

with the Manitoba government for a valid consideration under which the railway says this: 'We are now subject to the Railway Act of the Dominion and the laws of Canada and the control of the governor-general-in-council. We have the right to fix and regulate our own tolls under the Dominion Railway Act. Now, we will for valid consideration, contract to let you fix them for us. It is not vesting in Manitoba any legislative authority. It is not divesting this parliament of its, or depriving the governor-general in council of any control or this parliament of any of its rights. Is it Manitoba that operates this road or receives the tolls? No, certainly not, it is the company, and they have a right to say to the province we will charge no more than you consider fair under agreement.'

Mr. Barwick was next heard on behalf of the Manitoba government. He gave an absolute denial to the representations made by the Winnipeg delegation as to the statement of Mr. Roblin in regard to rates. Mr. Barwick read from speeches of Mr. Roblin and Attorney General Campbell as to what they had said in the legislature on the subject. He ridiculed the idea of the Winnipeg delegation appearing as a representation to the public safety of Manitoba. Mr. Barwick then pointed out that in 1887 Sir John Macdonald and his government had never disallowed any of Manitoba's railway bills because the province was not allowed to build to the boundary line, but on account of public policy. They were all disallowed on grounds of public policy. Mr. Christopher Robinson may have given an opinion of this question, but, it must be remembered that Christopher Robinson had argued the same point in the supreme court, and the supreme court had decided against him. The government of Manitoba and the legislature of Manitoba had passed these contracts other railway in Canada. It will have to conform to the Railway Act in reference to discrimination. It has got to obey the law. The Manitoba government and the Manitoba legislature went into the bargain with their eyes open. They were both perfectly well aware that the rates might be reduced.

Mr. Richardson—"But, they might be raised."

Mr. Lash—"We cannot raise them under a contract. The company went into the contract with the Manitoba government on certain terms. The Dominion was not abdicating any authority. Mr. Nesbitt has referred to a foreign power, but surely, said Mr. Lash, the province of Manitoba could not be regarded as a foreign power. Manitoba was part of the Dominion and the Dominion part of which the people of Manitoba wanted, notwithstanding that fifteen people of Winnipeg constituted themselves into a committee of public safety."

Mr. Bourassa asked for the opinion of the minister of railways as to jurisdiction.

Mr. Blair said that parliament could validate any agreement between the province and any company or between two companies, and it would not be abrogating any legislative functions. The present was an exceedingly awkward question, one of greater magnitude than parliament had had before it for many a day. He might not feel like saying that it was an improvident bargain, or that the people had been carried away in their desire to get better rates into making a bad contract, but it was a serious undertaking to ratify the agreement. It might be, Mr. Blair pointed out, to the interest of the Canadian Northern and the province of Manitoba to have a tariff of rates as high as possible outside the province of Manitoba in order to neutralize the liabilities of the province under the reduced rates in Manitoba, and in this it appeared to him laid the possibility of conflict between the provincial government and the government of the Dominion in regard to the control of rates.

Lieut.-Col. Hughes asked whether the people of Manitoba did not pay higher rates to Montreal and Boston than the farmers of the western states.

Mr. Blair said that the case which Mr. Hughes referred to was governed by the Railway Act. There was the danger, if this agreement was confirmed, that under the operation of the lease and the contract, the government of Manitoba would as far as its power went compel a condition of

things to exist, which if it did exist would compel the Dominion government to take action to redress the grievances of the people discriminated against.

Mr. Cochrane suggested that the same condition existed in Ontario with reference to the rates on freight from Chicago to the seaboard passing through Ontario.

Mr. Blair said that it did not, and quoted the provision of the Railway Act which provided for cases when there was competition, and it was necessary to make rates in order to secure trade. He suggested that there should be a clause put in the terms of the general Railway Act providing against discrimination in rates, and against secret rebates or concessions. There could be, he said, no objection to such a clause going in the bill and the presence of such a clause in the bill would be advantageous and have a restraining influence.

Mr. Lash, on behalf of the Canadian Northern railway, said he would accept the clause suggested by Mr. Blair.

Ottawa, May 1.—Again the railway committee room of the Commons was crowded with members, ministers, legal counsel and press correspondents, and again the Manitoba railway bills were called. Following was the array of counsel this morning: Mr. Lash, K. C., for the Canadian Northern; Mr. Barwick, K. C., for the Manitoba government; Mr. Nesbitt, K. C., for the Manitoba delegates; Mr. Ewart, K. C., for the Northern Pacific, and Mr. Irving, K. C., for the Ontario government. Messrs. Blair, Fielding, Sutherland and Dobell were the ministers present. Mayor Arbutnot, Mayor Fraser and Mr. Bole were in attendance.

