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Edmonton, Alta

ONAL CARDS.
BIGGAR & COWAN
Notaries, Etc.
Hon. C. W. Cross,
Hector Cowan,
Roberts Bank,
State funds to lease,
Ston. Alta.

Senior,
Edmonton, Alta
1555, Edmonton.

THE
ORIGINAL
AND
ONLY
GENUINE

BEWARE
OF
IMITATIONS
SOLD
ON THE
MERITS
OF
MINARD'S
LINIMENT



AKER
ENT FLOUR
It makes good bread
1 lb. sack \$2.25
5 lbs. sacks \$11.00
10 lbs. sacks \$22.00
per 100 lbs. \$220.00

44 Queens Ave.
Raydon's
Salve
cracked skin,
etc.

RAYDON
Pharmacy,
250 Jasper Ave. E.

African
Grants
SALE
Cash Prices

0 acres without
with homestead
tance given in-
rticulars and
s to loan.

GS & CO.
WINDSOR BLOND
Edmonton.

for Sale
mill and engine
rther particulars
T. TELFORD,
Leduc, Alta

SEMI-WEEKLY
EDITION

VOLUME V.

A. & G. W. RAILWAY DEAL DEBATE CONTINUED IN THE LEGISLATURE

Eleven Speeches Contributed to Pro-
tracted Discussion Which Was
Adjourned at Midnight to be
Resumed Today.

HON. W. H. CUSHING TO AGAIN
SPEAK ON THE AMENDMENT

Hon. Mr. Cross' Address of Upwards
of Two Hours Last Night Was
the Feature of the Debate
Yesterday.

Attorney General Took Up the Questions
and Criticisms of the Opponents of
the Agreement and Dealt With Them
One by One—Hon. Duncan Marshall
and R. B. Bennett Expected to Speak
Today.

The debate on the Alberta and Great
Waterways railway contract occupied
the attention of the legislature all yester-
day afternoon and until midnight
at the evening session. There was the
same intense interest as on previous
days and for an hour before the time
of opening in the afternoon and evening
it was impossible for the general
public to gain admittance to the crowd
of building.

It is expected that the conclusion
of the debate on Mr. Wood's amend-
ment will be reached tonight, and a
vote taken before the House adjourns.
R. B. Bennett intimated last night that
he intended speaking on the question
and he will be followed in all probability
by Hon. Duncan Marshall. The
expectation that these foremost orators
of the House would speak has been the
chief drawing card of the past week
and a battle royal is anticipated when
they join issue.

The big feature of the discussion yester-
day was the speech of Hon. C. W.
Cross of more than two hours' dura-
tion when he replied to the criticisms
and questions asked during the past
few days. Cross took up the argu-
ment of the opposition in the afternoon
and continued last night that Mr. Cross
had satisfactorily answered objections
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ment of the opposition in the afternoon
and continued last night that Mr. Cross
had satisfactorily answered objections
that they had presented.

Representing as he did a political
party with objects totally different
from any other party in the province,
he was not in favor of either. His
every effort was to promote the inter-
ests of the class that he represented,
and when he supported either one
side or the other in the legislature it
was because he thought by doing so
he was assisting indirectly the objects
for which he was working.

Mr. O'Brien starting out with the
statement that property was the
basis of all civilization, stated that
his party had incorporated into their
platform the transformation of capital-
ist property to property in common
for all the people. This being his
policy, his party were enemies with
the other members of the House in
so far as their economic principles
were concerned.

Point of Order Raised.
J. W. Woolfe and Malcolm McKenzie
at this stage both rose to a point
of order, claiming that the speaker
was diverging too far from the ques-
tion before the House.

Hon. C. W. Cross and J. R. Boyle
suggested that he might be leading up
to the question under discussion.
Continuing Mr. O'Brien said he
never sees a stickler on rules of order
and consequently was somewhat at
sea. Since other members had told
of what brand of religion they were
he was considered about as
two-faced and hypocritical as any
of which he knew. (Laughter.)

In order to discuss the question now
being considered he had to make the
members understand that the present
condition of the province was a
condition of a new social order
triumphing out of the old social order.
He had no personal ill feeling for

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PORT MURRAY FLATS TODAY.

This Picture Shows a Corner of the Hay
Plats and Farm Land on the
Terminus of the Alberta & Great
Waterways Railway—Gordon's Place
is King in the Centre.

The King, the governor-general, the
premier or any members of his cabinet,
but when referring to such he referred
to them simply as the representatives
of the legislature. Where there were
classes there must necessarily be
slaves. But changing conditions had
forced the great common class to be-
come better organized and the means
of accumulating wealth has been bet-
ter put within their reach.

