

" contemplated Railway, and to give the former a certain per centage of interest, in consideration of their interest and position, the scheme agreed on being ostensibly that of a Canadian Company with Sir *Hugh Allan* at its head,—

" That the Government were aware that negotiations were pending between these parties,—

" That subsequently, an understanding was come to between the Government and Sir *Hugh Allan* and Mr. *Abbott*, M.P.,—that Sir *Hugh Allan* and his friends should advance a large sum of money for the purpose of aiding the elections of Ministers and their supporters at the ensuing General Election,—and that he and his friends should receive the contract for the construction of the Railway,—

" That accordingly Sir *Hugh Allan* did advance a large sum of money for the purpose mentioned, and at the solicitation, and under the pressing instances of Ministers,—

" That part of the moneys, expended by Sir *Hugh Allan* in connection with the obtaining of the Act of incorporation and Charter were paid to him by the said United States capitalists under the agreement with him,—it is

" *Ordered*, That a Committee of seven Members be appointed to enquire into all the circumstances connected with the negotiations for the construction of the Pacific Railway— with the legislation of last Session on the subject, and with the granting of the Charter to Sir *Hugh Allan* and others; with power to send for persons, papers and records; and with instructions to report in full the evidence taken before, and all proceedings of said Committee"—which was negatived.

As I have already remarked in a previous despatch, No. 116, May 3rd, the charge thus brought against my Government was very grave, viz.—that they had trafficked with foreigners in Canada's most precious interests in order to debauch the constituencies of the Dominion with the gold obtained as the price of their treachery. In making these allegations, however, Mr. *Huntington* did not enforce them by any confirmatory statement or by the production of any *prima facie* proofs of their validity. He merely read his motion and sat down. Neither Sir *John Macdonald* nor any of his colleagues having risen to address the House, a division was taken without debate, which resulted in a majority of 31 for Government in a House of 183.

Notwithstanding this display of their Parliamentary strength,—which I imagine was put forward by way of protest against Mr. *Huntington's* appeal to his own mere *ipse dixit*—my Government felt that the matter could not thus be disposed of, and accordingly the next day Sir *John Macdonald* gave notice of the following motion which was carried on the ensuing Tuesday, April 8th:—

" On motion of the Right Hon. Sir *John A. Macdonald*, that a select Committee of five members (of which Committee the mover shall not be one) be appointed by this House to enquire into and report upon the several matters contained and stated in a Resolution moved on Wednesday, the 2nd of April, instant, by the Hon. Mr. *Huntington*, Member for the County of Shefford, relating to the Canadian Pacific Railway, with power to send for persons, papers and records; to report from time to time, and to report the evidence from time to time, and if need be to sit after the prorogation of Parliament."

" The Members to compose the Committee were then named by the House as follows: Hon. Mr. *Blanchet*, Mr. *Blake*, and Hon. Messrs. *Dorion* (Napierville) *Macdonald* (Pictou) and *Cameron* (Cardwell)."

Of the five above mentioned gentlemen three, viz.—Mr. *Cameron*, Mr. *Macdonald*, and Mr. *Blanchet*, may be regarded as regular supporters of the administration, and two,—Mr. *Blake* and Mr. *Dorion*, as leading members of the Opposition.

On the debate which took place on this motion, I am informed by my Prime Minister,—and here I must remind Your Lordship that I have no other means of acquainting myself with what takes place in the House, as I am precluded from being present at its proceedings, and the newspaper reports are quite untrustworthy,—that Mr. *MacKenzie* the leader of the Opposition, as well as Mr. *Blake*, Mr. *Dorion* and Mr. *Joly*, eminent members of the same party, expressed themselves of opinion that the evidence tendered