

\$500 by the said George C. Taylor to the said Hon. W. J. Hanna from the witness Taylor, who was then in the box. Counsel for the said Sir James Pliny Whitney and Hon. W. J. Hanna admitted the bald facts of the payment of the said \$500 by Geo. C. Taylor to Hon. W. J. Hanna and of the statements made by Taylor to Hon. W. J. Hanna relating to the manipulation of the contracts and tenders before referred to in connection with the contracts before referred to.

The said counsel for Hon. W. J. Hanna and Sir James Whitney further stated that he did not propose to submit the Hon. W. J. Hanna for examination or cross-examination on these points. It was very properly contended by counsel for the said William Proudfoot that these admissions did not cover the facts and circumstances connected with the making of the said payment and of the statements and threats before referred to, and that these facts and circumstances should properly be put in evidence in order further to assist the committee in the proper investigation of the matters submitted to them, and especially in view of the nature of the charge, the matters of the payment, and statements and all actions for their suppression so made were proper matters of evidence for the committee to consider.

Evidence Shut Out.

Upon the ruling of the Chairman, counsel for Mr. Proudfoot was precluded from submitting this evidence. In consequence of the ruling, and other rulings, of the Chairman, acquiesced in by a majority of the committee, Mr. Proudfoot was unable to present such evidence as he relied upon more fully to support the allegations in his charge relating to the illegal, improper and corrupt conduct of the said Hon. W. J. Hanna and Sir James Pliny Whitney in respect of the said transactions set out in the said charge.

(21) In view of the foregoing, this committee recommends that the Legislature be requested to appoint a Royal Commission to investigate the whole subject of the charges that were referred to the Committee on Privileges and Elections, in order to secure a full, fair and impartial investigation.

Arbitrator in Taylor Case Writing to Maisonville Says He Told McNaught the Charges Were True and Could and Would Be Proven.

Improper Suggestions and Advances Made During "Investigations"—Whitney Government Was Close to an Overthrow.

"Taylor could not be expected to say he had lied when he told the truth."

"I told McNaught that I knew that some of Taylor's charges were true, and I knew that Taylor could and would prove them."

The letter written by Mr. L. E. C. Thorne to Mr. Harry Maisonville relating to the settlement of Taylor, Scott & Company's claim against the Government, which was barred out by the steam roller during the hearing before the Public Accounts Committee, was read in the Legislature yesterday.

Mr. Thorne was the arbitrator in the case who settled the difficulty without calling any witnesses.

His letter, written after the award was made, was as follows:—

"On the job, January 22, 1912.

"My Dear Harry:

"Your recent letter reached me today. January 18 is safely passed, and the looked-for results came on that day as advertised.

"This yarn would tell several hundred per cent. better than it will write, but I fear it will be forgotten before I have a chance to tell it; so here goes. It is, of course, not for publication.

"In order to start where you left off your connection and knowledge of current events, did you know Taylor appealed to the Government for a fiat for 50,000 on account of his claim against the Government for non-fulfillment of contract conditions? You know T. well enough to know that hurry-up action is one of his chief hobbies. He got the notion that the Government were intending not to grant the fiat. The House was in session. I don't know whether the Government intended to refuse the fiat or whether the delay was due to red tape and laziness. Taylor says the first. Hanna says red tape. Anyway T. decided to push things, so he called on the Hon. W. J. H. and made brief mention of the following pertinent facts and some others:—

"Five hundred dollars cash paid by T. to W. J. H.

"Self-feeding stokers—their refusal and acceptance by W. J. H.

"Coal tenders—the time—the manner—and company—for opening same.

"The deceased and regretted Hon. St. John and his pertinent remarks re W. J. H. and the ruin of the Whitney Government and some others of more or less importance, all of which led to language on each side of a class strictly prohibited in the Bible.

"But that did not get the fiat.

"So G. C. T. called again. En-

core, the foul language. Still no fiat.

"So G. C. T. called on Sir James Pliny W.

"How this came out is rather hard to judge. W. J. H. says it was undoubtedly the most unpleasant five minutes G. C. T. ever put in and that the fiat would have issued anyway—in due time. G. C. T. says the fiat came in quick time.

"So it did—bearing a condition that it should not be used within three months, which gave the House time to adjourn.

"The House adjourned, and there was more delay—seemingly could not bring the case to court. Finally came the announcement that Whitney went to the people December 11.

Invited H. to Resign.

"T. again called on H. and invited him to bring the case for trial before December 11 or resign.

"More fireworks.

"Many more fireworks, but mostly of the spin-wheel variety, i.e., a sort of circle of red, yellow and blue—the red was whatever Taylor saw. He was some mad or pretended to be—the yellow from H., for he sure has a big streak of it, and the blue from Sir James, for he had heard that H. had been invited to retire.

"Finally the case was called for Nov. 27th. Most of my information up to about November 15th came from T., though a wee bit now and again came from the other side.

"About Nov. 1st Postlethwaite called at the office and wanted to know if I would accept the retainer from the Government in the case. I told him I did not know, but would phone H. I phoned. H. asked me to call up Stewart (Government attorney). I did not, but told him Stewart could see me when he wanted to. A week or ten days later Stewart asked me to call. I did. Stewart started to go over the case. I told him there was nothing doing till the amount of the retainer was paid or put in writing. He had no authority, but would communicate with H. H. asked me to call and I did. H. did all the talking—told me what a blankety, blankety, blankety idiot fool money-mad T. was—took him over two hours to tell me. Finally arranged that I was to have the retainer of \$100 cash and \$25 per day until case settled. That was put in a letter. Finally I began to talk, and I asked him how he figured the trial, etc., would settle the matter of the personal attack. He admitted it would not settle it, and said it was up to him to resign if T. made public his charges whether he (T.) proved 'em or not, but that a