

negotiations with the Government had been made use of to profit private persons who were aware of them. I maintain there should have been absolute secrecy as to this arrangement, and no dabbling in the stock of the Company by any one acquainted with it, and that when completed it should have been made known in all its particulars to the public (hear, hear), so that the public might judge for themselves what the effect upon the stock would be. (Loud applause.) But the First Minister is said by Mr. Drinkwater, Secretary of the Company, to have told the Company not to speak, declaring that he himself intended to make a full explanation in a few days; and silent they were. But the First Minister did not speak; he did not "speak now." (Hear, hear, and laughter.) The transaction was described as a magnificent transaction, under which the Government had achieved a financial success, an operation of a character capable only of being achieved by the present Finance Minister. (Laughter.) Why, the failure of the Domestic Loan turned out to be

#### A BLESSING IN DISGUIST,

because the Finance Minister didn't want any, for the Syndicate could provide him. (Laughter.) What did he want with four million dollars when twenty-four and a half millions were to be provided by the Syndicate? (Hear, hear.) What a lucky thought it was that he had not taken up a loan! Not merely was the money to be supplied which was intended to be taken from the pockets of his fellow-countrymen by a loan, but the loans which were about to expire in a few months were also to be largely met. The hon. gentleman would have to go to England, it was true, but only for a fraction of the sum for which he would have otherwise had to go, because the Canadian Pacific Railway Company, adding more to the immense blessings which it had already conferred upon the country, was pouring out of its abundance into our coffers, sums to enable us to redeem our indebtedness. Did those who describe this transaction as admirably beneficial to the Government and the country ever consider that if it was so good for them it could not really be so very good for the Canadian Pacific Railway Company too—(hear, hear, and cheers)—that it really could not advantage both so enormously. A mere money transaction of this description cannot possess these conflicting elements. How changed the situation now is. In November last we were congratulating ourselves that we had twenty-four and a half millions of solid cash furnished by the Company to redeem our debts, and to-night we are discussing a proposition to advance twenty-two and a half millions to the Company. If that is not

#### A TURN-ABOUT-FACE.

from November to January, I do not know what a turn-about face is. (Hear, hear.) It was a splendid thing for the Company and the country that the former should furnish twenty-four and a half millions. It is now a splendid thing for the Company and the country that the latter should loan them twenty-two and a half millions. The hon. gentleman stated that this transaction was almost warranted by the law. We have a new idea respecting the sanctity of contracts with Parliament and the power of the Executive in these latter days. (Hear, hear.) It was only the other day that a solemn Act of Parliament passed by hon. gentlemen opposite, and providing certain things imperatively, was dispensed with by those hon. gentlemen, and when I asked the authority of the law I was told it was done under the law of necessity. We know that necessity knows no law, and as the hon. gentleman represented necessity, I do him no injustice in saying that he knew no law on that occasion. In that view I am almost surprised to learn that the hon. Minister of Railways admits that they have a little transcended the powers of the Government in making this arrangement. I say it was an act to be done only under a sense of the gravest responsibility, only in some emergency which would be of itself a justification for the breach of the law. It is an act which is calculated, if slurred over as this act is slurred over, to throw doubt upon all the securities of the Canadian Government. But, sir, they were not satisfied that it was a pressing emergency, nor did it meet the emergency after all, for the hon. gentleman tells us that his great *coup* was not merely a failure, but

#### A POSITIVE DISASTER TO THE COMPANY,

because it did not improve the price of their stock by a dollar, and they come down to Parliament and tell us in the Speech from the Throne of this arrangement. They do not tell us that they transcended the law under the pressure of necessity, and are about to ask us for a bill of indemnity for that transgression of the law. But they say "We will treat this as an ordinary transaction, and will ask you to make it a little better for the Company." The Company not being able to implement the agreement itself, we will ask you to agree to a postponement of the February cash payment to the end of five years. I say that that is no constitutional, no proper mode of treating transactions of this kind, and this Parliament would be wanting in its duty to the people it assumes to represent if it does not insist on the transactions of this enormous magnitude, created in defiance of the law, being at any rate so far dealt with, with a due regard to their gravity, as to call for that formal and full sanctioning of them on that ground of necessity which can be their sole ground of justification. (Hear, hear.) The Government, however, were persuaded and they put the shareholders of the Company in a pretty good position. They agreed to guarantee the dividends to the stockholders for ten years, and to do that to a large extent on credit, after having received the cash which was the price of the dividends. Here again is a little

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