OTTAWA LETTER.

The More Blair Explains the More He Blunders.

The Cabinet at Sixes and Sevens Over the Interpretation of the Clergue Contract.

OTTAWA, April 25.-After an ab sence of nearly two weeks, Mon. A. G. Blair, minister of railways, returned to Ottawa from the United States, to assume the role of a much injure man, and to attempt to make an for the deception he practiced on par-liament on April 9th and 19th. Mr troubles, is getting deeper and deeper into the mire. He is meeting the fate ch befalls nearly all men who, by misleading statements, attempt to gain the confidence of those with whom they are thrown in contact. Having d out to make false stater to parliament, Mr. Blair finds himsel forced to continue a course which is having the effect of decreasing day by day the little faith that members of the house previously had in him. The more he explains, the more he blunders. If Mr. Blair is positive in an assertion, then there is every reason where more heart of the corrections are the second than the correction of the correction of the correction. ny members of the opposition should situte to accept the information tendered. And so it has come to pa that the opposition, before accepting any announcement made by Mr. Blair require that the papers substantiating such information shall be produced Mr. Blair at first refused to comply with the suggestion of the leader of the opposition that the contract which it is proposed to make with Mr. Clergue's company for \$4,000,000 should he has been converted to the belief that if he does not do this his estimates will not go through, and so he has benefit of the data asked for.

Mr. Blair wants to know what the newspapers of the country are howling opposition are making so much noise The minister of railways challed the opposition to show any good grounds for their attacks, and Mr. Borden promptly compiled with his request. The leader of the opposition pointed out that on April 9th, in explaining the contract which he pro into with Mr. Clergue's pany, Mr. Blair said:

We finally concluded to give then an order for 25,000 tons, and while w no explicit contract with the for any term beyond the year in which we are now entering, we have an un-derstanding with them under which, if they furnish us, as they engage to do, with rails of the quality and standard we require, and at the current price in the English market, we are prepared to take our rails from the On April 10th Mr. Blair brought

he told the house was a draft of the agreement entered in with Mr. Clergue, to the effect that the railway ent should take from the Lake Superior Power Company 25,000 tons of steel rails in each of five years. The minister of railways defended the con-tract as being in the best interests of Canada, and told the house that withnot possibly succeed. For several hours Mr. Blair raged at members of the opposition who dared to chall his course, and informed the gentle men opposite that he had the confi dence of the people in this matter.

To show how emphatic the min was on that occasion we will look at some of his remarks as given in Han-sard. Not only did he state there was a contract, but he was absolutely sure that the contract had been for five years. Mr. Blair said: "I said at me time I would bring the con more explicit than was my state from recollection, the contract is her and speaks for itself." In order clear up this point the leader of the epposition questioned the minister of railways rather closely. The latter told Mr. Borden that if the Clergue company furnished the rails on the terms suggested by the railway partment, the government would be rks on April 10th, the minis railways, after defending himself against the charge that he had made his bargain with the Lake Superior Power Company in the falling ket, declared in a loud tone of vol

"These are the circumstances und which the arrangement was made. It was made fairly, squarely and bona fide. It was made, I have no hesitacourage the establishment of an enter-prise which we had no expectation would be established otherwise. It was made at the price then governing and at a price which is fair to the pub-

It is self-evident that Mr. Blair was deceiving parliament in making these diametrically opposed statements, without the slightest consideration as to their consequences. And yet he asks, "what are the newspapers of the country making all the noise about?" If the above conflicting statements do not suggest anything to the mind of the minister of rallways let us look further into his course it this matter. On April 23, nearly tw weeks afterwards, he comes before parliament and says: "I want to refer to that statement now and I want to call the attention of the committee to the nature of the explanation I made in this regard. I said that the contract that was made with the Lake Superior Power Company was to supply rails for one year. I will leave it to your own conclusion as to whether

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read or the draft of the proposed contract was here, it was a surprise to me, because it was an express and clear contract; when I came to read it myself it was an expressed contract for a term of five years. But the difficulty about that contract was this; that it had never been executed and has not been executed to this day and never came under my observation."

