IN THE PROVINCIAL HOUSE

Wednesday's sittings of the legislature were the most sensational in the history of the young province of Alberta. Never in the four and a half years of its parliamentary life has such interest attended a debate on the political questions of the day. Never before had the members of the legislature and those who crowded into every available nook of the building witnessed such a display of forensic eloquence as was given in the afternoon and evening sessions.

The long-looked-for speech of R. B. Bennett on the Alberta and Great Waterways agreement, marked a new era in the local legislature, for in splendor of diction as in the physical endurance of the orator it established a high water mark for parliamentary debate in Alberta.

The junior member for Calgary rose to speak shortly before five in the afternoon and he did not conclude till midnight. Exclusive of the two hours adjournment he addressed the House for more than five hours in a flood of eloquence that was fully sustained from start to finish. His arraignment of the government in connection with the Alberta and Great Waterways contract was the strongest that has yet been presented and he held his hearers spellbound from start to finish.

Mr. Bennett was essentially at home in the question under discussion. An able railway corporation lawyer and an expert on the history and experiences of railways he reviewed the legal aspects of the agreement with a master hand. Every legal wile he exploited to give force to his arguments and overshadowing all was the sustained eloquence of the speaker. Throughout his speech, however, the impression was ever present that had the orator taken the opposite view of the agreement his arguments might have been equally as convincing to his hearers.

At midnight he drew to a close and his climax was reached when he presented to the House a rumor which he had heard in connection with the attorney general. He stated that he had been told that one Hopkins, who sat before him while he was speaking, had been commissioned by the attorney general to act as his emissary in securing a $12,000 donation from the Automatic Telephone company towards his election fund in return for a contract to place automatic telephones in Calgary. Appealing to the ex-minister of public works to verify the statement he was told by the latter that it was substantially true.

Hon. Mr. Cross at once rose in his place and characterized the statement as a lie, absolutely false from start to finish and without a shadow of foundation. Mr. Bennett said he accepted the denial but it was then up to the attorney general to investigate the report and prosecute Hopkins, who had made it.

The first speaker of the afternoon was Hon. Mr. Cushing, who again reviewed the circumstances leading up to his resignation and contended that he was more than ever convinced that the agreement was a bad one.

Premier Rutherford followed, taking up a number of points brought out by previous speakers and answering them. Upon the incidents of the cabinet meeting of October 7th, he made diametrically opposite statements to those of Mr. Cushing and stated that he was absolutely sure of his contentions as the details were quite fresh in his memory.

Following Mr. Bennett, who had the floor from five o'clock till twelve, came Hon. Mr. Marshall, who after a few remarks adjourned the debate.

Hon. W. H. Cushing.

Hon. W. H. Cushing in opening, said if he were consulting his feelings he would rather have remained in his seat than take part in the discussion now in progress in the Legislature. last week he had stated his reason for severing his connection with the government of the province. He need hardly say that it was not an easy thing to do and it had been done only after careful consideration, when he reached the conclusion that there was no other course for him to take. After listening to the recent discussion any feeling that he might have acted with undue haste had been dispelled. He then had no idea of the feeling of the legislature on the question. He had no means of knowing what effect his resignation would have on the members. But after hearing the speeches of the members one after another he was convinced that he had taken the only course open to him: Though a member of the cabinet, he had not been informed of many items in connection with this deal that had since been given to the House. There was no apparent desire of members of the government to inform him of what was being done in conection with the contract. Only on three occasions as far as he remembered were there any discussions on the Alberta and Great Waterways railway, at meetings of the cabinet at which he was present. One meeting was at Calgary during the exhibition, and the others in Edmonton during September and October.

The Much Talked of Meeting.

The premier had said he was not present at the meeting in Edmonton on October 7th. It was true, a few days ago, on the morning that he sent in his resignation the premier had asked him for a private interview. Shortly after he met the premier in his office, two other members of the cabinet walked in and there was a heated discussion. The reason he had said he was not present at the meeting on October 7th was because he had never before seen the agreement then presented, which it was said had been adopted on that date. At any meeting which he attended there had never been any discussion to the effect that the Alberta and Great Waterways railway should be of the standard of the Crow's Nest Pass railway.

