

return for this engagement to advance money on the part of the bank, on 14th June, 1888, the railway company assigned as collateral security to the manager of the Ontario Bank at Montreal the sum of \$70,000, payable by the Government of Quebec on the completion of those two sections, extending from mile 40 to mile 60; all of which, I may say, is fully detailed in the report of the Senate last year on the enquiry regarding the Baie des Chaleurs Railway. As soon as this engagement was completed, the Ontario Bank was careful to give due notice of it to the Government at Quebec; and, accordingly, Mr. Alexandre Gauvreau, notary public, was instructed to notify the Government of the contract entered into, and he did so notify them. Accordingly, there was paid to the manager of the Ontario Bank on account of this subsidy, and in virtue of this transfer, the sum of \$41,454, leaving of the \$70,000 that had been assigned to the bank, a balance of \$28,546 in the hands of the Quebec Government. The Baie des Chaleurs Railway Company enjoyed the subsidies not only from the Local Government at Quebec, but also in the ordinary way from the Dominion Government, a subsidy, I think, of \$3,200 a mile. Accordingly, on the 12th of October, 1889, \$54,000 of such subsidies were due to the contractor; and as these subsidies had been made over to the Ontario Bank for advances to enable the contractor to build the road, the bank was informed by the Department of Railways and Canals that, inasmuch as certain wages amounting to some \$13,000 had not been paid to the labourers and workmen on that road, they thought it their duty to withhold the payment until such times as they had the assurance that these wages were paid. Well, Sir, I myself interviewed the Minister of Railways and Canals at that time, the late Right Hon. Sir John A. Macdonald, on the subject, and I suggested to him that the Ontario Bank would be willing to give a guarantee that they would see that the \$13,000 of arrears of wages were paid to the workmen, provided he would allow the \$54,000 of subsidies to be handed over to the bank as representing the contractor. The following is a copy of the letter, which is found at page 138 of the report of the Senate:—

"OTTAWA, 12th October, 1889.

"To the Hon. Minister of Railways and Canals.

"Sir,—The Ontario Bank understand that there are wages due to Macfarlane's men, for work done for the first 60-mile section of the Baie des Chaleurs Railway, amounting to \$13,000. There is payable to the railway company \$54,000, part of the Dominion subsidy. The Ontario Bank is entitled to receive this \$54,000 per Mr. Noel, manager of the Quebec Bank, Ottawa, who is attorney for the railway company, to receive this subsidy for the Ontario Bank. If the Government pay over this \$54,000 forthwith to Mr. Noel to be paid to the Ontario Bank, the bank undertakes to see the above wages to the men paid.

"A. SIMPSON,

"Manager."

Meanwhile I have already stated that there remained in the hands of the Quebec Government the balance of \$28,546, the balance of the subsidy belonging to the Ontario Bank, which again and again insisted upon its being paid over to them. However, remonstrances were in vain, for the large hearts of Mr. Mercier and his coadjutors were being moved by feelings of the deepest compassion for the unfortunate workmen and labourers whom he graphically depicted as men who were in the agonies of famine and without the means of subsistence for themselves or their families, and he says:

Mr. COCKBURN.

"I will not yield to the temptation of saying what I think of those who received the money of the province and of the Dominion for the purpose of building this road, and who failed to do so."

I think, perhaps, the House may, later on, yield to the temptation of telling him and some others of the manner in which they regard their spending the money of the province and of the Dominion. Then, later on, in the exuberance of his grief, he says:

"I wish everyone of the members had time to read the sad tale which is about to be laid before the House. The relation of the saddest things is to be found therein. Poor labourers with nothing but their work to depend upon, had not, in the month of March last, received their wages for the ten months previous, and these wages the only thing they had to live upon and feed their families. This money, which had been furnished by the province on condition that it would be used to pay these legitimate and privileged debts, had found its way in the pockets of speculators."

And he might have added: Into the pockets of adventurers. Moreover, Mr. Chrysostôme Langelier, Deputy Provincial Registrar, in his sworn evidence, tells us that the Quebec Government, in their zeal to protect these men, acted as follows:—

"The Government said: Instead of paying that \$28,546 for the company, we will keep it and pay the workmen ourselves direct so that we may be sure that they are paid."

I believe that the zeal which was manifested here by the Government of Quebec in keeping this money in order to pay every dollar to the labourers and workmen employed is worthy of all commendation. When asked:

"Q. Do you know what induced the Local Government to pay the workmen out of the local subsidy the first time?"

He answers:

"It was because the Government thought, if they paid the money to the company or the contractor, the money might have been misapplied from its proper purpose, as it was before."

No people were better qualified to judge of such dangers of misapplication of money as the gentlemen who recorded these sentiments. They had great experience in that department of politics, and they have had more since. Let us now see how this truly paternal provision was carried out by the Quebec Government. On 3rd October, 1889, Mr. Charles Langelier, member of this rifle brigade, was appointed commissioner to enquire into the claims of the labourers, workmen, furnishers of materials and board, and others privileged; and, after spending six weeks among these poor people, and dealing with their case, in heart-broken accents he reported on the 19th November that the amount required to meet such claims "in full"—I want to call the attention of the House to the words "in full"—would be nearly \$29,000. He then modestly suggested that the amount of \$28,546 which remained in the hands of the Government and which belonged to the Ontario Bank, might be safely appropriated to that purpose. Nay, more—he found the destitution amongst these poor people was so great that he made an interim report and urged upon his colleagues the advisability of appointing Mr. J. C. Langelier, civil service employé (and he might have added, his own brother) as a special commissioner to go down to the spot and pay these poor men, and on page 330 of the blue-book, we find that the commissioner recommends:

"That the sum of \$28,546 be paid to Mr. J. C. Langelier, civil service employé, to be by him applied to the payment, in discharge of the Baie des Chaleurs Railway