where the clerks are away from home at night; there are very few of the runs where the men have got to buy more than three meals a week from home, while on our runs here; I am on the shortest run on the main line myself; Moosejaw to Calgary, the shortest time I am away from home we have two meals on the train going east and we pay fifty cents for our bed for about four hours in Moosejaw. We get a lunch there which is a short order lunch, the lightest you can get is thirty-five cents; what I usually take is corn flakes and some toast and a glass of milk, or something like that, and it costs thirty-five cents, and a special order costs from forty-five to fifty cents, and on the trip out we have two meals on the train and sometimes three; it depends on how you are feeling, but the expenses on the trip travelling in the west are altogether higher than the expenses of an ordinary run in the east. Some time ago, I have forgotten who brought the matter up, it was suggested to us that we ask a rate on the dining cars of the C.P.R. of twenty-five cents a meal. I may say that rule has been in existence as long as I have been on the road; on the Grand Trunk and other roads. The mail clerk when he could find time could go to the diner and get his meal for twenty-five cents; I have done it on the Niagara Falls run, yes, so that that is not a gift by the government, but is because we are considered by the railway companies as railroad men that we get that rate.

Q. You get that here? A. Yes, and in the east; another thing about that dining car rate is from my personal experience here it is absolutely impossible for a man to leave his car and go back to the diner and get his dinner or his supper, whichever it may be, without neglecting his work. That is my own personal observation and I am sure it will be backed up by many of the clerks.

Q. How do you manage it? A. We have given up the dining car altogether; I don't know of a clerk who has been in a dining car for some months.

Q. Simply because you could not do it and carry on your work? A. Yes, simply because we could not do it and carry on the work satisfactorily.

Q. That is on account of the great increase in the work? A. Yes, I have noticed a great increase in the work.

Q. Do you find it difficult to get through your work? A. Yes, I have said to Mr. Davidson, the inspector here; work in the west here is nothing but slavery.

Q. A continual grind all the time? A. Yes. I have a statement here of my last trip; it is as follows: we left here about four hours late and we got into Moosejaw three hours and twenty minutes late; that was at 7.40 in the morning. We had to be on duty at ten o'clock at the post office and in the meantime had to get a lunch before leaving. We got into Calgary on the return trip the next morning at 5.30. On that round trip neither my assistant nor myself had more than one and one half hours' sleep in the round trip of two nights and a full day.

Q. And altogether you only had that much sleep? A. Yes, and I will say that in that time I don't consider—leaving the sleep out of the question—that we had two hours' rest in any shape or form, not even to sit on the chair, in fact the chair was piled at the baggage end of the car, so that the work is simply up to date slavery at the present time.

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Q. Is there any way of remedying that that you can see? A. I can't see it; it is worse I think than before; the country is growing so rapidly and it is getting worse.

Q. Would more cars do it? A. More trains on the different lines, of course, would remedy it in a way; more branches opening up and more post offices put on.

Q. Would additional clerks solve the difficulty at all? A. Yes, if we had a proper car; at the present time take the ordinary crew of three mail clerks, they take up all the room we have in the cars doing their work.

Q. So that you could not really accommodate an additional clerk at the present time in the present car? A. No, the car should be enlarged in some way.

Q. Is there anything else that you would like to say? A. In this district, as in others all over Canada, I am sure it is not confined to this district alone, the system of fining clerks for irregularities. To my mind that is not conducive to good work; I look at it in this way: the average clerk if he feels that he is doing his duty and he makes a mistake and is fined for that mistake, in 99 cases out of 100, for a while at least, he will not do as good work and he will try and average up on that fine. I have looked into this question in a way and I find that the big railroad companies have a system of merit and demerit marks. The trainmen will perhaps get black marks for some offences. Those black marks may be wiped out by him giving better service or some extra service in some way or other, and I think in the Railway Mail Service if something of that way were organized or instituted, it would be better.

Q. What are the mail clerks usually fined for and what is usually the amount of the fine? A. A day's pay for carelessness or disobedience of instructions. Of course, there are lots of cases I admit where the clerk should be fined or something done to them to bring them to the straight and narrow way.

Q. But you think the system is wrong to deduct the pay, do you? A. Yes, the average clerk may feel that he is doing his work carefully and well, and if he makes a mistake even through a little slight carelessness and is fined for it in many cases, he feels, "I will get back at them."

Q. Don't you find that the very long hours you have just spoken of are conducive to making a man make mistakes? A. I have had one or two cases of being overtired and making mistakes, but Mr. Davidson, the inspector here, has been very lenient. The cars at the present time has outlived their usefulness and should be improved upon; they might have been practical cars ten or fifteen years ago, but at the present time they are not.

Q. Are you speaking of the ones running out of Calgary? A. The large cars on the main line, the standard cars.

Q. Are the Railroad Company building the same car? A. Yes, but I may say the letter case and the rack for sorting the mail are satisfactory; they cannot be improved on at the present time and they are satisfactory, but there is absolutely no provision made for storing of registered matter or taking care of the registered matter en route. Our cases are built in such a shape we have to use them for both ordinary letters and registered letters and so on—those are all the matters I wish to bring to your attention, for which I thank you.

Witness retired.

ALBERT ADDISON LAKE, sworn, testified.

Examined by Mr. Lake:

Q. You are a railway mail clerk? A. Yes.

Q. How old are you? A. 28 years old.

Q. What is your salary? A. Salary \$700 a year and in addition to that I get the provisional allowance of \$120 per annum.

Q. You have passed the examinations and are on the permanent list, I suppose?

A. Yes, for the last five years.

Q. What salary did you come in at? A. At \$400.

Q. Have you had a regular annual increase since then? A. I think I missed one because I was out of the service for a year and I missed one increase of \$50.

Q. Now what have you got to say? A. In the first place, I say my salary is not sufficient at \$700 a year; I have a few notes which I have made which I would like to bring to your attention. About five years ago I was appointed to the railway mail service at a salary of \$400 a year; I have been drawing a regular increase of \$50 a year every year since, except the first year when I received a \$100 increase and every year since then \$50 with the exception of the one year I mentioned when I was out of the service. I think it was last year there was an amendment to the Act that clerks starting in the service should commence at a salary of \$500 a year and an additional \$120 provisional allowance, so that the clerks starting in the past year have more than \$100 a year more than when I started.

Q. You have no objection to that have you? A. No, but as far as I am concerned I think my salary should be increased \$100 a year to bring me up to the same standard.

Q. If it was necessary to give them an additional increase you think it should be fully as necessary to give you one, is that it? A. Yes, more so, because I have had more experience. In addition to that, the Act provides that the increases which used to be \$50 be made \$100 per year until the salary of \$800 a year is reached, after which time the increase is dropped back to the old sum of \$50 a year. We old clerks take part in that, I am glad to say. I think, and I believe that a man should have that \$100 increase every year until the maximum salary is reached. It should not be dropped because by the time I have been in the service long enough to receive \$800 a year; take the average man who is usually married and in all probability he has a wife and family to keep, I think instead of losing that \$50 a year he should have another \$50 added to it. He is getting old and has a family to keep and more expenses increasing daily, but his salary drops by this scheme. I don't think that a man, after he has been in the service for 17 or twenty years, I think 17 years is the time he gets the maximum salary, I do not think that \$1,400 is enough for that man per year; 17 years with one company is a long time to work and it is not a business where he can draw a steady dividend, and I think he earns every cent he gets, except under the retirement fund.

Q. Are you under the retirement fund? A. Yes, I would suggest that the maximum salary be increased to \$1,800 a year to enable him and his family to save at least a few cents until a rainy day.

Q. How would you compare that suggestion with the suggestion that there should be a superannuation fund? A. I know very little about that fund but if it means any more money for a man I would rather like it.

Q. Instead of giving your five per cent to the retirement fund it would go to providing an allowance when you attain a certain age which would be sufficient to provide for you after you have passed years working. A. That depends I suppose on the age; what age would it be?

Q. The age of 60 or 65 has been mentioned? A. That is the usual age.

Q. Have you anything else to say? A. Mr. Johnson was talking about the mileage not being sufficient and gave one example; I have another one, for instance. Take a trip to Calgary to Edmonton; you are away two days and there is the cost of two meals on the train and two meals in Edmonton and one bed in Edmonton, at a total cost of \$2.50. The total mileage for this round trip is \$1.92.

Q. How many hours are you working? A. About seven and a half or eight hours a day. Eight hours going up and seven and a half going down.

Q. Anything else? A. I think the government ought to afford to give us extra men for holidays and sickness. The Act says, we are entitled to 3 weeks holiday every

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year providing we have behaved properly in the discharge of our duties. At the present time we have to double to get those holidays. We have to go out one day sooner and that gives us one day less in town, therefore we take one man off our crew and let that man go on holidays and in the meantime we are getting one day less lay off in town. Under these circumstances we are not getting our holidays at all; we are getting our time off which we have been doubling and when we have earned that lay off to my mind it is not strictly speaking holidays.

Q. What are your actual hours of work? A. Practically about 15 hours a day. Say, leaving here and arriving in Moosejaw, a run of about 14 hours, one practically works all the time; we lay off in Moosejaw for five or six hours if the train is run on time and we come back, and the run back is about 16 hours, so that the round trip is 30 hours.

Q. And in addition to that you have to be on duty an hour before the train leaves? A. Yes.

Q. At both ends? A. Yes, and about an hour at each end after the train comes in which makes a total of 33 hours about.

Q. This means that there is 33 hours work in how many days? A. In practically five days, but the work is continuous for every night and day for that time you must remember.

Q. Have you anything more to say? A. In regard to transportation during holidays; at the present time we can't get a pass to go to any place on our holiday. We used to get a pass years ago from our superintendent to travel and take our holidays on the coast, but at the present time I understand we can't get a pass, and the most we can get is a pass on our own division only. I would request that during our holidays we could get a pass to travel for the three weeks during the year, and that some arrangements be made to do that.

Q. Have you anything else to say? A. Yes, that is as to positions that are open, such a post office inspectors or assistant post office inspectors or any position that is better than we have.

Q. Have you any position to which you aspire at the present moment? A. Yes, sir, I have.

Q. What is that? A. I have so many.

Q. What does the average mail clerk look forward to that he could possibly get if he comes to it at all? A. The mail clerk does not get anything unless he has a political pull.

Q. What position does his training fit him for or what might he get with proper promotion, postmastership of sub-offices or assistant post office inspector or superintendent of Railway Mail Service? A. There are no positions in the Railway Mail Service except mail clerk and Railway Mail Superintendent.

Q. Is that right? A. That is all.

Q. There isn't much scope for ambition then? A. No, the minute you come into the service ambition is lost.

Witness retired.

JOHN EDGAR JOHNSON, recalled.

Examined by Mr. Lake:

Q. How long have you been in the service? A. 23 years.

Q. What is the average length of time the average mail clerk is able to remain in the service? A. That is a hard question to answer, sir, I have known clerks who are younger than myself who have absolutely collapsed through stress of work; there are three men in the London, Ontario District whom I knew personally and who simply broke up.

Q. About what age? A. They would be perhaps from 40, 45 to 48.

Q. Do you personally know any man who was able to stay for more than 25 years in the service? A. Yes, I know of one man in the eastern district who was 38 years on the road; he was quite an active man but he was an exceptionally fine specimen of a man.

Q. Can you give me any other instances of men who are able to continue in the service anything like that length of time? A. Very few. I think this man O'Marra of the London District is practically the only one I know of.

Q. Do you know of any others of 30 years of service? A. There are very few who reach the superannuation age of 60 and who are any good for anything at all afterwards. I am under the Superannuation Act and I have seen the thing so often that men who would be superannuated would die off quickly, not in one case but in several cases.

Q. Then you think the work actually plays you out physically? A. Yes, the work is simply a physical hardship, there is not any getting over it. We come in off our runs absolutely tired out body and soul.

Q. Will you be in favour of giving a large percentage of your superannuation fund to your wife on account of your death before you are entitled to it? A. Yes, in addition to the superannuation under which I am working I have a Civil Service insurance of one thousand dollars, but there is one hardship about that that a man under a Superannuation Act has to pay one per cent more towards the Superannuation Act to get that insurance and I could never understand that; I have written to the Superintendent of Insurance about it but I got no satisfactory reply. Clerks will not take it up on that account; there are clerks that live to be 60 years of age in the Railway Mail Service and draw superannuation afterwards.

Q. Do you think that it would keep the men in the service better? A. Yes, I think superannuation or pension would keep men in the service better.

Q. Is it a service that is changing very much; do you think that railway mail clerks leave very often? A. Mr. Davidson, the inspector here, can give you that better than I can; clerks come in for a few months and they find work is hard and find that they can get better salaries in mercantile offices.

Q. Think it is exceptionally hard work? A. Yes.

Q. How long do you think it takes a man to become efficient in the work? A. That depends on the man; some clerks become good clerks in two years and others it takes several years to become efficient.

Q. Have you any suggestions you would like to make that you think would improve the service generally and help to keep the best men in it and make it more sought after? A. Well, until the salaries are raised to such a rate that the Post Office Department or the railway mail service can compete with the ordinary business houses we cannot expect to get a first-class lot of new clerks.

Q. As a business proposition if you were able to command the best men you could find do you think you could actually do with fewer clerks? A. I doubt it here under the conditions in the west; I doubt it very much. If I was not under the Superannuation Act and I was offered within three or four hundred dollars of my present salary I would quit in a minute and I will doubt about giving the Department notice either.

Q. The superannuation is keeping the men in it? A. Yes, I think it does. But if I could improve myself in any other commercial line I would leave the service immediately because the chances are better outside.

Witness retired.

The Commission adjourned.

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12th of August, 1912

8.30 p.m.

Deputation of the Letter Carriers' Association waited upon **Mr. Lake**.

E. J. FUSSMIDGE.—I think there should be an age limit to be pensioned off on, and that it should be 60 years of age. The letter carrier is not much after that age and cannot do any other work.

Q. Then you will be all in favour of a superannuation system if it were a satisfactory one? **A.** That is if they don't want too much of a percentage of our money stopped.

Q. By way of suggestion, if they still continue to stop 5 per cent as they do for the retirement instead of a superannuation fund, which would you choose? **A.** We don't know what the pension would really be, and, supposing we were in the service for 20 or 25 years and they were stopping 5 per cent of our money we would have a considerable sum to draw when we quit, combined interest is going, and after about 15 years that interest doubles; we were all talking it over and we didn't come to any settlement about it and I wouldn't like to do anything until we spoke to you. At our Federation Meeting I wasn't instructed to say anything like that because we never expected you here until this noon, so that we haven't had a chance to talk it over with the other letter carriers at all.

Q. I don't want the expression of a definite opinion on the subject unless the details of the Bill proposed were before you, but I would like to know if a superannuation system would meet with your approval? **A.** I think the way we are going on now would be the best.

Q. That is the retirement system? **A.** Yes, and we would get our money when we quit; we know it is ours then.

Q. Is that a statement of the general feeling? **A.** I think that is the consensus of feeling, the retirement fund. A man might be pensioned off at 60 and only live a year and he would lose all that money that was paid in.

Q. Have you seen the Power's Bill, introduced into the Senate? **A.** No, sir.

Q. Have you anything to say as to the cost of living? **A.** I would like to say at the present time the letter carriers are not receiving a large enough salary; a man starts at \$2 a day and after the first month he receives \$2.25 and after that he has to wait two years before he gets any additional increase; that is not sufficient at all for a man to live on, that only amounts to fifty-five or sixty dollars a month to start in at including the provisional allowance, making it about sixty-three or sixty-four dollars a month; of course that rises up to \$2.75 a day and \$15 a month allowance, that is the limit.

Q. That is after how many years' service? **A.** After six years' service on the permanent staff.

Q. Give us your reason for saying it is not sufficient? **A.** My reason for saying that is because living has gone up so high in the west. Seven years ago I was single and I could get board and lodging for four dollars a week and now you can't get board and lodging under thirty dollars a month.

Q. Is there any single man here this evening? **A.** Yes, here is Mr. Goldberg.

SOLOMON GOLDBERG says,

Examined by Mr. Lake:

Q. What are you paying for your board? **A.** \$28 a month but I am living with my mother.

E. J. FUSSMIDGE says,

Examined by Mr. Lake:

Q. Well, go on Mr. Fussmidge? A. I am a married man and out of my money I have to pay \$30 a month rent for a five room cottage and then my bill for fuel and wood amounts to, taking it summer and winter, eight dollars a month.

Q. How far from the post office is your property? A. About a mile and a half; it is out at Sunnyside. I have to walk in every morning to get here by six o'clock and it takes me half an hour to make it and you cannot get anything around here cheaper than that.

Q. When did you first commence renting a house? A. 27th of February this year.

Q. So that you cannot make comparisons to what it was seven years ago? A. Yes, it was cheaper then.

HERBERT RACKHAM says,

I was married four years ago and I was renting a four room cottage at \$15 a month.

Q. How far from the post office? A. Just inside the mile circle. And to-day I am living two miles from the post office and I pay \$30 a month for a six room house, of course I have three children and that makes a difference so I have to have a larger house.

E. J. FUSSMIDGE says,

You take \$30 a month rent and \$8 for fuel and the electric light bills \$2 and that makes \$40 a month and the water bill is \$3 a quarter over that and then of course I have to insure myself and wife; that is another two dollars and as to the rest I have to buy food and clothing for ourselves; of course, we cannot save anything from that amount; that comes to about \$45 a month; I am one of the highest grade men here because I am now getting \$72 a month.

Q. How long have you been in the service? A. Five and a quarter years; I have been here since the delivery started; that is all I have to keep myself and wife on, and then of course we can't have any children on that money because we never have the money to start in to have any children; it costs one hundred dollars to start in at to have children and I was never able to save that much to start in at so that you can see a letter carrier at the top wage is not getting enough salary and we don't get any luxuries out of that sum.

ROBERT POULTNEY says,

I have been married ten months and it is an awful struggle to get through.

Q. How long have you been in the service? A. One and a half years roughly speaking.

Q. What salary do you get? A. Two dollars a day and fifteen dollars monthly allowance.

HERBERT RACKHAM says,

Pick and shovel men in the City of Calgary to-day get thirty cents an hour.

Q. Does he work ten hours a day? A. Eight hours a day and bricklayer's labourers get 37½ cents an hour and boilermaker's helpers get 32½ cents an hour for a ten hour day.

FRED. G. BUSHEL says,

The city police were originally receiving a salary of \$75 a month and they requested a raise in their salary on account of the extreme cost of living here and the

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City Commission granted them a raise to \$80 a month to begin with leading up to \$100 a month.

Q. What hours do they work? A. An eight hour day.

Q. In case of sickness do they still receive their time? A. Yes, sir.

Q. You know that? A. Yes, sir, but we don't receive sick pay in case of sickness.

HERBERT RACKHAM says,

Suffering from infectious diseases I think we are entitled to pay.

Q. What hours do you work? A. We work eight hours and some times ten hours.

SOLOMON GOLDBERG says,

It is supposed to be an eight hour day but it is very hard to get the work in in an eight hour day; some days you only work seven and a half and some nine and Monday you will work full two hours more than on another day and you work according to how heavy the mail is but we are supposed to work eight hours a day.

Q. Have you anything to say about the increased cost of rent, anything definite to say in regard to the increased amount of your bills for eatables, groceries and meats?

HERBERT RACKHAM says,

Beef in Calgary used to be twelve and a half cents a pound five years ago; now it is 18 to 20 cents a pound and mutton is away up to 24 cents a pound and that used to be 18 cents a pound.

Q. Do you find the same increase in groceries? A. Yes, sugar has gone up the last year to \$1.25 for 20 lb. sack and it used to be 85 cents a year ago; butter is now 35 cents and you could get it for 25 cents winter and summer too, and it is now 40 and 45 cents a lb. in the hard winter.

Q. With this great increase in the cost of rents and living and so on how do you manage to make both ends meet? A. I only got forty-five before this last raise to fifty I did not get a big wage then as I do now and I find it is as much trouble to-day as it was then and that extra fifty cents makes it about level as to what I was getting at that time and I do not think I am any better off to-day; of course my family has increased but I am on the same footing as I was at the commencement and I am a post officer carrier now and I do not think I am any better off.

Q. Do you take as many roasts of beef as you used to? A. Well, I live just as good, I guess.

T. J. FUSSMIDGE says,

Q. How do you manage? A. I have to rent two rooms at \$15 a month; that pays off my rent but of course that house is not really my own you see, I can't really do as I should like to do; if I could afford to live as I should do.

Q. Is that a common thing among the letter carriers? A. Yes, sir, very common.

Q. Do they let their spare rooms? A. Yes, sir; when the men start in they have to live in shacks; they can't afford to pay the rent; which is unhealthy for them and a letter carrier should be able to live in a house and keep his health in order to do his work.

SOLOMON GOLDBERG says,

I think there are at least eight or ten carriers living in shacks at the present time.

Q. Single room shacks? A. I wouldn't say that.

E. J. FUSSMIDGE says,

I know one man living in a one room shack and he has three children, and he is trying to cut down his expenses to try and pay so much down on the lot and build for himself, but he has to live that way in order to do that; he has to stint himself and live on bread and butter all the time; he can't go in for two or three roasts a week.

Mr. LAKE.—Anything else along those same lines?

FRED. G. BUSHEL says.

F

I don't think we can explain any more than the views expressed by Mr. Fussmidge; I think that is the consensus of opinion.

HERBERT RACKHAM says,

Take a married man in a confinement case, the doctor's fees are \$25 and the nurses' fees are \$15, and apart from the nurse you have to have some one in the house to do the ordinary work and that is from \$12 to \$15 for the two weeks, and of course you are feeding them all the time; the nurse and the other lady assistant in the house and I think that about \$100 for a confinement case is a pretty good estimate and nothing to waste, and only being fair to the people that are there, and that is not doing things on a large scale.

SOLOMON GOLDBERG says,

In regard to proving the high cost of living I have a brother in the butcher business; I know he used to be able to buy meat wholesale for from 4 to 6 cents a pound, and the same meat to-day he has to pay 8 and 10 cents all the year for; of course it fluctuates a little. Where he paid from 4 to 6 he now pays from 8 to 10.

Q. What have you to say to make the service better, outside of the increase in salaries; have you any suggestions to offer? A. That is wages so that the men would stay on the job.

Q. The question of permanency of men?

E. J. FUSSMIDGE says:

We figure if a man started in at \$70 a month and he received \$5 a month rise, after six years he would be receiving \$100 a month. I think that would give a man some encouragement for stopping the six years; that would be able to keep him there and he could be able to bring up his family decently on that. That is what the police are getting now, and I think we are doing better service than the police.

Q. Am I to understand from that you want a monthly rate? A. If we had a monthly rate we would get paid for sickness on a monthly salary; on a daily salary no person can claim for sickness; in the old country they can claim their salary for sickness on a monthly salary.

Q. Is that one of the points, you want to make a monthly rate instead of a daily rate; do you think that would improve the conditions? A. I think my brothers here would agree to that.

SOLOMON GOLDBERG says:

I don't see what difference it makes with us if we get a monthly rate or a daily rate as long as we get the salary up to a certain point.

Q. What holidays do you get? A. Two weeks per year and for six months you get one week if you are on the permanent staff. I was on for 11 months and about 26 or 27 days and I got one week's holiday.

Q. Do you get a bonus in addition?

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both captains and firemen, policemen commenced at \$75 per month. The painters have had an increase from 40 to 50 cents per hour, and they are about to ask for more. The carpenters have had an increase from \$3.50 to \$4.25 per day, during the last two years. Both these trades work an 8 hour day.

For instance we as a body of government employees are expected to be neat and tidy in dress, temperate and modest in all our dealings with the public. Our character must be kept beyond reproach both on or off duty and we are entrusted with some very valuable letters during the course of our service, for which we get \$1.75 per day. The man who has education and ability enough to use a pick and shovel can have \$3 per day in this city and if he chooses he can spend it in the hotel bar-rooms and no one has a word to say about it.

The city council reduced the hours of labour from 9 to 8 and raised the wage from \$2.75 to \$3 per day.

My grocery bills show a steady increase during the past 18 months. The rents have increased to such an extent that it is impossible for a mail carrier to live within the city limits because one cannot rent a decent house under \$25 per month. The following items will show you how everything has increased.

Coal has increased 1 dollar per 100 lbs.

Wood has increased 75 cents per load.

Hair cutting has increased 10 cents.

Pair of shoes half-sole and heeled cost 50 cents more. The fact is that out of \$60 per month we are called upon to pay \$25 rent, \$20 to \$25 groceries, and butcher, \$3 for light and water, \$2, for insurance, and we have \$5 to \$10 left to keep our wives and families from reverting to the days of Adam and Eve, the fashions of which unfortunately have gone out of date.

The average man does not steal bread unless he is hungry, nor does he steal money if he has enough coming to him to make him feel satisfied and contented. We have a thousand and one temptations to contend with and so must say that if you take into consideration the low pay we get, the honour of the carriers is something we are justly proud of. We have at times some important and valuable matter to deliver and I think it is up to the department to see that we have a wage that will make a man anxious to keep his job, under all circumstances and not give him a paltry sum that would make a Chinaman grumble. It is not sufficient to live properly on and much less it is not enough to remove the temptation from men in the service. We are unsatisfied by the fact that if a man is ill or is hurt accidentally while on duty and he loses time, that time is charged against him and really the wage is small enough without anything being stopped for such reasons as these.

We cannot support an appeal for a pension at the end of any given period as we think that no mail carrier can do this job for many years. What we want is, less hours. We are working an average of nine hours. A better distribution of the work in order to lessen the loads we have to carry and an increase in the pay from \$1.75 per day to \$80 per month. We especially wish to be paid by the month as this will give us a chance to have sick pay while off duty through sickness or accident, and that we have our increases as allowed by Act of parliament.

We hope through your intervention that our efforts this time will bear fruit and if it does not, rest assured that the carriers of this city thank you heartily for anything you may feel inclined to do for them.

New Westminster.

No. 32 Branch.

JOHN GOUGH, letter carrier.—On behalf of the Letter Carriers branch I can only corroborate the statements Mr. Taylor has just made with regard to the costs of living here as compared with the east. I joined the service seven years ago last

September in Stratford, Ontario. I rented a house there and in comparison the rent here is double.

Mr. LAKE.—You came straight from Stratford and started to rent another house here. Can you give us a comparison of the difference?

Mr. GOUGH.—I had a seven-roomed house there with water, gas and electric light on a 66-foot lot with a garden and all I paid was \$10 a month. I moved into New Westminster last March and rented a four-roomed house and paid \$18 a month. I have the water rates paid, but electric light runs to about \$1.30 a month. In regard to the cost of coal also, in the east we paid \$6 or \$7 a ton for Pennsylvania hard and here I paid \$7.50 for a ton of soft coal, and a ton of hard will go further than a ton and a half of soft.

Mr. LAKE.—What did you pay for wood?

Mr. GOUGH.—\$5.25 for hardwood and you had to split it yourself.

Mr. LAKE.—Could you compare it with the same wood here?

Mr. GOUGH.—No, there is no hardwood for sale here for fuel; for the same kind of wood you get here you pay \$3 there, the same as here, but you can only get it for about three months in the summer and have to pile it to-day for burning. But in coal there is a difference of about \$5 in the same amount of burning.

Mr. LAKE.—Is coal cheaper to burn or wood?

Mr. GOUGH.—I cannot say as I have only recently come here.

Mr. LAKE.—What is your view of the comparative value of groceries?

Mr. GOUGH.—In Ontario my grocery bill ran on an average from \$7.50 to \$8 a month, but here it is from \$18 to \$20 without reckoning the butcher bill. I have the butcher to pay and meat is an average of about 4 cents a pound dearer here.

Mr. LAKE.—Are you living on the same scale as in Ontario?

Mr. GOUGH.—Well, not as good. Down there if you wanted a chicken for Sunday you could get a good one for 60 to 80 cents, but here you pay \$2 or \$2.25. It is the same in fruit. Take apples, here you pay 25 cents for 3 pounds, and in Ontario you could buy a whole bag for 60 cents and sometimes they would give them away. And strawberries, where you pay 25 cents for two boxes here, you could get two boxes for ten cents there. It is the same with raspberries, currants and other small fruit. I have been married for nine years and know what housekeeping is. I could live twice as good in Ontario for the wages I got there, I was getting \$2.50 when I left there and I am only now getting \$2.50 with the western allowance which makes it \$3, but I could live far better there on \$2.25 than I can live here on \$3.

Speaking of superannuation, I believe it was put through that they expect a mail carrier to walk for 35 years before they put him off with a pension. I think that an injustice because a man working in an office has more chance of putting in 35 or 40 years than a man walking about the streets. I think for the mail carriers there should be a rule that a man who has been 25 years in the service or has reached the age of 60 years should be allowed to retire with a pension.

Mr. J. W. HARVEY, Penitentiary Accountant.—I wish to say a few words on behalf of the older men on the staff on the subject of superannuation. We wish to know if we are entitled to our gratuity in case superannuation passes. Take my own case. I have been eighteen years in the service, but suppose superannuation passes and I wish to take up the amount of gratuity due me, I am afraid I would lose it. It might be used to allow us to make up arrears on superannuation payments. It would take back to 1900 to pay arrears on my salary to make up superannuation.

Mr. LAKE.—You wish to say that if you came under the Act, the fact that you have already paid for gratuities should be taken into consideration.

Mr. HARVEY.—Yes. There are a number of men who if their widows and children could be taken into consideration in event of death would like to provide for them

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by going into superannuation and giving up their gratuity. It is a question we would like looked into when the time comes.

Mr. E. W. MONEY, Junior Despatching Clerk in the Post Office.—My salary is \$56.65 a month. You get that on appointment and after that if you pass the examination, you get an additional \$50 a year. We work nine hours a day. We also work every third Sunday each taking turns and we get nothing for that, and we have to work till 11 o'clock at night. By the regulations we are allowed to have all legal holidays, but in my position on the despatch it is impossible to take legal holidays, because if we did the mails would not go out.

Mr. LAKE.—Are mails distributed on legal holidays?

Mr. MONEY.—Yes, the same as other days.

Mr. LAKE.—Any distribution in the office?

Mr. MONEY.—Yes, the wickets are open one hour and there is one distribution by carrier, but those who work on despatch are tied hand and foot. You have to send the mail out.

Mr. LAKE.—Have you never been able to get your regular holidays?

Mr. MONEY.—No. I have been in my own case, only on six months.

Mr. LAKE.—Are you speaking for your fellow clerks?

Mr. MONEY.—Yes I am. There is another matter I would like to bring to your attention. A temporary man was appointed who gets \$2.50 a day and does not have to work on Sundays.

Mr. LAKE.—How long ago was he appointed?

Mr. MONEY.—Now about six weeks ago.

Mr. LAKE.—And he works the same as the rest six days in the week?

Mr. MONEY.—Yes, his hours are the same. He works six days in the week. It is no use my dilating on the costs of living, but from what you have heard you can see that what we are saying is correct. I could not live on my salary in town. I live on the other side of the river, and am thankful I do, for if I lived in town and paid rent I would starve. Our increase is only \$50 a year for the first three years, and I am not getting a living wage.

Mr. N. A. MATHESON, Sub-Collector of Customs at White Rock, B.C.—There is a matter I have been asked to bring to your attention. It is the question of Customs overtime. Our service pays for overtime 40 cents an hour.

Mr. LAKE.—What do you mean by overtime?

Mr. MATHESON.—That is work beyond the regular hours of service, after 6 p.m. and previous to 8 a.m. Following the regular hours of service you are allowed if you work ten minutes of one hour 40 cents and if you work the whole of the two hours you are allowed 80 cents. That is the maximum allowed for all night's work. If you worked the balance of the night you would be allowed no more.

Mr. LAKE.—If you worked all through the night you would be allowed only 80 cents?

Mr. MATHESON.—Yes, or should you have to work all one night and on the following night, you could charge \$1.60 making 80 cents for each night, though for the second night you could not charge anything for any work you did. The amounts you may charge are calculated monthly and you are held down to 80 cents a night except for Sundays when you are allowed to charge your regular service of 80 cents. I wish to make a comparison with the overtime paid the American Customs officers in their service. We are held down to 80 cents a night for the month, but in the American service if an officer works after six in the evening he is allowed \$3.50 for his services up till twelve o'clock, and if he happens to work after midnight he is allowed \$7 for his services. If a man was to go to work half-an-hour before twelve

and worked a quarter of an hour after he would earn \$7. He is not held down to any one day, but is allowed to collect the same rate day after day.

Mr. LAKE.—What are your regular hours for going on and coming off duty?

Mr. MATHESON.—Our regular hours of duty are from eight to six, but after these hours we have the Great Northern trains coming and going at all hours of the night, and it requires the attention of an officer to clear and inspect these trains.

Mr. LAKE.—You are supposed to be there whenever a train comes in?

Mr. MATHESON.—Yes. The department has a form we are supposed to fill showing the arrival and departure of each train. It has to be certified by the transportation agent of the company. In our case we have three trains going through after hours and besides we frequently have freight trains that come and go in the night as well. The Americans do not hold their officers down to any specific hour. They can work one day and earn \$7 inside the night of the same, whereas in our department we can only earn 80 cents a day.

Mr. LAKE.—You are not allowed to make more than \$24 a month overtime?

Mr. MATHESON.—Yes, that is only four weekly services. Sunday service is different. The weekday service is paid by the government, and our Sunday service is collected from the transportation company by our department.

Mr. LAKE.—And Sunday overtime?

Mr. MATHESON.—It is on the same basis as weekday, only we are allowed to charge 40 cents an hour for every hour actually worked in addition to the regular salary.

Mr. LAKE.—That is not counted under the limitation to 80 cents a night?

Mr. MATHESON.—No. In our case the Government pays all overtime except Sundays, but on the American side the parties requiring the overtime pay for it.

Mr. LAKE.—You are quite sure of that?

Mr. MATHESON.—Yes, I got it from their deputy collector at Blaine.

Mr. LAKE.—And is that amount collected from the railway at the point of entry?

Mr. MATHESON.—No. The statement is sent in by the agent each month to headquarters, and the Customs men collect it presumably at Port Townsend.

Mr. LAKE.—Do you know whether that applies to the steamship service also?

Mr. MATHESON.—Yes. To the steamship as well as the train service.

Mr. ALLEN, Inland Revenue Department.—Pardon me for speaking again, but there is one little matter I wish to touch upon. It is in regard to the provisional allowance and the way it is handled at the present time. At a meeting of our association it was suggested that the amount be based on a percentage of the salary paid. Suppose there was a percentage established. On the start it might mean a small amount to the lower salaried men, but as it stands now, the maximum is 50 cents a day to the lowest salaried men, and as you go up the scale it is reduced. I am speaking now of those in receipt of larger salaries of about \$100. They get \$100 whereas the man newly appointed gets \$150.

Mr. LAKE.—At what salary does provisional allowance cease in the Inland Revenue Department?

