

March. 16

Writes to Walker.

The Minister of Highways on Dec. 15 last wrote H. M. Walker, stating: "You complain that you have in no way slandered Mr. Gunning. As Mr. Gunning thinks most positively that you have, and has taken his case to the courts, I cannot see why we should be asked to intervene. The case is now before the courts, and, so far as we are concerned, should take its course."

"This department has not now, and never has had, anything to hide with relation to Gunning, Walker, Fife, or anybody else, and no doubt the case will get a thorough airing in the evidence that come up before the court."

This was obviously the correct course to take. It indicates that the department was diametrically opposed to any hushing up of the case, but on the contrary was anxious that it should have a thorough airing.

At that examination, Gunning was asked, in the course of questioning: "In other words the truck was in your name?"

In Son's Name.

He replied: "No, the truck went in as team's time, and right there I did perhaps what I should not have done, but I did nothing dishonest. I put the truck's time in in my son's name, whereas previously the team's time went in in my son's name."

Q.—Your son didn't have a team?
A.—He is joint owner.

Q.—Did your son have a team?
A.—No, not own it out and out.

Q.—Was your son working at home?
A.—When?

Q.—The year you are talking about.
A.—Yes, he was.

Q.—What was he doing?
A.—Farming.

Q.—What was your son's name?
A.—Elbourne.

Q.—I am talking about Howard.
A.—Well, Howard.

Q.—Did Howard own a team?
A.—No.

The questioning then centred on the matter of W. Fife.

Q.—Fife never had a team on the highway?
A.—No.

Q.—Didn't work on the highway?
A.—No.

Q.—And Fife signed the cheques?
A.—Endorsed the cheques.

Q.—And you collected the money?
A.—Yes, in payment on my truck.

Q.—Now, let's have the story, the beautiful story, that you as foreman of this highway department had cheques issued in the name of W. Fife?
A.—Yes.

Q.—You went to Fife and got Fife to endorse the cheques?
A.—Yes.

Q.—And Fife didn't receive any money for it?
A.—No.

Q.—And you collected the money?
A.—Yes, for honest work done.

Q.—And that is the story?
A.—Yes. Later, the examination was as follows:

Q.—For cheques made out in Fife's name, you signed pay sheets, didn't you?
A.—W. Fife signed the pay sheets.

Q.—You had him sign them?
A.—Yes.

Q.—And in so far as the Department of Highways know, these cheques were issued for work done by W. Fife?
A.—Possibly so.

Q.—Please don't "possibly." Did you give them any other explanation?
A.—No, I did not.

Still later in the examination:

Made Explanation.

Q.—These cheques for work he never did?
A.—I asked Mr. Fife before I ever put his name on. I went to Mr. Fife and told him Howard was going away from home to work, and that the truck's time had to go in as team's time, and I asked him would it be all right to put his name in in payment of my truck. I said the work had to go in as team's time, and he said: "I don't think you are doing anything wrong or dishonest. I think it is all right." So he knew the cheques were all right.

At a later period:

Q.—Why didn't you put that item there in your own name?
A.—That is what I should have done.

Q.—Why not?
A.—Because I was ignorant, I guess.

The following questions and answers me when the examination centred on Howard Gunning:

—Well, Howard, your son, doesn't a truck at all?
A.—No.

Had Used Horses.

Q.—Has not since 1926.
A.—No.

Q.—Yet his name went through as having used horses on that highway?
A.—Some time during that time he worked.

Q.—During that time his name went through the department's records as having owned a team?
After counsel's intervention, the answer was given as "no."

Q.—In what way did his name go through?
A.—As a teamster.

And later:

Q.—Well, as a matter of fact, I am told that neither you nor your son ever had horses on the highway since the year 1928?
A.—Who told you that?

Q.—Would you mind telling me whether that is a fact?
A.—Since 1928?

Q.—Yes.

A.—Well, I can't just tell you, but I think it is a mistake.

Q.—What year?
A.—Possibly in 1928 or—

Q.—Or early in 1929?
A.—Yes.

Q.—But not since then?
A.—No.

Not Sure.

Q.—And I am told that Fife has not worked on the highway since 1928 under your foremanship?
A.—I can't say as to that, either, but I think he did work in the fall of 1928.

Q.—But not since then?
A.—Not with his horses, no.

Q.—Or with himself?
A.—No, I don't think so.

Q.—Why put in the horses?
A.—Well, he used to work with the team.

The examination of Gunning was taken Oct. 3, 1933, and certified by I. D. Cameron, examiner, and Margaret Thayer, stenographer.

On Jan. 26, 1934, at London, Henry M. Walker of the hamlet of Talbotville, Elgin County, made the following declaration, sworn before R. J. Myers, a Commissioner for oaths:

"1. I, as a resident of the County of Elgin, and a citizen, have for some time past had my attention drawn to the condition existing in so far as the payrolls were and are concerned of the Department of Highways, patrol numbers 2-16-17-18, being a stretch of

Provincial highway between the Village of Lambeth and the Village of Port Stanley, in the Counties of Elgin and Middlesex.

