

conference was called for Saturday, November 18th (this took place on the 17th, at 4 p.m.) between Sir J. P. Whitney, W. J. H., Stewart, W. K. McNaught, Taylor, Montgomery (Taylor's lawyer).

Premier "Thought it a Bluff."

"McNaught had been brought into the thing at my suggestion by Taylor going to him and telling his story in full. McN. went to Hanna and Whitney. Whitney knew nothing beyond Taylor's charges when he was trying to get the fiat—had evidently been assured somehow there was nothing to it, and it was all a bluff and all over. Hanna had been delaying the game all summer by making various proposals for settlement, and when everything was apparently arranged, demanding as a final condition a letter from Taylor contradicting and withdrawing his charges re Hanna. 'No letter' became the slogan and password of T., S. & Co.

"It's 6.30 p.m., am going to eat—more later.

"When Hanna told me of the 'meeting to-morrow afternoon to settle the personal matter' I saw more fireworks, and suggested that quite possibly the personal attack was used by T. as a club to force settlement, and that if he and T. would consent to each appoint an arbitrator and let me make the third member of an arbitration board, that both the financial and personal matter could be settled without publicity and more equitably. He agreed to that. I hunted up T. He would not agree, but would leave the whole thing to me as referee. I told T. I would try to arrange that with H., and would act if H. agreeable, but that he (T.) must give me his word that if the suit was left to me as referee that his personal attack on H. would cease for all time, but that he need not retract or write any letter. Hanna was agreeable to the referee business, but was not stuck on the arrangement re the other matter. I told him it was the best he could get; in fact, all he could get. Still, he was not satisfied and would not consent unless T. retracted. So I went to McNaught. I told McN. that I knew that some of T's charges were true, and I knew that T. could and would prove them. McN. had probably made some enquiries, for he, too, said he knew some of them were true. Then I told him how I proposed to settle the deal, and that T. could not be expected to say he had lied when he knew he told the truth, and that if H. wanted to save his head he would have to get along without the letter. McN. saw H., and later McN. phoned me 'O.K.', but that to put H. right before Whitney the suggestion must come from McN. I agreed to this, and suggested that the whole thing, including all details of arrangements, be left to me. McN. agreed. I then phoned everyone due for the meeting Saturday p.m., and told them the meeting was off. I phoned Whitney's sec., and asked him to have McN. confirm my information to Whitney. Then I arranged

for H., T., McNaught and myself to meet instead at 4 p.m. in H's office. We met and the enclosed agreement was signed, after due suggestions by McN., and various bluff discussions, etc.

Government in a Hole.

"Now, if you ask me, the Government was in some hole when Sir James consented to that agreement, for McN. took him a copy of it immediately after the meeting.

"During the course of my 'investigations' some very improper suggestions and advances were made me by certain persons. I cannot tell you more along this line on paper.

"At the conclusion of my investigation I awarded as per enclosed.

"On January 17 the Government sent T. a check for \$21,068.03. On January 18 I received the enclosed letter from McN. On January 19 I received from T. a check for his share of my remuneration. The Government now owes me \$500.

"That is the whole story as well as I can tell it on paper. You must read between the lines to get many of the real good points, bearing in mind the trait and characteristics of the several interested parties.

"Please return copy of agreement, award, McNaught's letter.

"Remember this is not for publication. Sincerely,

"Thorne."

"The Whitney Government as such were just as close to an overthrow about December 1 as it is possible to go. The fuse was ready and the match lighted.

"When is Mrs. M. coming to Toronto?"

"Who Is Harry?" Says Sir James.

"Who is the Harry mentioned?" asked Sir James Whitney as Mr. Proudfoot finished reading the Thorne letter.

"I will leave the hon. gentleman to draw his own conclusions," replied the member for Centre Huron.

"Where did you get it?" asked a Conservative voice.

"I have not seen Harry; I met him only on one or two occasions when he was private secretary."

"They went to your party with it," said Mr. Lennox.

"They did not send it to our party and it did not come through any member of our party. If you want to know so much about Harry—"

"That accounts for you not going into the witness box," continued Mr. Lennox.

"I think it would have been a piece of impertinence on the part of the committee to ask me to do so," Mr. Proudfoot answered.

"Is that a copy?" asked Mr. Ferguson.

"It is a typewritten copy."

"Where is the original?"

Had a Chance.

"You seem anxious to ask questions now," remarked Mr. Proudfoot. "If the hon. gentleman had been so anxious to see the original document, to have it in his possession, why didn't he take it when it was presented to him in the committee?" (Liberal jeers.)

"If you ask for the original letter it will be placed in your hands before the afternoon is over," said Mr. Proudfoot to the Speaker.