He admitted having made the statement to the premier that as long as the railway policy was in his hands that he was satisfied. It was in the premier's own home the day before he went to Calgary to conduct his election that he had said that. The premier then gave the assurance that he would safeguard the interests of the country. He accepted that statement. The whole question was then in the hands of the government and there was no need for guarantee of the bonds. There were no plans or profiles before the government. When the agreement had been completed the premier might have shown him copies but he did not do so. He had confidence in the premier. But what had since transpired had caused him to lose a large degree of that confidence. He did not think there were a dozen men in the House who would say that the agreement was a good one. It might be that the amendment to the amendment would be passed in order that the government might get an easy place to lay, and to let out the members who supported it. The remedy, he did not see, was any improvement.

It was well known as the member for High River (Mr. Roberts) pointed out the previous night that if the company were reliable there was little difficulty in financing a scheme such as this. This was doubly true when the money for the guaranteed bonds was now in the banks to the credit of the province.

It was now proposed by the president's letter that $1,000,000 be held back on the first fifty miles. After this fifty miles of road was finished, the company would have little difficulty in paying the 1 1-2 per cent difference in interest out of the $20,000 a mile that they received on the remainder.

The premier and other members had never touched the objection that the province had no security. He had been informed on just as good authority as the attorney-general had that the men behind the Alberta and Great Waterways railway had no financial standing.

He had recently learned a great deal about the railway that he had not known before. He had learned from the attorney-general that there was a second set of specifications which he presumed was for the sub-contractors. A great deal of information of what the company intended doing had been given out during the past few days. It was necessary that the company should give those explanations and assurances, but why had they not been incorporated in the contract.

The Engineers' Conference.

The attorney-general had referred to the conference between the railway engineers on their return from Fort McMurray and the engineers of the public works department. They had one conference but the railway engineers never came back. (Laughter.) And he would say that if John Stocks had charge of these negotiations there would not be this discussion in the House at the present time. He had been told that the railway engineers were instructed not to go near the public works department again, and soon after that he saw in the press that Premier Rutherford would assume charge of the railway department.

There were many rumors on the street that he would not repeat in the House. He had been told that the honorable member for Peace River (Mr. Cornwall) was connected with the Alberta and Great aWterways railway. The member had a charter from the Dominion government for some years, and endeavored to float a company but he was not successful. The charter of the member was the first one considered by the government when they were discussing a railway in the direction of the Alberta and Great Waterways railway.

Mr. Cushing refused to be read out of the Liberal party by the attorney-general. He was a strong liberal always, but he was of the class of men who would never support any party when he did not think it was acting in the public interest. It had been said of Sir John A. MacDonald that he once had been told by a follower that he would support him when he was right, but Sir John, he replied, that he wanted men who would support him whether he was right or wrong. This he thought was the kind of supporters that the Rutherford government wanted.

"I was in this province," he continued, "when the attorney-general was in knickerbockers, and he comes to this House to read me out of the party, if you please. He has yet a great deal to learn. The premier has been more charitable than the attorney general, and he had said that he did not include me in the nest of traitors. I am glad of that, for I would not like to be called a traitor. It would make me feel like fighting if I were a younger man.

"If years count for anything, if business judgment count for anything then I think my judgment is as good as the attorney-general, or even the honorable premier himself. And I want to say further that I believe and I honestly believe that he has been ill-advised. And I think he thinks so too. (Laughter.) I want to say to this House that this matter will never be finished until it is done right. It wont be finished with me and I don't think it will be finished with the electors of this province. And I say that the government that gives clean, honest administration will always receive the support of the people."

A Bit of Cross Fire.

The member for Leduc (Mr. Telford) has said that any member elected to support the government, that does not agree with the government in this, was under obligation to resign and contest his election over again.

Mr. Telford: "I said he had a moral obligation, not a legal obligation, to resign."

Mr. Cushing: "Will he resign and go back to his constituency?"

Mr. Telford: "I am willing to put up $500 that I will resign, go back to my constituency and lick him to a finish." Laughter.)

Mr. Cushing: "Will the supporters of the amendment dare to resign and go to their constituents? Will all the members of this House resign and go to the people. I would resign rather than accept any amendment to this contract and I don't think, despite the letter of Mr. Clarke, that we will ever get any amendment to this contract."

The attorney-general had endeavored to answer some of the objections, and he had been informed that the answers were satisfactory to some of the members, but the province had no security that this contract would ever be carried out. That was the crux of the whole situation.

