# THE STEEL RAIL PURCHASE.

## Who Told the "Deliberate Falsehood?"

**Analysis of the Parliamentary Returns—How Tenders were Received and who Preferred by them—The Premier's Statements and the Official Records Contrasted.**

*To the Hon. Alexander Mackenzie,*

SIR,—In the month of October last, during the progress of the contest for the representation of the electoral division of Montreal West in the House of Commons, addressing a public meeting I used these words, referring to you:—"He purchased from a Montreal firm—one of the partners in this firm being his own brother—40,000 tons of steel rails, ostensibly for use on the Pacific railway, but these very rails are to-day piled on the banks of the Lachine canal, where they may be seen by any stranger. The Premier's plea was that he had done so owing to the cheapness of the price, his view being to save the country the expenditure of a considerable sum in money; but gentlemen thoroughly informed in the subject stated that these very rails could now be purchased for $7.50 or $10 less than the Premier had paid, and they had thereby not only no much money but also the interest on the two millions which was paid for the rails." Immediately on the appearance of this statement in print you telegraphed to the gentleman, firstly to you that it was "a deliberate falsehood," adding on your own account the following:—"No steel rails were purchased by me from any Montreal firm—all were obtained, by open competition after a month's advertising for tenders, the lowest tenders being in all cases accepted. The contracts were all made with English makers. No brother or relation of mine has any interest, direct or indirect, near or remote, in any of these contracts, or ever received or has any claim to a cent of profit from one or any of them." In a speech delivered by you in the town of Whitby, during the recent election in South Ontario, you repeated these statements, adding certain further explanations, to which I shall refer before I have concluded. The papers connected with these steel rail contracts have only recently been printed, and other engagements have shut me out from my carrying out the design I had formed, and frequently in public expressed, of dealing with the personal issue thus raised between us. I shall, therefore, leaving aside all more trivial criticism, deal with the subject in its broader aspects, and as affecting the public interest. For convenience of arrangement, I will discuss it under the following heads:—

1. Is it true or not that arrangements were made with a Montreal firm, which is their advisedly to that firm were equivalent to a "purchase" of steel rails?

2. Is it true or not that relative to the fifty thousand tons of steel rails obtained by the Government, that "all were obtained by open competition after a month's advertising for tenders, the lowest tenders being in all cases accepted?"

3. Is it true that no brother or relation of your "had any interest direct or indirect, near or remote, in any of the contracts, or ever received or has any claim to a cent of profit from one or any of them?"

4. On the contrary, is it not true that a brother of yours, Mr. Charles Mackenzie, had a most material interest in the connection of Messrs. Cooper, Fairman, & Co. with those steel rail contracts?

5. Is it not true, moreover, that special advantages were accorded to this firm, not accorded to other tenders, but made through them on terms similar to those for which tenders were refused from other parties?

6. Is it not true that the well established principles of the contract system were violated in the interest of this firm of Cooper, Fairman, & Co.?

7. And, lastly, is it not true that the country has sustained a serious loss by the purchase of these rails at the time they were purchased?

You will see that all these questions have a direct relation to the personal controversy raised by mystatement and by your reply to it. I propose to answer them chiefly from the official papers brought down, from the official records, and from facts which are well known to the public of Montreal. And having answered them, I propose to leave to the public the decision of the question, to whom the offensive term "deliberate falsehood" most properly applies.

As to the first question, I presume you will hardly deny that it is not true that you obtained the rails from your brother—40,000 tons of steel rails, ostensibly for use on the Pacific railway, but these very rails are to-day piled on the banks of the Lachine canal, where they may be seen by any stranger. The Premier's plea was that he had done so owing to the cheapness of the price, his view being to save the country the expenditure of a considerable sum in money; but gentlemen thoroughly informed in the subject stated that these very rails could now be purchased for $7.50 or $10 less than the Premier had paid, and they had thereby not only no much money but also the interest on the two millions which was paid for the rails." Immediately on the appearance of this statement in print you telegraphed to the gentleman, firstly to you that it was "a deliberate falsehood," adding on your own account the following:—"No steel rails were purchased by me from any Montreal firm—all were obtained, by open competition after a month's advertising for tenders, the lowest tenders being in all cases accepted. The contracts were all made with English makers. No brother or relation of mine has any interest, direct or indirect, near or remote, in any of these contracts, or ever received or has any claim to a cent of profit from one or any of them." In a speech delivered by you in the town of Whitby, during the recent election in South Ontario, you repeated these statements, adding certain further explanations, to which I shall refer before I have concluded. The papers connected with these steel rail contracts have only recently been printed, and other engagements have shut me out from my carrying out the design I had formed, and frequently in public expressed, of dealing with the personal issue thus raised between us. I shall, therefore, leaving aside all more trivial criticism, deal with the subject in its broader aspects, and as affecting the public interest. For convenience of arrangement, I will discuss it under the following heads:—

1. Is it true or not that arrangements were made with a Montreal firm, which in their advisedly to that firm were equivalent to a "purchase" of steel rails?

2. Is it true, in relation to the fifty thousand tons of steel rails obtained by the Government, that "all were obtained by open competition after a month's advertising for tenders, the lowest tenders being in all cases accepted?"

3. Is it true that no brother or relation of yours