Mr. ALLEN.—At \$2,500. The way the Bill reads is to provide provisional allowance for all officers receiving \$2,500 a year or less. We consider that as provisional allowance was given to compensate for the difference in the cost of living in the west, it should be on a percentage basis. We have to live on a certain scale; we cannot help it, and it costs me correspondingly more to live than a man in my position in the east. In fact I was sent here, from a similar position in the east two years ago, and I figure I should be given an allowance on a percentage basis and with a minimum amount instead of a maximum amount.

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Mr. LAKE.—What percentage do you suggest?

Mr. ALLEN.—The association did not feel inclined to suggest that. We felt the department was in a better position to figure out the actual difference than we were.

Mr. LAKE.—Do you consider that provisional allowance should be given from the lowest to the highest, to all officials?

Mr. ALLEN.—Yes, because the idea was that provisional allowance should not cease until a man got a salary that would leave him a surplus. No salary in the Inland Revenue Department does that. Our highest salary is \$3,000. If a provisional allowance were arranged on the present basis our smaller salaried men would be drawing 15 per cent, whereas I would be drawing 5 per cent. I think the percentage basis would be the fairer way.

Mr. HARVEY, Penitentiary Accountant.—With regard to the penitentiary branch I would like to state that from the warden down our salaries are not in proportion to what other men are getting in this country, and if a living allowance is considered, our salaries should also be increased and a living allowance given besides.

Mr. LAKE.—I understand the provisional allowance is an allowance given to officials in the west over and above what the same officials get in the east, and I presume the same thing would apply to penitentiaries.

Mr. HARVEY.—A man getting \$56.33 a month is not getting the same salary as other men in British Columbia. I understand that from one end of Canada to the other penitentiary guards get this salary, but in the west a man ought to get an additional allowance.

Mr. LAKE.—By way of comparison can you tell me are there many constables employed by the city of New Westminster, and what do they get?

Mr. HARVEY.—Yes, I have not it in hand now, but can give it to you.

Mr. LAKE.—I wish you would.

Mr. HARVEY.—I will get the salaries paid to the asylum officials if possible, and the salaries paid to constables here and forward them to Ottawa.

The Delegation withdrew.

The Commission adjourned.

Held at Calgary, Alberta, in the office of the mail clerk service inspector's office, on Monday the 12th day of August, 1912, before Mr. R. S. Lake, Public Service Commissioner.

JOHN EDGAR JOHNSON, sworn, says:

I am a railway mail clerk for the Calgary district; salary \$1,300; received an increase last month of \$50; age forty-two years.

We have an association here which is of such a short duration, that it is hardly in working order, and our president is unable to come.

I came to Calgary from the London district a year ago last May. I have been here just a year and four months.

Q. Were you a mail clerk in the London district. A. Yes, I was transferred here.

Q. Holding precisely the position here as you did down there? Yes, exactly.

Of course, I may say that I am in perhaps a better position to give you points on the price of living than those who have lived here for some time, or they might be able to give you better views of the service as it is and has been in this district, and I have prepared a schedule of the prices of articles for living in Calgary at the present time, in 1912, and in London, Ontario in 1910. Those prices are taken, the London ones from a memorandum book of my wife which she used to keep there of all our expenses, and they are to the best of my knowledge and belief absolutely correct, and the ones here are in the same way, and they are prices taken from the daily market reports.

Q. Have you not got the prices which you are actually paying to your local tradesmen here? A. Yes, these are the actual prices which we are paying at the present time.

Q. But you said just now it was taken from the market report? A. Yes, but those are based—of course, there are certain articles that will go up a few cents from day to day, so that I have averaged these from the market reports and from our own expense accounts just as they are coming to us. At one time of the year, eggs and butter would be a good deal higher than in winter time here—the price is almost prohibitory to the ordinary man, so that I have put them just as they are at the present time.

Q. I understand the London prices which you have here are from your actual accounts? A. Yes.

Q. These are the prices which you give to your local dealers in London? A. Yes, in 1910.

Q. And the figures you have given for Calgary for 1912, they are the prices you are paying to-day? A. Yes.

Q. That is from your actual accounts? A. Yes, actual accounts. There are some things that vary. I have not put down the different articles. Take butter for instance. It went up as high as 50 cents and 55 cents a pound in the winter.

Q. How have you entered your butter? A. Just as it is at the present moment, that is from the daily market report.

Q. Is that exactly what you are paying? A. Yes.

Q. I want your own experience and not market reports that anybody can get?

A. That is my own experience. Why I mentioned market reports is this; these prices vary at different times of the year. I might put down 55 cents for winter and 35 cents a pound at the present time. I suppose we are paying less for butter now than we do at any time of the year. Now there are some things here, you will notice clothing—shoes, I have put it at twenty per cent increase at Calgary prices as to what they were in London. That, of course, is from my ordinary observation from buying clothes here and in London, and I consider we are paying twenty per cent more for clothing and shoes that I had to when in London.

Q. I see you have furniture 25 p.c. higher on this statement? A. Yes, and house rents, I have put a six roomed house at \$45.

Q. Is that the house you are actually living in at the present moment? A. I was speaking to my wife just before coming up, and she said the house next door which was identically the same as ours was rented at \$50 a month, so I have made a little difference, I am positive in saying we could get the same house as ours in London for \$18 a month.

Q. Did you own your own house in London? A. Yes, my brother-in-law is renting it at \$18 per month.

Q. Same sized house? A. One room more and hot water heating, and this house where I live simply has hot air.

Q. So that it is a superior house to what you are occupying at the present time? A. Yes.

Mr. DAVIDSON.—Does it take exactly the same time to get to your work from your house as it did in London? A. Yes, about the same time and it is the same distance away as my house in London.

Mr. LAKE.—Have you anything else to say? A. Yes, now I have made a statement of the actual amounts I paid to the grocer and the butcher in London, and the actual amounts paid to the grocer and butcher here in the fall of last year.

Q. Is this a statement of the cheques that you issued? A. Yes, which I issued to my grocer and butcher in Calgary and in London in the fall of last year, but I paid cash here. My wife was in hospital for some time and afterwards she just simply took things easily so that I paid cash for everything we got.

Q. And since that you have been paying how? A. By cheque.

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Q. So that the comparison of the cheques you paid for the same months of the year in London in 1910 with the comparison of the cheques you paid in Calgary in 1912, appear on this statement? A. Yes, on this statement and I verify those from my cheque book, and they are absolutely correct.

Q. This statement shows that from your personal experience with the sums of money which you have paid for groceries and meat in London for the months of December, 1910, and January, February, March and April, of 1911, amounted in all to \$101.59? A. Yes.

Q. While for the months of December, 1911, and January, February March and April of 1912, while living in Calgary, you paid a total amount of \$160.85 for groceries and meat? A. Yes.

Q. Was your family exactly the same size in both cases? A. Of course I have two boys, they are growing up, and there should not be that difference. Another thing I neglected to put in there, I had no vegetable garden, we bought directly from the grocer, and here we have a vegetable garden, so that this summer we have bought very little from the grocer.

Q. In London you bought all your vegetables and here in Calgary, you have been able to raise some of them? A. Yes, you notice tomatoes. Last week my wife bought some, and she paid 20 cents a pound—well, they are a luxury at that rate. In London, I suppose, in the month of March we are getting imported tomatoes for 15 cents or 20 cents per lb.

Q. When you came west, did you receive any increase to your salary? A. Well, a provisional allowance; when I came here I was given \$120 a year—a provisional allowance in August.

Q. Is that \$120 more than what you were receiving in the east? A. Yes, and in August of last year I received an increase in salary on account of my case examination, \$50 a year, that is the regulation increase.

Q. Would you have received the same increase, had you been in the east? A. Yes I might say when I received that \$50 increase, my provisional allowance was immediately cut down to \$70 a year.

Q. What was the reason for that? A. I had reached the maximum salary, the old maximum salary, which was \$1,200 per annum.

Q. For which a provisional allowance of \$120 was given? A. Yes.

Q. So that although you have passed your examination entitling you to \$50 a year, as a matter of fact you did not get that \$50? A. No, I received it but lost it on my provisional allowance.

Q. And next year when you get your regular increase again, then you should be receiving an additional fifty dollars again that will be deducted from you out of your provisional allowance? A. Yes.

Q. The net result is that although you have been promoted from the \$1,200 scale on account of your having passed the special examination you will not receive any increase in salary until the third year? A. That's right; it is a case of robbing Peter to pay Paul; putting it in one pocket and taking it out of the other.

Q. The position as I understand it is; that the clerk that is appointed at \$800 per year gets a special provisional allowance for work in the west of \$120 per year? A. Yes, up to \$500 or less \$120 per year.

Q. After he passes the \$800 mark he gets a special allowance of ten per cent of his salary in lieu of the \$120? A. Yes.

Q. After he reaches \$1,200 the provisional allowance practically ceases? A. Yes, it decreases until it does not exist.

Q. What other allowances do you get? A. None whatever; of course there is our mileage, we get half a cent a mile between eight in the morning and eight in the evening.

Q. For every mile which you travel? A. Yes, and a cent a mile from eight in the evening until eight in the morning.

Q. Is that the rate you received in the east? A. The same exactly, yes.

Q. So that your move from London to Calgary has made it much more difficult for you to live on your salary? A. It certainly has; my mileage runs here are longer, and I make considerable more mileage than I did in the east, but it is altogether eaten up by the increased expense of living.

Q. The only improvement is in the amount of mileage fees? A. Yes.

Q. Even with that increase do you find that you are to-day in as good a financial conditions as you were? A. No, I am not; I can safely say my finances to-day are not as good as they were in the east.

Q. Have you anything you would like to say about the work? A. Yes, I have made a few notes, one of our greatest increases in living in the west is our travelling expenses; in my own London district I hardly know of a run where the clerks are away from home at night; there are very few of the runs where the men have got to buy more than three meals a week from home, while on our runs here; I am on the shortest run on the main line myself; Moosejaw to Calgary, the shortest time I am away from home we have two meals on the train going east and we pay fifty cents for our bed for about four hours in Moosejaw. We get a lunch there which is a short order lunch, the lightest you can get is thirty-five cents; what I usually take is corn flakes and some toast and a glass of milk, or something like that, and it costs thirty-five cents, and a special order costs from forty-five to fifty cents, and on the trip out we have two meals on the train and sometimes three; it depends on how you are feeling, but the expenses on the trip travelling in the west are altogether higher than the expenses of an ordinary run in the east. Some time ago, I have forgotten who brought the matter up, it was suggested to us that we ask a rate on the dining cars of the C.P.R. of twenty-five cents a meal. I may say that rule has been in existence as long as I have been on the road; on the Grand Trunk and other roads. The mail clerk when he could find time could go to the diner and get his meal for twenty-five cents: I have done it on the Niagara Falls run, yes, so that that is not a gift by the government, but is because we are considered by the railway companies as railroad men that we get that rate.

Q. You get that here? A. Yes, and in the east; another thing about that dining car rate is from my personal experience here it is absolutely impossible for a man to leave his car and go back to the diner and get his dinner or his supper, whichever it may be, without neglecting his work. That is my own personal observation and I am sure it will be backed up by many of the clerks.

Q. How do you manage it? A. We have given up the dining car altogether; I don't know of a clerk who has been in a dining car for some months.

Q. Simply because you could not do it and carry on your work? A. Yes, simply because we could not do it and carry on the work satisfactorily.

Q. That is on account of the great increase in the work? A. Yes, I have noticed a great increase in the work.

Q. Do you find it difficult to get through your work? A. Yes, I have said to Mr. Davidson, the inspector here; work in the west here is nothing but slavery.

Q. A continual grind all the time? A. Yes. I have a statement here of my last trip; it is as follows: we left here about four hours late and we got into Moosejaw three hours and twenty minutes late; that was at 7.40 in the morning. We had to be on duty at ten o'clock at the post office and in the meantime had to get a lunch before leaving. We got into Calgary on the return trip the next morning at 5.30. On that round trip neither my assistant nor myself had more than one and one half hours' sleep in the round trip of two nights and a full day.

Q. And altogether you only had that much sleep? A. Yes, and I will say that in that time I don't consider—leaving the sleep out of the question—that we had two hours' rest in any shape or form, not even to sit on the chair, in fact the chair was piled at the baggage end of the car, so that the work is simply up to date slavery at the present time.

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Q. Is there any way of remedying that that you can see? A. I can't see it; it is worse I think than before; the country is growing so rapidly and it is getting worse.

Q. Would more cars do it? A. More trains on the different lines, of course, would remedy it in a way; more branches opening up and more post offices put on.

Q. Would additional clerks solve the difficulty at all? A. Yes, if we had a proper car; at the present time take the ordinary crew of three mail clerks, they take up all the room we have in the cars doing their work.

Q. So that you could not really accommodate an additional clerk at the present time in the present car? A. No, the car should be enlarged in some way.

Q. Is there anything else that you would like to say? A. In this district, as in others all over Canada, I am sure it is not confined to this district alone, the system of fining clerks for irregularities. To my mind that is not conducive to good work; I look at it in this way: the average clerk if he feels that he is doing his duty and he makes a mistake and is fined for that mistake, in 99 cases out of 100, for a while at least, he will not do as good work and he will try and average up on that fine. I have looked into this question in a way and I find that the big railroad companies have a system of merit and demerit marks. The trainmen will perhaps get black marks for some offences. Those black marks may be wiped out by him giving better service or some extra service in some way or other, and I think in the Railway Mail Service if something of that way were organized or instituted, it would be better.

Q. What are the mail clerks usually fined for and what is usually the amount of the fine? A. A day's pay for carelessness or disobedience of instructions. Of course, there are lots of cases I admit where the clerk should be fined or something done to them to bring them to the straight and narrow way.

Q. But you think the system is wrong to deduct the pay, do you? A. Yes, the average clerk may feel that he is doing his work carefully and well, and if he makes a mistake even through a little slight carelessness and is fined for it in many cases, he feels, "I will get back at them."

Q. Don't you find that the very long hours you have just spoken of are conducive to making a man make mistakes? A. I have had one or two cases of being overtired and making mistakes, but Mr. Davidson, the inspector here, has been very lenient. The cars at the present time has outlived their usefulness and should be improved upon; they might have been practical cars ten or fifteen years ago, but at the present time they are not.

Q. Are you speaking of the ones running out of Calgary? A. The large cars on the main line, the standard cars.

Q. Are the Railroad Company building the same car? A. Yes, but I may say the letter case and the rack for sorting the mail are satisfactory; they cannot be improved on at the present time and they are satisfactory, but there is absolutely no provision made for storing of registered matter or taking care of the registered matter en route. Our cases are built in such a shape we have to use them for both ordinary letters and registered letters and so on—those are all the matters I wish to bring to your attention, for which I thank you.

Witness retired.

ALBERT ADDISON LAKE, SWORN, testified.

Examined by Mr. Lake:

Q. You are a railway mail clerk? A. Yes.

Q. How old are you? A. 28 years old.

Q. What is your salary? A. Salary \$700 a year and in addition to that I get the provisional allowance of \$120 per annum.

Q. You have passed the examinations and are on the permanent list, I suppose?
A. Yes, for the last five years.

Q. What salary did you come in at? A. At \$400.

Q. Have you had a regular annual increase since then? A. I think I missed one because I was out of the service for a year and I missed one increase of \$50.

Q. Now what have you got to say? A. In the first place, I say my salary is not sufficient at \$700 a year; I have a few notes which I have made which I would like to bring to your attention. About five years ago I was appointed to the railway mail service at a salary of \$400 a year; I have been drawing a regular increase of \$50 a year every year since, except the first year when I received a \$100 increase and every year since then \$50 with the exception of the one year I mentioned when I was out of the service. I think it was last year there was an amendment to the Act that clerks starting in the service should commence at a salary of \$500 a year and an additional \$120 provisional allowance, so that the clerks starting in the past year have more than \$100 a year more than when I started.

Q. You have no objection to that have you? A. No, but as far as I am concerned I think my salary should be increased \$100 a year to bring me up to the same standard.

Q. If it was necessary to give them an additional increase you think it should be fully as necessary to give you one, is that it? A. Yes, more so, because I have had more experience. In addition to that, the Act provides that the increases which used to be \$50 be made \$100 per year until the salary of \$800 a year is reached, after which time the increase is dropped back to the old sum of \$50 a year. We old clerks take part in that, I am glad to say. I think, and I believe that a man should have that \$100 increase every year until the maximum salary is reached. It should not be dropped because by the time I have been in the service long enough to receive \$800 a year; take the average man who is usually married and in all probability he has a wife and family to keep, I think instead of losing that \$50 a year he should have another \$50 added to it. He is getting old and has a family to keep and more expenses increasing daily, but his salary drops by this scheme. I don't think that a man, after he has been in the service for 17 or twenty years, I think 17 years is the time he gets the maximum salary, I do not think that \$1,400 is enough for that man per year; 17 years with one company is a long time to work and it is not a business where he can draw a steady dividend, and I think he earns every cent he gets, except under the retirement fund.

Q. Are you under the retirement fund? A. Yes, I would suggest that the maximum salary be increased to \$1,800 a year to enable him and his family to save at least a few cents until a rainy day.

Q. How would you compare that suggestion with the suggestion that there should be a superannuation fund? A. I know very little about that fund but if it means any more money for a man I would rather like it.

Q. Instead of giving your five per cent to the retirement fund it would go to providing an allowance when you attain a certain age which would be sufficient to provide for you after you have passed years working. A. That depends I suppose on the age; what age would it be?

Q. The age of 60 or 65 has been mentioned? A. That is the usual age.

Q. Have you anything else to say? A. Mr. Johnson was talking about the mileage not being sufficient and gave one example; I have another one, for instance. Take a trip to Calgary to Edmonton; you are away two days and there is the cost of two meals on the train and two meals in Edmonton and one bed in Edmonton, at a total cost of \$2.50. The total mileage for this round trip is \$1.92.

Q. How many hours are you working? A. About seven and a half or eight hours a day. Eight hours going up and seven and a half going down.

Q. Anything else? A. I think the government ought to afford to give us extra men for holidays and sickness. The Act says, we are entitled to 3 weeks holiday every

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year providing we have behaved properly in the discharge of our duties. At the present time we have to double to get those holidays. We have to go out one day sooner and that gives us one day less in town, therefore we take one man off our crew and let that man go on holidays and in the meantime we are getting one day less lay off in town. Under these circumstances we are not getting our holidays at all; we are getting our time off which we have been doubling and when we have earned that lay off to my mind it is not strictly speaking holidays.

Q. What are your actual hours of work? A. Practically about 15 hours a day. Say, leaving here and arriving in Moosejaw, a run of about 14 hours, one practically works all the time; we lay off in Moosejaw for five or six hours if the train is run on time and we come back, and the run back is about 16 hours, so that the round trip is 30 hours.

Q. And in addition to that you have to be on duty an hour before the train leaves? A. Yes.

Q. At both ends? A. Yes, and about an hour at each end after the train comes in which makes a total of 33 hours about.

Q. This means that there is 33 hours work in how many days? A. In practically five days, but the work is continuous for every night and day for that time you must remember.

Q. Have you anything more to say? A. In regard to transportation during holidays; at the present time we can't get a pass to go to any place on our holiday. We used to get a pass years ago from our superintendent to travel and take our holidays on the coast, but at the present time I understand we can't get a pass, and the most we can get is a pass on our own division only. I would request that during our holidays we could get a pass to travel for the three weeks during the year, and that some arrangements be made to do that.

Q. Have you anything else to say? A. Yes, that is as to positions that are open, such a post office inspectors or assistant post office inspectors or any position that is better than we have.

Q. Have you any position to which you aspire at the present moment? A. Yes, sir, I have.

Q. What is that? A. I have so many.

Q. What does the average mail clerk look forward to that he could possibly get if he comes to it at all? A. The mail clerk does not get anything unless he has a political pull.

Q. What position does his training fit him for or what might he get with proper promotion, postmastership of sub-offices or assistant post office inspector or superintendent of Railway Mail Service? A. There are no positions in the Railway Mail Service except mail clerk and Railway Mail Superintendent.

Q. Is that right? A. That is all.

Q. There isn't much scope for ambition then? A. No, the minute you come into the service ambition is lost.

Witness retired.

JOHN EDGAR JOHNSON, recalled.

Examined by Mr. Lake:

Q. How long have you been in the service? A. 23 years.

Q. What is the average length of time the average mail clerk is able to remain in the service? A. That is a hard question to answer, sir, I have known clerks who are younger than myself who have absolutely collapsed through stress of work; there are three men in the London, Ontario District whom I knew personally and who simply broke up.

Q. About what age? A. They would be perhaps from 40, 45 to 48.

Q. Do you personally know any man who was able to stay for more than 25 years in the service? A. Yes, I know of one man in the eastern district who was 38 years on the road; he was quite an active man but he was an exceptionally fine specimen of a man.

Q. Can you give me any other instances of men who are able to continue in the service anything like that length of time? A. Very few. I think this man O'Marra of the London District is practically the only one I know of.

Q. Do you know of any others of 30 years of service? A. There are very few who reach the superannuation age of 60 and who are any good for anything at all afterwards. I am under the Superannuation Act and I have seen the thing so often that men who would be superannuated would die off quickly, not in one case but in several cases.

Q. Then you think the work actually plays you out physically? A. Yes, the work is simply a physical hardship, there is not any getting over it. We come in off our runs absolutely tired out body and soul.

Q. Will you be in favour of giving a large percentage of your superannuation fund to your wife on account of your death before you are entitled to it? A. Yes, in addition to the superannuation under which I am working I have a Civil Service insurance of one thousand dollars, but there is one hardship about that that a man under a Superannuation Act has to pay one per cent more towards the Superannuation Act to get that insurance and I could never understand that; I have written to the Superintendent of Insurance about it but I got no satisfactory reply. Clerks will not take it up on that account; there are clerks that live to be 60 years of age in the Railway Mail Service and draw superannuation afterwards.

Q. Do you think that it would keep the men in the service better? A. Yes, I think superannuation or pension would keep men in the service better.

Q. Is it a service that is changing very much; do you think that railway mail clerks leave very often? A. Mr. Davidson, the inspector here, can give you that better than I can; clerks come in for a few months and they find work is hard and find that they can get better salaries in mercantile offices.

Q. Think it is exceptionally hard work? A. Yes.

Q. How long do you think it takes a man to become efficient in the work? A. That depends on the man; some clerks become good clerks in two years and others it takes several years to become efficient.

Q. Have you any suggestions you would like to make that you think would improve the service generally and help to keep the best men in it and make it more sought after? A. Well, until the salaries are raised to such a rate that the Post Office Department or the railway mail service can compete with the ordinary business houses we cannot expect to get a first-class lot of new clerks.

Q. As a business proposition if you were able to command the best men you could find do you think you could actually do with fewer clerks? A. I doubt it here under the conditions in the west; I doubt it very much. If I was not under the Superannuation Act and I was offered within three or four hundred dollars of my present salary I would quit in a minute and I will doubt about giving the Department notice either.

Q. The superannuation is keeping the men in it? A. Yes, I think it does. But if I could improve myself in any other commercial line I would leave the service immediately because the chances are better outside.

Witness retired.

The Commission adjourned.

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12th of August, 1912

8.30 p.m.

Deputation of the Letter Carriers' Association waited upon Mr. Lake.

E. J. FUSSMIDGE.—I think there should be an age limit to be pensioned off on, and that it should be 60 years of age. The letter carrier is not much after that age and cannot do any other work.

Q. Then you will be all in favour of a superannuation system if it were a satisfactory one? A. That is if they don't want too much of a percentage of our money stopped.

Q. By way of suggestion, if they still continue to stop 5 per cent as they do for the retirement instead of a superannuation fund, which would you choose? A. We don't know what the pension would really be, and, supposing we were in the service for 20 or 25 years and they were stopping 5 per cent of our money we would have a considerable sum to draw when we quit, combined interest is going, and after about 15 years that interest doubles; we were all talking it over and we didn't come to any settlement about it and I wouldn't like to do anything until we spoke to you. At our Federation Meeting I wasn't instructed to say anything like that because we never expected you here until this noon, so that we haven't had a chance to talk it over with the other letter carriers at all.

Q. I don't want the expression of a definite opinion on the subject unless the details of the Bill proposed were before you, but I would like to know if a superannuation system would meet with your approval? A. I think the way we are going on now would be the best.

Q. That is the retirement system? A. Yes, and we would get our money when we quit; we know it is ours then.

Q. Is that a statement of the general feeling? A. I think that is the consensus of feeling, the retirement fund. A man might be pensioned off at 60 and only live a year and he would lose all that money that was paid in.

Q. Have you seen the Power's Bill, introduced into the Senate? A. No, sir.

Q. Have you anything to say as to the cost of living? A. I would like to say at the present time the letter carriers are not receiving a large enough salary; a man starts at \$2 a day and after the first month he receives \$2.25 and after that he has to wait two years before he gets any additional increase; that is not sufficient at all for a man to live on, that only amounts to fifty-five or sixty dollars a month to start in at including the provisional allowance, making it about sixty-three or sixty-four dollars a month; of course that rises up to \$2.75 a day and \$15 a month allowance, that is the limit.

Q. That is after how many years' service? A. After six years' service on the permanent staff.

Q. Give us your reason for saying it is not sufficient? A. My reason for saying that is because living has gone up so high in the west. Seven years ago I was single and I could get board and lodging for four dollars a week and now you can't get board and lodging under thirty dollars a month.

Q. Is there any single man here this evening? A. Yes, here is Mr. Goldberg.

SOLOMON GOLDBERG says,

Examined by Mr. Lake:

Q. What are you paying for your board? A. \$28 a month but I am living with my mother.

E. J. FUSSMIDGE says,

Examined by Mr. Lake:

Q. Well, go on Mr. Fussmidge? A. I am a married man and out of my money I have to pay \$30 a month rent for a five room cottage and then my bill for fuel and wood amounts to, taking it summer and winter, eight dollars a month.

Q. How far from the post office is your property? A. About a mile and a half; it is out at Sunnyside. I have to walk in every morning to get here by six o'clock and it takes me half an hour to make it and you cannot get anything around here cheaper than that.

Q. When did you first commence renting a house? A. 27th of February this year.

Q. So that you cannot make comparisons to what it was seven years ago? A. Yes, it was cheaper then.

HERBERT RACKHAM says,

I was married four years ago and I was renting a four room cottage at \$15 a month.

Q. How far from the post office? A. Just inside the mile circle. And to-day I am living two miles from the post office and I pay \$30 a month for a six room house, of course I have three children and that makes a difference so I have to have a larger house.

E. J. FUSSMIDGE says,

You take \$30 a month rent and \$8 for fuel and the electric light bills \$2 and that makes \$40 a month and the water bill is \$3 a quarter over that and then of course I have to insure myself and wife; that is another two dollars and as to the rest I have to buy food and clothing for ourselves; of course, we cannot save anything from that amount; that comes to about \$45 a month; I am one of the highest grade men here because I am now getting \$72 a month.

Q. How long have you been in the service? A. Five and a quarter years; I have been here since the delivery started; that is all I have to keep myself and wife on, and then of course we can't have any children on that money because we never have the money to start in to have any children; it costs one hundred dollars to start in at to have children and I was never able to save that much to start in at so that you can see a letter carrier at the top wage is not getting enough salary and we don't get any luxuries out of that sum.

ROBERT POULTNEY says,

I have been married ten months and it is an awful struggle to get through.

Q. How long have you been in the service? A. One and a half years roughly speaking.

Q. What salary do you get? A. Two dollars a day and fifteen dollars monthly allowance.

HERBERT RACKHAM says,

Pick and shovel men in the City of Calgary to-day get thirty cents an hour.

Q. Does he work ten hours a day? A. Eight hours a day and bricklayer's labourers get 37½ cents an hour and boilermaker's helpers get 32½ cents an hour for a ten hour day.

FRED. G. BUSHEL says,

The city police were originally receiving a salary of \$75 a month and they requested a raise in their salary on account of the extreme cost of living here and the

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City Commission granted them a raise to \$80 a month to begin with leading up to \$100 a month.

Q. What hours do they work? A. An eight hour day.

Q. In case of sickness do they still receive their time? A. Yes, sir.

Q. You know that? A. Yes, sir, but we don't receive sick pay in case of sickness.

HERBERT RACKHAM says,

Suffering from infectious diseases I think we are entitled to pay.

Q. What hours do you work? A. We work eight hours and some times ten hours.

SOLOMON GOLDBERG says,

It is supposed to be an eight hour day but it is very hard to get the work in in an eight hour day; some days you only work seven and a half and some nine and Monday you will work full two hours more than on another day and you work according to how heavy the mail is but we are supposed to work eight hours a day.

Q. Have you anything to say about the increased cost of rent, anything definite to say in regard to the increased amount of your bills for eatables, groceries and meats?

HERBERT RACKHAM says,

Beef in Calgary used to be twelve and a half cents a pound five years ago; now it is 18 to 20 cents a pound and mutton is away up to 24 cents a pound and that used to be 18 cents a pound.

Q. Do you find the same increase in groceries? A. Yes, sugar has gone up the last year to \$1.25 for 20 lb. sack and it used to be 85 cents a year ago; butter is now 35 cents and you could get it for 25 cents winter and summer too, and it is now 40 and 45 cents a lb. in the hard winter.

Q. With this great increase in the cost of rents and living and so on how do you manage to make both ends meet? A. I only got forty-five before this last raise to fifty I did not get a big wage then as I do now and I find it is as much trouble to-day as it was then and that extra fifty cents makes it about level as to what I was getting at that time and I do not think I am any better off to-day; of course my family has increased but I am on the same footing as I was at the commencement and I am a post officer carrier now and I do not think I am any better off.

Q. Do you take as many roasts of beef as you used to? A. Well, I live just as good, I guess.

T. J. FUSSMIDGE says,

Q. How do you manage? A. I have to rent two rooms at \$15 a month; that pays off my rent but of course that house is not really my own you see, I can't really do as I should like to do; if I could afford to live as I should do.

Q. Is that a common thing among the letter carriers? A. Yes, sir, very common.

Q. Do they let their spare rooms? A. Yes, sir; when the men start in they have to live in shacks; they can't afford to pay the rent; which is unhealthy for them and a letter carrier should be able to live in a house and keep his health in order to do his work.

SOLOMON GOLDBERG says,

I think there are at least eight or ten carriers living in shacks at the present time.

Q. Single room shacks? A. I wouldn't say that.

E. J. FUSSMIDGE says,

I know one man living in a one room shack and he has three children, and he is trying to cut down his expenses to try and pay so much down on the lot and build for himself, but he has to live that way in order to do that; he has to stint himself and live on bread and butter all the time; he can't go in for two or three roasts a week.

Mr. LAKE.—Anything else along those same lines?

FRED. G. BUSHEL says.

F

I don't think we can explain any more than the views expressed by Mr. Fussmidge; I think that is the consensus of opinion.

HERBERT RACKHAM says,

Take a married man in a confinement case, the doctor's fees are \$25 and the nurses' fees are \$15, and apart from the nurse you have to have some one in the house to do the ordinary work and that is from \$12 to \$15 for the two weeks, and of course you are feeding them all the time; the nurse and the other lady assistant in the house and I think that about \$100 for a confinement case is a pretty good estimate and nothing to waste, and only being fair to the people that are there, and that is not doing things on a large scale.

SOLOMON GOLDBERG says,

In regard to proving the high cost of living I have a brother in the butcher business; I know he used to be able to buy meat wholesale for from 4 to 6 cents a pound, and the same meat to-day he has to pay 8 and 10 cents all the year for; of course it fluctuates a little. Where he paid from 4 to 6 he now pays from 8 to 10.

Q. What have you to say to make the service better, outside of the increase in salaries; have you any suggestions to offer? A. That is wages so that the men would stay on the job.

Q. The question of permanency of men?

E. J. FUSSMIDGE says:

We figure if a man started in at \$70 a month and he received \$5 a month rise, after six years he would be receiving \$100 a month, I think that would give a man some encouragement for stopping the six years; that would be able to keep him there and he could be able to bring up his family decently on that. That is what the police are getting now, and I think we are doing better service than the police.

Q. Am I to understand from that you want a monthly rate? A. If we had a monthly rate we would get paid for sickness on a monthly salary; on a daily salary no person can claim for sickness; in the old country they can claim their salary for sickness on a monthly salary.

Q. Is that one of the points, you want to make a monthly rate instead of a daily rate; do you think that would improve the conditions? A. I think my brothers here would agree to that.

SOLOMON GOLDBERG says:

I don't see what difference it makes with us if we get a monthly rate or a daily rate as long as we get the salary up to a certain point.

Q. What holidays do you get? A. Two weeks per year and for six months you get one week if you are on the permanent staff. I was on for 11 months and about 26 or 27 days and I got one week's holiday.

Q. Do you get a bonus in addition?

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E. J. FUSSMIDGE says:

Yes, take ten days or the twenty dollar bonus.

SOLOMON GOLDBERG says:

I don't know how that is; I took the extra ten days last year but I didn't get any salary for the ten days, but I got the bonus at the end of the year and then again we had to be recommended for the bonus by good conduct.

E. J. FUSSMIDGE says:

For bad conduct we wouldn't receive the ten days or \$20 bonus; it is subject to recommendation by the postmaster.

Q. In your experience has he exercised that discretion fairly? A. Yes, sir, he is a very fair postmaster. There is only one man who had his bonus stopped; he had \$15 stopped for bad conduct.

Q. Did he deserve it? A. Yes, sir, of course he was the only man I know of who had his bonus stopped.

HERBERT RACKHAM says:

For a permanency I don't see there is anything against superannuation to make a man keep his position; it is something to work for and if he has done from 25 to 30 years service it is something to look forward to.

Q. Would you prefer that to retirement? A. Yes, sir, I do; I mean the same thing as they do in England; after 25 years service it entitles them to 75 per cent of their wages.

FRED G. BUSHEL says:

As regards the permanency I wish to second Mr. Rackham on the superannuation scheme, and about the carriers leaving the service so young in this western country, perhaps more so than the east, there are such heavy roads out here and the real cause of men leaving so often is on account of the heavy work.

Q. The city is extending and you find that your rounds are possibly extended? A. Yes.

Q. Are there not new appointments made to keep up with the growth? A. No, sir, and a short time ago there were three excellent men left on account of not being able to do it.

Q. How long do you reckon it takes a man to be able to deliver letters properly? A. Quite three months; he can deliver mail after he has been in the office a fortnight but he can't develop a trained memory in less than three months.

Q. So that in losing these men there is a distinct loss to the public? A. Yes, a distinct loss to the public and to the service, sir.

Q. For the reason that they have to become proficient? A. Yes.
The deputation withdrew.

Committee of the Postal Clerk's Association appeared before Mr. R. S. Lake, Public Service Commissioner.

(Not representing the association only, but all the clerks employed in the Calgary post office).