The people whom he represented
were the slaves of capital and it was
in their interests that he spoke. He
had drawn up a motion specifying the
exact amount that should be paid to
the employees of the A. & G. W. rail-
way construction in board and for
wages. But he required a seconder
and up to the present he had been un-
able to secure such. However he had
not asked all the members, but he
would do so later, and even if it was
the last day of the session and he got
support he would present it to the
legislature.

The attorney-general had said that
there were many sections available
for homesteads in the north, which
meant probably that the Hudson's
Bay and the C.P.R. had not taken up
all the land. The Hudson's Bay and
the C.P.R. owned much land in the
south and it was not to their interests
to have the north opened up. Hence
much of the opposition to the A. & G.
W. railway. With this quarrel how-
ever he did not wish to take a part.

He wished to put on record if he
could how the members viewed the
safeguards that he wished to propose
for the part of the public who wished
to build the road and whom he re-
presented, the working classes. The
attorney-general had referred to the
little family squabble and prophesied
that the Hudson's Bay and the C.P.R.
would be united if he managed to get
his resolution before the House, for
they would likely all oppose it on
their common interest.

Not Enough to Go Around.
At the last election there was no
excess of candidates on behalf of the
Liberal party. Now, however, when
they found the capital of the A. & G.
W. railway subscribed was only
\$300,000 there was a squabble in their
camp for there was not enough to go
around. (Laughter.)

This did not affect the working
classes, however, the party whom he
represented, for when the money was
taken from them in the form of wages
and when he supported either one
side or the other in the legislature it
was because he thought by doing so
he was assisting indirectly the objects
for which he was working.

E. Mitchener, Red Deer, was rather
surprised at the statement of the last
speaker that he would support the
government. He had always under-
stood that the Socialists were "agin
the government," and it was painful
for him in this the first question
before the House to have to disagree
with the government, for he was elect-
ed by the support of many Liberals,
as well as Conservatives. The premier
had said at Claresholm some time ago
that the interests of Alberta should be
put ahead of politics, and Hon. Mr.
Buchanan had said that he served
his party best who served the coun-
try best. It was with some surprise
to him then that he saw the govern-
ment take the attitude they did on
this question.

He did not intend to take up all
the arguments against the agreement,
but merely to place himself on record
and justify himself before the govern-
ment and the people. He was sur-
prised and shocked that the premier
obtained the guarantee of the gov-
ernment, and he had said in answer to a question
several days that he was not aware of
the capital of the company who had
obtained the guarantee of the gov-
ernment. In his own business in con-
nection with a loan company who had
obtained the guarantee of the gov-
ernment, he had seen practically nothing
of which they knew practically nothing,
and who as far as the govern-

ment knew, had neither moral or finan-
cial responsibility.

Cities Sold Bonds Higher.
Speaking of the sale of bonds at
five per cent. per Canadian currency,
Mr. Mitchener said at the same time
the city of Winnipeg sold bonds at
four per cent. per. So far as he
knew no city had issued bonds at
five per cent. The bonds of the little
town of Red Deer were sold at par
paying 4.54 per cent. Had the bonds
of the A. & G. W. railway company
been sold at 4.18 as the Monetary
Times said it was so far as he realized
\$1,212,500 more than they did. What
reason had the government for sacrific-
ing a million dollars of the credit of
the province. Then these bonds were
sold in the fall of the year when
the money was not needed, at a loss
of \$112,500 alone in the half year's
interest. The answer might be that
this was a matter for the executive,
but if they carried on the same
recklessness the road would be left
a useless one, robbed of the Edmon-
ton terminals, the most valuable
assets, upon the hands of the gov-
ernment.

Dealing with the specifications and
agreement a well known railway man
had said it was so far as he was con-
cerned he did not know where to begin to
criticize. And yet this line had been
guaranteed by the people for \$20,000
a mile. If the road was going to
cost \$29,000 a mile as the government
engineer had said, why would the com-
pany not agree to take the extra mil-
lion amount and to that being paid
less if the railway cost less per mile.

Agreement Full of Holes.
The agreement was so full of holes
that one did not know where to begin
to criticize. The elimination of the
classes of the railway agreement was
another suspicious circumstance. It
might be that this agreement would
have been passed by a legislature in
the middle ages, but in this age of
democracy it was incredible that such
an agreement should be endorsed.

The agreement could not be white-
washed by the amendment of the hon-
orable member for Cardston (Mr.
Wood). The entire agreement would
have to be cut out else it would be
a canker in the heart of the province.

