

not done in the case of the loan of 1880, that was sold directly and privately to Mr. Cahen, of Antwerp.

It is also a charge against us that, after taking the loan at $36\frac{1}{2}$, the Credit Lyonnais placed it on the market or caused it to be quoted at $101\frac{1}{4}$ or $4\frac{3}{4}$ more than the price paid by it. But it has been forgotten that these $4\frac{3}{4}$ do not represent the real profit, seeing that the Credit Lyonnais bought firm and paid all the expenses of issue, of exchange, of stamps, etc., which expenses represented over 2 %.

Further, on referring to *Burdett's Official Intelligence*, I note that in 1883 the Bank of Montreal placed on the London market, at 107, the £500,000 of the 5 p. c. loan of 1882 which Mr. Wurtele had sold to it at 100. The *Gazette* and other Bleu papers, which are making a great outcry because the Credit Lyonnais appears to have made an honest profit, had not a word of blame, when the Bank of Montreal realized 7% absolutely in the same way.

Lastly, the *Gazette* seems to be very much put about because Messrs. Heidelbach, Ickelheimer & Co., bankers of New York, appear to have been mixed up with the negotiation of our loan. Yet, it had not a word to say when the same bankers were mixed up with the loan of 1880; and I beg you to believe me when I state that, if they cost the province something in 1880, they cost it nothing in 1888, as we have not paid them a single cent.

Gentlemen, these remarks will give you a correct notion of the value of the criticisms which have been made of our loan, and I do not hesitate to say it is indisputably the best financial transaction which has ever been effected for the province of Quebec.

And yet we were in an exceptionally difficult position. Over and above the discredit resulting from the bad state in which were the finances of the province when we undertook their management, we had to stem the current, or, if you prefer, undo the quotations established by our predecessors. After having first borrowed at 5% and at a considerable discount, these gentlemen had come down to $4\frac{1}{2}$ % in 1880, by sacrificing under the guise of a discount \$503,581, and finally had been forced to come back to 5 % in 1883; they had proceeded by half points, whilst we had to lower the rate by a full point, to arrive at one bound at 4 %, a rate which they never suc-