WILLIAM LEE, sworn, examined by Mr. Lake, testified:—

Q. What is your position and your salary? A. Third class clerk, grade B, salary \$800.

Q. Does that include your provisional allowance? A. No, that is \$180 a year.

Q. Well, what have you to say? A. In regard to living expenses, you no doubt are aware that the living expenses here are very high in comparison with any other

city in the Dominion of Canada. They are extremely so; the time I have had to get statistics on the living expenses in Calgary has been short, and I have table of the living expenses made up which shows what it cost a working man to live in Calgary for living expenses for one year; I may say that this is a very conservative estimate; this statement was published in the press; it is a clipping from our Calgary papers.

Q. I suppose, gentlemen, you have all read these and are prepared to endorse this as a conservative estimate? A. Yes, sir, and the largest item is house rent; just \$35 a month, which is a very moderate estimate for the five room cottage, of course there are a great many of us not living in as good a house because we cannot afford to do so.

Q. You think \$35 a month is a moderate estimate for a five-room cottage? A. Yes, for a fully modern one.

Q. I would sooner you would speak of your own experiences, because that carries more weight than just statements of this kind? A. I didn't have time to prepare a table very well, but I am living in a house of my own; I didn't get this house by money saved while in the Postal Service.

Q. When did you enter the Postal Service? A. Four years ago.

Q. Can you make a comparative estimate for what it cost to rent that house four years ago from what it costs to-day? A. Yes, sir; four years ago that house could have been rented for twenty dollars, but now thirty-five dollars.

Q. Have you kept a good lookout upon your household bills, can you tell me roughly speaking, what your bills come to? A. I didn't keep them very carefully, but I suppose I know in a general way what the prices are compared to a few years ago; the price of sugar from five to seven cents a pound, and milk has gone up from 8 cents to 10 cents a quart, and meat has risen to almost double the price it was three years ago, the price of fuel has risen considerable, I should think at least 20 per cent in the last three or four years.

GEORGE JOHN SCOTT says:—

Examined by Mr. Lake:

Q. What class clerk are you? A. Third grade B, salary \$980 per annum, service five years last July; five years ago when I came to Calgary sugar could be bought for ninety to ninety-five cents for twenty to twenty-five pounds; to-day that same will cost me from \$1.25 to \$1.35 according to the bargains which one has to look for. During the week you have to pay at least \$1.40 for the same sugar; coal has gone up, we could get coal at that time, fairly good coal at six dollars per ton; to-day you can't get it unless you pay eight or nearly as high as nine dollars a ton. If you buy the Pennsylvania hard coal, that is as high as \$14, but that is out of the question; and during the winter months a man that has any children, and I have two, you have to keep fires going night and day, sometimes for a month, probably two months without a break, and, during that time, a man will burn at least two tons of coal per month, because he has to keep a good fire; fruit is very high here I do not think it is as dear in any place in this country; apples at this time are three pounds for a quarter. If a man's wife makes a pie out of them she has to go some; she can't use too much apples to make a good pie; plums are sixty cents a basket for five pounds, and comparing this with what they were five years ago you could get those same apples, six pounds for a quarter.

Q. At the present season of the year? A. Yes, you could get good apples at this time.

Q. Are you speaking from your own experience? A. Yes, sir, and as regards house rent the place I rented in Calgary was a flat up over a store; we paid for the four rooms \$12 per month and it wasn't fully modern. Just a lavatory and

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wash basin, that's all, and that same place to-day is renting for thirty dollars a month. When I moved from that place we moved out into a small house in the suburbs and no conveniences, no water or sewer in the country, we paid \$10 for it.

Q. Where is that? A. Hillhurst, it is in the mile and a quarter circle now, and that house to-day made modern is renting for \$35 a month and the man who pays \$35 has a poor chance for living. You could buy good meat for ten cents a pound then and now you have to pay twenty or twenty-five cents a pound.

Q. With your increase in salary do you have to live in a similar house? A. It just copes with it and it is only a four room house; it was only two rooms but we put in an addition and we have four rooms and a bath room and that is after five years' work and we had to stint ourselves. A man has to pay \$100 down on it and the rest has to go to pay for it in rent. A man has to stint himself and not only himself but his whole family to make him able to pay his rent. It is sheer pluck that makes a man do it and nothing else. In that statement there it says one quart of milk a day for the whole family. Now, at the present time you can't keep my family on that; we have to have more.

ALLEN D. AITKEN says:—

Q. What class clerk are you? A. Clerk, third class, grade A, \$900 with an additional \$180.

Q. How long have you been in the service? A. Six years in the coming December. I find it takes a clerk entering the service now under the new law which became effective on April 1, it takes a clerk seven years to reach a salary of one thousand dollars which isn't anything I consider having five years' service.

Q. That is from the date of his entry? A. Yes, without the provisional allowance, and after the salary reaches \$800 the annual increase is dropped \$50 a year between five and eight hundred dollars. This hundred dollars a year drops to fifty and I consider that a man needs his hundred dollars after the three years' service as much as he does before it.

Q. Does that come as a regular matter of course? A. Yes, to get the \$800 now a man has to pass the Civil Service examination; a man can get third class clerkship on the preliminary examination which takes him from five to eight hundred dollars; that is the third class period.

Q. He can't get any further than eight hundred dollars without passing a fresh examination? A. Yes.

Q. What is that examination? A. Qualifying examination.

Q. Provisional or literary? A. Qualifying examination.

Q. Does he pass the examination in the duties of his office or a literary examination? A. No, a literary examination; the preliminary examination is only made in case of test but the qualifying examination is a more difficult examination along the same line.

Q. Have you anything to say in regard to that question, the second examination, as to its needs? A. As far as this city is concerned I don't think it is necessary; it is necessary if there is very great competition, but I think an examination of the man's work would qualify him more than an educational examination. A man may be a good scholar but not adapted to post office work.

Q. In your opinion the examination for the highest grade should be based more on a man's fitness for the duties of the office? A. Yes.

Q. Than on his educational proficiency? A. Yes, I don't know that I have met men here but I met them in post office work; they might be very good scholars and able to pass any examination but they could not adapt themselves to post office work like others who could; then the provisional allowance which is \$180 a year, fifteen dollars a month, I consider it should be raised to three hundred dollars, making twenty-five dollars a month. The difference in living here and in the east is all of that three hundred dollars a year.

Q. What has been your experience in the east? A. I have not had any experience there; I only know from statistics that I have read.

Q. Can you speak from personal experience? A. No, I can't because I have never lived in the east; then under this new Bill the senior third-class and a junior and a senior second-class clerk were reduced in grade to suit the salaries they received from the first of April this year, while a first-class clerk's salary was raised to suit the grade which I think is not right. On the first of October last year, I was receiving \$900 as a junior second and on the first of April I was put back to third-class, grade A.

Q. What was the reason for that? A. I don't know it reads in the Bill that became law on the first of April; I forget exactly what it is.

Q. That all clerks receiving \$900 or less should be rated at such and such a grade? A. Yes, all clerks receiving from \$500 to \$800 are third-class B, and clerks receiving over \$800 to a thousand are third-class grade A; \$1,000 to \$1,200 are second-class grade B and so on.

Q. Your actual rating before this came into force was what? A. Junior second class, and I am a third-class grade man.

Q. Is this a re-naming of the grades? A. What they term re-classification.

Q. You say you were a junior second-class clerk? A. Yes.

Q. Had you been made such by any particular instructions? A. There is a departmental examination set for the clerks every year and if they pass this examination they are entitled to an increase of fifty dollars; that was in the old Act, and when they reach a certain salary they were promoted to the grade that carries that salary and my salary was raised to \$900 on the first of October last year, which was the minimum salary for that class.

Q. Were you under the old Act entitled to an annual increase? A. Yes, \$50.

Q. From \$900 up to what? A. From \$1,000 as a junior second-class.

Q. Has the new classification prevented your receiving the same increment? A. No.

Q. You will, still under the new classification be able to rise by fifty dollars a year to a thousand? A. Yes.

Q. All you lose is in the title then? A. No, not only that but I consider it was not fair to this class I am speaking of when the first-class clerks instead of being rated as seniors they were given one clerk in the office; we have only one first-class clerk here and his salary was raised two hundred dollars to bring him up to the minimum salary of his class, and instead of us having the increase to bring us to the same salary in our class, we were re-classified and reduced a grade to save the salary.

Q. Did that happen in many cases besides your own? A. Yes, sir, there were four.

Q. Did that happen in any of the other classes? A. Yes, the third-class senior clerks who were receiving \$800 from the first of January are now junior thirds, that is grade B.

Q. Quite apart from the naming of your class, is this reorganization going to better your condition in the future? A. I don't know; what I don't understand is, whether it will be possible for us to reach the salary of one thousand dollars if I will be classified as a junior in the second-class grade B. If I can get my second-class that I had last October I won't lose any money by it.

Q. Can you go from the third class where you are now to the second class without passing another examination? A. So far as I know.

Q. It doesn't appear that you cannot? A. No, I can't see any mention of it in the new Act.

Q. Have you anything more to say? A. When a clerk is sick in this office for a few days or a week or a few weeks that time is deducted from his salary for the month that he is sick.

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Q. Is that a permanent clerk? A. Yes, it isn't deducted permanently but he gets it back on the recommendation of the postmaster; if the postmaster certifies that he was properly sick; he has to recommend it and the authority comes from Ottawa that the man be paid; it is very seldom it is refused but my point is this: I do not think that it is right that the postmaster should use his discretion in not paying the man; it is a hardship for a man to have to wait for two week's wages.

Q. It is a hardship for a man to have to wait for a salary for a month? A. Yes.

Q. What you feel is that the procedure should be otherwise, until the man gets his pay? A. Yes.

Q. If the postmaster discovers he wasn't sick? A. Yes, if he discovered that, he wouldn't recommend him to be paid anyway, and I also think that legislation should be produced for providing superannuation for Civil Service employees. I think if a man spends his life in the government employment until he is 60 years of age I think he should be pensioned, but I don't altogether agree with a man buying his own pension as he does now. At least he doesn't buy it but he has five per cent deducted from his salary as retiring fund and the Finance Department pay four per cent compound interest on this five per cent of his salary and I do not think a man should have to buy pension that way.

Q. You think the pension should be re-established and the retirement fund done away with? A. Yes, and the pension re-established.

Q. Would you object to having the five per cent being still paid to the pension fund? A. Yes, I don't think it is fair for a man to buy his pension if he spends his life in the Postal Department or any other branch of the Civil Service; I think he is entitled to a pension. If he puts in ten years' service I think he would be entitled to something, but if he left before ten years he wouldn't get anything; I think a pension should be established. If a man contributed five per cent of his salary of course his family would reap the benefit.

Q. If his family should reap the benefit do you think a man should pay for it? A. Yes, to allow the five per cent deduction, but if it is for a pension that the family don't reap the benefit of it, if he should die; I don't think he should have to pay for it.

HUBERT HOLDEN says:

Examined by Mr. Lake:

Q. What class clerk are you? A. Third class, grade B; salary \$980 a year which includes grade B provisional allowance.

Q. How long have you been in the service? A. Four years.

Q. What have you got to say with reference to these matters? A. I may say in the Civil Service Act there is no definite time stated what a man's work is supposed to be; it is not set down whether it is eight hours or nine hours a day.

Q. How long are you called upon to work? A. Eight and a half hours.

Q. How do you arrange about night work and Sunday work? A. The night work keeps on until they are cleaned up and probably two days a week will cause a man to put in another two hours' overtime each night.

Q. In the post office you have to have men employed nearly all of the 24 hours, don't you? A. Yes.

Q. How do you arrange that; do you take it in shifts? A. Yes, they change them around once a month; the day staff and the night staff.

Q. Tell me exactly how it is done if you can? A. The day staff would come on at 6.30 in the morning and work until 8 probably and take half an hour off for breakfast and come on again and work until probably 12.30 and one and one-half hours for dinner, and work through until they are cleaned up at night, which is probably five o'clock or sometimes a little later.

Q. The same staff of men that came on at 6.30 work until five o'clock? A. Yes,

Q. And if the work is not cleaned up they work later than that? A. Yes.

Q. When does the night staff come on? A. The majority of them come on at six o'clock and work through until two o'clock in the morning.

Q. And the post office is then closed from two till six? A. No, there are three staffs; there is another staff comes on at 11 and works through till seven.

Q. Without a break? A. Yes, sir, but they get half an hour for lunch; not to go out, because they bring their food with them.

Q. Each of you have to take it in turn to take one of these shifts? A. Yes.

Q. You also have to put in a certain amount of Sunday work, have you not? A. Yes.

Q. Does that mean when your turn comes for Sunday work, you work the seven days a week? A. You have your Saturdays off in place of Sunday. You come on Saturday night at eleven and work until Sunday morning.

Q. The only Sunday work starts at eleven o'clock on Saturday night? A. Yes.

WILLIAM LEE says:

I am on the despatching staff and we are called upon on alternate Sundays to work from four to five hours; it just depends on what work we have to do, but we have that time given back to us some day during the week when it is a little slack.

HUBERT HOLDEN says:—

In regard to my remarks as to hours, my complaint is that you are constantly being kept longer hours, it is not exactly complaint but it would help us if we saw it in the Bill, what you were supposed to work; we would be more satisfied; some of the staff think eight hours is the regular time and some eight and a half and at the least we put eight and a half hours in.

Q. Do you ever find that you are able to get away under eight hours' work? A. No, sir.

Q. As a matter of fact you are working eight hours and a half or more each day? A. Yes, sir, that is on the day time and there is another question in regard to overtime at Christmas time. Christmas time or the week before and two weeks after Christmas each man will average five hours' overtime for three weeks; that means a matter of ninety hours overtime for three weeks which is not recognized; we do not get any remuneration for it nor get any time off for it; another point is this: Now we come from home at half past six or seven when it is dark and through living in the suburbs we can't go home to meals and we have to bring our dinner with us and when we have to work overtime we can't get home to get our meals and it is ten cents extra for car-fare and by the time we get home it is too late to have a supper because it is bed-time.

Q. You get no remuneration in any shape or form for the extra time worked at Christmas? A. None whatever, sir.

Q. And in this office you find it averages ninety hours extra every Christmas? A. Yes, sir, that is a conservative estimate.

Q. That is based on your experience of four years? A. Yes, sir

GEORGE JOHN SCOTT says:—

With regard to meals which we have to bring along with us, there is no convenience in the building for us to make any tea or anything for us to drink; we have to drink cold water and in cold weather that is not very inviting.

Q. You are speaking of Christmas time? A. No, sir, all the year through.

Q. All the year through you have to bring lunch with you, for the night work especially? A. Yes, sir, night work and day work until we are through. On the city staff some nights we may get through by a quarter to two but during the latter half of the week, from Thursday or Friday we have to stay here until half past two and sometimes I have stayed here until four o'clock in the morning and during that time

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we have had nothing warm to drink; we have a meal room down stairs which is not very inviting; as a matter of fact it is not fit to eat in sometimes.

Q. You have a meal room down stairs? A. Yes, there is a place they call the meal room.

Q. Is there a cook stove in that? A. No, sir, there is not a place we can cook anything on in the building.

Q. The meal room is where you are supposed to go and eat your meals? A. Yes, sir, there is just the table and two forms; but there is no stove and we would like, when the new offices are built, which are under consideration, to have a private place erected so that at all times when we are here for meals we will be able to go down and cook a meal if necessary. With regard to transferring senior clerks from eastern offices to western offices; during the last two years there have been several senior clerks transferred to the Calgary office which I consider—

Q. From the inside service? A. No, sir, from the outside service.

Q. From the outside post offices? A. From Toronto, they are mostly from. They are senior to us as regards service, well, at the same time we consider it unfair and unjust that they should come to the Calgary office and take positions which we consider should come to clerks in the office here. There were several clerks transferred here, senior seconds and junior seconds and at the time they were transferred here there wasn't a clerk in the office at as high a grade as that and before our clerks who had been here five to nine years can reach the top of the first-class clerk they have to wait for these men to die or be pensioned; it is practically waiting for a dead man's shoes. At the present time there is only one first-class clerk and we do not see any future benefit in store for us when these clerks are being transferred to this office.

Q. Have you any clerks in this office who have had considerable length of service outside of those brought in? A. We have two clerks of eight years' service, I think.

Q. Have you had any of your clerks transferred to outside offices to get better positions? A. No, sir, not that I am aware of.

ALLEN D. AITKEN says:

I think, considering the additional responsibility of the money order clerks, performing such duties, postal note and postal stamp supply branch which we have in Calgary, I think we should receive additional remuneration and more so than a clerk who has no responsibility.

Q. At the present time are those duties performed by a third-class clerk? A. Yes, we have in the money order department to-day three clerks receiving only five hundred dollars a year and there are two or three receiving seven hundred dollars a year; of course, they have their provisional allowance in addition to that but these men in the money order business stand to lose money and they have lost money and they have to make it up out of their own pockets. The man who has charge of supervising the whole money order department gets nine hundred dollars a year like myself and that is all and he is in charge and responsible.

Q. Do you happen to know whether a responsible position like that is held in any of the other offices of this size by an officer of the same rank? A. I don't know, sir, but I think they should receive more on account of their responsibility. The registration clerk has a great responsibility too.

Q. What is the head of that branch? A. Third-class clerk.

Q. Receiving what? A. \$900.

WILLIAM LEE says:

I wish to say, speaking for myself, that the treatment we have received from the postmaster and his assistant, we are more than pleased with it; they have been more than friends with us and treat us very fine in the office.

Mr. LAKE says:

Have you anything to say in regard to the first entry in the service if it was open to competition?

Mr. G. J. SCOTT says:

I think it should be all open to competition.

Q. You think it should be open to competition? A. Yes.

Q. Do you think there are sufficient candidates who would go in for competition?
A. Yes, sir, I think there would be sufficient candidates who would apply for admission into the Civil Service if there was open competition.

Q. How much leave in the year do you get? A. Three weeks.

Q. How many temporary clerks are there in this post office? A. Eighteen.

Q. What is the number of the whole staff? A. 34, including letter carriers.

Q. I am speaking of the clerks themselves? A. There are 18 temporary clerks and it is a staff of 84.

Q. How long will they have to remain temporary clerks? A. One year and they will be dispensed with unless they pass the Civil Service examination to preliminary qualify.

The committee withdrew.

The Commission adjourned.

13th of August, 1912.

Deputation from heads of departments appeared before Mr. R. S. Lake, Public Service Commissioner.

Those present were as follows:—

D. A. Bruce, post office inspector; G. King, postmaster; H. G. Graham, inspector of customs; T. F. English, collector of customs; W. E. Talbot, Dominion timber lands agent; G. D. Davidson, superintendent Railway Mail service; X. Saucier, inspector of Inland Revenue; R. W. Fletcher, collector of Inland Revenue.

Mr. G. C. KING says:

I think it would be a good deal better to bring the outside service into the inside service because, by doing that you would get better men for the service; men who would be better qualified for their work than you would be at the present time. If you happen to want five or six clerks you get applications from parties who are particularly friendly to those applicants and although you don't feel like taking them in you can't refuse to do so hardly and I think if these positions were thrown open you would get a better class of clerk than at the present time.

Q. Do you think you would have a sufficient number of young men offering themselves? A. Yes, I do, if the proper salary was paid.

Q. Do you think you can get candidates?

Mr. DAVIDSON.—I think so under the conditions of Mr. King's suggestion; if they were paid enough money we would get the candidates all right, but they would have to hold their examinations in the west instead of in the east, that would have to be one of the conditions.

Q. Would a general Civil Service examination provide the men who are wanted for the different branches of the service here, or would you have to have a number of different examinations for each particular branch of the service?

Mr. BRUCE.—There might be some difficulty at first in getting men, but that would be only for a short time until there would be plenty of candidates for the positions; I agree with Mr. King that it would very much improve the service.

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Mr. TALBOT.—In holding examinations would candidates be appointed from the local district in which they passed the examination, or would a man, if he passed an examination in Ottawa, be sent out to Calgary, or the man who passed examination in Calgary be sent down to Ottawa?

Mr. LAKE.—I would rather not answer any questions of that sort, for I am more anxious to get your views than to express my own.

Mr. H. C. GRAHAM.—I would imagine, generally speaking, the candidate who wrote on that examination would naturally prefer to be appointed somewhere where he held his examination; it is assumed his home is near there. That wouldn't be universal, but it would be general.

Mr. LAKE.—Do you agree with the views given as to the advantage of throwing the service open to competition? A. I agree with it, but there might be a possibility at first of an insufficient number competing. I think in the past the number of men applying has been less than it would be, owing to the fact of not being able to hold the position and also the smallness of salaries offered by the government, and it is a well-known fact that business service is better for young men and recognized as better by them than government service.

Q. With regard to what you say in regard to continuing to hold their positions, what do you mean? A. I am not referring to any particular one; there is always a feeling abroad by young men coming into the position that there might be an alteration from time to time.

Q. Owing to political changes? A. Yes.

The inside Civil Service, since the Act of 1908 is supposed to be actually taken

Q. The inside Civil Service, since the Act of 1908 is supposed to be actually taken particular way at all; it does exist in the minds of young men entering the service. I have had smart young men working for me in 18 years' service and they have told me they were getting too little wages and would prefer to go into a commercial house as a commercial house would advance them according to their merit and ability, but if the outside service was placed in the same position as the inside service and salaries adjusted I think you would have plenty of men applying; that is my opinion.

Mr. BRUCE.—If a man enters the service under the third division he passes the examination for the second division, he is surer of promotion than under the old system; he has an opportunity of competing with the others for the higher grading, but under the old system it was impossible for a man to get promotion except after long years of service.

Mr. ENGLISH.—I agree with what has been said.

Mr. R. W. FLETCHER.—I agree with what has been said also.

Mr. LAKE.—Mr. Bruce spoke of the man who had entered the first examination passing on to the second examination for promotion to the higher division. I would like an expression of opinion in regard to that examination, whether in your opinion it should be a literary examination or one purely in regard to the duties of the office. A. Well, if a man is to compete with outsiders, as it is under the present Act it would have to be to some extent a literary examination, but I do not think it should be confined to a literary examination and I think the duties of the office should be very largely taken into consideration.

Q. Some of you gentlemen have had experience already, I suppose of young men entering and being some time in your employ who were not able really to pass a literary examination and get promotion to the higher grades; do you think in such cases it is really necessary to prevent them from rising by insisting on a literary examination, or would it, in your opinion, be to the best interests of the service simply to examine them to see that they were efficient in the duties they would have to perform? A. I think they should be efficient in their departmental work.

Mr. DAVIDSON.—I think their duties, and solely on their duties.

Q. You think it would be better to lay the principal stress on their duties? A. Yes, it is whatever would be required in their duties.—I think if it could possibly be arranged that the examination should be largely along the line the applicant was working upon and would be better than general examination, and I think a man applying for the Customs or Post Office should have an examination for that particular kind of work. The Customs Department recognize this to this extent; they put examinations for men for positions for inspectors who did not take the Civil Service examinations. The examination which these men have to take is purely and entirely on the matter of customs work and it refers to nothing else at all.

Mr. KING.—I think as far as the post office work is concerned they could do away with that qualifying examination altogether.

Q. That is for post office work? A. Yes.

Q. Not for entry? A. Not for entry; and after a year or so a postmaster should know whether he is capable of doing his work, and a man should be examined merely on the work in which he is engaged, and if he is found suitable he should have his appointment accordingly, and I have found that myself in the office downstairs where I have good men doing faithful work in certain parts of the office where they are not able to handle the other parts of the office, and some of them are not able to pass this examination which I think is totally uncalled for in the help that we have to place in the different offices.

Mr. BRUCE.—I agree with Mr. King that the recommendations coming from the office should be more considered than those from outside.

Mr. LAKE.—I understand, Mr. King, that after first entry the examination should be mainly on the duties of the office, is that the idea?

Mr. KING.—Yes.

Mr. DAVIDSON.—In the mail service they have to pass that examination each year before getting an increase: it is not a written examination, but it is the same as a written examination because the evidence of the examination is right there before you.

Mr. LAKE.—What is the minimum salary that a clerk should enter the service at in Calgary?

Mr. KING.—I would say that no young man, if he is capable of entering the service, should receive less than \$75 a month.

Mr. DAVIDSON.—And if he is working outside like the railway mail clerk he should have \$80 a month on account of the additional expense in being out of the city.

Mr. LAKE.—Do you all agree on the \$75 minimum salary? A. Yes.

Mr. DAVIDSON.—Do you include allowances in that?

Mr. KING.—The \$75 a month includes the provisional allowance and that is only about \$54 or \$55 at present.

Mr. TALBOT.—I should think \$75 would be the minimum without allowance; the clerks in the land office have no allowances.

Mr. FLETCHER.—I quite agree that the minimum salary should be \$75 a month.

Mr. LAKE.—Do you think a young man entering the service should be able to get along on \$75 a month? A. I think so.

Q. But you do think it requires that much to enable him to live? A. Decidedly so.

Q. Do you think there should be an annual increment coming to the clerks year by year, and if so, how much?

Mr. TALBOT.—That is a question whether you would get the best results; if a man would work hard enough.

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Mr. DAVIDSON.—The report of the officer in charge in our department has to go in for an increase to any person.

Mr. TALBOT.—That would be subject to the recommendation of the head officer.

Mr. LAKE.—When I speak of the annual increment I mean it as contrasted with the system of giving increases purely on the recommendation of the head of the branch and at the discretion of the minister; there are two systems: One is the annual increment granted on the certificate of the head of a branch, that the clerk is doing his duty properly. On the other hand there is the system under which officials are not entitled to a regular increment but have to ask to be recommended for an increase. I want your opinions in regard to these two systems?

Mr. BRUCE.—There is one difficulty about the system of annual increments: it is looked on as a sort of cast iron arrangement and it is almost impossible to get a man a larger increase. We have had one or two cases like in Mr. King's office where one or two bright young men have left the service because they could not get any more than the annual increment and it was too slow for them. If there could be a little more elasticity in making increases where an exceptionally good man is found and could advance more rapidly it would be a good thing.

Mr. LAKE.—Would't that be met with promotion by section which I think is the rule almost universally applied?

Mr. BRUCE.—We haven't found it to work out that way.

Mr. DAVIDSON.—I was told in one case they couldn't skip classes and that was the way to get a man more than what was coming to him, fifty dollars a year; that was what they held out. One man was recommended for more than the actual increase recommended by law. I have done it in cases and recommended that he get more increase.

Q. But you haven't recommended that he be advanced to the higher grade? A. What I wanted to get for him was more money and I thought I would figure it out as best I might: I was told I could not skip classes and he had to wait year after year until he got it.

Q. Which of the two do you think is the best? A. I think if they put a little of the other into the annual increase system it would work better. Of course I think the annual increase system is the better of the two.

Mr. LAKE.—The idea I wished to suggest was that a man who showed exceptional ability in his duties might be selected for a higher position.

Mr. BRUCE.—The trouble is, that although it might be possible for a man to get promotion from one class to another, it is very difficult to get promotion sometimes, and at times it only means a very small increase; for instance, a man in the third class he may be in the maximum of the third class and the next increase in the other class would be very small and he would skip the other class altogether.

Mr. LAKE.—In the post office you have regular annual increments? A. Yes, the clerks have to pass promotion by the post office inspector every year.

Mr. FLETCHER.—I have no information on that question. In the Inland Revenue Department no man is entitled to an increase until he passes the Civil Service examination, and until he passes that he can't get his increase at all.

Mr. ENGLISH.—I am inclined to have the system adopted the same as by the mercantile houses; if they get hold of a good man he is given a stated increase in the year; it depends on his own ability and if he proves a good man he gets a good increase; and if you haven't a good man he doesn't get an increase; it remains with him whether he stays with the firm or not, and in that way you get rid of the poor man and get the good man, and I think that system would work out in the government service in the same way.

Mr. LAKE.—Doesn't it occur to you in an ordinary mercantile business a man is more under the actual view of the head of the mercantile business but in the government service he is very far away from the minister? A. Yes, I know that; but the minister would have to depend on the information given him by the head of the department immediately over the man interested; it would be impossible for the minister to know the capabilities of the man in the service personally; he must depend on the information given him by the superintendent of the department.

Mr. LAKE.—I think that just at this stage it might be worth while in getting a general statement as to each different branch of the service represented here; as to the conditions under which the other employees enter and how they get their increases and salaries, the vacations they get, years of service and so on, because I think there is a difference between a great many of the departments. We will begin with the Post Office Department.

Mr. KING.—Under the Act under which we are working at the present time a man's salary when he first commences as a third-class clerk, grade B, he starts in with a salary of \$500 a year and \$180 provisional allowance, and he gets an annual increase of \$100 a year up to \$800.

Q. To \$800 with a provisional allowance in addition? A. Yes, the salary would be the \$800 after he had passed; if he got no higher in that class and he would get the additional provisional allowance of \$180 besides. And before he could go any higher he must pass his qualifying examination before he gets any rise in salary under the present Act.

Q. If he passes that examination what class does he go to? A. He goes to the third class, grade B, with his salary just the same, but with an annual increase only of \$50.

Q. And then promotions to the high divisions accordingly? A. After two years he would get a general second class.

Q. With what salary? A. He would get a salary of one thousand dollars a year with provisional allowance.

Q. Any annual increases in that class? A. He would get an annual increase up to \$1,400.

Q. Well, of how much? A. \$50 a year.

Q. What vacation is he entitled to? A. Three weeks' vacation and they work eight hours a day, sometimes eight and a half hours.

Q. Do they have to contribute to the retirement fund? A. Yes, all of them, five per cent.

Q. Do they have to give bonds? A. The government take their bonds.

Q. The government pays for the security of these bonds? A. Yes, deducting fifty cents every half year.

Q. The government pays it, but deducts it from the clerk's salary? A. Yes.

Q. And they make a deduction in the clerk's salary every six months of the fifty cents? A. Yes, I think it is that.

Mr. BRUCE.—It is twenty-five cents for each one hundred dollars worth of security per annum.

Q. Do the same conditions prevail with the clerks under the post office inspector?

Mr. BRUCE.—Yes, the clerks do the same.

Mr. KING.—Yes, I think that is right; I think the last grade is third division, grade B. I am not sure, I think the promotion from grade A to B, the salary goes up to one thousand dollars in grade A in the second division. The salary in grade B goes up to \$1,200 and not \$1,400. Second grade A goes up from \$1,200 to \$1,400.

Q. These provisions prevail under the inspector's department also?

Mr. BRUCE.—Yes, the clerks in my office are not under bonds as they are in the post office.

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Mr. DAVIDSON.—The clerks in my office come under the same as just what has been said.

Q. That is the clerks working in the office? A. Yes, the railway mail clerk starts in at \$500 a year with annual increases of \$100.

Q. Do they get a provisional allowance in addition? A. Yes, I will give you that afterwards, to \$800, and after \$800 the annual increase is reduced to \$50 per annum and that obtains until \$1,400 the maximum is reached. In addition to this, allowance of one cent a mile between eight p.m. and eight a.m.; the miles travelled in the postal car on duty between eight a.m. and eight p.m. the rate is a half cent a mile. The provisional allowance of \$10 a month is granted between the salaries of \$500 and \$800; over \$800 the allowance is reduced to ten per cent of his current salary up to \$1,200, and it disappears as the increases are paid over \$1,200.

Q. What it actually does is, as soon as the salary reaches \$1,320 it disappears altogether? A. Yes.

Q. And what about vacation? A. Three weeks only.

Q. Allowed on full pay? A. Yes, sir, of course, sick leave is also allowed on recommendation of the officer.

Q. Is that the case too in the home postal service, sick leave is allowed? A. Yes.

Q. Do the railway men give bonds? A. Yes, they do but I cannot tell you what the bonds are; they are in the same condition as the others.

Q. They have to pay for them themselves? A. Yes, the department deducts something for it from their pay but I can't tell you what they deduct.

Mr. ENGLISH (Customs).—It doesn't appear to be any definite amount of salary at which the clerk can enter the Customs. That is governed largely on the duty performed, for instance, just an ordinary clerk is now starting at \$900 a year, while an appraiser would start at \$1,200 a year.

Q. Let us take the clerical salaries just now that is the clerks in the office. A. The clerks now start at \$900 a year.

Q. With an annual increase in salary? A. Apparently they get it on a recommendation from the inspector or I suppose from the collector and inspector jointly, but there is no stated amount. It is left with the Commissioner, I think, to name the amount of the increase.

Mr. GRAHAM.—Yes, the collector has, in some period of the year, to report on the staff, which report he gives to the deputy minister for the further consideration of the minister and from that the increases are usually made. There is no annual increase at all as I understand it; the increases are made at the discretion of the minister after considering this report.

Q. Are those increases made generally throughout the whole service? A. Well, so far as I know anything about the customs service, that is followed. A man is put on without any definite knowledge or assurance of increase.

Q. In practice he generally gets an annual increase? A. Yes, there is no automatic system though and he does not know what it will be, but he gets the increase after the minister has considered each office and he generally receives it after the report of the clerk in charge. That has been my experience.

Q. What is the usual amount of increase of the lowest grade of clerks? A. From \$50 to \$100 a year for the shorthand clerks.

Q. In your experience is the recommendation of the collector usually carried out? A. Almost generally so; sometimes it is varied.

Q. Is there any special provisional allowance?

Mr. ENGLISH.—No.

Q. Do collectors in the customs offices get the same rate of pay all over the Dominion so far as you know?

Mr. ENGLISH.—I couldn't say.

Mr. GRAHAM.—I don't know whether the salary is different in the other provinces or not; I think it is practically the same in all the three prairie provinces, but there seems to be no exact, uniform system, absolute uniform, about the salary, excepting they started in that way.

Q. With regard to other offices in the customs service?

Mr. ENGLISH.—Amongst the clerks themselves, there are no grades; they are all apparently on the same footing and receive increases each year.

Q. Do you not have first and second-class clerks? A. No.

Q. They are all classified as clerks? A. Yes, just as clerks.

Mr. GRAHAM.—The only difference so far as my observation goes is that all junior clerks placed in the customs service are placed as acting clerks, acting officers, that is a term used by our department. After they pass the examination which I alluded to they are placed on the temporary list, not the permanent list; then they are placed on the permanent list, but as soon as a man goes on the permanent list he can't see it makes any difference to his salary. He then, so far as I have observed, has no increase in salary, but he has certain privileges such as sick leave with a doctor's certificate and salary going on, he has the privilege of vacation only when he supplies a substitute at his own cost.

Q. Do you mean to say he has no vacation unless he supplies a substitute at his own cost? A. Yes, every time a clerk applies through his collector for leave of absence the leave is given him from his department but he must supply a substitute at his own expense and for whose acts he must be responsible.

Q. So that in theory the clerk gets no vacation unless he pays for it? A. Oh no; clerks usually double up on it, on the other man's work and he doesn't always supply a substitute because most of the clerks who have to supply a substitute would be able to take a vacation at all.