But Mr. Blair's resources do not seem to have ended even here. He is evidently in this discussion and means to make the best of it, even if he sacrifices every particle of honor, of which he, no doubt, claims to be possessed. Last night, when the com-nittee was stiffing on the was sitting on the same item which has caused such an earnest dis-cussion on three different occasions, the minister of railways again contra-dicted himself. He told Mr. Haggart, when cornered, that the contract which he claimed only 24 hours earlier had not been signed, was in the pos-session of the railway department on April 17th, a week previous, with the signature of the president of the Lake signature of the president of the Lake Superior Company affixed to it. Now Mr. Blair had said: "But the difficulty about that contract was this: that it "had never been executed and it has "not been executed to this day." That information was given only a few hours before, and in the face of that he admits in a shamefaced way that the contract was executed, except that he, as minister of railways, had not signed it. However, the deputy min-isted had affixed his signature to an order from the government for Mr. Clergue to sign and there seems to be no doubt that the Lake Superior Power Company have the government at their mercy.

Now we have looked at Mr. Blair's disgraceful position before the people of Canada, and it is only fair that we should give him the benefit of any defence he might have made. This is the explanation he gives to the people who look to him for the proper conduct of the business in connection

with the Intercolonial railway:
"My deputy thought the contract was made. I supposed in the course of the numerous documents presented to me that I had executed it. I did not suppose it would have laid over all this time, but it happened to be drawn by the law officers of the department, sent to Mr. Clergue, and it had not been returned by Mr. Clergue at the time the question came up the other day. Now, the contract, as it appened, had never passed under my ervation. I do not know that if it had been submitted to me for signa-ture that I would have scrutinized it closely enough to have discovered the difference between the authority the order in council gave us and what the contract proposed to do. It might have escaped my notice, or I might have carefully read it. Perhaps ! have carefully read it; at all events it did not come under my ob-servation, and it was not read and it has not been executed; down to this moment it has not been executed."

Later on, when the leader of the opposition was endeavoring to throw some light on this mysterious conduct, strong defence. His excuse is con-tained in the following lines:

"Perhaps hon gentlemen of the op position may imagine that it is the duty of the minister personally to inspect every document that is drawn up, and to be personally familiar with every transaction that takes place in department. If that is their expectation, I can only say that parlia-ment must get more than one human brain of my capicity to be able to mpass so large an undertaking. The opposed contract was sent, in the ordinary way, by the officers of the de-parement to Mr. Clergue, It had never come back to me for signature, and I had never seen it; and I have no hesitation in saying that a con-tract drawn for five years is not such a contract as I would have knowingly executed, and not such a contract as we propose to execute."

It is hardly possible to imagine that a minister occupying the responsible position Mr. Blair holds would attempt to ask an intelligent population to swallow the insincere words which he has uttered in his own justification.
Will any business man support Mr.
Blair in his contention that it would be a hardship for the minister of railbe a hardship for the minister of rall-ways to devote a few minutes to the perusal of the terms of a contract in-volving the expenditure of \$4,000,000? Was there ever a more childlish explam-ation given in parliament than this? Mr. Blair, instead of strengthening his position by such a line of defence, is making himself ridiculous. If the ministers of the crown are not expected to devote their attention to items of devote their attention to items of illions of dollars, it certainly seems that this country is wasting money in paying gentlemen to attend to such matters.