He regretted greatly that he was compelled to sever his connection with the government, for he had hoped to assist to some extent further in building up this province. But what pained him most that he was compelled to differ so widely with the honorable premier, whose opinions and whose judgment he had always in the past respected.

The Premier Replied.

Premier Rutherford in his opening remarks said he was glad to learn that the honorable senior member for Calgary (Hon. Mr. Cushing) was still a supporter of his government. He too had heard, as the hon. ex-minister had said, many rumors on the street, but he did not credit rumors, he desired to get the facts. He had heard the report that for the past two months a detective was on his rack, (laughter.) Of course he did not believe this.

The member for Sturgeon had said it was unusual for a minister to introduce legislation for the incorporation of railway companies. As a matter of fact the ex-minister of public works at last session had introduced a petition to incorporate the Alberta Midland, now the C.N.R., on the same day as he had introduced the petition to incorporate the Alberta and Great Waterways railway. At the same session the late minister of agriculture (Mr. Finley) had introduced a bill to incorporate the Southern Alberta Railway company—a line proposed to be built from Medicine Hat to Calgary. These bills went through the regular course in the legislature and nothing unusual in any respect occurred in regard to them.

Usual Procedure Followed.

In conection with the act for the guarantee of bonds resolutions were passed through the House in accordance with the usual procedure. The ex-minister of public works had seconded the resolution that he (the premier) introduced providing for the guarantee of bonds at the rate of $20,000 a mile. The statement of the ex-minister at Bankview that the legislation was carefully and thoroughly considered was quite true.

Remarks had been made with reference to a letter which he wrote to the president of the Alberta and Great Waterways railway company in connection with legislation proposed for the House. There was nothing unusual in this, in fac. if the legislation was not prepared before the House met it would be in session for months instead of weeks as usual.

The honorable member for Sturgeon (Mr. Boyle) had endeavored to cast suspicion on movements of individuals in connection with this company. Reference had been made to a special train, but there was nothing suspicious in anything in connection with the company. President Clarke did not fail in connection with his trip to his old country. Recently he (the premier) had been in conversation with Hon. W. S. Fielding, the Canadian minister of finance, and the latter had said he met Mr. Clarke in the Old Country and he was a most excellent man and the government were to be congratulated in securing him to build a railway in the province.

With regard to the direction in which this line was running, he would point out to the junior member for Edmonton (Mr. McDougall) that the legislature of last session had guaranteed bonds of the C.N.R. for fifty miles in the direction of the Peace River country. If the Dominion government did not give further assistance it would probably be the duty of the legislature to guarantee their bonds further, if they saw fit.

Engineer's Appointment.

With reference to an engineer not having been appointed earlier, Mr. Jones, the present engineer was residing in Edmonton for some time and he had been frequently consulted with reference to the other lines.

The premier stated that he had discussed railway matters quite frequently with the ex-minister and not on only two or three occasions as he had stated. He remembered that quite clearly and was positive of its correctness. These detailed specifications were brought to him on October 7th, in the morning, by Mr. Cushing's own private secretary, Mr. Trowbridge. He had asked Mr. Cushing to have detailed specifications sent to the Alberta and Great Waterways railway company, and had stated to him that these were the specifications that would be used when the sub-contracts were let. He remembered then quite distinctly that the standard of the Alberta and Great Waterways railway was agreed then to be fixed as the standard o fthe Crow's Nest railway line. The documents were before the cabinet on October 7th, and before that meeting adjourned he had requested the deputy attorney-general to fully explain to Mr. Cushing all the transactions previous to that time.

Speaking of the deputy minister of public works (John Stocks) he said he was a most capable man, but he had his limitations and especially since the inauguration of the telephone department. he had been overtaxed in his work. John Chalmers too was a very excellent man in his line of work essentially was structural engineering.

Had Safeguarded Province.

The member for Sturgeon (Mr. Boyle) made a great deal of the charge that the railway company had the premier by the throat and he must consent to their plans, otherwise his job would not be worth a cent. He thought he could show that the provincial treasurer had fully safeguarded the interests of the province. He thought it was a good thing that the bonds had been sold for the entire 350 miles. If they had been sold for only 175 miles the company would go up that distance and would be all the company would build. The sale of the entire amountof bonds was a guarantee that the whole line would be built. The government had guarded the interest of the province in every way, in the transaction with the Alberta and Great Waterways railway.