Q. What is the actual length of that vacation? A. Usually three weeks.

Q. What is the range of salaries that the clerks get? A. Hitherto most generally clerks are appointed as preventive officers and their salary in the time past has had a limit of \$1,000 a year.

Q. What about temporary officers? A. A man on the temporary staff has no vacation privileges.

Q. And if he misses a day's work he misses a day's pay? A. Yes, he is supposed to.

Q. Have you many temporary officers employed in the customs service? A. New officers are all employed as temporary officers under the term of temporary officer.

Q. Do they remain temporary officers? A. No, after a man has been in the service a year or so it is expected that he will write on the examinations and put upon the permanent list, but my observation has been I have known men to go on for two or three years without being examined; they having in past years not qualified by passing the examination. I might add that the temporary clerk gets no vacation and there is no reduction made from his salary for retirement allowance and he doesn't come under the retirement allowance until he gets on the permanent staff, and when he does he gets the five per cent taken off.

Q. What about the bonds? A. It is paid by the government.

Q. And not deducted from the salary? A. No, not for the last five years.

Q. That is a discrimination between the two services? A. Yes, you will find many differences in the policy between the two departments; it would appear that certain matters of that kind are left in the discretion of the different ministers.

Mr. TALBOT (Dominion Lands).—General clerks come in at \$780 and lady stenographers at \$600 and generally after being in the service a year on application, with a recommendation of the agent, they get an increase of anywhere from \$60 to \$120 a year. That is the general guide by the recommendation of the agent. \$60 is the minimum. If it is larger than that it is because of a stronger recommendation from the agent on account of ability and efficiency.

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Q. Are the agents asked at intervals to make recommendations? A. No, the clerks generally apply at the end of a year regularly.

Q. It is the regular established custom? A. Yes, they are supposed to get an increase after four years' service up to the maximum for certain positions in the office.

Q. What is that maximum? A. You take a general clerk, the maximum is about \$1,100 and an accountant \$1,200; senior assistant about \$1,400.

Q. Is there an examination required? A. No, no examination.

Q. From beginning to end there is no examination required? A. No, the clerks are advanced according to the ability shown for the different positions.

Q. Then in regard to hours of service and vacation? A. The hours of service from the first of April to the first of November are from 9 a.m. to 5 p.m. with one and one quarter hours for lunch; first of November 9.30 to 5 and vacation 18 days and sick 12 days without reduction in pay.

Q. If they are sick for more than 12 days they lose their pay? A. Well, it is reported. More than that is deducted from the pay as a rule unless it is supported by an application for sick leave and supported by a doctor's certificate. And there is a further grant of sick leave at the discretion of the minister without reduction.

Q. No doubt a man some time in the service it would be granted to? A. We had a man who died a month ago; he was on sick leave about three months without reduction in pay; he had been in the service a long time; we have two officers under bond, the accountant and he senior assistant, and the government pay for the bond and do not deduct payment from their salaries.

Q. And do the officers contribute to the retirement fund? A. No.

Q. No contribution at all? A. No.

Mr. SAUCIER (Inland Revenue).—We start at \$750 a year with an annual increase when they pass a qualifying examination.

Q. What time are they required to pass the qualifying examination? A. One of the difficulties we have they won't go up for examination.

Q. How long do you think they remain as a general rule, are there many officers who have been there a long time? A. Yes, I think we have some of them who have been four or five years there.

Q. And still receiving \$750 a year? A. Yes, they start at \$750 a year and don't get an annual increase until they pass the qualifying examination.

Q. When they do pass the qualifying examination do they get an annual increment? A. Yes, they go up to \$1,000 a year.

Q. Is there promotion from that to higher classes? A. No, not supposed to be. Then we have the excise examination.

Q. What can a clerk aspire to when he commences? A. He can't go beyond a \$1,000 a year; he is always a third-class clerk; he can't become an accountant or collector or deputy collector or inspector; he is always a third class clerk.

Q. What is the salary of an accountant? A. That is based on the class or the division, 1st, 2nd, 3rd, 4th, 5th and 6th class divisions, and that classification is based on the collections. A division that collects a million dollars a year is a 1st class; half a million, 2nd class. Our division here is just becoming a second class; it collects over half a million.

Q. What salary would your officials receive in that case when they become a 2nd class? A. Minimum 2nd class, \$2,000; deputy collector, minimum would be \$1,500; accountant, minimum would be \$1,200 and in addition to this the provisional allowance that they get in the west. No, I was including the allowance, \$750; \$600 is the amount plus \$50 allowance.

Q. Do all the officials get \$150 a year provisional allowance in the Inland Revenue Service? A. All the juniors do.

Q. Up to what salary? A. The \$600 people, they get \$150.

Q. Then later on, what then? A. The collector gets \$100, the inspector \$100; it started last year for the inspector and collector getting \$100.

Q. Up to last year it was only the juniors? A. Yes, the junior third-class clerk.

Q. And this year the inspector and collector receive that \$100? A. Yes.

Q. Would that apply to the accountant too? A. It would apply to him, but we have no accountant here.

Q. What about the hours of the service? A. 8 a.m. to 6 p.m. outside men and 9 a.m. to 4 p.m. for the office staff.

Q. And what about vacation? A. 21 days a year for all employees who have been one year in the service.

Q. Then there is no restriction on that; do they have to provide another man? A. No, no restriction on that, and in case of sick leave they have always paid them; we have had no difficulty in that respect at all; I don't know just what the law is; we have had men sick for months and as long as they furnished a medical certificate they have always had orders to pay them.

Q. In regard to bonds, do your officers give bonds? A. Yes, they all give bonds.

Q. And who pay for them? A. All pay for themselves.

Q. Is there a deduction made for them from their salaries? A. Yes.

Q. For the retiring allowance as well? A. Yes.

Mr. LAKE to Mr. KING:—With regard to the post office officials, they get a provisional allowance of \$180, do they not?

Mr. KING.—Yes.

Q. Does that not cease after a certain time? A. Yes, it ceases under the new Act after they are getting a salary of \$1,600 a year.

Mr. DAVIDSON.—With regard to the provisional allowance, I don't see why it should cease after they reach \$1,600 a year?

Mr. SAUCIER.—It is not so with us.

Q. What is your salary, Mr. Saucier? A. \$2,100 a year; that is the minimum of an inspector; \$2,000 to \$3,000; the maximum is \$3,000, but I have to start at the minimum.

Mr. ENGLISH.—A clerk entering the Civil Service gets \$70 a month; they have no system whatever in regard to annual increases, but when they grant an increase it is never less than \$10 a month; a clerk in the service about three years receives about \$100 a month and others within four or five years are getting \$125 a month.

Mr. LAKE to Mr. ARTHUR L. JENKINS.—Can you give us any information as to payment of salaries under the provincial government of this province? A. General clerks in the Land Titles office and other departments working under the provincial government start at a salary of \$75 a month and lady stenographers \$60 a month. At the end of each year the head of the respective departments recommends individual increases if deemed advisable. I am a court stenographer, and court stenographers in the province receive a salary of \$1,200 per annum, but of course rely entirely on fees for stenographic work which trebles the salary.

Mr. TALBOT.—I think a general clerk would get from \$60 to \$75 a month and they would get a higher salary very much quicker in commercial houses than in the government service, but when entering they would get from \$60 to \$75 a month and stenographers, of course, range according to ability. An ordinary stenographer would get from \$50 to \$60 and a good stenographer from \$75 to \$85.

Q. Do I understand there are female stenographers in the government service? A. They are not well paid; they start in at \$600 and the maximum is \$780 a year.

Mr. DAVIDSON.—We pay \$2.50 per day for a stenographer and the others are classed as clerks.

Q. And they get the same rate of pay? A. Yes.

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Mr. LAKE.—We have had a statement as to what the general clerks are getting. Is there any difficulty in retaining their services once they have entered the service and been trained.

Mr. GRAHAM.—I have found difficulty as a collector; that was before I was an inspector, in doing so. Bright young men would come into my office and work for me a couple of years and as I said before, because they thought the inducements were better outside, they left.

Q. And you consider that the service must suffer on account of that? A. Yes.

Mr. SAUCIER.—In the Inland Revenue Department I have found that the case also; they sometimes go off after they are qualified.

Q. Would you be prepared to say that you practically lose the best young men? A. Yes.

Mr. LAK5 to Mr. KING.—Would that apply also to the Post Office? A. Yes, it applies to that worse than to any other department in the Dominion; there isn't a month but that young men take positions in the Post Office Department and then get better positions with more money outside and my best men whom I have trained to do that work, smart young men and capable, they get something better outside and they leave the office. The post office service isn't very attractive to a well educated young man with the present salary given; as soon as you get a bright young man he is away from you the next week.

Q. Do you think that is one of the reasons or difficulties in obtaining efficiency in the post office? A. It is one of the greatest obstacles we have to cope with.

Q. It takes some time for a clerk to understand his duties? A. Yes, it takes a long time and so much responsibility rests upon it; it is a responsible position and a very poor pay, and as soon as he can relieve himself of that responsible position he leaves the post office employment and gets another better position.

Q. Do you find you have to give junior clerks responsible positions for which the pay is inadequate? A. Yes, junior clerks can only get the pay of their division and they are doing responsible work; in a commercial house the same clerk would be receiving \$75 a month and perhaps \$150 for doing the responsible work that he has to here and he is only getting \$75 a month.

Q. Would you say in a commercial house where he holds a responsible position they would raise a man's salary according to the work they were doing? A. Yes, I will give you an instance of a clerk who left me only a few days ago; he had been in the post office in Winnipeg and in Calgary. He was taking in from \$12,000 to \$20,000 a day and he was receiving a salary of \$900 a year and he had to be responsible for any losses and there is no fund except out of his own pocket to pay up that shortage; the best of us make mistakes and yet that man only received \$900 a year and simply took a chance of getting his twelve or thirteen hundred a year on passing the examination.

Q. Did this man you are speaking of get a better position? A. Yes, he started in at \$100 a month for one of the insurance companies.

Q. Is that the experience in other offices?

Mr. SAUCIER.—Yes, sir.

Q. You have to give junior clerks very responsible positions? A. Yes, sir.

Q. On small pay? A. Yes.

Q. What would be the best way of retaining good men in the service when you get them? A. Pay them well.

Mr. LAKE.—In addition to giving them a good salary there is the question of the increment; there is also the question of superannuation and any other suggestions you may wish to make; it is a big question but I would like your opinion. A. I think the question of the good salary is the greatest one and I think it is the greatest inducement at any rate.

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Mr. DAVIDSON.—What they find in the States, they haven't any superannuation there; their trouble is after a man gets to a certain age he isn't able to do his work properly and there are instances where they would be carried to their desks and carried away again after they do their work so that the would get their pay and I think superannuation would do away with that.

Q. Do you consider the superannuation system is going to remedy the difficulty I have mentioned; that is, of keeping men in the service? A. Yes, and also get rid of men on account of their age and ill-health.

Q. Would you put superannuation next after an adequate salary to begin with? A. Yes.

Q. Do you believe that, Mr. Graham, that superannuation would be a good thing? A. Yes.

Mr. TALBOT.—The Post Office Department is the least attractive position of the whole lot on account of the hours.

Mr. DAVIDSON.—The same with the railway mail service; Sunday or week day; day or night, it is just the same; and the post office is a 24 hours a day job; he is liable to be on in any of those hours.

Q. Any other opinions as to the best way of keeping good men in the service?

Mr. SAUCIER.—I agree with Mr. Davidson that superannuation would help a whole lot too.

Mr. LAKE.—You mean superannuation for all, and a man to become entitled earlier under the more trying job, is that what you mean?

Mr. DAVIDSON.—Yes.

Q. Do you think superannuation would have a strong effect of keeping men in the service? A. It wouldn't when they first came in, but the salary would and in a few years afterwards a man who knew he was going to get superannuation would be very loath to leave the service.

Mr. GRAHAM.—When I expressed the question of the salary I would like to amend my answer; I mean that a general system of superannuation would tend considerably toward keeping men after they have been in the service a long time. That is superannuation in preference to the retirement fund.

Mr. TALBOT.—I think that salary and superannuation would be a good thing; the salary would be an attraction first and as Mr. Davidson says, after a man has been in the service a few years the superannuation would be an inducement for a man to stay in the service.

Mr. LAKE.—That is your opinion too, Mr. Fletcher? A. Yes.

Q. Would you subscribe to that too, Mr. Bruce? A. Yes, sir.

Q. In regard to the question of superannuation Act V. the Retirement Act what is the opinion in regard to that, Mr. King? A. I think the Retirement Act should be done away with and Superannuation Act comes into force as soon as possible and I have been contributing to the Retirement Act for the last eight or ten years, and it amounts to about eight hundred dollars or one thousand dollars, and if I was to retire to-morrow that is all that I would get after 28 years service in the department.

Q. Previous to the adoption of the Retirement Act were you under superannuation? A. No, I was not under the Civil Service Act at that time, and it is only since the office has become a city office that I have come under the Civil Service Act, and I could have taken that same amount of money and put it in insurance on my life and if I was asked to retire that is all I would get for the service I have put in.

Q. Have you taken out insurance under the Civil Service Act? A. I was not aware I could take insurance.

Mr. GRAHAM.—My opinion, previously expressed, is I prefer to see the superannuation system take its place and the retirement system abolished and every one who has

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paid in to the retirement allowance fund be dated back, that is he be placed on the superannuation scheme the same as would be had he gone on on the retirement plan and the money that is paid in be credited to him on the superannuation scheme.

Q. Wouldn't you make that optional; it would be an arbitrary action; a man who paid for the retirement and intended to get out the next year? A. I don't intend to convey that impression at all; I think there should be an option; he should be committed to that. When those of us who are on the retirement plan we had no option, we were compelled to go on on the retirement system plan.

Mr. TALBOT.—I haven't had experience with either.

Mr. FLETCHER.—I think superannuation would be preferable to retirements.

Mr. LAKE.—State whether, in your opinion, the contribution towards a superannuation fund should be compulsory to all men from the moment they enter the service.

Mr. KING.—I think so myself.

Mr. GRAHAM.—It seems to me it should be; I would be glad to make it compulsory that every one going into the service should be placed under the superannuation scheme.

Mr. TALBOT.—I also think there should be a superannuation system and it should be contributory as well.

Mr. FLETCHER.—I am very strong on the superannuation system making my answer as brief as possible.

Mr. ENGLISH.—I am of the same opinion.

Mr. DAVIDSON.—I am still under the superannuation of the old Act.

Mr. LAKE.—Do you think it is a good system? A. It is as far as it goes.

Q. Would you be willing to increase that to five per cent? A. If it was arranged I wouldn't have to pay it all at once.

Q. I don't mean the back pay; I mean for the future? A. Yes, with a proviso that in case I die the wife should receive the pension, or any infant children.

Q. You approve generally of the principles contained in the Power's Bill, do you?

Mr. SAUCIER.—I think the superannuation is better than the retirement fund

Mr. BRUCE.—I am strongly in favour of superannuation.

Mr. SAUCIER.—In 1898 Mr. Fletcher here was given his choice and he has changed his mind now.

Mr. LAKE.—You elected at that time for retirement; you would be glad to relinquish your retirement claims?

Mr. FLETCHER.—Decidedly so.

Mr. LAKE.—Should there be a compulsory age for retirement, that is the next question.

Mr. ENGLISH.—I think 65 should be an extreme limit.

Mr. TALBOT.—I think so too.

Mr. FLETCHER.—I don't agree with you; I am 65 and I don't think I am a very old man.

Mr. LAKE.—You would all be in favour of an age limit? A. Yes.

Mr. LAKE.—I think that 65 was the limit fixed by the Power's Bill, and it was only in exceptional cases that a man should be allowed to remain until he was 70 years of age; you all agree with that? A. Yes.

Mr. BRUCE.—I think in addition to compulsory retirement a man should be granted permission to ask for retirement at an earlier age.

MR. DAVIDSON.—A man who has been in the service for 20 years and has had bad health and wanted to retire he should be given a less allowance and allowed to retire instead of keeping him on the string and letting him come back to work one day in the year.

Q. If a man is allowed to contribute for 20 years for the superannuation fund, should he then be allowed the privilege to retire with the superannuation allowance which would then be due to him?

MR. GRAHAM.—I think that is right.

MR. KING.—I think that is right.

MR. LAKE.—I take it for granted that a superannuation allowance should be based on the length of service? A. Yes.

MR. DAVIDSON.—The principle now is ten years, and it goes up to 35 years, and you can ask for superannuation any time after ten years, but you might not get it.

Q. You think a man should be allowed to claim it after twenty years' service?

MR. DAVIDSON.—Yes.

Q. Do you know any of the men under you who are of such an age that it would be in the interests of the service if they could retire with a superannuation allowance?

MR. DAVIDSON.—I have one man; I have recommended him for superannuation to-day; he applied for it himself.

Q. He came under the Superannuation Act? A. Yes.

MR. KING AND ALL OTHERS PRESENT.—We haven't any men under our departments.

MR. LAKE.—What have you to say about the cost of living?

MR. KING.—I can only speak from my experience; the last five or six years prices have nearly doubled, especially so in regard to meat.

Q. Taking expenses of living generally? A. Yes, you can't get canned tomatoes two for a quarter like five years ago and it is 25 cents to-day and meat which was 6 cents is now 10 cents.

Q. Do you find it in regard to groceries, bills are higher than they were before? A. Yes, take sugar: 90 cents a sack three years ago, and now it is \$1.25 or \$1.35; flour is 50 cents to 75 cents higher than it was three years ago.

Q. What about rents? A. Rents are very much higher than they are in the east; from my experience I have found men who were transferred from Toronto here who were paying \$18 to \$20 for a good-sized house and when coming up here, expecting to pay \$30, they have to pay \$50 or \$60 or \$65.

Q. For the same sized house they were used to living in? A. Yes, and not as good a house.

Q. How do they manage to get along? A. A married man, say drawing \$1,000 a year; he rents a house at \$50 or \$60; he lives with his wife and has one child; they lived in the sitting room and bedroom and they rented the other rooms for \$15 or \$20 a month.

Q. Is that a common practice amongst the civil servants? A. Yes, otherwise they couldn't pay the rents and live on the salaries they are getting when they have to pay \$50 or \$55 a month rent.

MR. GRAHAM.—That is universal from Winnipeg westward. Certain men are living in houses pretty near equal to their salaries and it is that way; my living expenses are fully 25 per cent higher than in the east and my rent is \$60 a month.

Q. Where do you come from? A. Brandon, and my experience is rents are 5 to 8 per cent higher in Calgary than they are in Brandon.

Q. Higher all around for all the other necessities of life? A. Yes.

Q. Including rents? A. Yes, there are a few individual items you might take out, but taking the whole thing it is quite 5 per cent and perhaps 8.

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Mr. TALBOT.—In the last five or six years the increase in the cost of living has been fully 30 or 35 per cent. Individual items have not increased that much but the general increase is 30 to 35 per cent.

Q. Speaking of the subordinate officials generally do they have to restrict their expenditure to live in a worse way now than they did a few years back? A. A married man has to rent some of his rooms in order to pay the rent.

Mr. FLETCHER.—I can't add anything to what the other gentlemen have spoken; I fully endorse what they have said.

Messrs. ENGLISH, SAUCIER and BRUCE.—We endorse what the other gentlemen said.

Mr. LAKE.—In regard to senior officials, how do your salaries compare to men holding similar positions in private establishments here? I would like this matter generalized is a way; I don't want to make it too personal; I suppose your positions are equal to managers of loan companies and branch banks, &c. A. I would say that in any town where there was a collector of customs he at least occupied a position of equal importance to any bank manager in the place and to bring the matter to our own door I would say that a collector of customs was occupying as important a position and he should have a salary as high as the bank manager of the city.

Q. Does he get as much? A. In some small places they don't get as much salary.

ARTHUR L. JENKYN, court stenographer, Calgary, says:

Bank managers are paid in outlying towns \$2,500 per annum and in the city from \$3,000 upward; their club fees are paid and in smaller towns are allowed house accommodation, fuel and light.

Mr. DAVIDSON.—The Canadian Pacific Railway officials are governed from Montreal as far as possible.

Mr. ENGLISH.—Having been claims freight agent here for several years I can state the salaries of a few railroad officials: the superintendents get \$3,500 per annum and general superintendents \$6,000 and other privileges and free house.

Q. Do they get fuel? A. No, they don't get fuel.

Mr. KING.—This is a statement of the revenue for the office for this last year and two years previous. The revenue of the Calgary post office for the year ending 31st March, 1911, gross revenue was \$158,687.10; for the year ending 31st March, 1912, the total revenue was \$229,147.97. Making a comparison between the letters handled at the post office during the week ending the 10th of April, 1910; 191,011 letters handled. Two years later for the corresponding week there were 392,929 letters handled.

Q. Is that a fair comparison of the increase in the business? A. Yes, sir, I believe it is and I can give you a further statement for the last three months showing you that it is still bigger.

Mr. FLETCHER.—The amount collected in the year 1907 for the Calgary division Inland Revenue Department, was \$329,800.46; in 1911, \$523,443.71.

Q. Being an increase of 23 per cent up to the end of the year 1911? A. Yes.

Q. To the end of the calendar year? A. Yes.

Mr. ENGLISH.—In the year 1907 the Customs collections amounted to \$604,358; in 1911 they amounted to \$1,740,567.

Q. That is in Calgary alone? A. Yes.

Q. That is not including the outport? A. Yes, just the one outport, the only one and that is Medicine Hat.

Mr. BRUCE.—The growth of the post office generally in the Calgary division. On the first of June 1907 there were 223 post offices in the Calgary division; on the first of August, 1912, there were 501; the number of post offices opened on the outside was 305 but there were a few closed which made a difference; the number of mail services in operation in 1907 was 171; the number now in operation is 337; the total cost

of mail service for three months in 1907 was \$10,503.46 which would be \$42,013.84 for the year. This yearly amount is based on the figures for three months because, I haven't the figures before me for 1912; cost of mail service in 1912 for three months was \$29,306.71.

Mr. DAVIDSON.—In 1908 we had a total of 49 employees; in 1912 we have 97 employees on the regular staff; the number of mail services by train 18 in 1908 and 30 for 1912; amount paid for transportation of mails by trains 1908, \$143,322.75; in 1912, \$170,115.53; and being an increase of \$26,793.78.

Mr. TALBOT.—Receipts for the Dominion Land Office for the year ending:

30th June 1906,	\$101,133.54
9 months, 31 March, 1907,	62,878.95
Year, ending 31st March, 1908,	72,639.45
“ “ “ “ 1909,	133,045.12
“ “ “ “ 1910,	247,354.31
“ “ “ “ 1911,	285,273.29
“ “ “ “ 1912,	384,560.24

The deputation withdrew.

The Commission adjourned.

CALGARY, 12th Aug., 1912.

Note of statements made by Inspector W. M. Millar, of the Forestry Branch, of the Department of the Interior, in reply to questions regarding his work.

“We have a number of young men employed called Forest Assistants, graduates of the Toronto University and trained in forestry. We have six men besides myself, two of whom act as supervisors. These men are permanently employed; one of them has been on the staff four years, but the remainder were appointed this year. We have three now at Edmonton and two at Pincher Creek. The supervisor has charge of one of the divisions of the Reserve Lands and the rangers are responsible to him and he to me. He is my subordinate official in charge of the Bow River division of the Rocky Mountain forest reserve. It extends from the international boundary to the Peace river and is one hundred and fifty miles wide at the north. The supervisor and rangers cover this whole division, which is divided into districts looked after by one or two men.

There are coal mines being developed through the reserve, especially along the Crownsnest pass. The sale of timber in the reserve is in the hands of the Forestry Branch. Those already sold are being handled by the Crown Timber agent. That comes under the Dominion Lands. They handle all limits outside of the reserve and collect the duties. We have a number of sales on now where there is a great deal of burnt timber; this burnt timber makes good mine props, but after two or three years is not good for lumber. The timber on the east slope is not susceptible to fire being all within the park. We have a proposal to sell a large supply of timber to Mackenzie and Mann for their coal mine west of Red Deer. I think the revenue in the Rocky Mountain reserve represents about \$15,000 per annum. Eighty to ninety per cent of the Rocky Mountain forest reserve is under twenty years old, which will take some time to develop for timber use. This reserve was created only in the spring of 1911. All the waters in the prairies come from the mountains of this reserve. One of the features emphasized is that this reserve is the source of the water for the prairies.

We have trouble in keeping good men. A man likes to be assured of permanent occupation. The rangers take care of all field work and see the supervisor only

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once a month; so that we require good reliable men for such positions. They get \$100 per month, but pay all their own expenses and provide for two horses each. We have had some men on for two years. There is no trouble in getting men for temporary work, but for permanent rangers we need good men. They should be made permanent and on a non-political basis, after qualifying by examination for this work. We could get men for such work if we could assure them of permanency of the position; but would have to give them increases of salary on a graded basis, say from \$1,200 to \$1,400 per year. I think we could hold them without the superannuation system, which is a big problem if applied to all government service, and requires consideration. We find difficulty in getting supervisors as we need technically trained men although we have some who are not. A few graduated from Toronto this year and we got them, but the British Columbia service came along and offered larger salaries and took them away from us. We have in this district four men employed this spring, all technically trained, but the supply is limited, Toronto University being the only place of training in Canada. These men do not get any annual increase in salary; nor is there any such provision, though I think there should be some such arrangement. The qualification insisted upon is graduation from a forestry school, but the supply is so limited that they have taken such men as they could get. The competition from British Columbia government is working against us in this part, however, and we lose men to their service. They have taken six or eight men within the last few weeks. I know the British Columbia government is offering better pay to our men getting \$12, they offer \$15 and \$16, and to our men getting \$15 to \$16 they give \$20, and to those getting \$24 here they give \$28 per week. They offer their fire rangers a disproportionate amount. They get \$4 per day with expenses and \$45 per month for a horse. The Dominion timber belt, forty miles wide to the coast, will suffer from this competition.

The reserve administration is divided into three districts, Manitoba, Alberta and British Columbia and there may be one in Saskatchewan. Mr. Herchmer has charge of the Manitoba district as inspector of forestry. In British Columbia the work is fire protection and reservation of the timber lands, all within the twenty mile limit. At the present time in the Dominion, it is almost impossible to get rangers to do much. That leaves it difficult for technically trained men to carry on the work. There have been several cases where work was interfered with for political reasons, and it resulted in the men leaving the service. The rangers are all political appointees and some are turned out for political reasons, and being appointed politically they almost refuse to work. This work is not like office work as the man is not seen more than once a month. You have to know he is working from results. The man feeling he has political backing is not certain of doing good work. The result is the supervisor gets dissatisfied and quits the position and goes elsewhere. The experience is that work has been delayed or neglected in cases where a man could do it in a day or a week, and sometimes the men claim that there have been adverse conditions which prevented the work being carried out. They should be situated so that political interference would not affect the work in hand. Temporary rangers are supposed to do some work in the nature of patrolling, but the conditions are different with the permanent ranger and he should be free from political influence if good results are to be attained."

CALGARY, August 13, 1913.

In reply to questions by Mr. Commissioner Lake, the following information was given by Mr. George Hill, Deputy Grain Inspector, Department of Trade and Commerce:

"There are some features in connection with this work which I wish you could place before the government. Our men are not paid enough at \$60 per month

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for the work they are doing. A man cannot get a house worth living in for less than \$50 per month. We have had this office open for seven years and previous to that I was with Mr. Horne, at Fort William, having been in the service since 1889. I am on the permanent list, but do not contribute to the retirement fund. We have not that privilege, nor of superannuation, which is one of the defects of this branch of the service. Mr. Harris has been with me since I have been in charge of this office. I have been trying to get the government to confirm his appointment; he is qualified as a deputy inspector of grain and yet gets only \$85 per month. Also as his appointment has not been confirmed, he cannot sign certificates when acting in the capacity of deputy.

I have not been away from the office only for one month during the seven years I have had charge except for an occasional day. I have two men assisting at the yards and cars. In the months of October, November and December we have from 1,200 to 1,500 samples per month to deal with. In addition to the two men in the yards, there is one at the Brackman-Ker Milling Company and two more at other milling companies, but they pay the salaries of these men, though they are under my control. This makes five men altogether assisting me under this office. The amount of grain handled is growing steadily but not so fast as might be expected. We handle only grain going out of Calgary or westward. Our inspection does not increase particularly fast as the outlet is limited since I do not touch the grain going east. When navigation closes on the Lakes, it is expected that a great amount will be sent west when the Panama Canal is opened. Inspectors will then be required at Vancouver and Prince Rupert. The grading can be done as well at Calgary as at Vancouver. Nine times out of ten a mistake made in grading is covered up before it can be detected, so that a man has therefore to be constantly on his mettle."

Mr. LAKE.—Do you have difficulty in getting competent men at the rate of pay allowed you?

Mr. HILL.—The rate is \$60 per month and they work from daylight to dark and are liable to be called at any time. We have to send them back to the yards often after 6 o'clock. Until Mr. Gibbs stopped us inspecting grain going east, our men were liable to work seven days in the week, working on Sundays to save double work on Mondays. These men have to be fairly well educated and to be physically sound and able-bodied men. They do not do the grading but take samples and the grading is done by myself: I grade everything that passes through Calgary. The men employed at the milling company's works are called weighmen and occupy positions of trust. If they were dishonest men they could make more money than they are paid, and I think they should be paid a higher rate. It takes a man some weeks to learn the work; they do so under my supervision or working with another experienced man. I have not had great difficulty in keeping men on the job. Some of the men have got an increase of \$5 per month. Mr. Harris is a good man and has been with me for over five years and gets only \$85 per month. I have had to pay for the bonds of the men out of my own pocket, as I consider the men could not afford to pay \$3 out of their small salaries. I think the government should pay for the bonds instead of having the men to pay the bond premiums. I believe in the men being bonded, but think the government should pay for it or give the men larger salaries to enable them to do so. I am paid \$175 per month since September last, I was receiving \$125 per month up to that date.

Mr. LAKE.—Were you allowed a higher salary on coming from Fort William to Calgary? A. No, I had to move my family from Winnipeg to Fort William and from there to Calgary at my own expense.

Mr. LAKE.—Did you find the cost of living higher when you came here? A. Yes, a little higher, especially rent. I have no complaint personally, but think my assistants should have better salaries. Mr. Harris should have \$100 per month. I have had offers from men to come in and work at salaries my assistants receive in

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order to get the experience, which shows the value it would be to a man seeking employment with grain merchants outside. There is not a workman in this city getting less than 27c per hour and most of them receive much more.

EDMONTON, 14th August, 1912.

A meeting of the heads of the various departments of the service was held in the offices of the post office inspector, at 2 p.m., those present being as follows;—

A. E. Cairns, post office inspector; Alexander May, postmaster; W. Richardson, Collector Inland Revenue; Jos. Cauchon, treasurer Public Works Department; R. Cunningham, resident engineer, Public Works Department; J. S. McDonald, inspector of Dominion Telegraph; A. Norquay, Dominion Lands Agent; F. A. Osborne, Collector of Customs; D. Dyer, chief clerk, Customs Department; J. E. Legere, assistant post office inspector; S. J. Carter, dead letter branch, Post Office Department; R. L. Haskell, janitor, public building.

In reply to questions by Mr. Commissioner Lake the following views were presented by the departmental heads present:

Mr. LAKE.—Should the outside service be thrown open to general competition, i.e., be brought under a commission?

Mr. NORQUAY.—I am in favour of having the service thrown open to outside competition.

Mr. CAIRNS.—I concur in this.

Mr. May and Mr. Legere spoke on the subject of the necessity for having promotion dependent on an examination in the duties to be performed instead of an academic examination.

Mr. MAY.—I think members of the staff should have first consideration on the grounds of experience in the duties to be performed.

Mr. NORQUAY.—I concur in this.

Mr. OSBORNE.—On my staff many clerks are best adapted for the performance of certain duties although they might not be able to pass an examination for promotion.

Mr. McDonald referred to the case of technical men in the matter of examination for appointment and promotion.

Mr. Cunningham also spoke regarding the age for entry into the service.

Mr. Legere spoke regarding defects of the present system in regard to selection for appointment and promotion on the basis of competitive standing.

The general view expressed was that the service should be open to competitive appointment and after that promotion should be made on examination in the duties of office. Mr. Norquay favoured a different examination for each department based on the requirements of the duties of the various departments. Mr. Byer agreed with this. Mr. Cairns pointed out that in the Post Office Department the clerks are appointed under the general qualifying examination and afterwards they must pass two examinations per year in order to get promotion.

He thinks clerks in the west could not be retained if they were obliged to qualify on a literary examination. In the post office during the past two years the initial staff is almost altogether changed. There is a resignation or two nearly every week and if these men were placed on a literary basis of qualification they would not stay at all.

The meeting agreed, however, that the entrance into the service should be by open competitive examination. They also agreed that for such a qualification there would be no dearth of candidates and applicants; and think the proposition is feasible under the conditions stated.

Regarding the lowest salary at which junior clerks should enter the service, for routine or clerical work the consensus of opinion is that it should not be less than \$75 per month or from \$900 to \$1,000 per annum.

Mr. MAY.—An ordinary labourer gets from \$2.50 to \$3 per day for an eight hour day locally.

Mr. OSBORNE.—The city are paying \$2.50 as the lowest figure for labour. I can get men at \$75 per month.

Mr. LAKE.—What salaries do the provincial officials receive?

Mr. RICHARDSON.—They start at \$900 per annum.

Mr. CAIRNS.—Some clerks are leaving the dominion for the provincial government service on account of better salaries.

Mr. LAKE.—What are the municipal clerks receiving in the way of salaries?

Mr. McDONALD.—They start at about \$65 per month.

Mr. LAKE.—Should there be an annual increment?

Mr. OSBORNE.—The practice of giving \$50 per year in the Customs Department is a very great inducement to keep men on the staff.

Mr. CAIRNS.—I think increases should not be less than \$100 per year on account of the long period required to reach the maximum.

The meeting in general agreed with the amount suggested by Mr. Cairns and that the increase should be given annually on the recommendation by the head of the branch that the duties have been satisfactorily performed.

Mr. LAKE.—Can you give me your experience in the matter of retaining young men?

Mr. MAY.—Regarding my staff of a year ago, fully seventy per cent are gone and it was not the poor men who left or could be spared, it was the men in responsible positions in the office who were offered higher pay by commercial concerns outside. This interferes with the satisfactory operation of the business of the department locally, especially in view of the great increase in work and the result is that the public is suffering. Under present conditions it is impossible to give good service to the public for the reason stated. The distance from here to Ottawa makes it very difficult to get relief when required, both in regard to staff and also equipment such as office fixtures, letter carrier racks, &c. Equipment applied for four months ago I have not yet received. It is unfortunate that the postmaster is so much a figurehead and is not allowed more discretion in the operation of his office instead of having to refer matters to some official in the east.