Mr. Pope, whe by the most cutting Mr. Pope, who by the most cutting sarcasm brought Mr. Blair to a sense of his duty, condemns in the strong-est terms the neglect of the minister of radiways to see that this contract of railways to see that this contract was properly drawn up before it was sent to Mr. Clergue for his signature. The excuse that the law officers of the railway department made the mistake will, Mr. Pope thinks, fail to justify Mr. Blair in the eyes of the public. Mr. Blair had told the house that he required rails, and that he had made a contract, that he never made a contract, and that he never made a contract, and that he says, "could you "imagine a statesman of my position "doing this—a minister of railways for "the dominion of Canada, a great "country, extending from one ocean to "the other, with four or five or six the other, with four or five or six millions of people in it, some Indian, some one thing and some another, a "some one thing and some another, a great country, a big country. I am one of fifteen or sixteen ministers; I am the great minister of rallways, former prime minister of the province of New Brunswick. I come up for numerous law books, and it lookhere. Do you think I am going to ed as if the opposition would be spend my time supervising a con-tract of only \$4,000,000, coming as I light, this is how the minister of

of the second or third rate clerks in my office are quite sufficient for that. Me, me, the ex-prime minis-ter of New Brunswick, minister of railways, running a thousand miles of a legal and binding contract, and not a legal and binding contract, and we had that fact in mind when we behind it, never having to pay a were so framing the order in council dividend, never responsible for an account—me, look at a contract for account—me, look at a contract for account—me, look at a contract for one year."

34,000,000. Great Heavens! Never. I can appreciate it."

Mr. Pope put it well. It is nidiculous to suppose that Mr. Blate can shift the responsibility on his own shoulders to those of his deputy in a matter of such importance as this. It is incredible that he has any faith that his statements will be accepted by the public, in view of the manner in which he distorted facts on every occasion that he had been called upon to face the committee on this item. to face the committee on this it.
There can be no doubt that Mr. B
has deliberately attempted to deciparliament and the Canadian per on at least three occasions. His o observations given above are tal from Hansard and cannot be ga It is impossible in the face and white for Mr. Blair to electors of this country he did not have a sense of he first misstated the agreement. He has play game, and has adopted ticular line of conduct the his actions have met itable reward which is such cases. Parliament has i ment fails to trust, can it be said that the minister so discredited represents the best feeling of the country?

Even among his own followers Mr. Blair's action is referred to in terms quite uncomplimentary to the minister of railways, There are men in the liberal ranks whose ideas are above such a line of conduct, and it cannot be wondered that they have spoken in duct concerning which we have so much evidence.

OTTAWA, April 26.—Having placed himself in an uncomfortable in the matter of the contract rails with the Lake Company, Mr. Blair hole to crawl out of to lead the country t trasaction was so by Sir Wilfrid Laurier, the finance, and the minister ior. Unhappily, this quartette does not seem to be able to bring themselves to agree on any one excuse, and the re-sult has been that parliament has been called upon to listen to many ex-planations of the contract, which has en made and unmade so often dursition made by the minister the crown is a disgrace to any self-respecting country, and would hardly mentioned by a self-respecting perately and hopelessly involved is Mr. Blair that it is a case of desperate remedies, and they have been resorted to. But as was expected, they have not served the purpose that they were intended to, and the minister of railquiry, will have to make a full explanation as to the proposals he will make to Mr. Clergue.

order in council on October last was evolved with a view of assisting a new Canadian industry and providing a small market of the output of large steel mills about to be erected at the Sault Ste. Marie by F. H. Clergue. That is the explanation of it given by the government. According to Mr. Blair and those of his ministerial colleagues who spoke on the question Mr. Clergue desired something sub-stantial in the form of business, so stantial in the form of business, so that he might go into the market and float his stock. When assured of government support Mr. Clergue commenced his operations, and if Mr. Dyment may be taken as an authority, the works will be finished in the near future and the manufacture of rails will be commenced in time to deliver to the Intercolonial railway by August first, the first of the stock contracted for by the rallway department. In order to erect his plant, Mr. Clergue was compelled to bring in foreign capital raised on the standing of the ninion government in regard to its

In the face of this fact, the finance In the face of this fact, the finance minister rose in his place in parliament and submitted that although an order in council had been passed authorizing the minister of railways to close a contract with Mr. Clergue, for five years, that there was nothing binding in it, provided that parliament refused to yet money to pay the hills. It to vote money to pay the bills. It was simply an unheard of proposal of repudiation of the government's debts, made by the man who is supposed to be the watch-dog of Canada's credit abroad. This is what Mr. Fielding chroad. This is what Mr. Fielding thinks of the obligation of the government to carry out the agreement which had been made: "As I stated before, it is the difference between recognizing the authority of parliament and failing to recognize the authority of parliament. I do not hesitate to say that if there should be a change of government tomorrow, and if the new ministry should make up its mind that that was not a judicious contract to make, they would not be bound to continue that contract, but I say we are morally bound, for believing it to be a good arrangement." oe a good arrangement."