It at once became evident when the committee was called to order by Chairman Sutherland that all the lawyers had reached an agreement to say nothing more on the general questions. The discussion was thus up to the members and Mr. Puttee took the floor. He began by pointing out the importance of the subject to Manitoba, and went on to say that the territorial members were in favor of these bills because they thought if Manitoba is pinned down to no discrimination in rates the Territories would get as low rates as Manitoba and at the expense of that province. "All I ask," said the member for Winnipeg, pointing his index finger at the members of the government present, "all I ask, is that this matter shall be delayed one year as it would be in a matter of disallowance in order to give the people of Manitoba a chance to say whether or not they want to enter into these contracts, and during that time we could get the opinion of the people, and if they are opposed to it that will settle it. I tell this committee that the people of Manitoba are opposed to this deal." Discussing public ownership, Mr. Puttee disputed the assertion some times made that this deal was a step towards public ownership. "Mr. Chairman, I repudiate that altogether," exclaimed Mr. Puttee, vehemently, "on the contrary," he added, "the passage of these bills will stop all hope of public ownership of railways there." Mr. Puttee went on to advocate the doctrine of the supremacy of the will of the people to which he would be the first to bow, but he pointed out how in the course of the progress of the deal through the local legislature there was no opportunity for public opinion to be brought to bear. In Winnipeg, however, where the state of the case quickly became known, there was a decided protest. "I assert," he exclaimed, "that ninety per cent of the people of Winnipeg are against this gigantic deal."

Mr. Bourassa raised the question of control by the Dominion of the rates, holding that if it had control, it could increase as well as decrease the rates.

Mr. Blair, minister of railways, rose and said:—"I think there is no doubt about it. The governor-general-in-council fixes the maximum rates. There are provisions in the Railway Act prohibiting discriminatory rates, or rebates, or secret concessions. Whatever is done must be done openly and above board. The power enjoyed by the railway committee of the privy council as such is limited to seeing that such violations of the law are not continued. The jurisdiction of the railway committee of the privy council is of an administrative capacity. It does not fix, the governor-general-in-council determines that and determines the maximum rates. He has nothing to do with the minimum rates, except in so far as he has the power to supervise any decision

the committee arrives at, and its jurisdiction to intervene when there has been any discrimination or violation of the rates fixed in the way of favoring one locality as against another."

Mr. Bourassa, continuing, argued that if the Ottawa authorities had control over discriminatory rates, and could lower them it could also raise them. If Manitoba, for any reason, wished to reduce rates over the branch of this system leading to the United States, Ottawa could order that such rates be increased so as not to discriminate against that branch of the system running to Port Arthur.

Mr. Blair—"They would have to equalize, and if they could not put them all down on all sections they would have to put them all up."

Mr. Bourassa—"That is what I contend, that in the exercise of federal control these rates may not only be lowered but increased also."

Mr. Blair—"Within the maximum."

Mr. Bourassa—"Yes, but the maximum is not what the people of Manitoba want. The interstate commission of the United States is sometimes called upon to increase rates." He warned the committee that there would be difficulties if this legislation passed.

Mr. Oliver enlarged upon the assertion that the C. P. R. imposed discriminating rates now.

Mr. Blair, interrupting, asked:—"Do you imagine that Manitoba is going to pay to prevent that?"

Mr. Oliver—"I am coming to that." He went on to argue that there was a legitimate discrimination recognized by law and in that case Manitoba could discriminate for cause.

Mr. Richardson said Mr. Oliver had failed to justify the contracts. The member for Lisgar informed the committee that government ownership of railways was the paramount issue at the last general election for the local legislature, and that was the reason Mr. Greenway was turned out. If the members of the Manitoba legislature, even of the executive, had understood this question of the control of rates and that federal authorities could order them to make equal rates on the Ontario end they would never have sanctioned the contracts. "These contracts," said Mr. Richardson, "sink Manitoba deeper than the lost continent of Atlantis." (Derisive cheers.)

Mr. Oliver put some questions to Mr. Richardson, whom he charged along with counsel, with misrepresenting the facts. There was some confusion in the committee, and finally the chairman said: "You can't compel Mr. Richardson to give an answer that he does not want to."

Mr. Richardson—"I object to the chairman's insinuation. It will take him all his time to look after the interests of the corporations, and I will look after the interests of the people of Manitoba." He went on to impress upon the committee their responsibility. "You must remember," he said, "that the members of the Manitoba legislature know very little about these things. They are nearly all inexperienced and young. Why they are absolute children in the hands of—" The rest of the sentence was drowned in shouts and uproar, but it was afterwards learned that "these railway corporations" were the concluding words.