Charge Is Made.

2. Information came to my attention that James Gunning, foreman on that part of the said Provincial highway abovementioned, had placed on the monthly pay sheets names of parties, representing that the said parties performed certain work on the highway, which said parties in fact never did work, yet the cheques were coming through covering said items.

3. I consider this a matter of very serious public concern, and do so regardless of what political party is in power. This is particularly important because I, up to the present time, have always supported Conservative Administrations, in fact I have yet to cast a Liberal vote.

4. I naturally became more interested in the matter from time and approached one party whose name was falsely put on the pay sheets, and in whose name cheques came through from the department, and I learned from him that such was the case, and that he did not receive these moneys, but that James R. Gunning, the foreman as aforementioned, had received the moneys therefor.

5. In the face of the foregoing facts, I considered it my duty, and most assuredly do yet, to notify the department which had jurisdiction over the highways, whereupon, in the fall of 1932, I directed a letter to the Superintendent of Highways at Toronto, advising of the conditions existing as hereinbefore mentioned, which letter I substantially read as follows:

Padding Alleged.

"On one of your divisions, you have a foreman who has been padding pay sheets for a number of years. Is there any possible method you can use to bring this man to justice. I have put an accomplice of his on his oath. He swears he signed a number of cheques, but did not get any of the money."

"6. As a result of this letter, two men came from Toronto, and they both interviewed me, at which time I gave them full and detailed information as to what was going on, and the method that they might employ to ascertain the facts as existed, but I heard nothing further of the matter."

"7. In view of the fact that the department allowed the said Gunning, notwithstanding the disclosures, to remain on as foreman and receive public money therefor, it naturally is the subject matter of daily conversation in that neighborhood. People were wondering, and naturally are still wondering, in the light of these and subsequent developments, why Gunning still has his job."

"8. Gunning then wrote a letter to the St. Thomas Times-Journal, under date of March 16, to which letter I replied on March 17, drawing to the attention of the public the very facts that the Highway Department learned from me, but took no action on."

Answer in House.

"9. The subject matter of these cheques and so on, was taken up on April 7, 1933, under question No. 130, in the Votes and Proceedings of the Legislative Assembly of the Province of Ontario, some of the answers to which questions were not correct."

"10. In December of 1933 I wrote to the Prime Minister of Ontario as follows: (Then follows what Walker swears is a copy of his letter to Premier Henry)."

"In view of the statement in the letter of Mr. Henry of Dec. 16, 'The department had an investigation and were satisfied that there had been no fraud or dishonesty,' I at once asked myself what state of facts must exist before the Prime Minister or the Minister of Highways would arrive at a conclusion that there was fraud or dishonesty practices. Is not the falsifying of pay-sheets, inserting therein the names of men who never worked on the highway, fraud and dishonesty?"

"I, therefore, had the desire of further convincing myself of the correctness of the state of affairs and of the facts which an investigation could not help but reveal, if indeed, an investigation was had, and, that being so, I have obtained copies of the pay-sheets from Jan. 1, 1929, to Dec. 31, 1933, and in these pay-sheets I find many irregularities, a detailed statement of which, and the names of all witnesses who can bring forth the truth, are embodied in the said list, which is marked Exhibit 'A' to this my declaration."

"I have not had the opportunity of going into many of the details in connection with these lists as is desirable, all of which can be gone into from the witnesses enumerated, approximating about twenty."

Matter Discussed.

"I, however, did have an opportunity of discussing the matter with Mr. John Brown, a resident of Talbotville, and a man of great reputation, and he informed me that if his name appears on these pay-sheets, as it does, as having worked on the highway in any capacity whatsoever during this time, that the same is false, all of which is clearly established by the declaration hereto attached taken by Mr. Brown and marked Exhibit 'B' to this my declaration."

The following is a declaration of John Brown, Talbotville, in the County of Elgin, retired farmer, sworn at London, Ont., Jan. 25, 1934, before R. J. Myers, Commissioner for Oaths:

"I am a resident of the Hamlet of Talbotville, having resided therein for about fourteen years, having previously been a farmer in the County of Elgin."

Examines Pay Sheets.

"I have had an opportunity of examining pay sheet No. 65,655, dated April 2, 1929, and covering the period between March 16, 1929, and March 31, 1929, and on said pay sheet I find my name appears as a teamster and as having worked ten (10) hours as such on March 2, 1929, earning therefor the sum of five dollars (\$5)."

"I have had an opportunity of examining pay sheet No. 69,468, covering the period between Nov. 16, 1929, and Nov. 30, 1929, and I find my name appears thereon as having worked ten (10) hours as a teamster on the first day of November, 1929, earning therefor the sum of \$5.50."