And then Mr. Fielding became egotistical. He gave the house one of the best exhibitions of "I am" that has been heard there for some time. Mr. Borden, whose standing in the legal profession is unquestioned, ventured to contradict Mr. Fielding in his law. This did not seem to agree with the ideas of the minister of finance, and taking his eye from Hon. Charles ritaking his one from Hon. Charles Fitzpatrick, the solicitor general, he endeavored by citing the case of Churchward v. The Queen, to prove

xplain the law to my friends op-le, but I happen to have had occa-in time past to know such was the law. I know very well that if we made a contract for five years it is

While Mr. Hielding was of the op position shi not know v allel to that contract with had ed' in c man had refere 1860, or 1863. Mr. Borden certainly had reference to events which happened in all of those years, but the diffe between his treatment of the case and that of the solicitor general was that Mr. Borden gathered his information from the decision given by the courts in this case, whereas Mr. Fitzpatrick had seen fit to provide the honorable minister of finance with a speech on the question by Mr. Gladstone, and when it is considered that Mr. Gladstone's speech and the decision of the courts differed widely the open in their condemation of con- and in favor of Mr. Borden's contention, Mr. Fielding's appeal to the house as a learned gentleman will scarcely have the effect that the speaker hoped for.

But it seems that the ministers are as much at sea on this question as they are on others of equal importance. When the cabinet has an important when the cabinet has an important announcement to make to parliament the proposed by remarks so diverse in their meanings that it is almost impossible to tell where the government stands. In this case Mr. Blair informed parliament that the government had a fair understanding with Mr. Clergue and that it should be carried into effect for a period of five years. The prime minister, referfive years. The prime minister, refer- a gigantic steel plant, and asked that ring to the same matter, says: "The assistance should be given him. But contract is not a binding one for five although parliament has been in sesyears, as is mentioned in the draft. That point is very clear. The only thing binding upon the government is is only by a mere stumble that the op-the order in council and nothing else, position were enabled to catch the proand that order in council only authorizes the minister to enter into a contract for one year." Compared with Mr. Fielding's opinion that there was only a moral obligation to fulfil its contract with Mr. Clergue the prime ninister's statement was rather startling. The minister of the interior also seems to have his own ideas about the my hon. friend the leader of the opposition is that the successors of the government would be bound by a con-Ur questionably that is the case. And points out that where a contract was repealed or was not assented to by a succeeding government it was account of the committee finding that there was a savor of corruption in connection with the contract, and except for that the government would be ound. We will agree to that."

To leave no doubt as to Mr. Blair's

different opinions it might be well to

quote Hansard to show how the minister of railways does stand. His opinion is: "I say that we had a fair square understanding with Mr. Clergue all the way through. He was willing to treat that order in council as an under-standing, but we had not an explicit contract for more than one year. That is what I have been saying all along." It is hardly necessary to point out that such a maze of official opinions is apt to lead the ordinary every day individual into a position in which he will find that the Clergue contract is for one year; is for five years; is binding; is not binding; is a legal contract; is only a moral contract. Many other features may suggest themselves to an astute mind, and it will require a deal unseemly transaction was in the in-terests of the country. Mr. Fielding, terests of the country. Mr. Fielding, in taking the stand he has, has strengthened the claim of the Chignecto ship rallway promoters that it is unsafe for capitalists to place confidence in the present government. In the Chignecto ship railway scheme they played a doubtful hand. The finance minister has now invited parliament to consider the advisability of refusing to yote money for the payrefusing to vote money for the pay-ment of Mr. Clergue's claims in order that that gentleman might be turned out in the cold. What Mr. Clergue's feelings were when he read this state-ment by the gentleman who looks after the monetary questions of the country may be better imagined than