Cries of question.

Mr. McCreary—"Has the Manitoba government agreed to these changes in the bill?"

The chairman—"Their counsel, Mr. Barwick, is here."

Mr. McCreary—"Does he consent?"

Mr. Barwick—"Certainly. This bill expresses exactly what was the law when the Manitoba legislature passed the bills."

Mr. Scott said if they were ratifying something different from what the Manitoba legislature agreed to, the local executive could not be forced to carry it out. If the contract is the same then they were merely ratifying something passed by the legislature representing the people.

Mr. John Charlton made a speech against confirmation of the contracts. "This bargain," he said, "is a monumental piece of folly. It was not a matter of provincial rights. There is no attempt to set aside a provincial statute, but a request for concurrent legislation which this parliament is free to give or to withhold. This bargain was made hastily, and without due knowledge of its effects. The government of Manitoba had made a mistake and I believe to-day the people of Manitoba, when this case is presented to them, would by a vote of two to

one or more reject the proposition." He urged that the matter be sent back to the Manitoba legislature. "We are told," he said, "that the executive has consented to this bill as it stands now, but the executive is not the legislature. Before sitting down Mr. Charlton commented on what he termed the levity and rashness which had characterized the conduct of this committee and its treatment of this bill. Defer it, he concluded, not defeat it."

"Shall the preamble be adopted," said the chairman. "All those in favor say 'Yes.'"

The room resounded with a chorus of "Yes."

The chairman—"All those against say 'No.' " "No," shouted half a dozen voices, but scarcely more. "I think the yeas have it," said Chairman Sutherland and nobody disputed the obvious fact.

Mr. Nesbitt objected.

The joint bill was then considered clause by clause, more than half of the committee, and some of the other half, expressing a desire to legislate by calling "carried" every time anybody objected.

Mr. Britton referred to a statement at the last meeting that the Northern Pacific solicitor was on his way down and wondered that he being here had nothing to say. It was explained by the chairman that by agreement his point had been adjusted.

On the dropping of the clause inserted by the Manitoba legislature giving the lieutenant-governor-in-council power to vary the terms of the contract in the mortgage, and on the question of amending clauses making it clear that the Federal control of rates is absolute and not affected by this bargain, Mr. Nesbitt said the sanction of the legislature was obtained to these contracts by the promise of certain amendments to be made in the mortgage, but under the bill they could not fulfill that promise. They have not the power, "I say, therefore," added Mr. Nesbitt, "that Manitoba is getting nothing."

Mr. Blair—"It is in the bill No. 103, and your point is that if it was inserted there and deemed necessary for the protection of the people of Manitoba why is it left out of the Amending Act."

Mr. Nesbitt—"Yes, but Mr. Lash has already dropped that clause."

Mr. Lash—"I have no objection to putting it in."

Mr. Hughes—"This committee will not do it."

Mr. Nesbitt—"Then Manitoba does not get the benefit of the validating power of this parliament for what they put in, and if these things are not in then Manitoba does not get the consideration for which it stipulates."

Mr. Barwick said that the clause remained in the local bill passed at Winnipeg, and the company would be bound by that and the government, in settling on the terms of the mortgage, would be bound in good faith.

Mr. Blair—"Then you say you do not want that clause in this bill?"

Mr. Barwick—"We do not want it. If the company does not accede to that then Manitoba will not guarantee its bonds."

On sub-section "C" of the new bill, Mr. Blair's amendment was incorporated, which was intended, he said, to make it cover, not only higher rates, but to recognize the federal jurisdiction in its entirety.

An important new amendment was made to sub-section "B" of clause 3. As it stood it declared the federal government would not be directly or indirectly under any liability obligation in respect to these contracts, and Mr. Fielding moved to add the words "or in any way arising therefrom."

This was carried and shows the determination not to come to Manitoba's relief in any shape in the event of deficits and damaged credit, or in any way, arising out of these liabilities.

The six clauses and all the sub-clauses were passed and it was ordered to report the bill to the House. The report was received from the committee in the House later on in the day.

Editor.—Were there any novel features connected with the automobile collision?

Reporter.—No. Two coachmen and five women all hollered out "Whoa!"

"What time is it?" asked his wife, suspiciously, as he came in.

"About one."

Just then the clock struck three.

"Gracious! When did the clock commence to stutter?" he said, with a feeble attempt at justification and a joke.—Philadelphia Times.