By the last day of June 1910, he expected that fifty miles would be in operation, as called for by the contract, and the railway would begin earning interest. The company expected to have the entire line ready in two years or two and a half. He believed that when the railway was finished there would be considerably more than the $1,000,000 reserved in the banks to the credit of the province.

The time the people would have to complain would be when the road was completed, if it was not a first class road in every respect. When it was completed and proved a credit to the province, he would be willing to retire to private life and allow another leader to carry the party on to victory.

The premier closed his remarks with the closing words of his railway speech of last year in predicting tremendous expansion as a result of the railway policy of the government. With the construction of the new railway, new towns would spring up, new mineral land would be open and new areas for settlement would be made available.

Mr. Bennett's Speech.

Mr. Bennett said:—

"I am called upon to choose between two men. In the one case the ex-minister of public works, a man who in the 27 years he has been in this country has made a name and a place for himself, a reputation of which any might well be proud, and a gentleman of my own profession, the premier of this province, a man with whom my personal relations have been of the pleasantest possible character, a man for whom I have the highest regard. I have to choose between two sets of Liberals. One represented by such men as the members from Camrose, Sedgewick, High River and Vegreville, and the other by those who sit on the treasury benches. And I have no difficulty in making my choice.

"I think it is significant of great things that the young men who have stood out against the administration on this question have had the moral courage to do so. It is well for our institutions that these men have had the temerity to break with the party, as represented by the government. When the history of this province is written their names will be records side by side with the names of those pioneers our fathers who came to this great West, and by their lives, fraught with travail, pain and sorrow, established for us the basis upon which our representative institutions stand. Their names will act as beacon lights, beckoning our children and our children's children to see what sacrifice was made that the rights and liberties of the people might be preserved.

"I desire to say that, no matter how the vote on this question results, even if the administration were to be defeated, I would not consent to take office. I have no mandate from the people of this province to do so. But I have this to say, I am here to protest against this whole Alberta and Great Waterways deal."

A Number of Counts.

The speaker said he desired to deal with the question on a number of counts. First, he would sketch the negotiations prior to the passing of the legislation. Before doing this he pointed out that nowhere in the political history of Canada or Great Britain was there another instance of a minister severing his connection with a government under the same circumstances as those under which the ex-minister of public works had acted. The charge against the government was culpable negligence. The law said a man who had the opportunity for knowledge and failed to avail himself of it was as guilty as a man who, having the knowledge, deliberately neglected to use it. The government occupied a different position to that of an individual in that they were the trustees of the people, not for the advancement of any political party or for any private advantage. There must be an investigation of the Alberta and Great Waterways deal and the members of the House would not rest until every shred of evidence had been adduced, in the courts if necessary, where under gruelling cross-examination men could be made to divulge the truth.

Reverting to the exposition of the history of the negotiations prior to the legislation, he referred to the ex-minister of public work's statement that the honorable member for Peace River knew more of this deal than he seemed disposed to tell. He then turned to the Dominion statutes of 1905, and showed there that a company under the name of the Athabasca Railway Company, capitalized at $2,000,000, and having among its directors James K. Cornwall, Edmonton; A. C. Dobell, Calgary; Frederick Ross, Edmonton; and Philip Roy, Edmonton, had obtained a charter for a line to be constructed between Edmonton and Fort McMurray. This charter was a promoter's charter. James K. Cornwall tried to dispose of it, but was not successful. A man by the name of Falkner, under the guise of a capitalist, dressed in fine raiment and immaculate linen, came to Edmonton in the interests of this company, but he failed to secure the government's endorsation of the bonds of the railway company. Then there appeared in Winnipeg one W. R. Clarke, who, after interesting a reputable firm of solicitors, came to this government and secured the government's undertaking to guarantee the bonds of a company to build a line to Fort McMurray. Following this there was organized in Winnipeg the Canada West Construction Company, which, under its Dominion charter, secured the rights of the Athabasca Railway Company in regard to construction. This Canada West Construction Company was nothing more or less than a subsidiary company to the Alberta and Great Waterways Railway Company, and the chain connecting all three was complete.

Romantic as a Novel.

This whole deal was as interesting as a novel, Jesse James' romances were nothing beside it. But it was not a novel, because it affected vitally the public life of this province.

Referring to W. R. Clarke's visit to Edmonton prior to the passing of the legislation, he described the negotiations of the president of the Alberta and Great Waterways Railway Company, which resulted in the premier writing a letter undertaking to promote and submit for ratification legislation incorporating the Alberta and Great Waterways Railway Company and the guaranteeing of their bonds for $20,000 per mile, as a beguilement and hypnotizing of the first minister.