Mr. LAKE.—Have you any suggestion to offer as a remedy?

Mr. MAY.—I think if there were an assistant postmaster general for western Canada it would bring relief.

Mr. CAIRNS.—Until a few months ago when the salaries were adjusted it was almost impossible to retain junior clerks which caused disturbance in the service given to the public.

Mr. NORQUAY.—During the last month a trained clerk on my staff resigned.

Mr. McDONALD.—I have lost several whose pay has been from \$60 to \$75 per month.

Mr. RICHARDSON.—A junior clerk in my office gets only \$2 per day for working days and this is inadequate, he is on the permanent staff.

Mr. DYER.—Suggest a fair living wage, permanency in office and retiring allowances as a means of keeping men on the staff. "Speaking personally, I am satisfied with the retirement fund as under it I can get what I have put in with interest thereon."

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Mr. LAKE.—Have you any suggestions in regard to retirement and superannuation?

Mr. CAIRNS.—I think the old superannuation is the best system if some provision were made to provide that the widow or family of an employee should get something as in case of the retirement fund. In the service a man cannot take his family into it, while in commercial life a man can leave them the possibility of carrying on the business or drawing something out of it.

Mr. DYER.—I would not favour superannuation unless it were placed upon a better basis than the present system.

Mr. LAKE.—Many civil servants have told me that they regret having decided to take the retirement fund instead of the superannuation fund.

Mr. CAIRNS.—The service should stand out for the old superannuation system amended to provide for a man's dependents in case of his dying in office. We should make ourselves clear on this matter for the benefit of the Commission, so that they shall know what we want.

Mr. NORQUAY.—I favour superannuation with the provision for an annuity to the family in case of death of the employee while holding office.

The consensus of opinion of the meeting was therefore, that a superannuation system on the basis of provision for a man's family when he dies in office, would be more desirable than the retirement fund.

Mr. LAKE.—Would it be desirable for all entrants to the service to have to contribute to such a superannuation fund? A. All, yes.

Mr. LAKE.—In case of a superannuation system, at what age should a man be compelled to retire?

Mr. MAY.—I think a man should be retired when unable to give good service, as some men are able to continue giving good service much longer than others.

The view of the meeting was that at 65 years of age men should be retired from the service.

Mr. LAKE.—There is such a difference in the conditions under which clerks work in the various departments, that I should like to have your views on the subject.

Mr. CAIRNS.—When I went to Winnipeg everyone got an allowance of forty per cent. This was continued for years until there was depression, when this was reduced to twenty-five per cent and later on those receiving higher salaries lost it entirely, excepting up to \$1,200.

Mr. OSBORNE.—In the Customs Department we are paid a straight salary without any provisional allowance.

Mr. RICHARDSON.—In the Inland Revenue there is an allowance of \$150 per year.

Mr. McDONALD.—There is no allowance in the Telegraph Branch of the Public Works Department.

Mr. CAUCHON and Mr. CUNNINGHAM.—There is no allowance in the Engineer Branch of the department either.

Mr. NORQUAY.—We have no allowance in the Dominion Lands Branch of the Interior Department; we are paid a straight salary.

Mr. LAKE.—Now regarding vacation?

Mr. NORQUAY.—We get three weeks.

Mr. CUNNINGHAM.—After two years' service, and when on the permanent staff, we are entitled to four weeks in the Engineers' branch.

Mr. HASKELL.—I am on duty from 12 a.m. to 12 at night, and never have any vacation at all.

Mr. CAUCHON.—I am not allowed any vacation: I have received it once only in twenty-three years.

Mr. DYER.—We desire to have three week's continuous vacation instead of under the present system of making us take it in two terms each year.

Mr. McDONALD.—The department allows three weeks per annum with pay, and if not taken for two years we may be allowed a month or six weeks.

Mr. NORQUAY.—In our department we are allowed two weeks' sick leave for which we are allowed to pay; but no longer period. I cannot state a specific case where this applied, but in Winnipeg I remember a case where the pay was deducted when the period exceeded two weeks.

Mr. CUNNINGHAM.—Neither our elevatormen or caretakers nor their assistants get any holidays at all.

Mr. LAKE.—What are the initial salaries for clerks entering this service?

Mr. MAY.—In the Post Office Department the initial salary is \$680.

Mr. OSBORNE.—In the Customs they come in at \$900 per year.

Mr. NORQUAY.—In our branch men start at \$65 per month and lady stenographers at \$50 per month.

Mr. CUNNINGHAM.—In our branch stenographers start at \$600 and \$700; the draughtsmen and survey men start at from \$1,100 to \$1,200 per annum.

Mr. CAIRNS.—Clerks in the post office inspector's branch come in at the same rate as in the Post Office.

Mr. LAKE.—Now in regard to the increased cost of living?

Mr. MAY.—I am paid on the same basis as a postmaster in the east and do not see the fairness of this as we are not allowed any living allowance; it also applies to the assistants.

Mr. CAIRNS.—The same conditions prevail in regard to the post office inspector.

Mr. LAKE.—How do men in charge of commercial business as superintendents compare in salary with government chiefs?

Mr. MAY.—They get at least 40 per cent to 50 per cent higher salary than I do.

Mr. OSBORNE.—The same thing applies in the case of the Customs.

Mr. CAIRNS.—The managers of large loan companies receive a much larger salary; as also the bank managers and superintendents of insurance companies.

Mr. DYER.—*Re* increased cost of living, I would state that the cost has greatly increased. I present the figures of the local paper of 1905 and 1912 as follows: which shows retail prices, as marked.

Mr. CAIRNS.—Regarding rent, it is higher here than in either Winnipeg or Calgary. It is not only high but you really cannot secure houses even at the high rent. The price of lots here is higher than in Calgary and the rent for houses is also much higher.

Mr. CUNNINGHAM.—In Calgary I paid \$35 a month rent, but the rent went up to \$40 about two months later; then on coming here for the same house but a little farther out I paid \$60 and it had neither water nor sewer, but these have since been installed. For the same class of house at a greater distance from the centre of the city I pay \$60 as compared with \$40 in Calgary. For coal in Calgary we paid \$8.50 to \$9 a ton; while here it is \$4 to \$4.50 for the same class of coal. For coal which cost \$13 per ton in Calgary we would pay here \$7. Green groceries are higher here than at Calgary. At this season of the year, when local people bring stuff to the market you can get some articles at lower prices but you cannot do so with imported vegetables.

Mr. MAY.—I can buy vegetables at 50 per cent less than at Calgary.

Mr. CAIRNS.—Mr. Cunningham is right about vegetables, but the local vegetables are really cheaper when they are brought into the market.

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Mr. LAKE.—What is really the increase in cost of living in Edmonton during the last five years?

Mr. MAY.—Fifty per cent would fairly represent the increase in the cost of living during the last five years.

Mr. CAIRNS.—Clothing has greatly increased in cost. For instance a suit costing \$26 here would cost \$16.75 in Saskatoon.

Mr. MAY.—Coal that cost \$3 a ton five years ago, now costs \$4.50 to \$5.

The general view of the meeting is that the cost of living has increased fully fifty per cent during the last five years, which was considered a very conservative estimate.

Mr. LAKE.—Can you give me some information to show the increase in business during the past five years?

Mr. CAIRNS submitted a statement *re* increase in postal service.

Mr. DYER submitted a statement *re* Customs Department increase.

Mr. MAY.—For the whole fiscal year 1905-6, the stamp sales in the post office amounted to \$25,494.03 and for the month of July, 1912, \$12,629. Money orders issued for the whole fiscal year 1905-6, totalled \$96,461.66, and for the month of July, 1912, \$89,524. Money orders paid for the whole fiscal year 1905-6 amounted to \$18,940.76, and for the month of July, 1912, \$76,390. Registered articles mailed for July, 1911, amounted to \$8,000, and for July, 1912, \$11,760. Registered articles passed through in July, 1911, \$3,823, and in July, 1912, \$6,080.

Mr. NORQUAY.—I think we should use a book of instructions as to furnishing answers to questions on departmental forms, the same as is in use by the Canadian Bank of Commerce.

Mr. DYER.—In regard to departmental rulings in the Customs Department, I think if they were published periodically for use of the port staffs, it would be a great help in carrying on the work at the ports and the outports. I think these should be compiled in book form for reference.

The meeting then adjourned at 5 p.m.

SASKATOON, August 15, 1912.

Note of statements made by Mr. Hiseler, assistant postmaster, Saskatoon.

In reply to questions by Mr. Commissioner Lake, he stated:—

Out of a staff of forty-three we had some thirty resignations during the past eighteen months, showing the great difficulty in retaining employees in that service. I have been in the service at Saskatoon nearly two years, having been transferred from Nova Scotia. There is a great difference in cost of living as compared with the east; it costs about \$20 per month more than in Nova Scotia at the time I left there. Mr. Isbester has been postmaster since 1906. When he took office the revenue was \$9,000 per annum, and it is expected that this year it will reach \$125,000. The reasons for the resignations on the staff is due to the much better salaries which can be secured in outside employment. Here also we have to take men of greater age than in the east where young men start in and make it their life work. Most of our applicants come from the old country instead of from Canada—the native Canadian really favouring commercial or industrial employment. I think that a system of superannuation coupled with better salaries would be helpful in retaining the services of employees on the staff.

Mr. Ross, of Toronto, general superintendent of post offices, called at this office in July last and authorized the employment of seven additional letter carriers and six clerks.

Generally speaking, the men work nine hours per day and about the same at night shift. On Sundays they work about four hours on an average. When doing Sunday work they are really doing seven days work per week. All clerks, except the money order clerk, are subject to seven days employment each week. The initial salary on appointment is \$500 with \$180 provisional allowance and three weeks sick leave.

Notes of statements made by Mr. John Chamard, post office inspector.

"I came here in 1908 and we had 315 post offices served by this district; to-day there are 727 offices. We have at present authority for the establishment of twelve additional offices.

"I have a staff of two assistants, two male clerks and four young ladies. We have no difficulty in keeping assistants who are well paid, but have difficulty in keeping the junior clerks who won't remain at the salaries which have been paid—although the amount now allowed is having a better effect. Now they get \$626 plus the provisional allowance of \$180 per year. They can do better outside than in the service here. I think it would be much better to have a superannuation system as a means of retaining the employees in the service; it would be better than the retirement fund as it would be a greater inducement to stay.

"Six clerks have left the service during my four years, for the purpose of bettering their salaries. Practically every retail store in Saskatoon closes down on Wednesday afternoon without docking the pay of the clerks. The banks, however, do not close that afternoon. At Prince Albert the public suffers, because the postmaster cannot get his men to work at night, so the mail is late in distribution and delivery next day.

"In the Saskatoon post office, Mr. Hiseler must handle about \$10,000 daily and gets \$75 per month salary. The postmaster pays him \$8.33 additional per month out of his own pocket in order to keep this young man; and I have reported that to the department myself, as per copy of my letter addressed to the deputy postmaster general under date 22nd June, 1912. He also pays to three other clerks various amounts out of his own pocket to hold them in the service.

"Three clerks in the Prince Albert Office receive \$1,080 per annum, including provisional allowance, although the revenue is only \$1,200 per annum and the population 9,000. This is unfair compared with Saskatoon with a population of 25,000, and the postmaster gets the same salary in each place.

"Suites in apartment houses rent from \$50 to \$85 per month, and for a single room a man pays \$18 a month. Two school teachers in a room together pay \$10 each per month. Meal tickets cost from \$7 to \$8 per week."

SASKATOON, August 15, 1912..

Mr. R. Foster, assistant to the collector of Customs, Saskatoon, gave the following information in reply to questions by Mr. Lake:—

"I have been four and a half years in the service, two years of which was in Regina. The whole of my experience has been in the west.

We have had only one man leave the office, and he went into the customs brokerage business. No others have left our staff.

A smart young man can go out and get from \$4 to \$5 per day for carpenter work."

Mr. Foster submitted figures showing the collections at Saskatoon and also a statement of the staff with the amount of their salaries.

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HEADS OF DOMINION GOVERNMENT SERVICES AT REGINA.

REGINA, Saturday August 17, 1912.

Present: Mr. R. S. LAKE, Commissioner.

Mr. Lake received a deputation of the heads of Dominion government service, as follows:—

S. B. Jamieson, collector of customs; J. Nicoll, postmaster; D. Tamblyn, chief of health of animals, Department of Agriculture; J. Jopling, assistant to clerk of public works; J. R. Gayton, Dominion Lands agent; F. H. Reed, representative of the Seed Branch, Department of Agriculture; H. J. Cross, Customs Department; J. S. Hornibrook, Customs Department; F. Argue, post office.

Mr. LAKE.—In your opinion should the outside service be thrown open to competition? If so, can we get the men to go in for the examination and can we get good men to enter the service in that way, providing the conditions are all right? What do you think, Mr. Jamieson? You have had the longest experience.

Mr. JAMIESON.—You asked can we get students to compete or to enter into an examination; I think that is what I understood you to say. In connection with that, from what little experience I have had, I doubt whether you could get a full percentage of those who want to go into the service, to compete. In my own office the question has come up about writing and passing the Civil Service examination. One of my men, for instance, I put the question to him and asked him if he did not think it would be to his benefit and he said: "No, I don't think it is worth while; what is there in it for me? The salary is so small, there is no inducement for me to study and pass that examination." There are others belonging to my staff who said 'Well, I am going to have a try and pass that examination,' Mr. Cross studied and wrote on the Civil Service examination and passed. Mr. Shaw has also passed his Civil Service examination. It seems to me that the question of salary would be an inducement as to whether men would think it worth while to pass the Civil Service examination at all. If the salary and prospects are an inducement, then I think, no doubt, that a great many would take the examination.

There is another thing I would like to mention; I don't know whether it bears. I would like to make a statement that from past experience, not only in the matter of customs work, but in the matter of teaching, the man who sometimes takes the highest marks is not the most successful in the work. If the majority of my staff here depended on the actual standing, from a competitive examination, it is just possible that the man with the highest marks would be the nearest to failure at office work.

Mr. LAKE.—I am referring to competitive examination as the method of selecting men for their first entry into the service.

Mr. JAMIESON.—A great many men who make first class office men, would probably be closed out, if they had to depend on competitive examinations. On the other hand, I suppose some would take them up with advantage as it would remove the Civil Service from the realm of politics.

Mr. LAKE.—You think there are other ways better than competitive examination? Can you suggest any?

Mr. JAMIESON.—A few years ago I had a man put in the office here practically as a man who had to have a job. He gave his age in to me at 52, and I am sure he was 65, if a day. He was unqualified for the work. Fortunately, death removed him from the office. On the other hand, I have had men appointed here who were

not qualified for the work of the office. One man was placed here, recommended for the work by some person. He was not fit; a drunkard and a thief, but I will say this, that within the last year or so these things have changed very greatly in that respect, and if an appointment is to be made, the instructions come to me "If this man suits you and you think he is qualified, then give him the position." By that means, I have been in touch with men appointed for my office, before they were appointed and have been in a position to size them up and know whether they are qualified and on any appointments that have been made for the last year and a half, they have been referred to me for my opinion as to their capability. That gets over a good many difficulties. I would not like to suggest that we were in the hands of patronage.

Mr. LAKE.—Unless you throw it open to competition is it not bound to stay as it is?

Mr. NICOLL.—I think it would work all right, if there was some inducement to try and write, but not to write on an examination at \$500 a year salary.

Mr. LAKE.—Do you think it would be better to continue the present system?

Mr. NICOLL.—I think that is the preferable way. As far as I am concerned, personally, I have no objection to the way it has been done. Mr. Jamieson says, since I have been in the service, these men come to me with a note, stating they can be recommended and can pass an examination. That is the condition there and before I take any man into the post office, he passes an examination and I am satisfied he is able to do the work we ask of him under the conditions. We take the best we can get; they are not the best, because the salary does not draw them into the service.

Mr. LAKE.—If every young man who came to this city knew that there were going to be a number of vacancies in the post office and that he had just as much right as any one in the country to compete for them, and that if he were successful he could get one of those vacancies; providing the positions were made good enough, would you get the men to go in for the examination?

Mr. ARGUE.—I would prefer open competitive examination. I believe it would depend on the inducement being satisfactory, and by open competition you would get a better class of men and one more suitable.

Mr. REED.—I think it would be better to have men qualify by examination.

Dr. TAMBLYN.—I am quite in favour of it, but the men obtained by the Civil Service examinations are not always satisfactory. Many of the men who pass the examination at entrance, fail in their dealings with the public and become more or less useless in connection with the departmental work. In obtaining veterinarians in this province, it would all depend on the inducement offered by the department. I approached men at the Veterinarians' Convention last month and asked them about coming into the department and not any were anxious to come. We are supposed to enter this department at a salary of \$900, after making \$6,000 or \$7,000 a year in outside practice.

Mr. HORNIBROOK.—A man might be a few years past thirty and it would be hard for him to try the Civil Service examination, but any department where it requires office work, he might fill as well as could be. Is it not a fact that there are not as many people trying examinations as there are positions vacant throughout the country, for any kind of government position?

Mr. LAKE.—I think they have enough candidates for the inside service.

Mr. HORNIBROOK.—In a large service how do they get capable men? They advertise, they don't give any place, they just advertise for a certain man for a certain position. If they would do away with the examination, the head of the department requiring a staff could advertise for the staff he wanted, and applicants might reply

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without giving their address and he could go over the applicants and pick out the ones he thought would suit.

Mr. JAMIESON.—In case of a competitive examination for the whole Dominion, would they set the same papers for all? Supposing I want more men in my own office and half a dozen men from Regina have passed the Civil Service examination, probably in some other part of the Dominion there would be men who had passed with higher marks; would it be that my selection would have to be made from those passing the highest, whether the party was located in Regina or Ottawa? Because it seems to me that if we have local men here, who have passed a Civil Service examination, if not as high marks as some other parties, they may be turned down and some one from the east put in the office, which would be a disadvantage.

Mr. NICOLL.—If these appointments were made from those who had the highest marks in the different parts of the Dominion, it might prove unsatisfactory through delays. I have had as many as six men leave in one week; how long would it take to fill these vacancies? Would I have to wait for these? Would I have to report to Ottawa asking for them? If they would select these men by these examinations, when they get the appointment and report for duty?

Mr. REED.—In regard to temporary men at Christmas: Mr. Nicoll requires temporary men. My branch six months in the year requires temporary men; some time two weeks or a month. Would those men have to take the examination?

Mr. ARGUE.—I would suggest, in case of competitive examination, that those in the west waiting on the list, be given preference to those in the east.

Mr. JAMIESON.—Another feature in connection with the work of my own branch, the very condition that enables a man to be appointed through patronage makes him unsatisfactory for the work. He should not have any political aid at all.

Mr. LAKE.—Can you give a suggestion on the question of what it would be necessary to make these appointments worth in order to get the men we want. What is the minimum salary at which you can get good men to enter the service at Regina? Any branch.

Mr. CROSS.—That is the great question in regard to the Civil Service. It depends a great deal whether a man is single or married. A great many who enter here are married men; quite a number anyhow. The age limit in the Customs service is over 18 and under 36.

Mr. JAMIESON.—There is one point in connection with the salary. I think if applicants were sure that they would get their annual increase, as is provided, that \$900 would be acceptable as the salary to commence with. The trouble is that the annual increase is so frequently forgotten. If they knew that they would get it, I think that it would encourage them.

Mr. NICOLL.—In the post office providing the clerks pass the prescribed examination, they get an increase. If they do not, they can write again in one year. Up to \$800 the annual increase is \$100, and after that \$50.

Mr. LAKE.—In the Lands Department do they get an annual increase?

Mr. GAYTON.—No. This last two or three years they have been getting \$780 salary per annum.

Mr. LAKE.—What is your opinion as to what the minimum should be?

Mr. GAYTON.—I think that \$900 should be the initial salary. I know that a number have left on that account. They can get it in other places and it is almost impossible for a young man to live on less.

Mr. NICOLL.—I think it should not be less than \$900 a year. We find that they leave on the present salary. I had a clerk in the post office, well educated, who came

to me to-day and said "I like the work, but I am going to leave on the 1st September." Salary too small, \$680.

Mr. LAKE.—Could you keep him on \$75 a month?

Mr. NICOLL.—I think so.

Dr. TAMBLYN.—We have an annual increase of \$100. From a professional point of view, I think it would be better if we could raise the minimum salary to \$1,500 a year.

Mr. LAKE.—Technical branches have to be dealt with on a different basis. We are now considering the ordinary clerkships.

Mr. CROSS.—On \$900, men would stay longer in the service, get better experience all the time, and not be calling for a better job all the time. \$900 as a minimum and stated increase of \$100 every year, I think you could get a better class.

Mr. LAKE.—With a stated increase of \$100 a year, up to a certain figure? Do you not think \$50 would be sufficient?

Mr. CROSS.—\$100 increase every two years; a man begins to be a pretty valuable man, if he has any go at all.

Mr. REED.—Our men are all technical men who have mostly passed the Civil Service examination.

Mr. LAKE.—It seems to be the general opinion then that \$900 is necessary to get a man of the right class into the service?

Mr. NICOLL.—As far as the post office is concerned, I can certainly say that. I had a letter carrier whose salary was the same as the man who handled cheques, \$90 per month.

Mr. LAKE.—How many changes have there been in your office?

Mr. NICOLL.—In July, 1911, we had a staff of 35, and in July, 1912, 18 or 20, or about half were still in the service. During the past year our staff has been increased to 60; that means about 70 or 75 per cent of inexperienced help and about 25 per cent of experienced help, and that is what we are running the office on. I do not believe there is a time in any year that we do not have vacancies on our staff. Men are leaving to better themselves. It is impossible, under the conditions, to give good service to the public. We try hard, but the inexperienced men are getting us into trouble all the time.

Mr. LAKE.—Do you think there should be similar treatment for all services in regard to provisional allowances, payment of bond premium, and vacation, and so on?

Mr. NICOLL.—Yes. We find a great many men do not want to come into the post office, on account of the long hours, and night and Sunday work. Over half of our clerks must work at night, on account of our mail, and no allowance is made for the man working on holidays, Sundays, &c., he gets \$500 a year and if he is called upon at any time, he has to do it.

Mr. LAKE.—I think if a man is working in the Customs Department several hours in the night, he gets pay for it?

Mr. JAMIESON.—Yes, sir.

Mr. LAKE.—Can anybody say what the provincial government here gives their clerks when they first enter the service?

Mr. CROSS.—Varies quite a little according to age. Young fellows I believe get \$60 per month or \$720 a year, and a great many get more than that.

Mr. LAKE.—Then as to another method of retaining good men, when you got them, I suppose you all agree that the possibility of promotion should be open to anybody?

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Mr. CROSS.—A very great inducement.

Mr. LAKE.—That brings up the question of a promotion examination. Do you think a man should be called upon to pass a second examination of a literary nature?

Mr. CROSS.—I cannot see why a literary examination is any good at all.

Mr. GAYTON.—In our department, if he passed a first examination, that would be sufficient, if he made good at all.

Mr. LAKE.—Do you have any examination at all.

Mr. GAYTON.—No.

Mr. JAMIESON.—In my own office, when men advance in years, if the salary was suitable and fair, an annual salary of \$900, with an annual increase, I am satisfied that young men in my own office would take the examination, just for the standing of it, but for most of the men of older years, I think between 35 and 40, it would be a very difficult matter for them to bring themselves to prepare for an examination.

Mr. LAKE.—Should there not be some examination for promotion?

Mr. NICOLL.—I think it should be an examination on the duties of the office, but I think he should pass his Civil Service examination before he is taken on the staff. I think he should pass an examination on the duties of the office, before he receives any increase in salary.

Mr. LAKE.—Should that be the only examination, examination on the duties of the office?

Mr. NICOLL.—I should say, yes.

Mr. ARGUE.—I think that would be satisfactory.

Mr. HORNIBROOK.—On the duties of office—it would be all right after he gets to be on the service, but a literary examination I do not think should be required at all. He prepares for the Civil Service and he passes: after that I think the examination should be on his office work.

Dr. TAMBLYN.—The greatest trouble is on passing an examination in my department. The man says "what is the use of passing the examination?" He does a great deal of work; with no increase of salary, and no inducement at all. Unless he gets to be chief clerk, I do not see the use of the examination myself.

Mr. LAKE.—The examination is to show that he is competent to fill a vacancy, I presume?

Mr. ARGUE.—I propose that most of those examinations should cease after a certain age.

Mr. LAKE.—What other inducements would you suggest as a means of retaining men in the service? What about the question of retirement and superannuation?

Mr. NICOLL.—I think superannuation is an inducement to retain men in the service after they start in. They do not like to let the superannuation go after they enter the service? The retirement fund does not hold out much inducement. It might be all right with the eastern part of the country, but not with the western part.

Mr. LAKE.—Would you sooner pay that amount into the superannuation fund?

Mr. NICOLL.—Yes.

Mr. LAKE.—Do you think it would be a good thing to insist on every new employee contributing to that fund?

Mr. NICOLL.—Yes, just as he now does to the retirement fund.

Mr. GAYTON.—The Lands Office do not have to pay that that I know of.

Mr. ARGUE.—I think it should be left to the choice of the people coming in, regarding both superannuation and retirement.

Mr. LAKE.—On general principles, would a contributory superannuation system be acceptable to those present at this meeting? A. Yes.

Mr. LAKE.—In regard to the age of retirement, what is your opinion?

Mr. NICHOLL.—I think a man should be retired when 65 anyway.

Mr. NICOLL.—I think a man should be retired when 65 anyway. would not wish to be considered a back number yet, but I think that is a fair time of life, 65.

Mr. LAKE.—How do the salaries of the senior officials compare with the salaries which are given in private institutions?

Mr. NICOLL.—As far as the post office is concerned, I do not think they are as good. I made a memo. showing the number of clerks and the salary paid to them in the post office. Starting at the highest: There are 3 clerks paid \$900, with \$180 provisional allowance additional; there are 2 paid \$800 a year; there are 5 paid \$700 a year; there is one paid \$704 a year; there are 11 paid \$626 a year; there are 19 paid \$500 a year. They have duties of considerable responsibility.

Mr. ARGUE.—About three thousand dollars in actual cash passes through my hands every day. I am the accountant. I make out pay sheets and pay all the cheques.

Mr. NICOLL.—I have a man in the money order getting \$600 a year, who handles from \$5,000 to \$10,000 a day.

Mr. LAKE.—How much bond does he give?

Mr. NICOLL.—\$200. He has to pay for that out of his own pocket. Another clerk who does all the banking gets \$800 a year. One thing in the post office I do not think is right, a man handling \$10,000 a day; there is no difference between him and a man handling newspapers.

Mr. LAKE.—You think the salaries should be attached to the offices and not to the men?

Mr. NICOLL.—Yes, I think so. There is no doubt that a man handling that money every day during the year must be short some.

Mr. LAKE.—Junior clerks merely receiving the salaries attached to the position of junior clerk are filling high and responsible positions, which in older offices would be given to older men at higher salaries?

Mr. NICOLL.—Of course business has increased so fast here that we have not been able to make clerks fast enough. We require as the business increases, to make different departments and place somebody in charge of these departments, because it is impossible for the postmaster to keep in touch with the business we have now, although possibly a few years ago he could. If we could keep our clerks, we could make them as we go along and supply our own vacancies, if the pay given to the juniors was such that they would stay, but under the present conditions, there is and 2¼-inch x 11-inch rabbatted bottom rails, and 4-inch x 1½-inch braces, all stop these competent men, so that we could give efficient service.

Dr. TAMBLYN.—A clerk in my office getting \$60 a month was given \$125 per month to go outside.

Mr. LAKE.—As a rule Mr. Jamieson, do commercial men give better pay?

Mr. JAMIESON.—I think it is a common occurrence for men to get \$100 in most any office outside. I know of clerks getting that in the city and it is looked upon as a very ordinary salary.

Mr. LAKE.—Generally speaking, men employed on similar positions are receiving higher salaries?

Mr. JAMIESON.—Yes.

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Mr. GAYTON.—I think that is the case in our department, though this last two or three years our staff has decreased; our men have left from time to time for offices in the city for better pay. Generally the best men go, they can get better salary and less responsibility.

Mr. LAKE.—How do your salaries compare with say the bank managers, secretary board of trade, &c. Would you like to make any remarks on this subject?

Dr. TAMBLYN.—For my part, I would say that when I came here from Vancouver on \$1,700 a year, I found it absolutely impossible to make my living expenses in Regina, paying \$40 a month rent, and comparing my salary with outside veterinarians, I found that they made as much as \$6,000 a year. I am receiving \$2,000. The minimum practice I know of in this province is about \$3,000 for a qualified veterinarian. Dr. Fletcher of Strassburg had a practice of about \$10,000 in the vicinity of Strassburg last year. He collected some \$6,000 in actual cash.

Mr. LAKE.—Some must make very little indeed.

Dr. TAMBLYN.—Nearly all in this province have a minimum practice worth \$3,000. A great many of our government men go off into private practice, rather than stay in the government.

Mr. LAKE.—As far as you know, what do bank managers get?

Mr. NICOLL.—I think about three or four thousand a year and free quarters.

Mr. LAKE.—Do they get a western allowance?

Mr. NICOLL.—I think they get more than in the east and free house. The manager of the Trust & Loan company, I think gets \$3,000 and free house and furniture. Free auto and a whole lot more things.

Mr. LAKE.—Can you mention any other businesses who are getting that?

Mr. NICOLL.—Manager of the International Harvester Co., gets in the neighbourhood of over \$5,000 a year and a commission on the amount of business he does.

Mr. LAKE.—Can you say generally what the range of salaries to bank managers is?

Mr. CROSS.—I am sure \$2,500 up to \$4,000. The lowest one I know of is \$2,500.

Mr. REED.—In a local loan company their accountant gets \$2,500 and their inspector \$2,100.

Mr. LAKE.—How about the cost of living? Any man who has come recently from the east would probably know the comparisons in rent.

Mr. ARGUE.—I came here in April from Toronto. There I could get a good room for \$10 and I would pay \$16 here. My board would be \$4 there a week and here \$6.50. For \$16 a month a room does not compare with the \$10 room in Toronto, but you have to take it. Good board there for \$4 or \$4.50 would cost you \$6.50 here and then it is only of moderate quality.

Mr. LAKE.—In regard to other things?

Mr. ARGUE.—Toilet articles are dearer. Boots \$2 to \$2.50 more than in Toronto. Clothing is about \$5 more a suit than in Toronto. A \$25 suit in Toronto cost me \$30 here.

Mr. REED.—The fuel. When I was in Ontario—

Mr. LAKE.—When you came three years ago, did you find a difference then?

Mr. REED.—I estimated about 40 per cent more here than in Lindsay, Ontario; of course you get it cheaper there than in Toronto, for instance. Coal costing \$6 or \$7 per ton delivered in the east would cost about \$10 or \$12 here.

Mr. LAKE.—Were you a married man?

Mr. REED.—Not at that time.

Mr. NICOLL.—Rents are about double.

Mr. JAMIESON.—A very common house you can get for \$45 a month.

Mr. LAKE.—In regard to the increase in the cost of living in Regina?

Mr. CROSS.—Three years ago rent that was then \$35 a month would be easily \$50 a month now.

Dr. TAMBLYN.—I came two years ago. I paid \$50 a month; now \$60, and of course I transferred then to a shack; could not afford it.

Mr. HORNIBROOK.—I have been trying to get a house for two months at \$45. I have had an advertisement in every day this week and put another one in yesterday and have had no reply.

Mr. REED.—When I came here three years ago I paid \$12 for a room that is renting now for \$18.

Mr. GAYTON.—We pay \$80 rent for a furnished house and the same house you could rent easily for \$50, 3 years ago.

Mr. LAKE.—When did you come out Mr. Nicoll?

Mr. NICOLL.—I came first on the first of May, 1903. The only house I could rent in Regina was a house next to the old post office. I got that in the fall after waiting all summer and when the cold weather came on, we could not live there. I got a cottage opposite the English church, without any cellar or foundation and paid \$18 a month for it. That has since rented for \$30 a month. It is almost an impossibility to get a house or rent a room.

Mr. JAMIESON.—I think in the last eight or ten years rents have practically doubled.

Mr. GAYTON.—I think rent has fully doubled in the last ten years. At that time, the people I stayed with paid \$15 a month rent. You could not rent the same house to-day for \$50 I am sure. Ten years ago I paid \$20 for board and room; to-day not under \$45.

Mr. LAKE.—Do officials have to rent part of their houses?

ALL.—They could not live if they didn't.

Mr. CROSS.—Practically the only way any one can live is to keep two or three roomers.

Mr. LAKE.—That means that the mistress of the house has to do the work of the house and keep the rooms in order?

Mr. NICOLL.—Means extra work for one's wife.

Mr. CROSS.—It means that it is not a home. This is a general statement of house-keeping—rent, coal, wood, bread, milk, fish and groceries, sugar and flour. \$107.90 per month. Very moderate for a family of myself, wife and three children.

Mr. JAMIESON.—I could not possibly carry my family over on the same.

Mr. CROSS.—Boots and shoes, &c., and clothing, \$300 per year. Incidental expenses about \$200; life insurance, \$121.90, whole thing amounts to \$1,984.20 a year. If I did not own my own house, I would have to get out of town. Of course I put that rent in, but I do not have to pay the rent, except to myself.

Mr. LAKE.—What is your salary?

Mr. CROSS.—\$1,200 a year. It was \$1,000 till about April.

Mr. ARGUE.—I think we should take in amusements as incidental. An average cost for a man like myself is 50 cents in the east, \$1.50 here. Small shows double price. A good show \$5.

Mr. JAMIESON.—Any man in any business here to-day has got to pay so much to his church, so much for social functions, he cannot get out of it; he is looked upon as com-

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mon property for every donation and it runs up from \$150 to \$200 a year. I also happen to know something about sickness the last two or three years. If a man has to spend \$200 or \$300 a year on sickness, he has got to get along just the same. These are questions outside of the ordinary salary.

Mr. GAYTON.—In connection with sickness; one of our men has been off now 6 months next week; a big part of that time he has been in the hospital. He has been in the service since January, 1905, and his house was one struck in the cyclone. He got his salary for his three weeks annual leave and two weeks sick leave, and since then nothing. It is quite a hardship for him as he is only getting a small salary. I believe he made application for some remuneration, but has not had any yet. His house was not a total wreck, but I should judge—well, there were just four walls left and the furniture all damaged. I would not expect he could repair it for less than \$1,200 at the very lowest.

Mr. REED.—His wife would have a doctor's bill, too. She was injured by the cyclone.

Mr. NICOLL.—I lost one of the best clerks I ever had. He was only temporarily in the service. He was killed outright. It cost me \$800 to fix my own house on Lorne street.

Mr. REED.—It cost me about \$250.

Mr. JAMIESON.—One of my men lost all his furniture. I don't know whether the city is contributing something to a matter of that kind, to replace it or not.

