

case there were still other circumstances. When this negotiation took place on 29th February the policy of disallowance seemed as firm and threatening as ever and if the Government had sold the bonds at a much lower rate they would have been justified. Considering how sensitive the great money markets are and how careful great financial men are he thought Sir Robert Cardus & Co. had certainly made but a small margin of profit and that even casting aside altogether all danger of disallowance the Province had made an excellent bargain.

Mr. Leacock replied that the statement was perfectly true. If he himself had been a minister of the Crown on the 29th of February, and that offer had been made to him, with definite guarantees that it would be properly carried out, he felt he would not have taken the responsibility of refusing; and under the circumstances he did not think the Government would have been justified in refusing. The question was simply for explanation as to different dates, etc. He thought the statement of

the Provincial Treasurer as to his having several hundred dollars in the exchange a serious charge against the business shrewdness of Drummond Bros. & Moffat, whom he had regarded as the sharpest men in Winnipeg; and his hon. friend was to be complimented on having got ahead of such shrewd gentlemen. No doubt Mr. C. S. Drummond when he heard of it would be furious.

The amendment was lost on the following division: For, Messrs. Harrison, Norquay, LaRiviere, Robinson, Alexander, Douglas and Gillies—7; against, Hon. Messrs. Prendergast, Martin, Greenway, Smart and Jones, Messrs. Francis, Crawford, McKenzie, Luxton, Young, Jackson, Martin, Gelliey, Roblin, Macdonell, McLean, R. S. Thompson, S. J. Thompson, Smith and Leacock—20.

Mr. Leacock explained his vote, stating that he thought it right and most necessary to get explanations, as asked for by the motion.

The House adjourned at six o'clock.

### Proposal to Abandon the R. R. V. R.

Thursday eve's session was a very interesting and important one, the subject of most of the debate being Lord Van Horne and his attempt to bulldoze the Local Government. Upon the House meeting Mr. Greenway laid upon the table of the House the report of the correspondence between the Government and the C.P.R. authorities re the leasing of the Emerson branch.

Mr. Douglas, in amendment to the motion to go into ways and means, moved:—

"That Mr. Speaker do not now leave the chair, but that it be resolved, That whereas, the C. P. R. Co. having been given power by the Dominion Parliament to lease or sell or abandon the Emerson branch of the C. P. R. as one of the considerations for relinquishing their monopoly rights in the added territory of Manitoba and in the Northwest; and whereas the C. P. R. Company having intimated that in case of the construction of the R. V. R. it would not pay them to operate the said Emerson branch;

And whereas the abandonment of the said Emerson branch of the C. P. R. would be a great injustice and hardship to the large population settled east of Red river, which settlement was induced almost wholly by reason of the transportation facilities afforded by the Emerson branch, and the good markets existing at Emerson, Dominion city, Oterbourne, Niverville and St. Boniface by reason of said transportation facilities;

And whereas the C. P. R. having offered to lease or sell the said Emerson branch to the Provincial Government, and having, according to the statement of its general managers "lately repeated this offer, indicating at the same time

a disposition to go as far as possible towards meeting the views of the Government as to the rental.

. And whereas the settlers upon the east side of the Red River being already accommodated with a railway line that is not likely to be abandoned;

And whereas there being every probability that the Northern Pacific Railway, now having a railway to the boundary, or some other company, would be willing to take the grade and materials of the R. R. V. R. off the hands of the Government and complete the road;

Ann whereas the leasing in perpetuity of the Emerson branch by the Provincial Government would furnish to the Province the competition in railway rates which the construction of the R.R.V.R. is designed to give, and which can now be the only reason for the construction of the said line by the Government, a cessation of the disallowance policy having been promised by the Federal Government;

And whereas, through the Emerson branch connection can easily be had at the boundary with all American roads coming northward upon either side of the Red river, there being at Emerson a magnificent iron railway bridge over the Red river which can be leased at a nominal rate.

Therefore, be it resolved, that although this House has concurred in the item of \$1,200,000 for railway construction it is the opinion of this House that a certain portion of this sum should be used to secure the rental of the said Emerson branch of the C.P.R. if the same can be secured at a reasonable figure and that the balance be applied to securing railway facilities to