

Replying to Stephen.

The Winnipeg Board of Trade has had a statement prepared and published, in reply to the famous circular sent forth by Sir George Stephen, in which he attempts to deal with the agitation in this Province against monopoly and disallowance. The statement is addressed to the shareholders of the C.P.R. Co. It says:

"This information is demanded by the recent circular or letter addressed to you by your president, Sir George Stephen, which circular or letter is so unjust and so untruthful in character that it cannot be allowed to pass without challenge. We think we will be able to convince you that that document is based upon misquotation of the contract with the company; and misrepresentation both of the constitutional rights of the province and of the extent and character of the present agitation."

The constitutional aspect of the case is first considered, and a strong case is made out in favor of Manitoba, in which it is shown that the province is not only acting within its legal right in building the Red River Valley road, but that the Dominion Government is pursuing an arbitrary and unwarranted course in seeking to obstruct the province. The monopoly clause in the C.P.R. charter is next considered, and Sir George Stephen is charged at the outset with misquoting this clause in order to deceive. The defence goes on:

"Not satisfied with misquoting the monopoly clause, Sir George Stephen interpolates words in the B.N.A. Act which are not there. These are, 'or intended to connect with other lines at such boundary.' If these words were in the act, there would be no necessity for disallowance of the charters granted by the Legislature of Manitoba, as they would be *ultra vires*."

It is then shown that as Manitoba was an organized province before the C.P.R. charter was passed, Parliament could not curtail the liberties of the province.

"Manitoba was then an existing province, clothed with all the powers of a province under the British North America Act to charter railway lines within its own borders. That this fact was present to the minds of the makers of the contract at the time of making, it is manifest from the care taken to provide for the case of any new province. Yet, in full view of this fact, no provision of any kind was inserted in the contract, nor was any attempt made to establish monopoly in Manitoba. In other words, Manitoba was deliberately left free. But we have not to rely on the words of the contract alone. Sir John Macdonald said during the debate on the question of ratifying the contract: 'In order to give them a chance we have provided that the Dominion Parliament—mind you the Dominion Parliament—we cannot check Ontario—we cannot check Manitoba—shall for the first ten years after the construction of the road into which they are putting so much money and so much land, have a fair chance of existence.' Hon. Thomas White, then a supporter of the Government, and now Minister of the Interior, used these words: 'There is nothing to prevent Manitoba now, if it thinks proper, granting a charter from Winnipeg to the boundary line. This provision does not take away from Manitoba a single

right that it possesses. There is nothing to prevent the province of Manitoba from chartering a railway from Winnipeg to the boundary to connect with any southern railway. The only guarantee which this company has under the contract is that the traffic shall not be tapped far west on the prairie section, thus diverting the traffic away from their line to a foreign line. But there is nothing to prevent a railway being built in Manitoba, within the province, that would carry the traffic to any railway that may take it from the American side. And, on the faith of these assurances, the contract was ratified and became law. It must, therefore, be plain to every unprejudiced mind that the C.P.R. could not have expected a monopoly in Manitoba."

It is next shown that in extending the boundaries of Manitoba westward, after the passage of the C.P.R. charter, Parliament subjected the added territory to the restriction of the monopoly clause. If this clause already applied to Manitoba, why the necessity for specifying that it should continue to apply to that portion of the territory added to the province, in which monopoly was in force before it was made a portion of Manitoba. The circular goes on:

"The Dominion Government in November, 1882, disallowed several railroad acts of this province. Protests were made to the Ottawa authorities, and in 1884, Sir Charles Tupper said: 'I am glad to be able to state to the House that such is the confidence of the Canadian Pacific railway in the power of the Canadian Pacific railway to protect itself that when the line is constructed north of Lake Superior the Government feel it will not be incumbent upon them to preserve the position they have hitherto felt bound to preserve, that of refusing to consent to the construction of lines within the province of Manitoba, connecting it with the American railways to the south.' It is quite clear that if the contract with the railway company called for a monopoly in Manitoba, the Government would not have set an early date for the abandonment of its policy of disallowance.

"As to the facts of the contract the Hon. Thomas White, addressing the Junior Conservatives of Winnipeg on the 8th of March last, said: 'Your address refers to the question of disallowance and the elections must have recently occurred and the discussions to which they have given rise have added additional interest to this question. As you are aware, the contract with the C.P.R. in no way interferes with the right of the Legislature of Manitoba to grant charters within the boundaries of the province as they existed at that time. This was very clearly pointed out during the debates in Parliament, when the contract with the syndicate and the charter to the company were granted.'

"On the third of May last, the Minister of Justice, addressing the president of this body and other members of an anti-disallowance deputation from the city of Winnipeg, said: 'There is no legal or constitutional reason to prevent the province chartering railways, that may connect with American lines from the south, meeting them at the boundary; it is a question simply of the Government's trade policy.'

"Could facts be found more damaging to Sir George's contention that his company was to have a monopoly in Manitoba? Every line of evidence is directly to a contrary effect; and your president admits the weakness of his case when he misquotes the monopoly clause, and completely ignores the facts so formidably arrayed against him:

"The fact that a railway is at the moment in construction from Port Arthur southward to a point on the United States boundary under the authority of a charter granted by the Ontario Legislature, ought to dispose of the contention put forward by Sir George that a province has no power to charter a railway to the international boundary. Possibly he means that no such power exists when the province is a small one and himself and his associates object. To grant Sir George what he now claims would indeed be a breach of faith—not with the C.P.R. company, it is true, but with the people and Parliament of Canada, and more particularly with the people of Manitoba.

"Nor was Winnipeg a mere village, as Sir George asserts, at the time the contract with your company was entered into. So far from it, Winnipeg had a population of 12,000 at that time, and an assessment of over \$9,000,000; and it was from this "mere village" that Sir George and his associates were able, at that time, to extract the following substantial grants, viz.: A cash bonus of \$200,000, the building of the Louise bridge by the city at an expense of \$250,000, exemption of all their property within the city from taxation for ever, and free right of way through the city with station grounds, costing about \$20,000.

"It is also untrue that the railway monopoly was received without dissent in Manitoba. It was denounced at the Legislature and at largely attended public meetings, and the clamor only ceased when positive assurances were given to parliament and through the ministerial press, that there should be no restriction placed upon Manitoba's rights in the matter of railroad construction within her borders."

The question of rates is next dealt with, but it is unnecessary to make quotations to show that the C.P.R. freight charges are outrageously exorbitant. That fact is too well established. It is also shown that the branch roads constructed in Manitoba, which Sir George takes so much satisfaction in dealing with, were built largely from aid afforded by the Government of Manitoba.

Sir George's abuse of the people who are moving against monopoly, and his attempt to belittle the agitation by representing that it is purely a Winnipeg affair, is replied to as follows:

"We have no intention of bandying epithets with these gentlemen, but, lest any misapprehensions should exist as to the character and extent of the movement, we would say that its promoters are: (1) The Local Government of Manitoba. (2) A unanimous legislature of 35 members, fresh from the constituencies. (3) A practically unanimous people in Manitoba. (4) The leading newspapers of Eastern Canada and a large proportion of the Canadian people.

"The fact that the Red River Valley railroad is being built by the Local Government of Manitoba as a public work, is ample evidence