Mr. LAKE.—What has been the increase in business in Regina?

Mr. NICOLL.—March 31, 1906, the post office revenue was \$37,510; the last year, \$123,000; from the 1st of April of this year, until the 31st of July (4 mos.) our increase in stamp sales is \$20,000, comparing with the same months last year.

Mr. LAKE.—Now in the Customs.

Mr. JAMIESON.—Five years ago—1907-1908, the receipts were \$312,712. In 1908-1909, \$283,420; in 1912, \$344,981. The first years were including the outports; last year, just Regina alone. Our receipts this year should be \$1,000,000 for the city alone.

Mr. LAKE.—How has your staff increased?

Mr. JAMIESON.—7 of a staff in 1908, and 13 of a staff in 1912.

Mr. LAKE.—Is there any other matter any one would like to bring up?

Mr. ARGUE.—Shorter hours in the post office. We work on an average of 9½ to 10 hours a day; night a little less average of about 8 hours at night. No provision for a half holiday or public holidays; work the same. Working about 24 hours a day at Christmas.

Mr. JAMIESON.—Our hours outside are from 8 to 6. We close at four, but work till five in the office.

Mr. ARGUE.—I think clerks should be paid extra for special work at Christmas, &c.

Mr. JAMIESON.—I think that officials in the Customs should be paid the same salaries as officials in the post office or any other department. Salaries should be uniform and I think that while there is a provisional allowance for one department, there should be in another. There is nothing in the Customs.

Mr. LAKE.—Customs salaries have been increased all through the Dominion. The increase was the same, was it not? Was there any difference between the east and the west?

Mr. JAMIESON.—Not that I know of.

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Dr. TAMBLYN.—The inspectors have had a western allowance, yet the clerks do not have it. I suggest that it extend to the clerks of this department as well.

Mr. REED.—Dr. Tamblyn and I are under the same department, and no allowance is made to my branch.

Mr. LAKE.—Are there any officials in the east in the outside service? Where are they situated?

Mr. REED.—Yes, one in Ontario, one in Quebec, and two in the maritime provinces. Our man at Calgary receives exactly the same as our man at Quebec.

Mr. LAKE.—In regard to the annual increase of salary, that should be a regular increase to which the employee is entitled, providing his work is satisfactory to the head of the branch, the initiative should not be left to the head of the branch to recommend any one for such increase. Is that your view?

ALL.—Yes.

Mr. CROSS.—The present system is that you do not know whether you are going to get one or not.

Mr. NICOLL.—In giving that allowance, it should not be \$180 in one and \$200 in another.

Mr. JAMIESON.—In connection with my own staff, there is no provision made for vacation for the temporary staff. Most of my men are temporary. Nine out of the thirteen are temporary employees. If they receive a holiday, there is no provision for paying them.

Mr. LAKE.—How long are they allowed to remain temporary?

Mr. CROSS.—They have to take the Civil Service examination after three years.

Mr. LAKE.—If a man does not take the Civil Service examination within three years he has to retire?

Mr. JAMIESON.—No, he is still a temporary man.

Mr. NICOLL.—A man who is taken on in the post office must take the Civil Service examination in one year, or leave the department.

Mr. REED.—The system of appointments to educational work is unfair and unreasonable; because men qualified by political service, only are recommended for this work. You cannot carry on an educational campaign with politics.

Dr. TAMBLYN.—In connection with the salaries of veterinarians of the Health of Animals Branch—I mean in the field work. The great question is that unless we pay our men sufficient salaries to keep them satisfied, they are looking for some side issue and their government work is a secondary consideration, and we lose a lot of time. We have to get a better class of men, as our work is unsatisfactory, especially where we have to come in contact with a large number of men. It is better to employ a few men at good wages, than a number at poor wages.

The deputation withdrew.

The Commission adjourned.

CHARLOTTETOWN, P.E.I., TUESDAY, July 23, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting to-day in the office of Mr. James B. Hegan, District Engineer, Department of Public Works.

JAMES B. HEGAN, aged 66, District Engineer, Department of Public Works, sworn and examined by Mr. Ducharme:—

Q. You have been engineer since when? A. I have been engineering since 1864.

Q. You have been employed with the government since 1864? A. I have been engaged in engineering since that time.

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Q. And you are district engineer? A. Yes, at a salary of \$3,800. I was assistant engineer on the Intercolonial from 1869 until 1873. I was assistant engineer of public works for the maritime provinces from 1875 to 1880. From 1880 to 1882 I was not in the service of the government. In 1880 Mr. Perley was promoted and made chief engineer, and on his being removed the whole office in the maritime provinces was broken up. I was thrown out and went into the employ of the Canadian Pacific railway and was there until 1882 when Mr. Perley saw me in Ottawa and I returned to the service and the reorganization of the department in the maritime provinces. I was acting engineer in charge of public works for the maritime provinces from September, 1883 to 1888. I was resident engineer of the Public Works Department at St. John from July, 1889 to 1897. From then until the present I have been district engineer of the Department of Public Works at Prince Edward Island, residing in Charlottetown. Previous to that I had resided in St. John.

Q. As the district engineer what are your duties? A. My duties are to make surveys of works required, dredging or harbour improvements. My duties here are anything that comes under the control of the Department of Public Works. I am a resident representative of the department.

Q. You are answerable direct to the department at Ottawa? A. Yes, I correspond with the chief engineer, the deputy minister, the assistant chief engineer and the secretary of the department. For instance, I see to getting contracts signed, the secretary sends those to be signed, and afterwards for the chief engineer I see that the works are carried on according to plans and specifications.

Q. What kind of work would that be? A. Here is my annual report for last year. Besides attending to the work there is the getting up of this report which in itself takes up a lot of time. But Alberton he did the dredging.

Q. Your work consists in making the soundings where dredging is to be done according to instructions from Ottawa. Do you make plans for dredging? A. Yes.

Q. You do not construct any dredges? A. No.

Q. You attend to the construction of wharfs? A. Yes, we occasionally have some buildings to put up, not architectural work but the construction of small buildings on wharfs, &c.

Q. Do you make any repairs to dredges? A. No, that is under the mechanical superintendent. Mine is the civil engineering.

Q. You show me a plan of Alberton, P.E.I., where you did some dredging. This plan is prepared by you? A. Yes, in this office.

Q. That shows the different soundings and the different wharfs. All these details are incorporated in the report of the Public Works Department? A. Yes, I think so.

Q. You have in this report plans showing the different places where you are doing works? A. Yes. Last year we had about thirty-one works in progress.

Q. About what amount of work do you do a year? A. About \$100,000.

Q. Do you revise contract prices? A. Oh, yes, everything is in detail. There is a special plan and estimate for everything.

Q. When a contract for dredging is given it is given by Ottawa is it not? A. All contracts are given by Ottawa.

Q. And you are informed of it? A. Yes, we are notified.

Q. That a contract has been given to such a party at such a price for such a place? A. Yes, we set out the work. In the first place we make a survey before the work is approved and we give an estimate. We recommend a piece of work, we exhibit plans, the plans are approved of and the work is let afterwards. When the work is let we set out the work for the contractor and measure the work for him. Then we watch the contractor to see that he does the work as specified according to directions and we make out the estimates in his favour and look after the whole thing. It is the same in the construction of a wharf or anything of that kind, we

first report on it, we afterwards prepare a plan. Four or five contracts were let for work and two contracts were let for dredging, and all that work comes under my direction. Most of the work done on the island is done by departmental dredges. But at Alberton, for instance, where there is 8,000 or 10,000 yards of material to take out, it would not be profitable for a contractor to bring a dredge for that when the department has three dredges on the island.

Q. What are the names of those dredges? A. One is the *Pownal*. She is a dipper dredge taking up a yard. She was constructed more especially for making improvements in smaller harbours, &c. Another one is called the *Prince Edward*. She is a three yard boat. She is an old dredge originally built by the Prince Edward Island Government before entering the Confederation in 1873. This dredge was taken over by the Dominion Government and has been kept in commission ever since although practically it has been rebuilt. Another one is called the *Montague*. She is a two and a half yard dredge. She can take about 36 feet depth; the *Prince Edward* can take about 32 feet and the *Pownal* about 12 feet.

Q. When you said about \$100,000 worth of work did you mean that that is the contract and departmental dredging? A. No, I am speaking about my own particular work which is more constructive work. You will see year by year in the estimates here for Prince Edward Island, \$122,400. That is in the estimates, the harbours and rivers appropriation. The preparation of the estimates involve a great deal of labour and care. For instance, only the other day I received a request from the department to prepare the estimates for 1912-13-14.

Q. When you ask for an appropriation of \$150,000 and you only get \$40,000 do you start the work the same as if the \$150,000 had been voted? A. Exactly the same.

Q. When you finish the matter you start the work? A. No, the department does, the Government has the full information about that in the department.

Q. A separation of the estimate is of course a duty that devolves on you every year? A. Yes, it is the usual thing every year. The only difference is that in the last few years they have asked us for plans and description for every work which they did not do before. That greatly increases the work of this office. For several years I have asked repeatedly for a first class draughtsman. At present I have no draughtsman, my assistant does the draughting in addition to his regular work outside.

Q. All the draughting is done by your assistant? A. Yes.

Q. You consider there is too much work for only one man? A. There is no doubt about it. I have already as much work on hand as my present staff can handle, and I need a competent draughtsman to handle additional work particularly in view of the fact that the department has this year asked to have the estimates prepared by September.

Q. When you speak of \$100,000 you refer to your work? A. We usually spend about \$100,000.

Q. That refers to dredging? A. Yes.

Q. How much would the departmental dredging cost? A. The contract that is in progress now at Summerside is being done by the Dominion Dredging Co. This will amount to between \$50,000 and \$60,000.

Q. That is done so much each year? A. At 35 cents a yard.

Q. Was similar work going on last year in the same place? A. They commenced last year.

Q. It is the same contract this year? A. Yes.

Q. Who makes up the estimate of the amount to be paid to them? A. On that work the contractor is being paid by what we call scow measurement. Each scow is measured and an account taken by an inspector on the ground.

Q. Has he been there long? A. It is a new man this year and we try to inspect him. We check his work.

Q. You send your inspector to see that he does his work properly? A. Yes.

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Q. In former years have inspectors allowed men more yards than they should be allowed? A. Not in this district.

Q. You know that that has been done? A. It might be done by ignorance or by design. I do not consider that the department pays sufficient wages for that class of men.

Q. Those inspectors are temporary men? A. Temporary. They really have no real responsibility.

Q. Do you not think that they should be made permanent with a sufficient salary to guarantee that they would do their work honestly and efficiently? A. I do not think they all should be. I think there should be probably one in each district available in any case required. I think it would be well to have a man, in fact I would do it myself if I had assistants, I would have one of my assistants check the inspector when he did not know it. Then we measure in situ.

Q. Have you any idea of the value of dredging? A. I have a fair idea.

Q. Do you not think that 35 cents is a high price? A. No, I do not consider it is up there for this reason. The tow is about three and a half miles, and the material is fairly hard, and the situation is such that it is not possible for the dredge to work continuously ten or twelve hours a day. Some days she cannot work at all. On a very blowy day with the wind in a certain direction she cannot work and the expenses go on all the same, coal and things of that kind. I think that the price up there is about fair.

Q. Do you know the manager of the Dominion Dredging Company? A. I met several here before the contract was taken. There was Mr. Stewart, and Mr. Dewar is their manager down here.

Q. It is the same manager as last year? A. Yes. Then there is another contract let for dredging down here at Vernon River at 24 cents a yard.

Q. Is that the only company dredging here? A. The Dominion Dredging Co. and a company called the Island Dredge and Construction Company and although they have the contract for this work down here they have sublet it to the Halifax Dredging Company. I wrote both of them yesterday on the matter.

Q. Who constitutes the Halifax Dredging Company? A. It is an incorporated company. They have taken the work and paid the other people something for getting the job. I wrote them yesterday by instruction of the Assistant Chief Engineer. I informed him about the Island Construction Company having let it and he wrote me to inform both of them that they still hold the Island and Construction Company responsible, and if they wanted to be recognized by the department as a contractor they would have to write to the secretary of the department.

Q. Do you make estimates for the contract dredging? A. Yes, I made estimates for both of them and furnished plans.

Q. What price did you put down? A. I think I put down myself in the dredging at Summerside 30 cents.

Q. But still you think 35 cents is not exorbitant? A. I put down 30 cents because at that time when I made the estimate for the dredging in Summerside I proposed doing a large amount of dredging up there and before the contract was prepared for Summerside I had a letter from the department at Ottawa saying that they could not undertake such an amount of dredging and could I not cut down the quantity some. I said I could cut it down quite an amount and we cut it down, and if you cut down an amount of work then the price for the smaller amount of work is necessarily a little larger because the contractor is at big expense for towing plant, &c. He has to be reimbursed for that out of his contract. His overhead charges are larger.

Q. What are the names of the dredges at Summerside? A. In Summerside there is the *Pelver*. Her buckets have a capacity of sometimes five yards and sometimes

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seven yards. They have a lift they can put on and increase the capacity. The dredge that is going to do the work at Vernon river I do not know anything about.

Q. Do you think they should report to you? A. Not necessarily. In fact it is stipulated that when a contractor is tendering for dredging he should give both the name of the dredge he will put on the work and also the capacity and the size of the scows and all information about it. That is a matter which they handle in Ottawa.

Q. Do you think they should give you that information in order to help you check the work? A. I have it always. In Summerside they have seven pockets in each scow. I have every pocket measured and know how much each pocket contains. We know what it contains when full and for each different depth.

Q. You have no hydraulic dredging down here? A. No, nothing of that kind.

Q. The departmental dredging is done by the department at Ottawa under Mr. Dufresne? A. Yes.

Q. Have you anything to do with that? A. In the first place I correspond with Mr. Dufresne. I report to him and give him estimates as to where the works are required to be done. I report all the dredging that is required at the different places. Then he usually asks me to give him a programme of what I would suggest for the season's work and the placing of the dredges, &c. I usually give him that and sometimes it is carried out and sometimes it is not. Sometimes a programme is put down to be carried out and circumstances arise that the dredges are put in other places, but any dredging that is done is supposed to be and is set out by me and the captain of the dredge is given instructions where to do the work, the line on which the work is to be done and the depth to be dredged to, and we set him a tide gauge. Then we are supposed to see that the captain does the work according to instructions.

Q. Have you anything to do with the dredges themselves? A. Nothing to do with the merits of the dredges. We have nothing to do with whether they are in efficient working order or whether they have sufficient supplies. I have no more to do with that than I have with the contractor's plant. They are in the same relation to me as a contractor's plant.

Q. They are entirely under Ottawa? A. Or the superintendent of dredging. For the work being done they are under my direction.

Q. For the supply of coal, provisions, &c.? A. I have nothing whatever to do with that.

Q. That would be direct from Ottawa? A. Yes, or they have a superintendent of dredging.

Q. Mr. Scobel would have nothing to do with that? A. He had all to do with it, but now there is a superintendent of the island, Mr. Macdonald. The captains of the departmental dredges make weekly returns of their operations. They send me one copy and send one copy to the department. I am held responsible for the work even of the departmental dredges although I have no control over them.

Q. Are you on the Civil list? A. I am not on the Civil list. I do not know the claim, I get my cheque sent without any account going in.

Q. Do you contribute towards the superannuation fund? A. No, I have never been allowed to. It was always the same in our department.

Q. Are all the employees under you in the same position? A. All the same.

Q. Have you any suggestion or remark to make as regards the Civil Service? A. I have that for years and years I could not see why I should not be in some different position from little counting house officer here, or in fact that the whole service should not be put on one basis. I have done what I could for it but I do not benefit by it. I consider that I have a very responsible position. I have looked after the expenditure of millions in the last twenty years and I have tried to do it faithfully and honestly but I get no thanks for it.

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Q. You mean that there is no superannuation for you? A. I may get broken in health. In fact now I am not as robust as I used to be. I have nothing to look forward to, in fact I have had no comfort for the last couple of years. I have asked for more assistants and now I feel I cannot do it, I am broken down.

Q. So far by overwork you have been able to carry on the whole work but you begin to feel that your health is sinking? A. Yes, I cannot stand it.

Q. And no provision has yet been made for your future? A. I have not had a holiday in eleven years. I do not feel that I should leave.

Q. Do you see any reason why the outside service should not be on the same basis or footing as the inside service? A. They should be the same I certainly believe in them being credited and if found worthy taken into the inside service.

Q. I suppose you understand that when there is a pension fund you have to contribute to it? A. Certainly.

Q. Would you rather pay so much a month for a superannuation fund or so much a month and be the master of your money? A. I say whatever the system is, have one system for all.

Relating to the dredging, one thing in connection with the dredging done by the departmental dredges. This was a matter which came up two weeks ago that a man came in and accused me to my face that I was using my position in the department in the placing of the dredges as a matter of spite and in the interest of another party. The Premier Mr. Matheson made that accusation made about me. I told this party that the fuller investigation made into it the better I would like it, and I was going to have a full inquiry. Of course there is absolutely nothing in the charge.

Witness retired.

The Commission adjourned.

AFTERNOON SITTING

CHARLOTTETOWN, P.E.I., TUESDAY, July 23, 1912.

The hearing was resumed in Mr. Hegan's office at three o'clock this afternoon, G. N. Ducharme, Esq., Commissioner, presiding.

The following gentlemen representing the officers of the Prince Edward Island railway met Mr. Ducharme;—Mr. H. McEwan, superintendent; Mr. W. P. Huggan, accountant and auditor; Mr. S. S. Hodgson, storekeeper and mechanical accountant.

MR. DUCHARME.—Gentlemen, what are your views on the question of being placed in the inside service?

MR. McEWAN.—It seems to me it would be an advantage to us to be placed on the same footing as the members of the inside service.

MR. HODGSON.—Personally I would look upon it as a great boon to be brought into the inside service.

MR. HUGGAN.—I would point out that the local provincial government of Prince Edward Island tax dominion officials on their salaries.

MR. DUCHARME.—At what rate?

MR. HUGGAN.—One and one-half per cent on the full salary. They go to the blue book and get exactly the amount we are receiving.

MR. DUCHARME.—If a man gets \$500 does he pay income tax?

MR. McEWAN.—They are exempt up to \$500. They take \$14.75 off my salary. Then the local government does not do anything for us. We pay our taxes to the government of the City of Charlottetown to keep the city going and the local government give a certain amount to support the schools for the city board but they get that from the Dominion government under the arrangement of 80 cents per head. They get more on the 80 cents per head from the Dominion government than they expend

in the city of Charlottetown for education. The second last increase that was granted by the Dominion in the subsidy to the province was \$30,000 a year and attached to that was a condition that the tax on commercial salary coming into the provinces should be discontinued. We think as Dominion officials that when the Dominion government were last year increasing the subsidy to the province by \$100,000 a year they should have had a proviso that the provincial government should not tax the Dominion officials within the province.

Mr. DUCHARME.—How many employees of the federal government would there be on the island?

Mr. McEWAN.—We have 500 on our railway most of whom get over \$500. This applies to the captains and the post office and public works departments as well.

Mr. DUCHARME.—You are also taxed by the city?

Mr. McEWAN.—On property but not on salary. The majority of the members of the local house are farmers and the farmer is very careful not to tax himself very heavily. There are three classes of farms, one pays about \$3 tax on 100 acres, a good farm I think pays about \$5.75 on 100 acres. We have no municipal taxes in this province and the government of the province attend to the county work. The larger towns like Summerside and Souris have separate municipal organizations.

Mr. HUGGAN.—If a man gets \$500 he is exempt altogether, but if he gets over \$1,200 he pays on the whole amount of his income. A man with \$1,500 or \$1,600 pays on every cent of his salary. \$500 is exempt on all salaries up to \$1,200 but on salaries of \$1,200 or more the whole salary is taxed.

Mr. McEWAN.—If the city put the tax on us we would not object so much because it would reduce the other taxes and we would get the benefit of our money.

Mr. HUGGAN.—In connection with the Civil Service it might be as well to explain that nearly all the permanent employees on the Prince Edward Island railway are in the Intercolonial and Prince Edward Island Railway Provident Fund. Then there is also the outside Civil Service. I am the only one on the railway in the outside Civil Service and if I understand aright the outside Civil Service have asked to be put on the same standing as the inside Civil Service. We pay one and a half per cent on our salary and the Dominion government pays an equal amount with us into a fund, and out of that fund they get a retiring allowance based on the length of service and average salary for the last eight years.

Mr. DUCHARME.—How are you gentlemen located in your offices—have you good accommodation?

Mr. McEWAN.—Yes we have now. Our buildings here have all been renewed within a few years.

Mr. DUCHARME.—You have a sufficient number of employees?

Mr. McEWAN.—Yes.

Mr. DUCHARME.—Let us come now to the question of advertising and printing.

Mr. McEWAN.—It is done by local men; the accounts go to Ottawa and they are audited by the King's Printer.

Mr. DUCHARME.—I understand he simply checks the figures?

Mr. McEWAN.—He changes the figures.

Mr. DUCHARME.—Sometimes he checks them with the rate sheet but he does not make a regular checking.

Mr. McEWAN.—The time tables, blanks and forms are all printed here.

Mr. DUCHARME.—Do you ask for tenders or have you firms to which you apply?

Mr. HODGSON.—I have never asked for tenders for printing, the orders are sent out and I send a sample and a letter.

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Mr. DUCHARME.—You send a sample?

Mr. HODGSON.—Yes, and from that the King's Printer signs it and sends it back to us.

Mr. HUGGAN.—Messrs. Hayter and Farrell check the prices and I think Mr. Hayter keeps the accounts. There is hardly a bill that is not refused.

Mr. MCEWAN.—It is more satisfactory to have the work done here. The proofs are sent to us at once and checked.

Mr. DUCHARME.—How many different forms have you?

Mr. HODGSON.—About 474 I have as storekeeper in my books.

Mr. DUCHARME.—Is there a possibility of condensing those forms?

Mr. MCEWAN.—It is only a short time since they increased the number.

Mr. HUGGAN.—I do not think it would be possible to reduce the number. Sometimes there is a change and the old forms on hand are made into pads, but another takes the place of the old form.

Mr. DUCHARME.—Your forms I suppose are similar to the Interecolonial?

Mr. HUGGAN.—Very much. Our forms in general are very much like theirs.

Mr. DUCHARME.—Do you not find sometimes that the paper is not as good as it should be?

Mr. MCEWAN.—On the average it is pretty good but there is some that is exceedingly good.

Mr. DUCHARME.—I suppose you have a patronage list?

Mr. MCEWAN.—Yes.

Mr. DUCHARME.—And you have to have the work done there?

Mr. HUGGAN.—I see that the quality is as good as the sample sent.

Mr. HODGSON.—Mr. Pottinger was looking through my stationery room and he shook his head and said he thought my stationery was a little too good, a little too expensive.

Mr. DUCHARME.—We were inquiring at Ottawa whether there would be a possibility of printing certain forms in general use at the Ottawa Printing Bureau.

Mr. MCEWAN.—They might do that cheaper by printing larger quantities of the same form.

As to the working of the railway we have a deficit. The revenue is increasing every year and the business is increasing. We could earn one-half as much more money with little or no increase of expenditure if we had the field and the population to supply the traffic and I have hoped that we will have that.

Mr. DUCHARME.—If business increases you will be in a position to supply \$100,000 more revenue without greatly increasing the expenditure? Are there many passes given?

Mr. MCEWAN.—Only to employees.

Mr. DUCHARME.—Are there too many given?

Mr. MCEWAN.—I do not think so. We make a good many applications to Moncton for employees and their families and they are never refused. Our people however do not run about very much.

Mr. DUCHARME.—Do you find that Members of Parliament ask for passes?

Mr. MCEWAN.—No, they hold passes of their own.

Mr. DUCHARME.—Politics do not interfere with the road?

Mr. MCEWAN.—Oh, no.

Mr. DUCHARME.—You do not see any way to increase the business except what you have spoken of?

Mr. MCEWAN.—No, we are pretty careful. I do not think we buy anything if we can help buying it except what is necessary for the running of the road.

Mr. DUCHARME.—Is the road in good condition?

Mr. MCEWAN.—Yes, sir, very good.

Mr. DUCHARME.—How many miles have you?

Mr. MCEWAN.—276 miles, and there are 10 miles being built at the Scouris end from Harmony to Elmira. It is completed on capital account.

The hearing was adjourned.

CHARLOTTEOWN, P. E. I., TUESDAY, July 23, 1912

G. N. DUCHARME, Esq., Commissioner, sat in the office of Mr. Thomas G. Taylor, agent of the Department of Marine and Fisheries for Prince Edward Island, this afternoon.

THOMAS G. TAYLOR, aged 57, agent of the Department of Marine and Fisheries for Prince Edward Island, sworn and examined by Mr. Ducharme:

Q. How long have you been in your present position? A. Three years on the 14th of December.

Q. Were you in the service before that? A. Yes, sir.

Q. In what position? A. I was captain of the survey boat.

Q. For how long? A. Six or seven years.

Q. And before that? A. I was employed by the English Government for eleven years. Before that I was deep sea sailing all over the world. I was in a Nova Scotia ship.

Q. What are your duties at present? A. To look after the winter steamers, light-houses, government wharfs, buoys, harbour master in all outlying ports of Prince Edward Island. I have to attend to everything belonging to the Marine and Fisheries Department in this district. I attend to the buoys at Point du Chêne and the ice boat service in the winter.

Q. Do sea-going vessels come here? A. We have our winter steamers, the *Earl Grey* and the *Minto*. These are ice steamers. They maintain a passenger and traffic service with the mainland for the winter.

Q. How many employees have you under you? A. Four in the office and on the wharf, four permanent people. We have of course temporary workmen in addition, and we have the crew of the *Brant*.

Q. To whom do you report? A. To the Minister of Marine and Fisheries.

Q. You have nothing to do with the boats themselves? A. Oh, yes, we man them here. We supply them by patronage. The members supply a list of men they want put on and if they are suitable I put them on, so much per man.

Q. What about the coal? A. The coal is supplied by the department.

Q. Who makes estimates for that? A. I make the estimates for everything the boats want.

Q. Is there any stock-taking in the fall? A. Down in our warehouse, that is all the stock that is taken. On board the steamers, the stewards take an inventory every three months with the first officer.

Q. Has it been always that way? A. Only lately. Before there was no stock-taking. We got the coal delivered to the boats at Pictou at \$3.75. The government do not carry any coal on hand. All the supplies we have on hand are just lighthouse supplies. When we buy lighthouse supplies we requisition them into stores and out again through our books. We do not buy oil, it comes from the department. When this season was over we had about five barrels over. We make returns to Ottawa showing that we have so much on hand and how much we have used. We show every barrel charged up to each ship.

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Q. What supplies have you for lighthouses? A. All other supplies we buy by contract submitted to the department first.

Q. What would they be? A. Brooms, buckets, tin buckets, scrubbing brushes, anything used for cleaning or working around lighthouses. These are bought by tender first submitted to the department.

Q. Do you find that that causes delay? A. Yes, it causes delay.

Q. And annoyance? A. Sometimes, certainly, if we could buy direct it would be an advantage.

Q. Could you buy as cheaply direct? A. Not as cheaply as if they bought in Upper Canada because our merchants have to buy in Upper Canada and bring the goods here.

Q. So at present when you want anything you send a requisition to Ottawa and Ottawa asks for prices? A. If we want to buy a dozen things we send to Ottawa at once and if they think the price satisfactory they send a covering order for the goods. They write about the prices now and again.

Q. And if the prices are agreed to, you buy the goods? A. Yes.

Q. From the firm that is lowest? A. From the patronage people.

Q. You have a list? A. It is not a list from the government, just from the local members. They do the same as when the other government was in power. They have their friends to go to and so have these.

Q. You have a patronage list? A. A patronage list of 'friends to go to the same as before.

Q. That is supplied by the members? A. Before they had a contract with the merchants, but the contract was with their own people. It is the same thing now only there is a change from one merchant to another.

Q. Are there any things in your department you would complain of or have you any remarks or suggestions to make? A. The system of purchasing is too roundabout and too slow. Goods should be bought in the place where the vessels are working. First I have to make a requisition and send it to Mr. McConkey, the ship husband in Halifax, or to Mr. Ferguson the chief engineer in Quebec, and for anything in the engineering room we have to send to Mr. Ferguson and for everything on deck to Mr. McConkey. If they approve of it they sign it and return it to me. Then I send it to the purchasing agent at Ottawa and with both of our approvals on it it may be turned down by the purchasing agent.

Q. Are you aware that the purchasing agent at Ottawa when he receives your requisitions writes to different firms that he has on his list asking for prices on the goods that you require? A. No, sir. But he might write to a merchant from whom he would be buying wholesale and we would clash down here on the price. I say that you cannot expect us to buy 20 pounds of something at the same rate as a ton.

Q. The firms themselves sometimes write asking further details and they make their price and when they are satisfied with the prices the purchasing agent writes you, and all of it together you think causes quite a lot of delay? A. That is the trouble we find, the great delay.

Q. Do you not think it would be better if there was a central place, say Moncton, where you could apply direct for your goods? A. Either that or let the department make a contract with the merchants here for everything we require and give it to us in writing. Then when requisitions come up they are according to this contract and they have no further bother.

Q. Do you keep a stock ledger? A. Yes, sir.

Q. And do you call for requisitions? A. We never allow a thing to go off the wharf without an order from the storekeeper.

Q. Do you make estimates of what you require? A. Yes, sir, every year we send that in to the department.

Q. When it is voted are you notified of it? A. No, sir.

Q. Do you not think you should be? A. I do not know if it would do us any good.

Q. There must be a check somewhere so you will not exceed your appropriation?
A. I do not think we have ever exceeded our appropriation.

Q. Could not your books be arranged so as to prevent the possibility of your exceeding your appropriation? A. Yes, the present system is too complicated. It takes too long to fill orders and as the work increases the clerical work piles up more and more and the delays are becoming serious. You make a contract with a man here say for a boiler. They get specifications there, it is sent to them, and the man says, "I will do this for \$250." If he sends in a bill as per contract and specifications, \$250, they will not accept that, they want an itemized bill from the man taking the job. Many of the mechanics kick against that and say, "Why should we give our business to the department?" The clothing of the vessels in the spring and fall of the year never seems to go straight. If we had a contract price and if we went to the tailors here they could get the goods.

Q. You are on the outside list, I presume? A. On the outside list.

Q. Have you ever thought whether you should be in the inside service or not? A. I think it should all be on the same footing. I do not think it is fair when the men who go to sea as captains should be liable to be thrown out.

Q. Have you any suggestions to make on that question? A. I think it ought to be uniform, it should be all through the service.

Q. Your work is not getting behind on account of having too small a staff? A. It is behind with the accountant, he cannot keep up unless he gets an assistant. Anything that comes from Ottawa it is all by cheque. The earnings of the boats—the purser comes to me with the cheque filled for, say \$1,500, I sign the cheque and he sends it to the Receiver General.

Q. You do not know what it is for? A. No, he gives a statement and we send that to Ottawa, a statement of every ticket, every half ticket, and everything of that kind.

Mr. Taylor shows a statement of the earnings of the steamer *Minto* for March, 1911, showing receipts amounting to \$1,705.77.

Freight, \$1,060.42.
Passengers, \$497.25.
Meals, \$22.10.
Berths, \$126.

Mr. TAYLOR.—This money is deposited by the purser into the Bank of Nova Scotia in the name of the Receiver General, and the duplicate deposit receipts are handed to the accountant of the Marine and Fisheries here in Charlottetown. I find a cheque in remittance of difference of freight to the Intercolonial railway. I give this cheque to Mr. Webster in Pictou.

The hearing was adjourned.

CHARLOTTETOWN, P.E.I., WEDNESDAY, July 24, 1912.

G. N. DUCHARME, Esq., Commissioner held a sitting this morning in the office of the Collector of Customs.

Mr. ROBERTSON, Esq., collector of customs, aged 57, sworn and examined by Mr. Ducharme.

Q. How long have you been in your present position? A. Ten years. I was formerly sheriff of the county with the local government.

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Q. How many employees are there in the Customs Department here? A. 17 on the pay-list at the present time. In our port right here there are 12 in addition to temporary clerks.

Q. What salary do you get? A. \$1,950.

Q. What amount of collections do you make in a year? A. Last year over \$109,000 of which \$105,000 was in Charlottetown and \$4,000 in outports. The year previous was a little more. The population on the island is 120,000, the population of Charlottetown 12,000 and of Souris between 3,000 and 4,000.

Q. Do you think your staff is too large for the business of the port? A. We have a tremendous length of coast line and a great many outports that do not return a cent only they protect the revenue.

Q. Have you employees there? A. Yes, sir.

Q. Are they included in the 17 you gave? A. Only a few of them, the principal outports are included.

Q. Do you collect from more than one place? A. Murray Harbour, Souris, Georgetown, Montague. Some of these are on the temporary list. There are 7 other officers not mentioned, 23 altogether.

Q. How much revenue do you get from each outport? A. Last year at the outport of Georgetown we collected \$220.43.

Q. How many employees are there there? A. Just one, an old gentleman.

Q. How much does he get? A. \$700. The other outports and the amounts collected are as follows: Souris, collected \$2,486. We have two officers there, one on the permanent list and one on the temporary. The permanent man gets \$700 and the temporary man who was only put on the other day, gets \$200. At Crapaud the revenue is \$130. The man is on the temporary list and receives \$300. At Montague we collect \$385 and the employee there gets \$400 a year. At Murray Harbour the revenue is \$277 and the officer receives \$200. At Cardigan the revenue is \$371 and the officer receives \$250. At Peters the revenue is \$322 and the officer receives \$200. Vernon River the revenue is \$34 and the officer receives \$150. At New London the revenue is \$27 and the officer receives \$150. At Grand River the revenue is \$2.51 and the officer receives \$150. At Rustico the revenue is \$10 and the officer receives \$150.

Q. Are there other expenses connected with the outports besides the salaries? A. Simply postage, at the end of the year a few dollars postage.

Q. There are no office expenses? A. No, there is a Dominion government office at Georgetown and one at Montague and one at Souris. There they are in the government buildings. The others supply themselves with offices and we supply them with stationery.

Q. Why are there so many collecting points? A. We have a very extensive coast line. We begin 28 miles from towns at Crapaud. Then we extend down south to Vernon River, 22 miles by the coast line. The first office is 35 miles from Georgetown. Then at Montague it is about 9 miles. There is a good deal of business there although not much revenue. Cardigan River is 7 miles and there is a great deal of business there. They attend to the entering and clearing of vessels and attending to sick mariners. Then we strike Georgetown where many American fishermen run in for shelter and the officer there has to be very alert and cautious in attending to his duties. A good many sick seamen come in there for attendance. Murray Harbour 15 miles down on the coast line has considerable business although little revenue. There is a collecting station about 7 miles from Murray Harbour at Vernon River where we have a special collector getting \$250. From time to time no revenue. About twelve miles further there is the Grand River where a great deal of shipping is done. At Allandale this station is located. We have a man there who collects \$2.50 but he has a good deal of shipping to attend to and a lot of coast line to guard. Many vessels from the Magadelen Islands and St. Pierre and Miquelon are accused of smuggling whisky. Then about 15 miles we get to Souris where there are two officers there.

