

years without the consent of the Government, nor after six years without the consent of the Directors,—the transfers in both cases being registered in the books of the company.

Another subject which seemed constantly to pre-occupy the mind of my Prime Minister at this time was the necessity of preventing any one individual, or any one interest, or combination of interests whether represented by Sir *Hugh Allan* or another, from acquiring a predominant influence on the directory. Here again I am not sufficiently familiar with the arcana of Board-rooms to know whether the adjustments on which Sir *John* relied were as effectual for the purpose as they appeared to me to be, but I may observe, that although the scrutiny of Parliament was directed under the light of subsequent events to these especial points, neither House has expressed dissatisfaction with the provisions of the Railway Charter, or the *personnel* of the governing body. On the contrary, up to the last moment of the session, on repeated occasions, Parliament continued to manifest its confidence in those who framed the one and constituted the other. If, therefore, as is alleged, a corrupt modification of the Pacific Railway Charter to the advantage of Sir *Hugh Allan* and his American friends, was the consideration for which these personages squandered the enormous sums asserted to have been spent, it would seem that they have scarcely obtained their money's worth, a result I should imagine, foreign to the experience of such shrewd men of business.

But though the Parliament of Canada thus unmistakably ratified the Railway policy of my Ministers, its verdict on the subject was not destined to pass unchallenged. On the 2nd of April, Mr. *Lucius Seth Huntington*, a distinguished member of the House of Commons, startled his immediate auditory, as well as the whole political world of Canada by the unexpected introduction of the following motion :

“Hon. Mr. *Huntington* moved, that Mr. *Huntington*, a member of the 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 per centage 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 enquire 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.

As I have already remarked in a previous despatch, No. 116, May 3rd, the charge thus brought against my Government was very grave, viz.—that they had trafficked with foreigners in Canada's most precious interests in order to debauch the constituencies of