

majority, and other things satisfactory. I have told you all along that this was the true basis of operation, and that anything else was powder and shot thrown away, and I think so still. You should come here and see me before you carry out any important transaction or pay any money. I want you to get a correct copy of the Government Bill and our own Bill, because we have first to consider how far they will suit our friends, and we may have to go to New York to consult them.

I will be in town to-morrow and Friday. I will be absent on Saturday, but will return here on Monday and be here till Friday.

Yours truly,

(Signed,)

HUGH ALLAN.

Letter No. 13.

MONTREAL, July 1st, 1872.

G. W. Cass, Esq.,

Liberty Street, New York.

MY DEAR SIR,—The negotiations regarding the Canadian Pacific Railroad are now approaching a termination, and I have no reason to doubt they will be favorable to us. I have been given to understand, by Mr. McMullen, that he has regularly kept you informed of the progress and position of affairs, hence I have not communicated with you on the subject, as often as I otherwise would have done. No doubt he informed you that—thinking as I had taken up the project, there must be something very good in it—a very formidable opposition was organized in Toronto, which, for want of a better, took as their cry, “No foreign influence”—“No Yankee dictation”—“No Northern Pacific to choke off our Canadian Pacific,” and others equally sensible.

So much effect, however, was produced both in and out of Parliament by these cries, and the agitation consequent on them, that after consulting Mr. McMullen, I was forced unwillingly to drop, ostensibly from our organization, every American name, and to put in reliable people on this side in place of them. It will be apparent to you that at this point Mr. McMullen and I differed a little as to the means to be adopted to influence the Government itself. Two opposing companies, desiring to build the railroad, were formed, the one from Ontario having the greatest number of names, while that from Quebec had the greatest political power.

Mr. McMullen was desirous of securing the inferior members of the Government, and entered into engagements of which I did not approve, as I thought it was only a waste of powder and shot. On a calm review of the situation, I satisfied myself that the whole decision of the question must ultimately be in the hands of one man, and that man was Sir George E. Cartier, the leader and chief of the French party. This party has held the balance of power between the other factions. It has sustained and kept in office and existence the entire Government for the last five years. It consists of forty-five men, who have followed Cartier and voted in a solid phalanx for all his measures. The Government majority in Parliament being generally less than forty-five, it follows that the defection of one-half or two-thirds would at any time put the Government out of office. It was therefore evident that some means must be adopted to bring the influence of this compact body of members to bear in our favour, and as I soon made up my mind what was the best course to pursue, I did not lose a moment in following it up.

A railroad from Montreal to Ottawa, through the French country north of the Ottawa river, has long been desired by the French inhabitants, but Cartier, who is the salaried solicitor of the Grand Trunk Railroad, to which this would be an opposition, has always interposed difficulties, and by his influence prevented its being built. The same reason made him desirous of giving the contract for the Canadian Pacific into the hands of parties connected with the Grand Trunk Railroad, and to this end he fanned the flame of opposition to us. But I saw, in this French railroad scheme, and in the near approach of the general elections, when Cartier as well as others had to go to their constituents for