

Mr. E. M. MACDONALD. I think in justice to the Minister of Railways that a fair statement of what was brought out in the Committee of Public Accounts with reference to the New Brunswick Petroleum Company should be placed before this committee. I was very much surprised to listen to my hon. friend from Hamilton (Mr. Barker), who, I am sure, like every other member of that committee who listened carefully to the evidence taken in regard to the transaction that took place between that company and the Intercolonial Railway, felt that no imputation of any kind could be made against the Minister of Railways or his department in reference to that purchase. It was shown conclusively that a better quality of oil was obtained for the Intercolonial Railway than could be got elsewhere, and at a saving of five cents a gallon.

Mr. R. L. BORDEN. That is a matter that should be left to the officer of the department.

Mr. E. M. MACDONALD. That is what the minister did. He intimated to Mr. Pottinger the general manager of the railway, that there was to be found in the county of Westmoreland, in the vicinity where this oil was to be used, a quantity of oil of better quality and more satisfactory for the particular purpose, and that it might as well be purchased. My hon. friend from Hamilton, although he made the strongest case that could be made, threw around the facts all those suspicious circumstances which only he can call to his aid when stating a case; but my hon. friend should have been fair to the minister, because we had the testimony of Mr. Sumner, a former mayor of Moncton and a prominent Conservative member of the legislature of New Brunswick, to the effect that this whole enterprise was one into which men on both sides of politics had entered six or seven years ago, from purely patriotic motives—entirely for the purpose of developing the oil industry of the province of New Brunswick; that the moment Mr. Emmerson became Minister of Railways he endeavoured to dissociate himself absolutely from the company, and that since that time, 1904, he has had no direct, and I am sure no indirect, management of the company, and took no interest in it as Mr. Sumner says:

I had no communication from him except to write once or twice urging on the company to accept his resignation, but every year he was urged by the directors to hold on longer, you can understand the reason. Previous to the time of my coming as nominal manager the policy was to save the oil, and they had plans even to build a refinery.

When my hon. friend's friend, Mr. Sumner, became manager of the company, instead of carrying out the policy which Mr. Emmerson had adopted of saving the oil, Mr. Sumner immediately desired to dis-

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pose of the oil, and it was he who initiated the proceedings in regard to its sale. He went on to point out not only that the Minister of Railways had entered into this matter from purely patriotic reasons, for the purpose of developing the industry in his county and province, but that he had lost money in it, as any one acquainted with the facts knew to be the case. Thus for instance in regard to the question whether Mr. Emmerson received any money in this connection we have this evidence.

Q. Has he received any money from the company through his connection with it?—A. No. I do not believe he would take it. I do not believe anybody would. This has been more of a sentimental affair, and if it turned out well it would be a good thing for the country.

Q. It was in the interests of the country generally to develop the industry?—A. Yes, I may explain that I feel very strongly on the point, because that is the only feeling I have ever had in regard to the company.

These things are therefore clear. First that the Minister of Railways had no personal interest in having the New Brunswick Petroleum Company sell the oil. He had no connection with the company, from the standpoint of being its manager, since 1894. And further I may say that if his policy, since he became minister, had been adopted, no oil would have been sold. But Mr. Sumner wanted to sell the oil, and he sold it at five cents a gallon less than the government were paying for the same kind of oil used for that purpose. My hon. friend attempted to create the suspicion that the Minister of Railways has done something improper, but in the light of these clear and definite facts, even my hon. friend's suspicious mind will hardly find anything which he can torture into a pretext for throwing blame on the minister. It may be said that the hon. minister should not have written Mr. Pottinger suggesting the purchase of the oil. I do not see how any possible suspicion can attach to him on that ground. No doubt it was necessary to ask the responsible head of the department whether it was possible to purchase that oil in the county or not. Why should the minister not say to Mr. Pottinger: here are figures which show that you can buy this oil, for the purpose of making Pintsch gas, at five cents per gallon cheaper than you have to pay for it from the United States. And under the circumstances, why should not the minister advise its purchase?

I submit that my hon. friend is not fair in the way he deals with Mr. Lodge. Mr. Lodge is not merely a friend of the Minister of Railways personally but he is a gentleman who has been for the last twenty years, under both governments, selling goods to the Intercolonial Railway as manufacturers' agent. He was asked:

Q. Was this the first time you ever got contracts from the Intercolonial Railway?—A. Oh, no.