

Executive Council adopted on Mr. Holton's report, is as follows :

"That the bank shall abandon the pretensions it has heretofore advanced as to its non-liability for a certain bill of exchange of the G. T. Co., endorsed by the bank, and now held by the Government for £100,000 sterling."

Not two bills, the House will perceive, but one bill. These gentlemen, after considering that proposition, write to say that they do abandon all pretension, that they adopt the Minister's view, and that the bank will assume and pay that sum of £100,000 sterling. But hon. gentlemen will perhaps be curious to know was that undertaking carried out? Did the bank ultimately pay the £100,000 sterling, or was the loss sustained by the Government? Well, my hon. friend near me, the Minister of the Interior, has been very anxious to know what did become of the £100,000 sterling, and my hon. friend from Barrie also took some trouble to find it out, and was able to obtain a letter from a gentleman who had been an officer of the Bank of Upper Canada, one of the few still remaining alive, who filled the position of inspector at the time some of these disasters befell the bank. In that letter this gentleman, who was in a position to know all about the £100,000 sterling, says :—

*The time elapsed is so long since these things took place, and there was such a burden of the same kind to look after, that I have now, I am happy to say, only a vague and general idea of the whole thing, and without my own special books, which I left in the bank for reference, I should be quite at sea on the subject.*

The settlement with the Grand Trunk was an after matter and was carried out during the time Mr. Robert Capels was in charge. I fancy all such matters as you refer to were included in that settlement. You may remember that the Grand Trunk transferred to the bank a large amount of postal service bonds besides mortgages, I think, in rolling stock &c.,

and then he adds a paragraph which struck me very much and I regret exceedingly that the view which he takes was not adopted by the hon. member from Woodstock—

I cannot see what is to be gained by raking up this matter. The shareholders of the unfortunate bank,—passed away. Those that remained would rather not be tortured by having the thing needlessly brought before them.

It may be said that that is not clear and decisive : that this gentleman says the £100,000 sterling was settled, but he says he has only a vague recollection of it. My hon. friend near me had made application to Mr. Hickson, manager of the Grand Trunk Railway, for the purpose of ascertaining if they could tell him ; and up to a day or two ago he had received no answer. When this matter was before this House some days ago he was awaiting a reply. He now, fortunately, has got Mr. Hickson's answer. The Grand Trunk Railway Company also suffered from their books being destroyed. They were destroyed by fire, and judging by the hon. gentleman's remarks to-day he will say that this fire was the work of the hon. gentleman from York and my hon. friend near me for the purpose of "concealing dark transactions." I am astonished at the hon. gentleman's boldness and the recklessness with which he makes these charges. The letter of Mr. Hickson shows accurately what became of this matter, how the bill was paid, and that the Bank of Upper Canada, so far from losing the £100,000 sterling, actually made money out of it, because they got certain postal bonds at 80 which afterwards turned out to be worth par, and more than par, and they not only got the £100,000 and interest, but they made a profit in the way it was paid, and yet the hon. member from Woodstock keeps attacking my hon. friend near me with reference to that £100,000 bill, although he had nothing whatever to do with it and although he got no portion of the money. He not only did not defraud the bank, he not only did not induce them to take the £100,000 sterling bill, but, whoever did so, the bank lost nothing by it : the bank gained by it, and the best evidence of the fact is that which is furnished by Mr. Hickson, the manager of the Grand Trunk Railway, who, luckily, has been able to find the books in which the transaction was entered, and that only within the last week. He says, under date of the 19th February :

GRAND TRUNK RAILWAY OF CANADA.

GENERAL MANAGER'S OFFICE,

MONTREAL, 19th Feb., 1885.

Dear Sir David,

Since you first wrote to me on the subject, I have caused efforts to be made at various