Who did the promoting, the speaker asked. The premier, he was sure, had neither done the promoting nor written the letter to Clarke, which had been brought down to the House from the files of the attorney general. Who then?

Dealing with what he termed as the emasculation and stripping of the files before being brought down to the House, he stated that there were letters and telegrams which referred to other letters and telegrams which were not to be found on the files. He looked the files over in vain to find, except in one instance, the magic words C. W. Cross. It was inconceivable that the attorney general, in the wealth of negotiations which had taken place, had written only one letter. Why, he asked, should a file be stripped if it was all right, if all was right, righteous and honorable. Why? why? The people of the province demanded an answer, and the people of the province would obtain an answer. It was on just such evidence that the lumbermen of this province were indicted and found guilty of conspiracy. They failed to produce their files at their trial, and finally, at the end of a long cross-examination, were induced to admit they had burned their papers. This was the strongest evidence upon which the chief justice of this province based his conviction of the lumbermen of conspiracy.

The stripping of files struck at the basis of representative government. It struck at the body politic. Why did the C.N.R. and G.T.P. documents come down to the House with some degree of sequence of dates and in chronological order. Where weer the documents? Our children's children down through the ages would echo where. Probably, like those unfortunate lumbermen clients of his, they would say they had been burned. If this were so, then why could not their sacred ashes be gathered and placed in an urn on the table of the House. Many important documents which had passed between the house of Morgan and the Clarkes were not among the papers. They were still fugiting.

Turning his attention to the legislation itself, he outlined the passing of the Alberta and Great Waterways Railway Company's bill in the House. Why were there no amendments to it? he asked. Because the prime minister had bound himself, he was shackled. He had agreed that this legislation should go through, and peradventure it had to go through.

He said he could find no copy of the draft of the original bill among the files. Why was this? Would he have to go home to his constituents and say this was the way they did things in Edmonton, this was the kind of government we loved to honor and obey. It was a fundamental principle of responsible government that the government was responsible to the legislature, and the legislature to the people. The action of the government in this deal was an autocratic usurpation of democratic power.

The attorney general had said we were young, we had to learn, and we could not apply all the features of our new railway act to this new railway. If that were true as applied to this railway, it should also have applied to the other railways whose bonds were guaranteed.

Dealing with clause 20 of the act, incorporating the Alberta and Great Waterways Railway Company, providing that the government may have the option of purchasing the railway, and the clause in the general railway act providing for the same purpose, he showed the difference. Clause 20 said the government may have the option of purchase, but it didn't say how it was to be brought about. What if the company didn't agree on the price, what then? The general act provided that arbitration could be resorted to, but the clause made absolutely no such provision. Clause 20, he then declared, was a straight bluff. It meant nothing.

The attorney general had stated that if the legislature wanted the agreement amended it would be done. For whom was he speaking? Never in his (Mr. Bennett's) day or generation had he ever heard of a private bill being amended. It might be the attorney general was acting for the company. He was aware the attorney general's partner, O. M. Biggar, was the company's solicitor. This letter from Clarke, offering certain amendments, meant nothing. Clarke knew that that letter could not bind his company. It was signed by him as president of the company, but he knew there must be a resolution passed by the company's directors.

Further, the act of incorporation took from the province the only safeguard it had, when it made the clause in the general act, providing that all plans and profiles should be filed with the minister of public works imperative, and substituted for this that the plans and profiles should be filed with the clerk of the executive council. Why was this changed? Why was the supervision of the plans and profiles taken out of the hands of experts such as were in the public works department, and handed over to such an official as the clerk of the executive council.

The speaker next dealt with the charter in relation to its internal organization. He referred to the persistent fight the Hon. Frank Oliver had waged against over-capitalization and the creating of excessive securities by railway companies. The Alberta and Great Waterways had a capitalization of $7,400,000 for 350 miles of railway. The C.N.R. had a capitalization of $5,000,000 for 805 miles of railway. The first essential to the control of railway rates was the restriction of the creation of excessive securities and excessive bond issue.

No other company but this had ever been given power to issue bonds on its sidings. Did the first minister know how much it cost to build a siding, on which this company could issue stock and bonds for $40,000 per mile, $20,000 of which was guaranteed by the government. Any railway company could build a siding for $8,000 per mile as quick as a snap of the finger. The thing was monstrous, preposterous and more.

