

It is true that the Premier gives in his letter, as one of the reasons for acting as he did, "that this permission of using the name of the Representative of the Crown, had, besides, always been granted him by the predecessor of the present Lieutenant-Governor, the late lamented Mr. Caron."

This reason cannot be one for the Lieutenant-Governor, for, in so acting he would have abdicated his position as Representative of the Crown, which act neither the Lieutenant-Governor nor the Premier could reconcile with the obligations of the Lieutenant-Governor towards the Crown.

The Lieutenant-Governor regrets having to state, as he told the Premier, that he has not been informed, in general, in an explicit manner, of the measures adopted by the Cabinet, although the Lieutenant-Governor had often given the Premier an opportunity to do so, especially during last year.

From time to time, since the last Session of the Legislature, the Lieutenant-Governor has drawn the attention of the Premier to several subjects regarding the interests of the Province of Quebec, amongst others: 1st.—The enormous expenditure occasioned by very large subsidies to several railways, while the Province was burdened with the construction of the great railway from Quebec to Ottawa, which should take precedence of the others; and this, when the state of our finances obliged us to undertake loans disproportioned to our revenue.

2nd. The necessity of reducing the expenses of the Civil Government, and of the Legislature, instead of having recourse to new taxes, in view of avoiding financial embarrassment.

The Lieutenant-Governor expressed also, but with regret, to the Premier, that the Orders passed in Council to increase the salaries of Civil Service servants seemed to him inopportune, at a time when the Government were negotiating with the Bank of Montreal a loan of half a million, with power to increase that loan to \$1,000,000, at a rate of interest of 7 seven per cent.; and indeed, even to-day (1st of March), the Lieutenant-Governor is obliged to allow an Order in Council to be passed to obtain the last half million for the Government, without which the Government would be unable to meet its obligations, as I was informed by the Hon. the Provincial Treasurer, to-day, by order of the Prime Minister.

The Premier did not let the Lieutenant-Governor know, then or since, that the Government were in such a state of penury as to necessitate special legislation to increase public taxation.

Therefore the Lieutenant-Governor said and repeated these things to the Premier, and he deems it advisable to record them here, that they may serve as memoranda for himself and for the Premier.

It therefore results: 1st. That although the Lieutenant-Governor has made many recommendations in his position as Representative of the Crown to the Premier on these different subjects of public interest, his advisers have undertaken a course of administrative and legislative acts contrary to these recommendations, and without having previously advised him.

2nd. That the Lieutenant-Governor has been placed, without evil intention, but in fact, in a false position, by being exposed to a conflict with the will of the Legislature, which he recognises as being, in all cases, supreme, so long as that will is expressed in all constitutional ways.

The Lieutenant-Governor has read and examined carefully the memorandum and documents which the Premier was kind enough to bring him yesterday.

There are, in the record, petitions from several municipal corporations and from citizens of different places, addressed to the Lieutenant-Governor, against the resolutions and the Government Bill, with regard to the "Quebec, Montreal Ottawa and Occidental Railway."

The Lieutenant-Governor was only yesterday able to take cognizance of some of these petitions, as they had not been communicated to him before he received them in the record.

The Lieutenant-Governor, after having maturely deliberated, cannot accept advice of the Premier with regard to the sanctioning of the Railway Bill intitled: "An Act respecting the Quebec, Montreal, Ottawa and Occidental Railway."