Geo. P. Smith, of Camrose.
The conclusion of Mr. Mitchener's
address to other members was to
move to address the House. The junior
member for Calgary looked across at
the minister and saw a look of con-
fidence on his face. He was sure
Hon. Duncan Marshall was reading
a magazine. Mr. Bennett was ready
to speak, but he hoped to be allowed
to follow Mr. Marshall. His hope was
not realized, for it is Mr. Mar-
shall's intention to speak after Mr.
Bennett or not at all.

At this point the speaker observing
the House if it were ready for the
question. It looked as though there
would be a division, but Geo. P. Smith,
of Camrose, rose in his place and as a
result of his speech the debate was
continued. Mr. Smith criticized the
agreement on several points, and
asked a number of questions. He in-
dicated that if these were satisfactorily
answered he was prepared to support
the government through thick and
thin. The attorney-general informed
the member for Camrose that he would
be pleased to answer his questions,
and believed the explanations would
be satisfactory.

Mr. Smith stated his position was a
difficult one. He was willing to grant
that the government had dealt gener-
ously with his constituency, but this
was no reason why he should sacrifice
his liberty as a citizen and as a repre-
sentative of a constituency of the prov-
ince. He had been accused of ingrati-
tude to the Rutherford government.
If the right to think for him-
self could be termed ingratitude he
must admit the charge.

Turning to the agreement with
the A. & G. W. railway company was
not a good one. It was a mistake
for the government to enter into such
an undertaking. A greater mistake
was made when the House was not
consulted as to the terms of the con-
tract. He further stated he had asked
why certain sections of the provincial
railway act had been eliminated when
applying to the A. & G. W. railway.
All the sections of the provincial
railway act had been eliminated when
applying to the A. & G. W. railway.
Why should the province deal with
a company whose shareholders were

the question and he had no objection
to any comments they might make
feeling that a full and free criticism
would clear up all doubts of all the
members who were conscientious in
their inquiries.

He thought, considering the fact
that it was nearly midnight on Fri-
day night when he started speaking
and almost two o'clock when he closed,
that he would be excused if he
now took up some of the questions
that he did not have time to refer to
when addressing the House before.

The first question asked was as to
how the country was safeguarded in
connection with the Edmonton termi-
nals, and this he proposed to thor-
oughly explain. There were two ways
of dealing with this question. One
was to pass a separate bill for the
\$400,000 guarantee of the Edmonton
terminals. The other was to incor-
porate the guarantee of terminals in
the bill guaranteeing the line of the
railway. He pointed out that in the
making of a railway agreement as
any other agreement there was two
guarantees, the one that the govern-
ment would not forego in dealing
with the G.T.P. the labor clauses
inserted in the contract with the
other railway. Mr. Hayes, the pre-
sident of that company, had come to
the premier and had said that these
clauses had been cut out by the Dom-
inion government and he would ab-
solutely refuse to deal with the pro-
prietors of the bargain, they insisted
on their being inserted. So in dealing
with these railway companies there
were peculiar circumstances that
that had to be considered in each
case.

Followed Precedents.
When the terminal question arose
in connection with the guarantee of
bonds of the Alberta and Great Wa-
terways the government went for pre-
cedents to the statutes in other prov-
inces with reference thereto. The
Alberta government then dealt with
the question of property in Edmon-
ton in the same way as the other prov-
inces had dealt with other railways
whose terminals they guaranteed.
The government went to the statutes of
Manitoba and Ontario and there they
got their precedents, he they right or
so they wrong. Exactly the same
course was taken as the provinces of
Manitoba and Ontario had taken.

The argument had been advanced
that the terminals might be redem-
pted for \$400,000 though they may at
the time of redemption be worth a
great deal more money. The company
would get the balance, which should
go to the province as security for the
line.

It was a matter of fact it would cost
more than \$400,000 to secure the
terminals. One had only to consider
the value of property in Edmonton
at the present time and the distance
out that it is subdivided to realize
some extent, but it would not permit
of their terminals and get out of the
country as some of the members think
the government would have been able
to do. A branch line, as a matter of
fact, was not the case. Should they
sell the terminals for more than
\$400,000, which was the actual value
of the country but would be put
in the betterment of the road.

Mr. Hayes, however, without
traying any secrets of the government
that the G.T.P. and the G.N.R. would
be applying for terminal guarantees
in the future. The legislature
would then have to deal with the
matter as they had done with the
Alberta and Great Waterways.