As to the organization of the railway company, he said that under the local general railway act it was required that a company should have a paid-up capital of 25 per cent, and must deposit 10 per cent of the capital in the bank. In other words, this company should have $1,350,000 of subscribed capital and $175,000 paid up. What had they? $50,000 paid up, and that amount raised by discounting a note in the Merchants' Bank.

Dealing with the issue of bonds, he first compared what he termed the business likearrangements with the G.T.P. and the C.N.R. with the mass of confusing detail in connection with the correspondence and papers relating to the A. & G. W. bond issue.

At this point he sprang one of his sensations. He said that for the first time in his public capacity he had been approached by great financial interests in an effort to keep him from protesting against this thing. It must be rotten.

The province had undertaken to guarantee the bonds of this company for $7,400,000. He believed in guaranteeing the bonds of a railway. The public credit should be used for public development.

"I was a well-fixed idea that a railway should not be overloaded with fixed charges. This company must earn $1,000 per mile to pay its fixed charges. It was an established fact that a railway company operating for sixty per cent. of its gross revenue was doing well. Harriman had, during exceedingly hard times, cut down the operation charges to 52 per cent. of the gross earnings, but this marvellous accomplishment was due to his wonderful organizing ability. The gross earnings of the C. N. R. from July, 1908, to July, 1909, were $10,500,000, and the net earnings $3,566,000, showing that operating and repairs cost 70 per cent. of the gross earnings, while 30 per cent. was net.

The Alberta and Great Waterways would have to pay interest charges of $1,100,000 per annum. And it could not do it. The result was that the province would have to pay; and there sat the men who did it, waiting for sentence.

Continuing in his effort to demonstrate the impossibility for the railway to pay its way he pointed out that it was traversing a country which the Dominion government had said was not good enough to survey. What was the passenger traffic going to be. A mere bagatelle. The railway would have to earn $2,500 per mile per annum, $875,000 per annum to pay its fixed charges. It couldn't live unless it earned this. And it couldn't earn it.

Dealing with the issuing of the bonds he said three things were necessary, the authorizing act, the mortgage and the security. The Dominion government had set out how bonds should be paid. There were two methods either at the completion of every ten miles of construction or on progress estimates. This act said the company should have the option of saying how the payments should be made. The company had said they wanted payment on the completion, without ballast, of every mile.

The whole deal, he said, was to create a speculative road for speculative purposes for speculating promoters. He also pointed out how the act gave the company the right to become townsite promoters.

Second Sensation.

The second sensation he offered was the statement that the bonds of the railway were sold in London by the house of Morgan for 110, while the province only received par for them. In other words after deducting the usual commission charged by underwriters and the English duties and other charges, Clarke and his associates had between $200,000 and $300,000 to divide among themselves.

Clause 6 of the act guaranteeing the bonds said all moneys realized from this sale must be paid into a bank in the city of Edmonton. Morgan didn't buy the bonds. He merely agreed to pay Clarke par for them, and he then sold them on the London market for 110. Beside this deal the Pacific scandal was a mere bagatelle. This was the situation in all its nakedness and rottenness.

He then stated that while he would not accept at the present time the administration of the affairs of this province, he would support either the ex-minister of public works or the junior member for Edmonton as prime minister, which would mean the elimination of machine politics in this province.

Dealing with the contract he declared the A. and G. W. railway would be built for less than $20,000 per mile. There were many contractors who would undertake to build it for $1,000,000 less than the $7,400,000. The C. and E. cost less than $10,000 per mile to construct.

Further, what sanctions were behind this contract. Suppose the company did not live up to the contract? Did the House know that the $50,000 of paid up capital had already been eaten up in two months' interest on the bonds. But the most lamentable part of this was that the province was bound by the contract. He appreciated the sacredness of a contract, but if there had been fraud the contract was invalid.

As to Specifications.

Then what of the specifications? Fifty-six pound rail on a 6-inch spruce tie on a mud bottom. The thing was outrageous. The Crow's Nest Pass railway was cited as the standard of construction. Was it the old Crow's Nest Pass road or the new that was meant. The old line was anything but a modern railway; the new was one that would compare with anything on the continent.