people must pay for the actually worth, and for which going further into the conduct of the minister in regard to the contract, the public being pretty well aware of the difficulties into which Mr. Blain has

out of the sar 1901 at least orks will be in opera ers that the promoter of the Lake Superior Power Co. was too sanguine and that he will be unable to meet his obligations in regard to this contract. The reason for Mr. Blair's doubt is said to be due to the fact that, anticipating Mr. Clergue's failure to hand over the ralls as per contract. the minister of railways ordered this year's supply in the old country. If instead of 25,000 tons, 50,000 tons of rails, provided of course that Mr. Clergue insists upon the government carrying out their part of the arrange ments. And so, to save himself; Mr. Blair will have to submit to parliament another arrangement when the supplementary estimates are brought down. If he does this, his anxiety to keep the draft of the new contract from the house will have been explained, and another battle royal will probably occur. If this new contract is made it will mean that Mr. Clergue will be thrown down, and in this cas to interfere and see that the govern-ment discharges its legal and moral obligations, so that the credit of the country may not be affective

sion on two occasions since then, no mention of the fact was made, and it gramme of the minister of railways. What the object of buying rails last November was, cannot be satisfactorily explained by the minister of railways. They were not needed at the time, and the market was falling rapidly. Under such conditions its relationship idly. Under such conditions it might have been expected that Mr. Blair would have been assured of Mr. Clergue's ability to supply the rails the rails some months ahead, in order to these contracts, that information time. Now Mr. Blair wakes up to the fact that it is a very doubtful proposition whether his rails are to be ready or not on the date on which he requires them. If they are not, one would be led to suppose, by what the minister of railways has said, that the Intercolonial will have to suspend operations, or that something equally dreadful will happen. So serious is the view taken of the situation by Mr. Blair that no other meaning can gathered from his words than if the government does not attend to rail business, shortly before the date of when funds are needed, the political usefulness of the Intercolonial will be

It was hinted pretty freely the other night by members of the opposition that the whole truth of this steel radii deal had not yet been ascertained. Mr. Pope, who caused the minister of railways to look tired, was pretty broad in his allegations in regard to this transaction. He could not see why Mr. Blair should pay \$32.60 for steel radis which could be bought in Montreal for \$26 per ton. And it would seem that thi dose is to be repeated year after year for five years. Mr. Pope cannot see the force of the argument why. United States firms should be closed out in considering the price the government should pay for steel rails. It is a well known fact that, across the border, the trust has fixed It was hinted pretty freely the other across the border, the trust has fixed one price for rails sold in the United States and another price for those shipped abroad. Canada of course is included under the latter heading, and it would be quite easy to make a conit would be quite easy to make a con-tract at the present time for steel rails at \$26 per ton. As everything else in-tended for use on the Intercolonial railway had been purchased in the United States, Mr. Pope saw no rea-son why the minister of railways should take such a strong stand in this case. He could not see why Mr. Right should have deceived the house after the monetary questions of the country may be better imagined than described. Fortunately none of Mr. Flelding's colleagues were inclined to support that extreme view of the case. It must be said that grit supporters, although there are these among them who are ready to do almost anything at the government's bidding, fall to endorse on this occasion the outrage-bas ous proposal of the minister of finance.

It is hinted that Mr. Flelding is a sadder and a wiser man since he has entered into a new light in regard to and arise and has. It is also desirable that before this transaction, involving \$4,000,000, is actually fixed that the members of the cabinet will have reached a unanimous decision as to what is in the best interests of the country.

OTTAWA, April 27.—What the outcome of the steel contract will be is difficult to foresee. Mr. Blair has, actually direct the forest of the country.

OTTAWA, April 27.—What the outcome of the steel contract will be is difficult to foresee. Mr. Blair has, actually direct that gentleman and.



posite, that it should create such an uneasiness in his mind?

ST. CROEK SOAP MPG. CO.