Why Bonds Sold in Fall.
Another question raised by the
member for Camrose was as to why the
bonds were sold last fall when the
money was not required until the
spring. He could tell the members of
the House that there was a time to
sell bonds and a time that it was un-
expedient to sell bonds. For exam-
ple, the bonds of the A. & G. W. rail-
way were sold last fall when the
money was not required until the
spring. He could tell the members of
the House that there was a time to
sell bonds and a time that it was un-
expedient to sell bonds. For exam-
ple, the bonds of the A. & G. W. rail-
way were sold last fall when the
money was not required until the
spring.

R. T. Telford, of Leduc, supported
the agreement on general grounds,
dealing with the question of the
practical application of it. It was im-
possible to secure a company to build
a railway before long and even in
Canada the party led by Hon. E. L.
Borden is calling for "draught
after Draught" to be built. What
would be the result if such a war
arose? The result would be that a
bond could not be floated even if it
was guaranteed by all the countries
of the world. Again two years ago
at the time of the financial panic
it was impossible to obtain a cent
of money no matter how good the security
was.

The Best Time to Sell Bonds.
The reasons these bonds were sold
when they were because the
company thought it was the best time
to sell and they were willing to fore-
go the 1 1/2 per cent. difference be-
tween the interest being paid and
that received from the banks as an

insurance against the money market.
The interest on the money per mile
of guarantee for building the road
was always considered an item in
the cost of construction of the road.
That charge is always put in the es-
timates of the cost of building as it
was in this case by the government
engineer W.R. Jones, who charged up
\$1,500 per mile as interest during the
construction.

Speaking of the paid up capital of
the Alberta and Great Waterways at
\$50,000, the attorney general pointed
out that no one knew the paid up cap-
ital, if any, of the Grand Trunk
branch lines company or the share-
holders of the Canadian Northern,
with the exception of Wm. McKenzie
and D. D. Mann and even now he
was doubtful if anyone knew who
were the directors of the Grand Trunk
Pacific branch lines company, which
was a company altogether distinct
from the G.T.P. Still no questions
were being asked with reference to
these lines and no one was alarmed.

"What better would we have been
if Mr. Cross asked, 'how we asked the
A. and G. W. to put up a million
dollars in stock. We would have only
been crippling them and not giv-
ing ourselves any better guarantee.
The company will sell their stock as
they need the money for development
as the C.P.R. has done from time to
time."

Financial Credit of Company.
There had been discussion as to the
financial credit of the promoters of the
Alberta and Great Waterways
Railway company. The president had
said there was no reason to
doubt his word, that his company
had purchased a million and a half
dollars worth of steel from the Al-
gona Steel company.

"Do you think," inquired the
speaker, "that this steel company
would consent to construct a mil-
lion and a half dollars worth of steel
if they did not know the financial
standing of this company. The com-
pany at \$7,400,000 in the bank give
divvy of 200 cars of produce to be
delivered this winter. Do you think
they would have got this credit if
they were not men of financial stand-
ing?"

A Volley of Questions.
Mr. Smith—"Would not the fact
that the country knew that the com-
pany had \$740,000 in the bank give
them this standing?"
Hon. Mr. Cross—"It certainly
would seem to me, but it would not
provide for what the company
had done before they received this
credit."

Mr. Warnock—"Could the com-
pany not borrow on the money they
put in the bank to their credit?"
Hon. Mr. Cross—"I would say as I
said to the member for Camrose (Mr.
Smith) that it would assist them to
get the money, but it would not permit
of their securing all their supplies up
to the present."

Mr. Warnock—"You spoke of the
G. T. P. branch lines, is it from the
A. and G. W. or the C.N.R.?"
With regard to the remarks on the
statement of the premier that the
bill was passed last year
he contended that the premier had
not said that the government would
only guarantee for the actual cost
of construction and not necessarily for
the full \$20,000 which was the max-
imum. His recollection of the pre-
mier's statement then was that he
would give the question considera-
tion. Despite this, however, he con-
tended that it was understood by all
the members of the legislature that
the guarantee was for the entire dis-
tance.

Speaking of the question of guaran-
tees he thought every responsible
man would agree that the government
did what was best for the province.
The government had in all the cases
of the A. and G. W. railway all the
provinces and he did not think a
young province could be far astray
in following the precedents of older
ones in this regard.

He took the position that the pro-
vince was amply protected by the con-
tract but if there was further guaran-
tee required the company had come
forward and offered to give further
guarantee. In this he did not see
anything wrong. The company's finan-
cial standing had been questioned
by members of the House and they
had as a result offered additional
safeguards of their good standing.