Clarke knew that his letter on which the amendment was based did not bind company. Further Clarke had stated he had let a contract for a million and a half dollars' worth of steel for the road. Did he think this House was composed of children—why, it had let such a contract, at the present rate of steel he would have provided for 500 miles of railway. Clarke was absolutely irresponsible, and his letter was worthless.

Has Offer Been Accepted.

"Has the Prime Minister accepted Mr. Clarke's offer? I ask the Prime Minister this question. It's a fair one."

There was no reply.

"Silence, says no," said the speaker, and turning to the House he fiercely demanded: "Then why vote for him" He konws, Clarke knows that, the Government dare not open up this contract. Let it once be opened, and the whole contract stands ready for amendment. Is the government guilty or not guilty? I say guilty."

Proceeding he asked if the government appreciated the seriousness of giving this company exceptional powers, powers which would enable a gang of exploiters and a crowd of speculators to use this province's credit for their personal ends.

In conclusion the speaker said, that throughout all these negotiations no man can say that bribery or corruption has entered into them.

Mr. Bennett then proceeded to disclose his final sensation.

"In the city of Calgary," he said, "we hoped to get an automatic telephone system of 2,000 phones. The attorney general was opposed to the expenditure in the executive council, and we did not get the system. But there is more to be told. It is rumored that one, Hopkins, who now sits outside the railing in this House, acting as the emissary of the attorney general, proposed to the manager of the Automatic Telephone Company that if he would contribute $12,000 toward the election campaign expenses of the attorney general, the deal for the telephones in Calgary would be put through at $93,000.

"I ask the ex-minister of public works, if what I state is not true?"

"Substantially true," replied the senior member for Calgary.

"I deny the charge," said the attorney general forcefully.

"It may be that Hopkins, that impecunious purchaser of school sections, has misrepresented things, but one or other of them is not telling the truth, and I think there should be a committee of this House to investigate the rumor."

"Do I undestand the junior member for Calgary to be making a charge against me?" quietly asked the attorney general.

"No," replied Mr. Bennett. "It's Hopkins, who makes the charge, and who has to be dealt with."

Mr Cross Emphatically Denies.

Hon. Mr. Cross at once arose in his place at the conclusion of Mr. Bennett's remarks.

"I want to say," he stated with some warmth, "if that honorable gentleman made the statement he has just made outside the House I would know what action to take. I say if the House is to be stampeded by charges of that kind I do not know what kind of men you are.

"Some members during the past few days have been talking of rumors of scandals in connection with the Alberta & Great Waterways railway and the honorable gentleman has finished up by charging that I asked $12,000 campaign fund money from the Automatic Telephone company. I absolutely deny that I ever said a word either to Mr. Hopkins or to the Automatic Telephone company or any other company in connection with campaign or other funds. (Applause).

"And I want to say are you going to be stampeded by a rumor of this kind?"

At this point Geo. Hoadley, Okotoks, Mr. Bennett's first lieutenant, rose to a point of order saying that the attorney general was not defending himself. He was out of order.

Mr. Bennett—"It is up to the attorney general to move for a committee to make an investigation. I'll put my statements in shape for the consideration of the House. I accept the attorney general's denial but he is bound to investigate the charge.

"I might insist," said Hon. Mr. Cross addressing the chair, "that the honorable member for Calgary make a charge but he says he will put his statements in writing and I am willing that there will be the fulest investigation of these. I will say again that his statement is an absolute lie and falsehood from beginning to end.

Hon. Duncan Marshall Replies.

This ended the sensational episode for the time and Hon. Duncan Marshall rose to reply to Mr. Bennett.

The Minister of Agriculture in opening said he would not speak long before adjournment as it was after midnight. He first congratulated new members of the House upon their speaking ability. This was probably the first real debate that had taken place in the legislature of Alberta and would give a great deal of experience to those like himself, who were new members of the House.

He had been greatly surprised at the action the honorable member for Calgary in repeating on the floor of the House, the rumor which he said he had heard. He held no brief for Mr. Hopkins, whom he knew only casually.

"But," he continued, "when a man can make slanderous statements on the floor of the house against a private individual who has no chance to defend himself it is beneath the dignity of a member of this legislature.

"When a man makes a statement in the House that he won't make outside there is only one name with which he can be characterized. If this legislature is to be degraded and disgraced by that kind of thing then it is time that some other kind of an investigation should be held.

"We have listened to the last speaker for four or five hours and till the last

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