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They collect about the largest revenue we have from any outport. There are a great number of American fishermen running in there for shelter. We consider Souris the principal port outside of Charlottetown and there are many sick seamen who come in there and get treatment. We extend around the east point to St. Peter's where we have a man about 35 to 40 miles from Souris. Many fishermen from the north side run into St. Peter's for protection. Rustico is the next port. That is about 25 miles from St. Peter's. We have another twelve miles west at New London where we have two men.

Q. You must have that number of ports to protect the coast from smuggling?
A. Yes.

Q. The largest amounts of duties are collected in Charlottetown? A. Oh, yes. We collected last year \$105,000.

Q. Liquor is prohibited on the island? A. The sale is prohibited but the importation is not.

Q. Could you suggest any means by which this could be improved? A. The coast could be lessened. I have considered the matter but I cannot see any way of protecting the coast line than that now in use.

Q. Supposing that you had not all of these sub-ports and that there were attempts at smuggling, could you not ascertain and guard against such attempts if you had two or three Customs officers looking after the coast? A. Yes, I think they could trace it but there is a great deal of traffic through the mail and men grumble very seriously when they have to go a long distance to the Custom house, and at Vernon River, for instance, they get nothing but post office parcels.

Q. Could not the postmasters do that work? A. They have never done that here.

Q. That could be done, all dutiable goods coming through the mails could easily be inspected by the postmaster and the Customs dues collected? A. I suppose that could be done.

Q. Do you know of any way in which the service could be improved? A. I could not make any suggestions on account of the large coast line. A great many setierre vessels in the past have been smuggling in the eastern part of the island especially. The eastern part of the island has always been the bugbear of the province from a Customs standpoint. They get liquor very cheap there and bring it up here. It is quite a tax on the port here to have the little outports with small collections.

Q. Have you any complaints to make as to offices, locations, &c.? A. No, I think they are very well situated.

Q. Do you belong to the outside service? Yes.

Q. You are considered as a permanent officer of the outside service? A. I consider myself permanent. I pay \$100 every year, five per cent on my salary.

Q. Would you prefer to have all of the service put on the inside service? A. Yes, sir, we think it would be a benefit.

Witness retired.

M. J. MORAN, sworn and examined by Mr. Ducharme.

Q. You are the accountant? A. I am the head of the long room in the Customs office, senior clerk.

Q. How long have you been here? A. I have been here in this office 27 years.

Q. How old are you? A. 57.

Q. Were you in the service before coming here? A. No, sir, I was accountant in an office.

Q. I suppose your office work is up to date? A. Pretty well.

Q. I suppose that remark would apply to all departments? A. Yes, I think so.

Q. Have you enough assistance? A. Yes, sir.

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Q. Would you prefer to enter the inside service? A. I think it would improve the service by placing it under the commission, making it part of the inside service. So far as the chief ports are concerned I think it would be difficult to bring the minor ports in.

Q. All the head offices? A. The chief ports.

Q. I suppose that remark would apply to all departments? A. Yes, I think so.

Q. The excise and customs, savings bank, &c.? A. Yes.

Q. Have you any other suggestions? A. I think there ought to be an age limit in the appointment of officials.

Q. What would be that limit? A. I should say about 35 years of age. In the appointment of officers at outports there ought to be some test as to qualifications, that is, there ought to be some practicable examination by the inspector to see that those appointed are qualified for the duties they are to perform. It is difficult to do this, of course, on account of the small salaries paid, but in some instances officers are appointed whose qualifications are not up to the standard.

Q. I see that your collections are very costly. Do you know of any means by which the cost could be reduced? A. No, it is difficult.

Q. Could you do away with all these outside ports that give no revenue? A. No, it would be difficult to do away with them, because there is a certain amount of shipping at them, and it would be necessary to have officers there to enter and clear vessels. There are places where there are both harbour masters and Custom officers. In reference to the appointment of collectors at subports, the test I speak of should be by an inspector, it should be a practical test. As regards preventive officers at the chief ports, I think there ought to be some similar test. They are appointed now without any test. The law now provides that the preventive officer shall be exempt from examination, and I think there ought to be some test applied. It would be an advantage to have preventive officers who would be qualified to be taken into the long room in case of necessity.

Witness retired.

THEOPHILUS MOORE, aged 70, sworn and examined by Mr. Ducharme.

Q. How long have you been with the Department of Inland Revenue? A. About 38 years.

Q. Have you always been here? A. Yes.

Q. Were you with the government before? A. I was outside, I was in business at that time.

Q. Have you always occupied the same position in the department since you entered it? A. I came in as excise man, then I was appointed collector for a time, and now I have been collector since 1911.

Q. Can you state the amount of collections you make? A. Our collections have gone down materially. Some years ago we had three malt houses and three breweries, but now there is prohibition.

Q. Since when has prohibition been in force? A. For 12 years, and before that we had the Scott Act. They have prohibition, but that does not say that there is no liquor drunk in the island. We had bonded warehouses and four tobacco factories, but now all we have is three tobacco factories.

Q. How much do you get now? A. Between \$15,000 and \$16,000 last year. The duty on tobacco has been reduced from 25 per cent to 5 per cent, and that took us down immediately.

Q. How many employees have you in the excise besides yourself? A. Two besides myself.

Q. What salary do you get? A. \$1,300. Mr. W. A. Weeks, \$900 as deputy collector, Class B, and \$200 as food inspector, a total of \$1,100.

Q. Have you any other expenses connected with your department? A. No, there are none sir, just the ordinary little expenses, charwomen, &c.

Q. Have you any suggestions or complaint to make? A. No, sir, I do not know that I have. Mr. Gerald is a pretty thorough man and I think everything is pretty well arranged.

Q. Do you belong to the outside service? A. Yes, sir.

Q. Would you rather be in the inside service? A. We have always been under the impression here that the inside service gets better salaries than the outside. If it would be the means of getting better salaries for the outside service I do not think that any one would object. A couple of years ago salaries were rearranged in the departments under an amendment to the Act.

Witness retired.

J. A. MATHESON, aged 68, sworn and examined by Mr. Ducharme:—

Q. What is your occupation? A. Inspector of fisheries.

Q. Since when have you occupied this position? A. Since 1898.

Q. Before that? A. I was employed outside. I have been in the fishing business for 45 years.

Q. What are your duties? A. To look after the fishing interests in general all over Prince Edward Island.

Q. What do you call fishing interests? A. The lobster and fishing of all different kinds.

Q. What have you to do? A. We have through the country three other overseers, one for each county and a lot of guardians. Their accounts all come to me and I am supposed to visit the different lobster factories once a year. There are something over 200 lobster factories.

Q. How long do they work? A. The season opens on the 20th of April, and closes on the 10th of July. That is in one section of the island. In the other section from Cape Traverse to Welsh Point they commence on the 20th of May and close on the 10th of August.

Q. Do these factories pay taxes? A. They pay a license.

Q. How much? A. For the first 100 cases a license of \$5, and \$2 per hundred or fraction of a hundred above that.

Q. Do the fishermen take licenses also? A. No, they have no licenses.

Q. So the only thing you collect is from the cannery? A. We collect from the smelt license and also the oyster license, and the quahang license. That license is \$1 a season for a fisherman. The season is May, June and September. In August and July they are supposed to be spawning.

Q. What about the time after September? A. Then the oysters come in and the clams are not much required. The next reason is that we do not want to fish them at the same time as the oysters. The oyster license is 50 cents a man. The season for oysters is from the 1st of October until navigation closes.

Q. Have you any other licenses? A. I think that is all, the smelt license is \$1 each.

Q. Your instructions consist of making these collections? A. And going into the factory and seeing that the regulations are properly carried out and inspect conditions on which they are built and see that the fish are properly packed and returns made. All accounts going through are certified to by me. There is no license for herring fishermen or for cod. The charge for trout fishing we used to collect for the federal government but it now comes under the local government. We used to do a great mackerel business but it has almost disappeared. In Malpeque Bay they get lobsters.

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Q. Are you in the outside service? A. Yes.

Q. Have you any suggestions to make as to the bringing of the service into the inside service? A. I think we should be on the inside service, it would be more satisfactory.

Q. Have you any suggestions to make for the improvement of your service?
A. There are several things, the labelling of lobsters for instance. It is a great deal of trouble to the packer and not much advantage to the country. It originated from a commission of Messrs. Prince, Hackett and Ogden, who recommended the labelling of the fish. When it was first started they used to send the labels around to us. I was in the packing business then and it was never looked after, so after I came in I was talking to Professor Prince and Mr. Venning about it and asked Professor Prince what the object was. He said to prevent illegal fishing. I said then you have come very far short of what you expected. To my mind you are only putting me into the hands of men who wish to pack illegally. In those days the officers came around to the factories to label. We now send the labels to the factories but they still have a chance to smuggle some away. I suggested not to label any fish until the season was over and then have the officers label all the fish on hand. I think we are getting a little improvement in the system. Our oyster fishery is falling into the hands of the local government. They are taking over the whole ground this year but the Dominion government have the regulation still.

Witness retired.

THOMAS G. TAYLOR, recalled and examined by Mr. Ducharme:—

Q. You collect wharfage? A. The wharfingers collect it and we give them 25 per cent of what they collect.

Q. They have no salary? A. No sir, it is very hard to get them to act because there is not much in it. A man may live three quarters of a mile away from the wharf.

Q. How much would the total wharfage amount to in a year? A. In some cases to \$1, in some to \$100.

Q. You have no expenses at these wharfs? A. The wharfs are built by the Public Works Department. The minor repairs are done by this department. Our department should have nothing to do with the wharfs.

Q. How many wharfs have you on the island? A. There are many that do not bring in a cent. It would be better to abolish the wharfage tolls and allow the public to use the wharfs.

Witness retired.

The Commission adjourned.

SOURIS, P.E.I., THURSDAY, July 25, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting on board the steamship *Lady Sybil* this evening.

ALFRED B. PAQUET, sworn and examined by Mr. Ducharme:—

Q. What is your age? A. 39.

Q. Your occupation? A. I am agent for the steamship *Lady Sybil* and owners, managed and owned by Mr. McClure.

Q. How long have you been here? A. This is my first season.

Q. Were you living here before? A. Yes, sir, born here.

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Q. You have been living here all the time but you have only been agent for the last three years? A. Yes, sir.

Q. What complaints have you to make? A. For the convenience of the travelling public we should have a waiting room in connection with the freight shed at the railway wharf and for convenience in the discharge of cars at that wharf, the doors of the shed should be raised higher. The cars are not on a level with the floor when they are alongside the building. The doors of the cars are higher than the doors of the shed and the men unloading or loading freight must be in a crouching position. This is the only boat coming here at present, but in a few days we will have another boat from Halifax. Freight is landed in Souris for a good many small points on the railway in this county and in the county of Queens and it has to be loaded. The railway company loads the car and unloads it, the steamship company puts the freight in the shed.

I asked the manager of this boat to make a waiting room and he told me that when his contract expired it might not be renewed and it would be useless expenditure for him to build a wharf, that some other company might come in and reap the benefit. He thought it was the duty of the railway people to build this waiting room and a cheap little office here for the business. The government collect wharfage.

Then for the convenience of the travelling public the passenger trains should be run on to the wharf twice a week, Monday and Thursday. The track is already laid to the wharf and in daily use for freight and it would incur very little if any additional expense to run a train with passengers down twice a week to connect with the boat also carrying baggage and express goods which have to be transferred by teams on meile incurring expense to the passengers and consignees of goods coming by express. Only last night on the arrival of the *Sybil*, from the Magdalen Islands, some lady and gentlemen passengers were landed at 12 o'clock at night in a heavy rain storm. There was no conveyance to take them to the hotel or depot. I heard that a little girl being taken to the hospital was without means of carriage to a place of shelter. The passengers walked to the station a mile away and then were unable to gain admission to the station, but finally found shelter in a first-class railway carriage that happened to be unlocked.

Then there are no life buoys on the government wharf. I believe that life-saving apparatus should be placed on each government wharf.

Witness retired.

The Commission adjourned.

HALIFAX, N.S., July 30, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting at the Custom House this morning.

CHARLES E. W. DODWELL, district engineer of the Department of Public Works for western Nova Scotia, sworn and examined by Mr. Ducharme:—

Q. What is your salary? A. \$3,000.

Q. What are your duties as district engineer? A. The repair and construction of harbour works including wharfs, piers, breakwaters, protection works and the deepening and dredging of harbours and rivers for the four counties of Kings, Annapolis, Digby and Yarmouth.

Q. To whom do you report? A. To the chief engineer, Mr. Lafleur.

Q. You have no chief engineer for Nova Scotia? A. No, there are five district engineers in Nova Scotia.

Q. Would you kindly name them? A. There is Mr. E. G. Millidge of Antigonish, who has charge of the counties of Pictou, Antigonish and Guysborough. Then there

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is Mr. G. A. Bernasconi, who is resident in North Sydney and has charge of the whole island of Cape Breton. I am resident in Halifax and have charge of the counties I mentioned. Then there is Mr. H. A. Russell, who is also resident in Halifax with charge of the counties of Halifax, Hants, Colchester and Lunenburg. Mr. T. J. Locke resident in Shelburne, has charge of the work in Queens, Shelburne and Cumberland counties.

Q. Has this system been long in operation? A. No, the last change took place in September, 1898, when Queens and Shelburne were cut off my district and put under the charge of Mr. Locke who was then my assistant engineer. It was in the same year that Cumberland county was cut off my district and put under the charge of Mr. Locke.

Q. Is there a long distance between Queens and Cumberland? A. Queens-Shelburne are in the extreme south of the province and Cumberland is the most northerly county of the province.

Q. Do you not think that Cumberland should have been given to the north portion instead of to the south? A. Yes, of course, it should. Mr. Millidge could have looked after Cumberland county more conveniently than Mr. Locke because Cumberland county adjoins Pictou county.

Q. You do not know of any reason why the county was put in that district? A. No. In August, 1910, the counties of Halifax, Hants, Colchester and Lunenburg were cut off my district and erected into a district by themselves with Mr. Russell as district engineer.

Q. You were at that time in charge of these four counties? A. Yes, my first charge was eleven counties.

Q. In 1898 they took off three? A. They took off Queens, Shelburne and Cumberland, and in 1910 they took four more, leaving me only four counties now.

Q. How many counties are there altogether?—A. Fourteen. I had eleven. Besides that there were Pictou, Antigonish and Guysborough, fourteen counties besides Cape Breton on the mainland. On the mainland of Nova Scotia there are fourteen counties.

Q. Mr. Dodwell, has the work increased to such an extent that this division was necessary? A. The work undertaken by the Department of Public Works in Nova Scotia has increased in number and importance and cost very materially in the past ten or twenty years, but when you ask if they have increased so as to necessitate this arrangement that is another story. It is a question for very serious discussion as to whether we should have a great many districts with a district engineer in charge of it or whether we should have fewer and larger districts with a greater number of assistant engineers who should report directly to the engineer in charge of the larger districts. It is a question of centralization or decentralization.

Q. Do you not think if there was a man in charge of the whole maritime provinces reporting direct to the head office at Ottawa with the district engineers report to this engineer in charge of the maritime provinces the system would work better? A. I do, I think that would work better. That system was in vogue at one time in the past when there was resident in St. John, New Brunswick, an engineer who was styled engineer in charge of the maritime provinces and all the assistant engineers, as they were then called, reported direct to the engineer in charge at St. John and took their instructions from him. I have no official knowledge of the reasons why that system was discontinued. It ceased over twenty years ago and the maritime provinces were then divided into districts each in charge of an engineer styled resident engineer. It is only within the last four or five years that the resident engineer of the department has been styled district engineer. There is no real difference in their duties.

Q. Then all the district engineers here have the same duties and authority? A. Yes.

Q. Have you anything to do with the construction of buildings, &c., except what you mentioned? A. No. Public buildings come under the charge now of none of the district engineers.

Q. They are managed directly from the Architect's Department of the Public Works Department at Ottawa? A. For a number of years I had charge of the public buildings of Nova Scotia but I found that I could not give them the attention they needed and after representation to the department they only this year appointed a special inspector of public buildings to take charge of all public buildings in Nova Scotia. That is Mr. William Bishop, who is a builder, not an architect or an engineer. He is a pretty good man and he has relieved me of a great deal of very irksome, distasteful duties and he is kept pretty busy.

Q. Up to a year or two ago you had charge of the buildings? A. I had charge of the buildings in Nova Scotia, but Mr. Ewart gave me as little running about as possible. For instance, for a building in a distant town in Nova Scotia the repairs would be done through the janitor or caretaker of the building and unless they were of considerable magnitude or cost, and in those cases Mr. Ewart would ask me to examine the building and report to him with recommendations.

Q. What buildings were built here under your supervision? A. The armoury, the immigration buildings, the quarantine buildings, that is on Lawlor's Island, the Custom house.

Q. Could you say from memory when these buildings were put up? A. The armouries were begun in 1894 or 1895, I could not give you the date exactly. The immigration buildings were begun about 1895. The quarantine buildings which included the detention building, first, second and third class hospitals, lavatories and several other buildings were spread over several years beginning about 1892 or 1893. The Custom house, that is the building we are now in, took about five years to build. It was begun about 1902 or 1903 and only finished in 1908 or 1909. The post office building was erected by the Nova Scotia government before Confederation and taken over by the Federal government upon Confederation. The interior was all rebuilt in 1910-11. This was not under my care.

Q. These were all done under contract? A. Yes, all contract work.

Q. How many years have you been with the government? A. I am in my twenty-third year.

Q. You have always been here in Halifax? A. Yes.

Q. Was there any extensive work done in that time such as harbour work? A. Harbour work? The works have been very numerous and they have cost from a few hundred dollars up to \$100,000 or \$200,000, but the largest single wharf and breakwater would be the wharf at Port Wade which cost about \$96,000. I suppose there has been a larger expenditure on a single work in dredging. In Yarmouth harbour, for instance, we have spent several hundred thousand dollars in dredging in the past twenty years but not on any one piece of work or contract.

Q. Is there any great works going on just now? A. I am just beginning to build a breakwater at Trout Cove in Digby county which will cost about \$73,000. That is the largest single work I have on hand just now. That is a contract work. That is to say it is partly a contract work. The department has purchased the creosoted timber themselves and the whole of the native timber and the labour is under contract.

Q. Is the government building just now what is called a deep water terminus here? A. Yes, a contract was awarded about a year ago to the Nova Scotia Construction Co.

Q. Do you know who those parties are? A. Yes, it is an incorporated company. I think the president of the company is Mr. Cozzolino, a very competent contractor and Italian. The headquarters of the company are at Sidney, Cape Breton. The manager here is Mr. Lindsay.

Q. Where is this work located? A. About three-quarters of a mile north from here in Halifax harbour.

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Q. Who has charge of this? A. I do not know who represents the Department of Railways and Canals here, the consulting engineer, Mr. Kennedy, has a representative here in charge of the construction of the pier in his behalf.

Q. It is not in your district? A. No, it is in Mr. Russell's district, but of course Mr. Russell has nothing to do with the construction of the pier.

Q. Is the deep water pier an extensive work? A. Yes, it is about 800 feet long, 200 feet wide and the contract price, as I understand it, is about \$914,000.

Q. Is this an ordinary pier built in the ordinary way of wooden piles, &c.? A. Not at all, it is quite a novel type of construction. It is being built of concrete piles. The concrete piles are not entirely a new feature of pier construction but in the mode in which they are being used in the present pier they have certain features of entire novelty in the size and distribution of the piles. It is a type of construction for which, so far as I am aware, there is little or no precedent. The piles are of reinforced concrete, 24 inches more in section and in length up to about 75 feet.

Q. How do they get the proper depth to which to drive the piles? A. By preliminary boring. When the piles are driven they are for the purpose of forming a floor with reinforced concrete piers.

Q. Is it this type of construction which will cause this work to cost so much? A. Yes.

Q. Have you had occasion to see any such work in other countries? A. No, I have never seen a concrete wharf.

Q. But large wharfs? A. I was in New York in January last and took occasion to visit the Bush terminal at South Brooklyn where there are 7 large piers from 1,200 to 1,800 feet long and about 150 feet wide on which there was accommodation for nearly six large ocean liners. The whole of these piers are constructed of uncreosoted wooden piles. The piles of which the piers in New York harbour are constructed are not creosoted because the waters of New York are so foul that worms cannot live in them, but so far as I am aware every pier in New York harbour is constructed of native timber piles. At the first terminal at Brooklyn and at the White Star pier these piers have reinforced concrete floors and the same warehouses.

Q. If those wooden piles are good enough for New York, do you think that they should be good enough for this country? A. Quite good enough. But in Halifax harbour owing to the prevalence of destructive marine worms, we would have to have creosoted piles.

Q. Would that cost much more? A. Yes, it adds materially to the cost of the piles.

Q. But still the cost would be nothing to compare with the cost of the concrete piles? A. No, that is to say a pier of creosoted piles would cost very much less than a pier of concrete piles.

Q. Less than one-half. How many employees have you under you? A. One assistant engineer, one clerk accountant, a secretary stenographer, and just at the present time I have two engineering students who are only temporary.

Q. You do the draughting for your own district? A. Yes.

Q. Each district engineer does his own dredging? A. Yes, it is done in his office by himself or by his assistants.

Q. Have you any suggestions to make whereby the service could be made more efficient or economical? A. Yes, I have. It is in regard to the Bill that the engineers of the federal service are trying to get through parliament, if I may mention that to you. I have placed it before you. The engineers of the federal government are at present under certain disabilities. There is no properly organized engineering service in connection with the federal government and the engineers of the federal government have been for some years striving to bring about the establishment of a proper engineering service on lines similar or parallel to those upon which corresponding services are established in India and Australia. The engineers of the federal govern-

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ment with very few exceptions, are not on the civil list, and when the original Civil Service Act was passed in 1868 no provision was made in it for the incorporation in the public service of a staff of engineers in any department of the government, and so far as I am aware no attempt has ever been made to amend that Act so as to cause it to include civil engineers. We have no statutory recognized professional standing of qualification and efficiency. A civil engineer on appointment in any department of the federal government is not required to pass an examination or show credentials of professional experience and efficiency. We believe that it would be vastly in the public interest if an engineering service were established similar to those of India and Australia in both of which dependencies of the empire there are very excellent services.

Mr. Dowdell submitted a memorandum setting forth in greater detail his views upon this subject.

Q. Do you not think that one of the first things would be that any young man who wanted to go into the engineering department should pass a proper examination the same as any other civil servant? A. Certainly, unless he can show qualifications. For instance, a young man wants to become an engineer in the Public Works Department. I say: "Are you an engineer; show what you know?" He produces a certificate that he is a member of the Canadian Society of Engineers and has a diploma of McGill or Toronto or of some other college. He is an engineer. Care is taken that no man enters the engineering society unless he is an engineer.

Q. If an examination was introduced, would that not be an advantage? A. We do not object to that.

Q. You think they should have an examination as to qualifications? A. Yes, but if a young man produced a diploma from an engineering college and also an engineering society he would be quite willing to have an examination.

Witness retired.

HALIFAX, N.S., July 30, 1912.

G. N. DUCHARME, Esq., Commissioner, presiding.

HAROLD A. RUSSELL, aged 27, civil engineer, sworn and examined by Mr. Ducharme:—

Q. What position do you hold here? A. District engineer of the Public Works Department.

Q. By profession you are a civil engineer? A. Yes.

Q. Since when? A. I am not a graduate civil engineer, but I have been in the business since I was 18 years of age.

Q. You are district engineer for the counties of——? A. Halifax, Lunenburg, Colchester and Hants.

Q. What is your salary? A. \$2,300.

Q. Since when have you been district engineer? A. Since August, 1910.

Q. What are your duties as district engineer? A. The duties of the district engineer are to take charge of all expenditure of public money on wharfs, breakwaters, dredging and harbour improvements.

Q. Is there any dredging going on now? A. Yes, at Lunenburg.

Q. That is under your control? A. Yes.

Q. Is that done by contract or by government dredges? A. Contract.

Q. Who has the contract? A. W. J. Poupore Co., of Montreal. It is a continued contract, but there was nothing done last year it was continued from two years ago.

Q. How much is he getting there? A. I think his figure is 28 cents this year.

Q. Is that more or less than last year? A. That is less.

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Q. Are there many public works going on in your district just now? A. I have a number of small works, none of them very large. There is one contract of \$27,000. There are a number of plans being prepared for a number of works but none in progress.

Q. What contract is that for \$27,000? A. Devil's Island, construction of concrete breakwater.

Q. How long will that be? A. 240 feet total length.

Q. Of wooden piles or concrete piles? A. Concrete from the bottom.

Q. How do you get the bed? A. We put it in forms, we put the forms in first and deposit right in the water.

Q. Do you bore the foundation? A. No the foundation is right on the rock.

Q. What is the size of the forms? A. The forms we put in were too light. We put 8 x 8 timbers of 2-inch planks, but 8 x 8 was not heavy enough, the storm last month broke the forms right off.

Q. How large do you make them? A. They are 8 feet apart, each set of forms will be 8 feet apart over the work.

Q. What will be the size of each form? A. 24 feet in length.

Q. And how deep? A. About 17 feet, the width of the breakwater. It is really an extension to the breakwater there at present.

There is also a contract let for dredging work over at Dartmouth, about 45,000 yards.

Q. Do you know the price? A. 29½ cents I think.

Q. How much water is there? A. We are taking to 18 feet.

Q. Is there anything in connection with your work or department that you would suggest? A. The one thing which has been an annoyance and a detriment to our work is the appointment of foremen. There is too much politics. We cannot get good men.

Q. Is this of late? A. It has always been so, it is no better now than it ever has been. It is almost impossible to get competent men to take charge of the work. Last year I purchased an engine and used it for pile driving at a cost of \$1,000. The man I had in charge allowed the water to freeze in it last fall and burst the cylinders. The man I have in charge of it this year got it so that it would not run at all. I got no satisfaction out of it simply because I cannot get competent men.

Q. Had you given instructions? A. Yes, positive instructions.

Q. When it came to the fall had you given special instructions? A. Oh yes.

Q. And you had a report that it was all done? A. I told him the moment he was done with the engine to take the water out of it.

Q. Did you get a report from the man that he had done it? A. Yes, he told me that he had done it.

Q. Have you any other suggestion? A. That is practically the whole difficulty we have with politics. That gets into it not only in the appointment of men but in the purchasing of materials.

Witness retired.

The Commission adjourned.

AFTERNOON SITTING.

HALIFAX, N.S., TUESDAY, July 30, 1912.

G. N. DUCHARME, Esq., Commissioner, presiding.

P. S. BRENNAN and J. N. MEAGHER, of the Department of Customs, appeared before the Commissioner and were both sworn.

Mr. BRENNAN was first examined by the Commissioner.

Q. How long have you been in the service? A. Twenty-six years.

Q. How old are you? A. Fifty-two years old.

Q. And Mr. Meagher? A. He has been 21 years in the service and is aged 40.

Q. You have always been in this business? A. Yes.

Q. You have formed a small society of your own here? A. We have a small society, a benefit association, but that does not extend to any other post office than our own.

Q. That has no reference to Civil Service proper? A. No, not at all.

Q. Have you any suggestions to make as to the Civil Service? A. No, not any.

Q. Whether you should be connected with the inside service or not? A. We have never given it much thought. We would like to be in the inside service if we were treated as well as they are treated. We have not been treated as well, we think the salaries in the inside service are better.

Q. Do you find anything that would prevent your coming into the inside service? A. No, sir, as a matter of fact we have never given it any serious consideration. The salaries are larger in the inside service and for that reason we would be glad to get there.

Q. Personally you would rather be in the inside service? A. I think so.

Q. Have you any suggestions as to the service? A. No.

Q. The system you have of distributing stamps in your post office is good? A. Yes, sir.

Mr. MEAGHER was then examined.

By Mr. Ducharme:

Q. What do you think about the Civil Service question? A. The only objection I would have to having the outside service brought into the inside service is that the examination might prevent us from reaching the higher classes. We understand they are very difficult.

Q. Supposing for the actual employees, the promotion examination should be limited to the duties of their positions, would you then wish to come into the inside service? A. I would say if the salaries were higher in the different grades I would prefer the inside service under those conditions.

Q. Have you any suggestions to make? A. (Mr. Brennan). Personally I would be in favour of compulsory retirement after so many years in order to keep the thing going. They have a lot of time-expired men, old men who prevent others from going up. A man contributes for 35 years to the pension fund. I claim that after that time he should withdraw.

Q. Any other suggestions? A. The staff here is not large enough, causing unnecessary delay in sorting. The system is all right. We have a larger building and better service could be given to the public with a larger staff.

Q. How is it that the Customs parcels are brought over to the Customs building from the post office? A. They are located in this building. It would be more con-

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venient I suppose to have them in our building so that the parcels man could dispose of them each morning.

Q. How many men have you now? A. We have 35, I think.

Q. How many more would you require to make the service efficient? A. The staff estimates that we would require ten more. That is in the clerical staff. We have to work on Sunday and we have to send a man out at 5 o'clock to the newspaper offices to weigh newspapers.

Q. How long has the postmaster been here? A. Thirty-eight years.

Q. How old is he? A. He is over 70 years of age.

Q. Who is the assistant postmaster? A. Mr. O'Brien. The registration clerks have refused to take vacations on account of having to work overtime.

Q. Can you explain why you have not a larger staff? A. Yes, I think so. I think our postmaster is excessively parsimonious, and he thinks he can run the post office in this age as it was run thirty or forty years ago.

Q. What is the revenue? A. \$100,000 and some odd and the revenue is increasing every year.

Witnesses retired.

JOHN R. POWERS, tide surveyor, Customs Department, sworn and examined by Mr. Ducharme:—

Q. We simply called you in to know if you have any suggestions or complaints to make in connection with the service. The object of the inquiry is to find out if the service is being well treated and if you know of any improvements whereby we can have a better service? A. For myself they have treated me very ill. I have got 31 years service. I came in as a tide waiter at \$500, and I got \$600 and then I got \$950, and in 15 years I got one \$50 increase to \$1,000 under the late government.

Q. How long have you been at that price? A. Since that I have got up to \$1,400. I got \$200 the first of last month. Two increases since the change of government.

Q. Had you not an increase in 1908? A. I had no increase from 1896 until about 1906 and then I got \$50 and nothing more until the change of government.

Q. Were there increases in some of the departments? A. Others were pretty nearly as bad as I was but I was the worst.

Q. You have been a tide surveyor since when? A. Since the 1st of January this year, when I was appointed at \$1,200 and then I got an increase of \$200.

Q. What salary did the former tide surveyor get? A. \$1,200. He was a very aged man who was put in here for political reasons. They took him off the street and he has been put back as a clerk at \$1,200.

Q. Have you any other complaint or suggestion to make? A. The improvement we require is more men. We got three or four the other day but we are still short on outdoor officers. We want more men to perform the work of the department properly.

Q. Is the work increasing? A. Very much. I do not know if the Customs Department realize the position here. For instance, during the winter season all the through cargo for Montreal, Toronto and the west is handled here. We have to load that cargo, manifest it and forward it, but we do not get the duty for it, the duty is collected at the point to which the goods go subsequently. Consequently they figure up higher in duty while we do the work. In making an estimate of salaries for instance, they make a percentage on the receipts of a port. For instance, our revenue goes for \$2,000,000 whereas Montreal last year went to \$18,000,000. As a matter of fact we do the work for one-half the year, all the work of importing is done here during the winter and they collect the money and of course the receipts are very great. It should be impressed on the department that it is not fair to make a percentage on the amount of revenue collected at the port.

Q. What about the cost of living? A. The cost of living has increased fifty per cent in twenty years.

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Q. And the salaries have increased? A. Not with us. A house that you could get in Halifax for \$120 twenty years ago you could not get to-day for \$300. A suit that you could get in Halifax twenty years ago for \$20 to-day you pay \$35 for. Meat cost us 12 cents a pound twenty years ago and is 20 and 25 cents to-day.

Witness retired.

WILLIAM GLEESON, aged 58, sworn and examined by Mr. Ducharme:—

Q. How long have you been in the service of the government? A. About 26 years. I joined the service in January, 1887.

Q. Did you then come into the same department as you are in to-day? A. In the same department but not in the same branch. I came into the Customs Department as a packer.

Q. Now you are? A. An acting landing waiter, preventive officer.

Q. What is your salary? A. \$1,000.

Q. You came in at how much? A. \$500.

Q. Since when have you got \$1,000? A. Four years ago.

Q. Did you get any increase this spring? A. No, sir.

Q. Have you anything to say in addition to what has been said by Mr. Powers? A. No, he has about covered the ground as far as we are concerned. If there is an extra salary attached to any officer he should get it at \$50 a year.

Witness retired.

The Commission adjourned.

HALIFAX, N.S., WEDNESDAY, July 31, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting at the Custom House at 10 o'clock this morning.

ARTHUR LOVETT, aged 40, sworn and examined by Mr. Ducharme:—

Q. Your position? A. I am landing waiter and clerk in the Custom House, Halifax.

Q. How long have you been in the department? A. Since 1898. I was in the Marine Department for some ten months previous to that.

Q. To whom do you report? A. To the surveyor and tide surveyor of course.

Q. Have you any suggestions to make as to the efficiency of the department? A. No, I have no suggestions to make. As far as I know everything is going on quietly, peacefully and systematically and as the department would have it go.

Q. There is no delay? A. I know of none. I have charge of the manifesting work at deep water terminals. Of course we handle a large amount of business there during the winter.

Q. You have reports to make? A. I collect the duties. I have charge of the service. I make entries and pay in everything at the port of St. John, get my receipts for it and return by train.

Q. What would your receipts amount to a year? A. Last year we had twelve trips and it was about \$1,300, dutiable goods with passengers, small things. We had the chief inspector, Mr. Busby, here last week and he said that everything was creditable in the highest degree. I was trying to get transferred from the deep water terminals into the office as clerk but that arrangement has not been made.

Q. Do you think that the enforcement of the customs laws here is sufficiently vigilant to prevent smuggling? A. I think so. The customs system at the port of Halifax is as good if not better than at any other port in Canada. We have an entirely different system at Halifax which has been handed down by an old English custom law, and through that fact we are able to say it is unusually good.

Witness retired.

The Commission adjourned.

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ST. JOHN, N.B., Monday, August 5, 1912.