Bond Sale at 5 Per Cent.
Another matter dealt with by some
of the members was the sale of the
bonds at five per cent., which, it was

contended was too low a price. The
bonds were sold at ten years, redeem-
able at 112 1/2 per cent. The bond
tables showed that this was not a five
per cent. bond, but was really a four
and a half per cent. bond redeemable
at forty years. The bonds, sold as
they were, were really four and a half
per cent. bonds.

"You would think that bonds guar-
anteed by governments are always sold
above par," said Hon. Mr. Cross. "I
have here a copy of the Canadian Mail
and I see the bonds of the Canadian
Northern railway guaranteed by the
government not the young five-year old
province of Alberta with only 300,000
people, but by one of the oldest and
wealthiest provinces of the Dominion
with a population of between one and
two million people. Here we have a
Canadian Northern 4 per cent. bond
guaranteed by the province of Quebec
selling below par and selling at a
price equivalent to 92 1/2 in the bank
at Edmonton."

Another example was the Canadian
Pacific railway with its millions and
millions of acres and its millions and
millions of money, and the 5 per cent.
bonds of the C. P. R. were selling at
105 1/2 though they were considered
better bonds than those of the Dom-
inion of Canada.

It was with a feeling of some humil-
iation that he remembered that
not long ago Hon. W. S. Fielding had
gone to England and he could not sell
his bonds, but had sold \$2,000,000
from the C. P. R. William McKenzie
had gone to England and also could
not sell the bonds of the C. N. R. The
4 per cent. bonds of the C. P. R. were
selling at 95 in England and about
91 1/2 in Edmonton.

"And get some gentlemen of this
House think that all that is required is
the imprint of a province to sell bonds
at a big price."

Hon. Mr. Cross then took up
the striking out of some of the clauses
of the Railway Act of Alberta. In this
which had been the most contentious
portion of the agreement he felt sure
that he could show the members who
were in opposition to this agreement
that no interests of financial stand-
ing had been neglected.

The first clause of the Railway act
struck out in its application to the
Alberta and Great Waterways railway
provided that at least two of the
directors should live in Alberta.
This was struck out for the simple
reason that the capitalists interested
were men outside the province. If
the clause remained in force these
would have been two "dummy" direc-
tors chosen in the province and the
question was what arms would be
who did these dummies represent.

The second clause struck out pro-
vided that other express companies
than the Alberta and Great Waterways
railway should not have use of the
railway line. It is stipulated, however,
that all assets of any line not permit-
ted to the government for approval.
The government was in the same posi-
tion as the railway commission in this
regard and had complete control of the
rates.

Clauses 233 to 238 of the Railway
act also struck out dealt with the ac-
quisition of railways by the province.
This, however, was provided for in
the act of incorporation of the A. and
G. W. railway and consequently
clauses 233 to 238 were totally un-
necessary. Clause 239 was struck out
because 239 referred to all railways
previously incorporated to the pas-
sage of the act and therefore was use-
less. Clause 240 of the Railway act
also struck out, called for annual state-
ments of the shareholders of the com-
pany. It was struck out because the
overlapping section 224 of the Com-
panies act, which provided that state-
ments covering all information
with reference to any company should
be filed.

May Get All Information.
"I will say to the members of
this legislature," said the attorney-
general, "that if any member want-
ing information in connection with
the A. and G. W. railway all he has
to do is to ask the minister of rail-
ways (premier Rutherford). The min-
ister of railways will ask the pres-
ident of the company under this act
to give it and to give it under oath.
(Applause.) Thus the mystery that
has been thrown around this company
disappears. Talk about striking out
clauses of the Railway act. There
are clauses in the Companies act that
give power to get much greater in-
formation than the Railway act pro-
vides. (Applause.) There is abso-
lutely nothing lost by the clauses
struck out and the province is fully
satisfied."

Deal Fairly With Government.
"I want to say to you in all fair-
ness deal with this government as it
has dealt with you in the past. We
have been open-handed and fair and
we are ready to give any and all in-
formation at all times."
Do not be stampeded by talk in
hotel corridors and on the streets with
reference to this contract but investi-
gate fully yourselves. The honor of
members of this government is as-
sured as that of any men and if any
member had any suspicious let him
bring a charge against me or this gov-
ernment. The government has fully pro-
tected the interests of the province in
this agreement which as it is explained, I
am sure will be better understood and
will be seen to be a good one for
the province."

J. B. Holden, Yegreville, said there
were, to his mind, many things that
yet needed explanation in the contract,
but he had left better in his view
than he had.

(Continued on Page Seven.)

90 MILES NORTH OF LAC LA BICHE
This Picture Shows the Hay Plats and Farm Land on the Terminus of the
Alberta & Great Waterways Railway—Gordon's Place is King in the
Centre.