

CORRESPONDENCE

RELATIVE TO THE

CANADIAN PACIFIC RAILWAY.

No. 1.

CANADA.

The EARL OF DUFFERIN to The EARL OF KIMBERLEY.

MY LORD,

Canada, May 3, 1873.

I HAVE the honour to forward to your Lordship a certified copy of a Bill, entitled "A Bill to provide for the Examination of Witnesses on Oath by Committees of the Senate and House of Commons in certain cases," which has passed both Houses of the Canadian Parliament, and to which I have this day given my assent.

The introduction of this Bill into the House of Commons arose out of the following circumstances:—

On the 2nd April, the Hon. Lucius Seth Huntington, Member for Shefford, in the Province of Quebec, made the following motion:—

"Hon. Mr. Huntington moved that Mr. Huntington, a member of this House, having stated in his place, that he is credibly informed and believes that he can establish by satisfactory evidence,—

"That in anticipation of the legislation of last Session, as to the Pacific Railway, an agreement was made between Sir Hugh Allan, acting for himself and certain other Canadian promoters, and G. W. McMullen, acting for certain United States capitalists, whereby the latter agreed to furnish all the funds necessary for the construction of the contemplated railway, and to give the former a certain percentage of interest in consideration of their interest and position, the scheme agreed on being ostensibly that of a Canadian Company with Sir Hugh Allan at its head,—

"That the Government were aware that negotiations were pending between these parties,—

"That subsequently an understanding was come to between the Government and Sir Hugh Allan and Mr. Abbott, M.P., that Sir Hugh Allan and his friends should advance a large sum of money for the purpose of aiding the elections of Ministers and their supporters at the ensuing general election, and that he and his friends should receive the contract for the construction of the railway,—

"That accordingly Sir Hugh Allan did advance a large sum of money for the purpose mentioned, and at the solicitation and under the pressing instances of Ministers,—

"That part of the moneys expended by Sir Hugh Allan in connection with the obtaining of the Act of Incorporation and Charter, were paid to him by the said United States capitalists under the agreement with him,—it is

"Ordered, That a Committee of seven members be appointed to inquire into all the circumstances connected with the negotiations for the construction of the Pacific Railway, with the legislation of last Session on the subject, and with the granting of the Charter to Sir Hugh Allan and others; with power to send for persons, papers, and records; and with instructions to report in full the evidence taken before, and all proceedings of said Committee;" which was negatived on the following division:—
Yeas, 76; Nays, 107.

As your Lordship will perceive, this motion charges my present Advisers with a very infamous proceeding—with no less a crime than that of having sold Canada's most precious interests to certain American speculators, with a view to debauching the Canadian constituencies with the gold obtained as the price of their treachery.

In making his motion, Mr. Huntington did not accompany it by any statement as to