

concert with Honorables Messrs. Ouimet, Chapleau, and Archambault (the other members of the Cabinet having previously resigned), in forming a quorum of the Executive Council, the morning of the day the Cabinet resigned, and he co-operated in the passing an order in Council, authorizing the Treasurer to pay large sums of public moneys to certain subsidized railway companies, notwithstanding the express provisions to the contrary embodied in clauses 16, 19 and 21 of the 37 Vic. chap. 2, being in direct contravention of the said statute, and in violation of the conditions that the subsidies accorded to the North Shore and Northern Colonization Railways should be paid in the debentures of this Province.

"4. That the borrowing of \$4,000,000 in London at $5\frac{1}{4}$ per cent. interest, and reloaning the same sum to banks in Canada at 5 per cent. interest, involves this Province in an annual heavy loss, and that taking into calculation the loss of interest, expenses, cost of sinking fund, agencies, commissions and risk of reloaning the same, this Province must incur a pecuniary loss before the said loan be liquidated of several hundred thousand dollars."

Mr. Alexander proposed the following amendment :—

"That in the opinion of this House, the loan negotiated by the Honorable the Treasurer in England, was an operation financially advantageous ; that it established and assured our credit in England."

This amendment was completely unacceptable. Mr. Bellingham demanded the formation of a Committee to inquire into the circumstances of the loan. The House had no information before it to pronounce on the merits of the loan as a financial success, and it was attempted by this amendment to make it declare that it was a good operation.

Mr. Langelier thereupon proposed to amend the amendment as follows :—

"That all the words after "that" to the end of the amendment be expunged and replaced by the following words : 'This House without expressing any opinion as to the conditions under which the loan was effected by the Honorable Treasurer, is of opinion that a loan for so considerable a sum was not needed.'"

One may differ in opinion as to the merits of the loan as a financial operation in London ; but the point on which there could be no difference was, that the loan was not necessary. It would seem therefore that this motion ought to have been adopted unanimously. On the contrary, it was rejected by 32 votes against 15.