

'monopolies. In return, this House has a right to expect that 'the business of these Companies should be conducted upon the 'principles which this House requires.'

GLADSTONE'S CLAUSES SAFEGUARDING THE PUBLIC.

33. "Excerpt from 7 & 8 Viet. c. 85. An Act to attach certain "Conditions to the Construction of future Railways authorized or to "be authorized by any Act of the present or succeeding Sessions of "Parliament; and for other Purposes in relation to Railways. (9th "August, 1844).

'That whatever may be the rate of divisible profits on any 'such Railway it shall be lawful for the said lords commissioners, 'if they shall think fit, subject to the provisions hereinafter 'contained, at any time after the expiration of the said term of 'twenty-one years, to purchase any such railway, with all its 'hereditaments, stock and appurtenances, in the name and on 'behalf of her majesty, upon giving to the said company three 'calendar month's notice in writing of their intention, and upon 'payment of a sum equal to twenty-five years' purchase of the 'said annual divisible profits, estimated on the average of the 'three then next preceding years; Provided that if the average 'rate of profits for the said three years shall be less than the 'rate of ten pounds in the hundred, it shall be lawful for the 'company, if they shall be of opinion that the said rate of 'twenty-five years' purchase of the said average profits is an 'inadequate rate of purchase of such railway, reference being 'had to the prospects thereof, to require that it shall be left to 'arbitration, in case of difference, to determine what (if any) 'additional amount of purchase-money shall be paid to the said 'company; Provided also, that such option of purchase shall not 'be exercised, except with the consent of the company, while 'any such revised scale of tolls, fares, and charges shall be in 'force.'

34. "Mr. Gladstone's statesmanlike clause has been inserted in "every British Railway Act since about 1850, giving the Government "perpetual power to purchase the Railway at a fair valuation, and "and although that power has never been exercised, its existence has "proved a great blessing to the British public, who, by that over- "hanging power have secured low rates and quick transit. **ABOVE** "ALL OTHER CLAUSES THIS SHOULD BE INSISTED UPON."

35. "Mr. Mann could not fairly object, as it would never be "acted upon unless his Company proved too exacting, and there is "the British precedent and proof."

NOTE—This proves that Mr. D. D. Mann's notorious operations were then in question.

My reason for inserting that clause was that I had learned from Premier McBride that Mackenzie and Mann were scheming to get their friends, McBride and Bowser, to exclude by B. C. Act the control of Rates, which rightly belonged to the Dominion Railway Commission. That I feared would lead to collusion and loss of Provincial moneys.