G. N. DUCHARME, Esq., Commissioner, presiding.

The following deputation representing the Civil Service Association of St. John waited upon Mr. Ducharme at the office of Mr. Scammell this afternoon:—

Hon. A. T. Dunn, Collector of Customs; D. H. Waterbury, superintendent of Public Buildings in New Brunswick; T. H. Belyea, Collector of Inland Revenue; D. L. Hutchinson, Director of the Observatory; G. H. Flood, Agent of the Marine Department; James Barry, Inspector of Weights and Measures; P. C. Sharkey, Warfingier, Government pier.

Hon. Mr. DUNN on behalf of the Association read the following memorandum:—

“ST. JOHN, N.B., August 3, 1912.

“The Civil Service Association of St. John in session,—

“RESOLVED, that it is desirable to lay before the government through the Commission the views of the Association on the question of superannuation, which are in substance that, in the interest of the government as well as the Civil Service, some good general system of superannuation is an urgent necessity tending to a better class of officials, better service and conditions in every way.

“Reference is asked to articles on the subject published in the *Civilian*, also to the late presentation of the matter to the government by the Civil Service Confederation of Canada, which this Association desires to endorse.

Statutory increases.

“The question of statutory increases is one which this Association desires to impress on the government as urgently necessary for consideration and improvement in the system, the present system of procedure dealing unfairly with deserving officials. We desire to call attention to the fact that several departments have a regularly statutory increase system, while others, such as the Customs, certain branches of the Inland Revenue, namely, weights and measures, gas inspection, &c., divisions of the Marine and Public Works Departments, &c., have no such system.

Income tax.

“We particularly desire to draw the attention of the Commission to the fact that in the city of St. John the government officials are taxed nearly two per cent on their salaries, including the amount deducted for superannuation and retiring allowance, and as this city is singular in this respect— other localities having little or no income tax— the officials here feel that they are placed at a great disadvantage which should be remedied in some way.

Inside and Outside service.

“We desire to impress on the Commission that remedial action is urgently desirable in the interests of the government and its service, in the matter of distinction of Inside and Outside services, so called. There appears to be a distinction and discrimination unnecessary and unjustifiable and injurious to the general service and work of the government.

“*The high cost of living* and the steadily increasing cost is within the knowledge of the government and so apparent that this Association feels it necessary only to mention the matter at present to the Commission.”

Mr. BELYEA.—In speaking about superannuation I think that the officials generally of the outside service would favour the system or something similar to the system of the Intercolonial railway. For instance, under the old system civil servants paid a fixed amount of their salaries each year into the superannuation fund. If they died while they were in the service their heirs got nothing out of it, they simply paid into a superannuation allowance and if they died in the service they got nothing in the same. I think the Superannuation Act should provide that in the case of the death of a civil servant while in the government employ the amount of money which the civil servant has paid in from year to year should go to his heirs or his estate just as if he had money in the bank, and, I think any Superannuation Act that would be passed should be very much better than the old one.

Mr. DUCHARME.—Do you take into consideration that the Superannuation Fund is based on a certain amount of income to cover a certain amount of expenditure and that if the man who died or rather his heirs are to withdraw the money he has paid in that will necessitate the making of the constitution higher?

Hon. Mr. DUNN.—Yes, you are quite right there.

Mr. WATERBURY.—Which is the mistaken idea, it does not tend to good service, that is with reference to the character of the people who are brought into the service. It is doubtful if the Intercolonial system is the best. I felt too if having the Superannuation system self-supporting is to the advantage of the government. Of course the system that maintains now, that when a man dies everything goes, is unfair and a good system should provide that something should go to his widow, and that I understand the Power's Bill provided, that Bill in fact was a very good Act. We might talk for a month and would not be able to say anything better than has been presented already to the government in that Bill. The Association here is unanimous in favour of a good general system of superannuation.

Mr. DUCHARME.—Would it not cover the ground better if you said that you wanted all employees of all departments to be on the same footing? It might not be a superannuation system.

Mr. WATERBURY.—It is the most absurd thing now. I cannot find anybody to tell just what the Civil Service Act means except that the inside service is supposed to be permanent.

Hon. Mr. DUNN.—In the Customs the man who has a pull gets an increase, the man who has not any may be there for 15 years without getting any.

Mr. DUCHARME.—In the outside service there is no promotion?

Hon. Mr. DUNN.—We have cases in the department of men having been in for 35 years. In the 35 years they have never got to the maximum of their class and simply by the pull of some other official the other official gets an advance ahead of the officer over him in authority.

Mr. DUCHARME.—That is done very often?

Mr. HUTCHINSON.—There should be yearly increments in every division which is not now the case in the outside service.

Hon. Mr. DUNN.—Suppose a man enters the service and the limit of his class is \$2,200. Supposing he is getting \$1,400 and he only gets \$50 increase a year it would take him 14 years to get him up to his limit. After he has been in the service for five years he will be as good as he will ever be. Then if he is not up to his work dismiss him.

Mr. DUCHARME.—You refer here to the income tax. I understand by income tax that the city of St. John taxes the salary of the civil servants of the Dominion residing here. What can we do with that?

Mr. HUTCHINSON.—You cannot do anything. You have a right to vote, it is for you to elect aldermen to protect you.

Mr. SHARKEY.—I think the Dominion government might settle that stating that all government employees should be exempt from an income tax, they are on the

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same list as we will say soldiers, and the local authorities would not be allowed to tax them. I am taxed on income in both the city of St. John and the county.

Hon. Mr. DUNN.—In Halifax there is no tax on income so the officers there are entirely free. In Toronto I think they are exempt on anything under \$1,000. Our grievance is that we have to pay taxes not only on what we receive from the government but also on the Retirement Fund.

Mr. BARRY.—It might be possible for the government to take into consideration in paying our salaries that we have to pay income tax.

Mr. WATERBURY.—We know of doctors and lawyers who make three times our income and they are not taxed one-half as much.

Hon. Mr. DUNN.—Formerly they imposed higher valuation on our property.

Mr. WATERBURY.—That still exists in some cases. I bought a piece of property which was taxed at \$1,600 and I bought it for \$1,601. When my tax bill came in I was assessed \$2,500. I spoke to the assessors about it and they said you Civil Service fellows we have to get at you in some way.

Mr. BARRY.—The government is fully aware that the cost of living, especially in cities, is very much higher than it was, and if the government is only good enough to increase our salaries so that we can live, that is all there is to it. Rents have increased 25 per cent in the last few years.

Mr. DUCHARME.—You have been speaking of your salaries and positions. I would like to hear a little now in favour of the government of the country. Do you know of any suggestions whereby the service could be improved in any manner? For instance in the different departments that you are in are you satisfied with the method of conducting business, for instance, or the demand for stationery and supplies are filled as promptly as they could be, or is there any cause for complaint or friction?

Hon. Mr. DUNN.—I would say this, so far as the Customs is concerned. An appointment is made, I know nothing about the appointment until I get a letter from the department saying that so and so has been appointed, give him notice and have him sworn in. I do not know until I meet him what part of the service I can put him in, I have to test him first. He might be a first class clerk or he might be in some business that would render him unsuitable for a position of any kind. I would like to keep my department right up to the highest state of efficiency.

Mr. DUCHARME.—And you cannot because you have no control of appointments?

Hon. Mr. DUNN.—Yes. We all know that no matter which government is in it is political interference of those who cater at the elections and gather votes for the candidates. They seem to say that this fellow worked at the polls and we must put him in.

Mr. DUCHARME.—Bringing the outside service into the inside service would regulate that?

Hon. Mr. DUNN.—Yes, and when there are men who have not pluck enough to go up for examination.

Mr. SHARKEY.—In our department one matter that seems to be a serious grievance is in regard to the payment of wages. The wages are due on the first day of each month and it is never earlier than the 10th to the 16th that they are paid.

Mr. FLOOD.—In the Marine Department we telegraph on the first of the month our pay roll and a transfer is made by telegraph that same day. Then we issue cheques in payment of any wages, &c.

The deputation withdrew.

The Commission adjourned.

EXHIBIT No. 1.

(Referred to in the evidence of Mr. A. P. Calderwood.)

CUSTOMS, CANADA, PORT OF VICTORIA, B. C., July 24, 1912.

To the Public Service Commission,
Victoria, B.C.

SIRS,—We, the officers employed at the wharfs and railway stations at Victoria, B.C., respectfully request that the hours of labour should be from 8 a.m. to 5 p.m.

All civic employees work eight hours per day, also the provincial government employees. Eight hours constitute a day's work for the majority of trades, and in government contracts eight hours is specified as a day's work.

(Signed) FRANK ARMSTRONG.
F. J. MORRISON.
J. H. McLAUGHLIN.
JOSEPH DAKERS.
T. I. BURNES.
S. W. EDWARDS.
D. SHANLEY.
E. A. AUSTIN.
DUNCAN BAIN.
A. C. BRYCE.
C. A. BURNES.

DEPARTMENT OF CUSTOMS, CANADA, OTTAWA, Dec. 28, 1911

Memorandum to the Collectors of Customs at city ports in Canada.

Hours of Service in the Long Room, Custom Warehouses and Stations.

In the long room, on business days except on Saturdays entries are to be received up to 4 o'clock p.m. and are to be checked and closed up the same day as far as practicable—the clerks to remain on duty for this purpose until 5 p.m. unless sooner relieved from duty by order of the officer in charge. Cashiers are to accept duties up to 4.30 p.m. in respect of Customs entries previously checked.

In the examining warehouse each day's work must be completed by the staff remaining until 5 p.m. or later, if necessary.

The hours for landing waiters and other outdoor officers are from 8 a.m. until 6 p.m. on all business days.

(Sgd.) JOHN McDOUGALD,
Commissioner.

VICTORIA, B.C., July 23, 1912.

Scale showing monthly cost of living for two persons:—

Rent—6-roomed house outside one mile limit.	\$35 00
Groceries.	25 00
Fuel.	6 00
Milk, one quart daily.	4 00
Light.	2 00
Water, minimum charge.	1 25
Meat.	10 00
Total.	<u>\$83 25</u>

Wages.—Minimum city wage for ordinary labourers, \$3 per diem, skilled labour in proportion.

Recommendations made by the Customs Department to the Public Service Commission, July 23, 1912.

First.—That a superannuation scheme be adopted by the government, with a definite compulsory age for retirement, in order that the congested condition of the department be relieved.

Second.—That the outside service be brought under the Civil Service Act.

Third.—That annual increases in salary be made automatic.

EXHIBIT No. 2.

(Referred to in the evidence of Mr. W. P. Winsby.)

Statement showing comparisons of retail prices in 1905 and 1912 for groceries, in the city of Victoria, B. C.

June, 1912.	June, 1905.
Butter, 40c. to 50c. per lb.	Butter, 25c. to 35c. per lb.
Fresh eggs, 45c. per dozen.	Fresh eggs, 30c. per doz.
Hung. flour, \$1.95.	Hung. flour, \$1.75.
Ham, best, 24c. to 27c. per lb.	Ham, 22c. to 25c. per lb.
Pastry flour, \$1.85.	Pastry flour, \$1.50.
20 lbs. sugar, \$1.45.	20 lbs. sugar, \$1.25.
Bacon, best, 24c. to 34c. per lb.	Bacon, 18c. to 25c.
New spuds, 5c. per lb.	New spuds, 3c.
Jap. rice, No. 1, 7c. per lb.	Jap. rice, 7c. per lb.
Tapioca, 8c. per lb.	Tapioca, 8c.
Sago, 8c. per lb.	Sago, 8c.
Onions, 5c. per lb.	Onions, 3c. per lb.
Beans, 6c. per lb.	Beans, 5c. per lb.
Old spuds, \$2.50.	Old spuds, \$1.
Can. corn, 12½c. each tin.	Can. corn, 10c. tin.
Can. peas, 15c. each.	Can. peas, 10c. tin.
Can. tomatoes, 2½s., 15c. each.	Can. tomatoes, 3s., 12½c.
Roll. oats, 7 lbs., 40c.	Roll. oats, 7 lbs., 35c.
Smoked salmon, 20c. per lb.	Smoked salmon, 15c.
Lard, 20c. per lb.	Lard, 15c. per lb.
Oat meal, 10 lbs., 50c.	Oatmeal, 10 lbs., 45c.
Corn meal, 10 lbs., 35c.	Cornmeal, 10 lbs., 30c.
Two pkgs. wheat flakes, 4 lbs., 25c.	Two pkgs. wheat flakes, 25c.
12 ozs. Prices B. powder, 40c.	12 ozs. Prices B. powder, 35c.
Laundry soap, 5c. for 8 oz. bar.	Laundry soap, 5c. a cake.
22 cakes Sunlight and Lifebuoy Soap for \$1.	Sunlight and Lifebuoy soap, 20 cakes for \$1.
Laundry starch, 12½c. per lb.	Laundry starch, 10c. per lb.

(Signed) WM. B. HALL.

3 GEORGE V., A. 1913

Statement showing comparison of retail prices for meats in 1906 and 1912, in the city of Victoria, B. C.

	1906.	1912.
Loins beef	15 -18	22 -25
Ribs beef	12½-15	15 -20
Round beef	12½	18
Loin steaks	15 -18	22
Round steaks	12½	18
Sh. steaks	10	12½-15
Rp. beef	10 -12½	15 -18
Bg. beef	8	8 -12½
Sh. roasts beef	8 -10	10 -12½
Corn beef	8	8 -12½
Legs mutton	15 -18	20 -25
Loins mutton	15	20
Ribs mutton	12½	17
Sh. mutton	10	12½
Legs pork	15	20
L. pork	15	20
Sh. pork	12½	15
Legs veal	18	25
L.	18	25
Sh.	12½	17

(Signed) LAWRENCE, GOODACRE & SONS,
Butchers and packers, Victoria, B. C.

EXHIBIT No. 3.

(As referred to in the evidence of Mr. C. Sivertz.)

VICTORIA, B.C., July 24, 1912.

R. S. Lake, Esq.,
Member, Public Service Commission of Canada.

Sir,

Having been informed of your presence in the city and that you were willing to receive presentment on questions affecting the service and the men engaged therein:

This deputation of and representing the letter carriers desires to lay before you their views regarding the following questions:—

1. Increase in pay, of not less than 50c per day.
2. Annual leave, increasing same to three weeks.
3. Time in different grades, reducing same to one year.
4. Pay during sickness. Annual salary desirable.
5. Supernumeraries required for relief work.
6. Increase in staff of carriers required.

And to request your favourable consideration of same.

I have the honour to be, Sir,

Sincerely yours,

(Signed) CHRISTIAN SIVERTZ.

Secretary.

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EXHIBIT No. 4.

Statements referred to in the evidence of Mr. A. J. Dallain, Victoria, B. C.
Agency of Department of Marine and Fisheries, Victoria, B. C.

B. C. AGENCY.

1906-1907—Number of Persons Employed.		
Agent		\$147 00
Chief clerk		75 00
Stenographer		33 33
Two clerks	\$60 and 80 00	
Superintendent of lights		100 00
Lighthouse erector		70 00
Two extra men employed by the day as labourers.....		
1911-1912—Number of Persons Employed.		
Agent		\$233 33
Chief clerk, accountant and B.C. purchasing agent.....		133 33
Clerk		83 33
Bookkeeper		75 00
Stenographers—		
Miss Gaudin		54 16
Miss Lyall		45 87
Miss Le Page		41 66
Junior clerk		41 16
Resident engineer		175 00
Foreman of Works		100 00
Wharfinger		75 00
Supt. of Lights and District Inspector of Life Saving Sta- tions	\$133.33 and 33 33	
Lighthouse erector		100 00
Gas buoy inspector		90 00
Assistant gas buoy inspector		75 00
Night watchman		60 00
One man employed on wharf		70 00

Agency of department of Marine and Fisheries.

B. C. AGENCY.

VICTORIA, B.C., July 26, 1912.

LIGHTHOUSE DATA.

	1907	1912
Number of lighthouses	52	68

Difference in salaries according to classifications.

		1907.	1912.
1st class	per annum (max.)	....	\$2,000
2nd " .....	" "	....	2,160
3rd "	" "	\$1,200	1,770
4th " .....	" "	....	1,470
5th " .....	" "	....	1,220
6th "	" "	600	1,170
7th "	" "	500	1,020
8th " .....	" "	....	900
9th " .....	" "	....	780
10th " .....	" "	....	650
11th "	" "	360	570
12th "	" "	300	480
13th "	" "	240	390
14th "	" "	180	330
15th "	" "	150	270
16th "	" "	120	210
17th "	" "	120	120

BUOY AND BEACON DATA.

1907

1912

Number of buoys and beacons .. 650 850-(*Includ-
(Approximately) ing 63 unwatched lights
estbd. since 1907.*)

Offices, officials, &c., under the supervision of the B.C. agency Department of Marine and Fisheries, Victoria, B. C.

Sub-agency, (marine depot) Prince Rupert, B. C.

Port wardens.

Harbour masters.

Foreshore applications and collections.

Wharfingers.

Boiler and hull inspectors.

Life saving stations.

Port physicians.

Auditing of the B. C. pilotage.

Books.

Shipping masters.

AGENCY OF DEPARTMENT OF MARINE AND FISHERIES.

B. C. AGENCY.

Lightships.

Unless damaged so as to need repairs the lightship in British Columbia remains on duty the whole year round. The lightkeeper has no holidays granted him. If he leaves the ship for a few days he must pay the services of an efficient and able-bodied man for a substitute. He is further required out of his salary of \$1,470 to pay for his own board and pay for the services of an able-bodied man for an assistant, and pay the assistant's board.

In the Bay of Fundy the Lurcher Shoal lightship, being equipped with power, has at least 7 men of a crew, who are all paid by the department.

No lightkeeper is allowed leave of absence without permission from the agent and must provide a capable man to take his place during such absence from station. The person so placed in charge must be paid by the lightkeeper.

Lightkeepers in British Columbia are not supplied with anything for their own use outside of one cook stove.

Lightkeepers on the American side are supplied with fuel, uniforms, library and gramophone.

In 1907: 1 lighthouse tender.

In 1912: 2 lighthouse tenders, and another being built in the east for the B. C. Agency.

1 extra steamer under charter.

Recapitulation.

1906-07	\$136,000
1911-12	352,000

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DEPARTMENT OF COMMERCE AND LABOUR.

LIGHTHOUSE SERVICE.
OFFICE OF INSPECTOR,
17TH DISTRICT,

PORTLAND, ORE., July 30, 1912.

Mr. Gordon Halkett,
Inspector of Lighthouses,
Victoria, B.C.

Sir,—

Replying to yours of the 25th instant I have to state that the following is the schedule of rates of pay of keeper in this district, per annum.

Keeper	\$750
First assistant keeper	600
Second assistant keeper	540
Third assistant keeper	540
Fourth assistant keeper	540

Some years ago the rate for newly appointed keepers was made \$750 instead of \$800, consequently, we still have a number in the service at the latter figure.

Tillamook Rock Light Station is the only one with five keepers, and the rates are \$1,000, \$800, \$600, \$540, and \$540 respectively.

Destruction Island and Cape Flattery Light Stations each have four keepers with rates of pay of \$900, \$720, \$600, and \$540 respectively.

In addition to the foregoing each keeper and assistant keeper has a ration allowance of thirty cents a day which is paid in cash.

Respectfully,

(Signed) HENRY L. BECK,

Inspector.

Salaries paid Masters and Engineers on Government Boats, Department of Marine and Fisheries, per month, as compared with C.P.R. Boats on the Pacific Coast.

Officers.	C.G.S. <i>Quadra.</i>	C.G.S. <i>Newington.</i>	C.P.R. Boats Freight.	C.P.R. Boats Passengers.
Master	\$ 125 00	\$ 100 00	\$ 135 00 to \$ 175 00	\$ 160 00 to \$ 200 00
1st Officer.....	80 00	75 00	80 00 to 100 00	80 00 to 125 00
2nd Officer.....	60 00	.....	.....	60 00 Maximum
Chief Engineer.....	120 00	100 00	115 00 to 125 00	135 00 Maximum
2nd Engineer.....	98 00	80 00	70 00 to 80 00	95 00 to 100 00
3rd Engineer.....	.....	.....	.....	75 00 to 90 00

EXHIBIT No. 5.

Statement showing frequency of changes in clerical staff, as referred to in the Evidence of Mr. G. Phillips.

NAVAL STORE DEPARTMENT, ESQUIMALT DOCKYARD.

MEN ENTERED TO FILL VACANCIES.

Date.	Name.	Remarks.
1912.		
April 11.	Mr. Gettings.....	Entered 11th April, resigned same day.
" 11	Mr. Ruffe.....	Entered 11th April, resigned 6th May.
" 15.....	Mr. Cooney.....	Entered 15th April, left same forenoon, saying he had changed his mind.
" 22	Mr. Hill.....	Came down to accept appointment but telephoned later same day declining it.
" 24	Mr. Thomas.....	Entered 24th April, but, after twice postponing his date of taking up appointment, did not turn up and was no more heard of.
" 26.....	Mr. McCallum..	Entered 26th April, stayed one day, and left without notice.
" 28.....	Mr. Hughes.....	Entered 30th April. Resigned on 21st May to take up better paid appointment under Provincial Government.
May 8	Mr. Wood	Entered 8th May. Left 1st June without notice.
" 14.....	Mr. Johnstone.....	Entered, but did not take up appointment. Resigned same day.
" 17.....	Mr. Moss	Entered 21st May. Resigned 17th June.

EXHIBIT No. 6.

Copy of Petition presented to the Dominion Government in 1910 and again in 1912

DOMINION CIVIL SERVANTS' ASSOCIATION OF BRITISH COLUMBIA.

By instruction of the Dominion Civil Servants' Association of British Columbia, we, the undersigned, most respectfully beg that your government will be pleased to give kind and early consideration to the following representations, which are made in behalf of Civil Servants in the west, and in the interests of members of the outside Civil Service generally:—

Whereas, your faithful servants of the outside service have from time to time, during the past six years, brought to your notice the unhappy condition in which the smallness of their salaries and the great advance in the cost of living here combined to place them, and

Whereas, the Royal Commission, appointed in 1907, having, by proper inquiry, arrived at an appreciation of the needs of your servants, did recommend, amongst other reforms, that suitable increase in salary be granted to members of the outside as well as to the members of the inside service; and

Whereas, your government has been pleased to act upon many of the recommendations of the Royal Commission with regard to the inside service, but beyond giving frequent promises of relief, has done nothing to alleviate the condition of the outside service; and

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Whereas, if it be admitted that the members of the inside service were justly entitled to the increase of \$150 each, paid to them from the 1st September, 1908, it must also be admitted that the members of the outside service, subject to the same, and in the west to harder conditions, are entitled to at least the same consideration; and it then follows that the government has withheld a large sum of money which should have been paid to a numerous, needy and most deserving body of its employees; and

Whereas, the general public, and, to a great extent, the press of the country, not properly understanding the distinction between the outside and inside branches of the service, are of the opinion that the Civil Service Amendment Act of 1908 and the above mentioned increase of \$150 provided suitably for the whole service, and are quite ignorant of the fact that these benefits are participated in by comparatively few, and that by far the greater number of the servants of the government are in receipt of salaries which have not been revised or readjusted for many years, notwithstanding that salaries and wages in all other trades and professions have, during the same period, been many times increased to meet the needs created by the advanced cost of living;

Therefore, your humble servants most earnestly pray that your government will be pleased to take immediate steps to place the members of the outside service upon a parity with their brethren of the inside service, first by granting them a flat increase, which, it is respectfully submitted, should, on account of its having been so long delayed, be at least \$200 each; secondly, by granting a liberal extra allowance to all civil servants employed west of the Great Lakes, without respect to rank or salary, in order to offset the higher cost of living in the west; and thirdly to extend the provisions of the Civil Service Amendment Act of 1908 to the whole service, at the earliest possible date. With regard to this last, however, we respectfully submit that, in our poor judgment, in order that no injustice may be done to those now in the service, any restriction or limitation on promotion from any division or class in the service to the next higher division or class, should apply only to those who enter the service after the date of the Act of Parliament, order in council or regulation of the Civil Service Commission imposing such restriction or limitation. We therefore beg that, under the new order of things which we trust may be soon established, any person now in the service who may be recommended for promotion to a higher class or division shall be required to pass no examination other than an examination on the duties of the office for which he has been recommended.

Lastly, we earnestly pray that there may be established as soon as possible a system of superannuation upon a plan similar to that recommended by the Royal Commission.

That the above representations, which we feel cannot be deemed other than reasonable and moderate, may engage the early attention of your government, is the humble petition of your faithful servants.

And your petitioners will ever pray.

(Signed) JOHN R. GREENFIELD, *President*.
F. R. GREER, *Vice-President*, Vancouver.
D. B. McCONNON, *Vice-President*, Victoria.
GEO. KENNEDY, *Vice-President*, New Westminster.
W. F. TRANT, *Secretary-Treasurer*.

EXHIBIT No. 7.

(Referred to in the Evidence of J. M. Bowell.)

Statement of salaries paid to the heads and clerical staff of Civic Departments in Vancouver, B.C.

July 30, 1912.

J. M. Bowell, Esq.,
Collector of Customs,
Vancouver, B.C.

Dear Sir,—

As requested by you in our conversation yesterday having reference to the salaries paid to the different city officials, I may state that they are paid as follows:—

City Comptroller	\$4,250 per annum.
City Treasurer	3,000 “
City Accountant	3,250 “
Superintendent of Waterworks	3,000 “
City Solicitor	6,000 “
City Engineer	8,000 “
Chief Constable	4,500 “
Chief of the Fire Dept.	4,000 “

Routine clerks run as follows:—

1st year	\$80 per month.
2nd year	85 “
3rd year	90 “
4th year	100 “

Chief clerks are paid from \$125 to \$150 per month.

Hoping this will be satisfactory and give you the necessary information.

I remain,

Yours very truly,

(Signed) R. G. CHAMBERLAIN,
Chief Constable.

EXHIBIT No. 8.

Dealing with matters referred to in the evidence of Mr. J. H. Hawke.

VANCOUVER, B.C., August 29, 1912.

Public Service Commissioner:—

Since your visit to this city in your official capacity, we the Custom nightwatchmen received the following information from the Treasury Department of the United States Custom Service at the support of Seattle, Washington, regarding conditions in the same branch of the service there (known as night inspectors).

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They are paid three dollars (3) per diem with Sundays and holidays reimbursable at the expense of the party accommodated, this overtime is additional to the regular salary of officer.

Employees are also allowed thirty days annual leave (exclusive of Sundays and holidays) in one year, but in this district the men rarely receive more than fourteen days, in addition thirty days sick leave is allowable.

We also think that we should be entitled to our allowance for clothing half-yearly same as the day men, as our duties require us to wear more expensive clothing on account of the severe weather in the winter time.

Yours respectfully,
 CUSTOM NIGHTWATCHMEN,
 per (Signed) J. H. HAWKE.

EXHIBIT No. 9.

Referred to in the evidence of Mr. J. W. Harvey.

British Columbia Penitentiary,
 NEW WESTMINSTER, B.C., August 12, 1912.

SIR,—I have the honour to enclose herewith the following documents as requested by you while in New Westminster, on August 1, last:—

- List of salaries paid by the Provincial Gaol, New Westminster.
- List of salaries paid by the City of New Westminster to police force.
- List of salaries paid by the Public Hospital for the Insane, New Westminster.
- List of salaries paid by the City of Vancouver to police force.

I have the honour to be, sir,
 Your obedient servant,
 (Signed) JAMES W. HARVEY.

R. S. LAKE, Esq.,
 Public Service Commission,
 Ottawa, Ont.

List of salaries paid by the Provincial Gaol, New Westminster, B.C., as taken from the estimates of the revenue and expenditure of British Columbia for the fiscal year ending March 31, 1912.

Warden	\$100 00	per month.
Goaler	81 00	"
Goaler	75 00	"
Convict guard	81 00	"
Convict guard	75 00	"
Convict guard	75 00	"
Three convict guards (each)	75 00	"

NOTE.—The hours of duty constitute an eight hour day.

List of salaries as paid by the City of New Westminster, B.C., as at August 5, 1912.

Constables—

First year.	\$75 00	per month.
Second year.	80 00	"
Third year.	85 00	"
Fourth year.	90 00	"

List of salaries paid by the Public Hospital for the Insane, New Westminster, B.C., as at August 5, 1912.

Medical superintendent.	\$235 00	per month.
Assistant superintendent.	165 00	"
Bursar.	146 00	"
Assistant bursar.	95 00	"
Analyst.	99 00	"
Steward.	85 00	"
Engineer.	90 00	"
Gardener.	80 00	"
Farmer.	75 00	"
Plasterer and mason.	75 00	"
Carpenter.	75 00	"
Tailor.	75 00	"
Baker.	80 00	"
Cook.	90 00	"
Painter.	75 00	"
Chief attendant.	86 00	"
Matron.	105 00	"
Laundryman.	78 00	"
Plumber.	75 00	"
Farm superintendent.	110 00	"
Farm bookkeeper and recorder.	100 00	"
Cattleman.	95 00	"
Farm steward.	80 00	"

Male nurses or attendants \$40 to \$55, together with board, room and uniforms.

Female nurses \$25 to \$40, together with board, room and uniform.

NOTE.—All above officers and mechanics receive two meals per day and one uniform per year free of charge.

As certified to by G. E. Doherty, *Medical superintendent.*

LIST of Salaries paid by the City of Vancouver, B.C., as at August 5, 1912.

Chief constable.	\$4,500 00	per annum.
Deputy chief.	3,000 00	"
Chief inspector.	2,400 00	"
Staff inspector.	2,000 00	"
Inspectors.	1,800 00	"
Sergeant of detectives.	125 00	per month.
Sergeants.	115 00	"

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Detectives, \$115 per month and \$5 additional for clothing allowance.

1st class constables.....	105 00	per month.
2nd class constables.....	95 00	"
3rd class constables.....	85 00	"
4th class constables.....	80 00	"

One year's service is required for advancement from one class to another.

As certified by,

(Signed) R. CHAMBERLIN,

Chief Constable.

EXHIBIT No. 10.

Referred to in the evidence of Mr. J. E. Johnson.

STATEMENT of Amounts paid for Groceries and Meat in London from May, 1910, to April, 1911; and in Calgary from December, 1911, to July 31, 1912.

London.			Calgary.		
	Groceries.	Meat.		Groceries.	Meat.
	\$ cts.	\$ cts.		\$ cts.	\$ cts.
May, 1910.....	18 98	5 27	Dec, 1911.....	25 75	9 60
June, ".....	14 94	5 17	Jan., 1912.....	26 00	8 75
July, ".....	25 00	5 60	Feb., ".....	16 10	8 05
Aug., ".....	18 64	6 50	Mar., ".....	22 30	8 95
Sept., ".....	17 73	5 47	April, ".....	25 00	10 35
Oct., ".....	23 18	4 56	May, ".....	27 65	9 05
Nov., ".....	18 21	6 77	June, ".....	25 50	6 20
Dec., ".....	15 86	4 22	July, ".....	31 30	6 50
Jan., 1911.....	19 65	6 55			
Feb., ".....	12 53	6 54			
Mar., ".....	11 91	5 96			
April, ".....	11 65	6 72			

NOTE.—From May, 1911, to December 11, paid cash and no record of payments are to hand.

(Signed) J. E. JOHNSON,

Railway Mail Clerk.

Prices of necessary articles of living in Calgary, 1912, compared with prices in
London, Ontario, 1910.

	Calgary, 1912.	London, 1910.
	\$ cts.	\$ cts.
Coal, hard.....	8 75	6 50
" soft.....	6 00	3 00
Flour, 24 lb. sack.....	1 00	0 90
Bread (Calgary, 2 lbs.), (London, 20 ozs.).....	0 10	0 05
Butter, per lb.....	0 35	0 25
Eggs, per doz.....	0 35	0 22
Fish, fresh.....	0 15	0 12
Meats—		
Beef, Rib roast, per lb.....	0 22	0 18
Steak, sirloin.....	0 25	0 20
" rump.....	0 15	0 12½
Pork, Tenderloin.....	0 45	0 25
Chops.....	0 22	0 15
Lamb, Chops.....	0 25	0 18
Leg.....	0 35	0 25
Shoulder.....	0 25	0 18
Mutton, Chops.....	0 20	0 15
Ham, per lb.....	0 30	0 20
" cooked, per lb.....	0 40	0 35
Bacon, per lb.....	0 30	0 20
Fowl.....	0 25	0 15
Chickens.....	0 30	0 20
Vegetables—		
Potatoes (new) per bush.....	1 65	1 00
Cabbage (6 lbs.).....	0 25	
" (1 doz).....		0 50
Tomatoes, per lb.....	0 20	0 08
Canned Goods—		
Tomatoes (2 cans).....	0 35	0 30
Corn, peas, &c. (2 cans).....	0 30	0 25
Fruits, 30 per cent higher in Calgary.....		
Milk, per quart.....	0 08	0 06
Biscuits, sodas, &c., 20 per cent higher in Calgary.....		
Clothing, shoes, &c., 20 per cent higher in Calgary.....		
Furniture, 25 per cent higher in Calgary.....		
House rents, say 6 roomed house per month.....	45 00	18 00

Prepared by J. E. Johnson, Railway Mail Clerk, formerly of London.

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EXHIBIT No. 11.

Referred to in the evidence of Mr. D. Dyer.

STATEMENT *re* Cost of Living, showing comparative prices of Groceries, &c., in 1905 and 1912, at Edmonton.

	August, 1905.		August, 1912.	
	cts.	cts.	cts.	cts.
Butter.....	12½	15	35	40
Eggs.....	15	20	30	35
Beef.....	6	9	9	18
Poultry.....	10	12½	18	25
Rents.....	\$25	\$30	\$50	\$75

EXHIBIT No. 12.

Referred to in the evidence of Mr. H. T. Cross.

Statement showing ordinary living expenses for an average family in Regina.

Rent (six roomed house).....	\$45 00
Coal, 1 ton soft.....	9 00
Wood, ¼ load at \$3.....	2 00
Bread, 18 loaves \$1.....	2 00
Milk, 8-10 qts., \$1.....	4 00
Meat, 3 joints weekly, average 4 lbs. at 20 cents.....	9 60
Fish, 50 cents weekly.....	2 00
Groceries, about.....	15 00
Fruit and vegetables.....	4 00
Sugar, 20 pounds, \$1.35-2.....	2 70
Flour, 50 pound bag, \$1.90.....	1 90
Lighting rate, average.....	1 75
Water rate, average.....	1 75
Eggs, 8 doz. at 30 cents.....	2 40
Butter, 16 pounds at 30 cents.....	4 80
Total (Monthly).....	\$107 90

For winter months, 1 ton hard coal, furnace at \$13.50 for 5 months.....	\$ 67 50
Boots and shoes, clothing, &c., estimated about.....	300 00
Life insurance.....	121 90
Incidental expenses, about.....	200 00
Table expenses, &c., for 12 months at \$107.90 (as above).....	1,294 80
Total yearly expenses.....	\$1,984 20

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