This was a pretty direct charge that, there had been some interest in this. steel contract by a prominent member of the liberal party, a gentleman who nolds a position without portfolio in the government. Mr. Pope assured parliament that he was perfectly innocent of such matters, inasmuch as the conservative party never had any steel rail contracts. That seems to be a weakness of the gentlemen who now conduct the affairs of this country, and who were turned out of office in 1878 partly because they invested in steel rails, which were allowed to rust on the side of the road until they were useless. And so Mr. Pope sees a weakness among members of the govern-ment for steel rail contracts, Although the minister of railways admitted that he had bungled this transaction from beginning to end, and that he did not know anything about it, he asked parly delighted with the opportunity of assisting Mr. Clergue. How can the minister of railways be so pleased about a thing concerning which he knows absolutely nothing?

tempted to assist Mr. Blair by repudi-ating the obligations of this country, also came to the rescue of the minister of the contract. "It is not the habit of the various departments of the government," said Mr. Fielding, "when a contract is made to blazen it through the press or to publish it in the newspapers. Contracts are being made day after day, month after month, and when parliament meets and information is desired with respect to any of as a matter of course, brought down, but when the hon, gentleman speaks as he did of a secret contract as implying something wrong in this trans-action, I want to tell him that this contract has been made in precisely the same manner as a tho contracts are made, and that the word 'secret' does not convey any such re-proach as the hon, gentleman seems to mply in his remarks." This little lecimply in his remarks." This little lecture was for the benefit of Mr. Osler. It was absolutely free, quite as free as it was ridiculous. Let us examine what Mr. Fielding says. He states that the government makes its contracts in precisely the same manenr as this one was made. That is to say, the government engages to take a certain government engages to take a certain amount of goods from some one firm, sends them a contract to sign, and then decides that if parliament inter-feres it will be necessary to make a change. Another interesting feature of the way that the government makes its thousand contracts is that it does not tell parliament anyhing about them until questions are asked. When questions are asked, explains the finance minister, information in regard to these contracts is, as a matter of course, brought down. It is brought down in just the same way as it was in this case, showing that Mr. Fielding could not have meant what he said.

Mr. Fielding has said, too, that it is not the duty of the government to go about the country advertising its conabout the country advertising its contracts. It is not customary for the railway or any other department to blazen the matter in the newspapers and to tell electors what is going on in Ottawa. On that point Mr. Fielding also seems to be at a loss. Mr. Bell of Pictou refreshed his memory a little by reminding him that last November, when the contract for locumotives for the Intercolonial was given to Hon. Mr. Harty, the city of Kingston was Mr. Harty, the city of Kingston was placarded with posters calling attention to the generosity and common sense of the administration in keeping for Canadians work that had been nch the previously bought steed and yet they proposed home. Why was the formed of this contract not inafraid? There than they did with the locomotive contract given to their friends at Kingston. Its very secrecy seemed to brand is as a something that the govbrand is as a something that the government is not proud of. Although the question has dropped for a short time the country may expect to hear considerably more about it when the supplementary estimates come down.
When Mr. Blair's next contract is laid on the table of the house it is generally expected that it will be executed by the minister himself and not by one of his third class clerks.

J. D. MCKENNA. A Washer Strains of the Month of the

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rectors of the Whi she certainly will sought an explanat He regards the Cel is a larger edition by the same firm, a scendant of anothe name, launched at 1 ago. She has cap could be stowed in many more passens old vessel of the draught of only 24 which will draw 36 ft handicapped in goin port on the two sid pond than was her New York harbor undertaken to prov vessels with a drau 40 ft. in a year or t mot shown the sar very occasionally mot serve, the Celtic Nightened before s dock. Mr. Pirrie, not prophesy that th nineteenth century ly deep, even gree built. With the late engineering, large omy, while her spe roominess, and her in the hull, combine keels, will be a gus These are the White Star manage lic value more than progress, and by the passenger and car mense craft these tained at a modera enger and car one can afford to seau de luxe the THE CELTIC

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