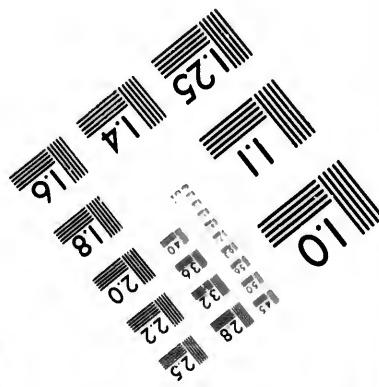
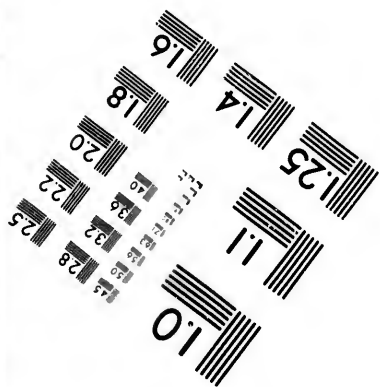
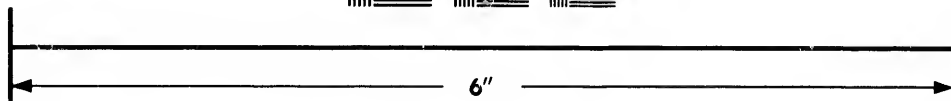
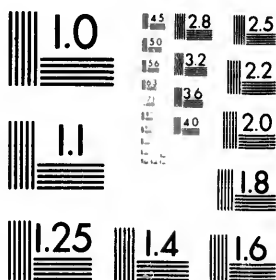


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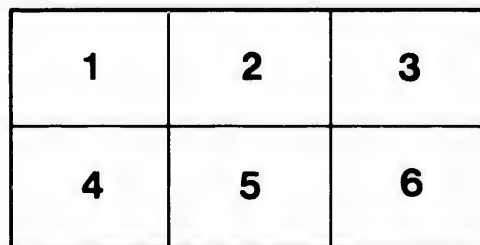
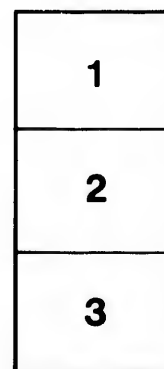
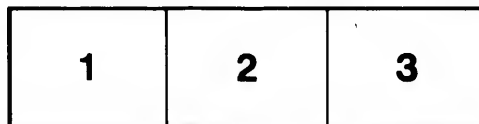
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SPEECH

OF THE

HON. E. B. WOOD,

IN THE

HOUSE OF COMMONS,

ON THE

PACIFIC SCANDAL.

Mr. WOOD said that his sentiments might be found expressed exactly in the language of a despatch which he held in his hand. If the integrity of those who have been entrusted by Canada with her interests shall be vindicated, he would rejoice; but if, as he feared was the case, they were guilty, and this House should refuse to pronounce the verdict, the just judgment on the great crime, he should indeed despair of the republic. "Be that as it may, there is one circumstance, which we can regard with unmitigated satisfaction. The all-god revelations which have taken place have profoundly moved the whole population. Apart from the section of society "within politics," whose feeling may be stimulated by other considerations, every citizen in the country, no matter how indifferent to public affairs, has been dismayed and humiliated by the thought that such things as are alleged to have taken place by Mr. McMullen and Mr. Huntington should be possible. This is a reassuring sign, and even should it be found, that the Government has been unworthy of the trust confided to it, the indignation and the searchings of heart that will ensue throughout the land will go far to cleanse the public life of Canada for many a year to come." It was in no light spirit that he rose to address the House on this momentous occasion. He should not, if he knew himself, and could govern his feelings, follow the example of hon. gentlemen opposite who had spoken in defence of the Government. He did not intend to asperse the supporters of the Government as a whole class, whatever might be said of certain individuals. He would not style them a band of "organized hypocrisy," however much they might merit the appellation of a well trained band of banditti, whose object was public spoil and plunder. He did not think that it would be charitable to do so, for charity covers a multitude of sins. He had a very strong opinion on the subject matter of the resolution; but it would not be becoming in him to give his individual opinions. It was his duty, and he was charged with this grave duty by the whole country, to discuss

this whole question dispassionately, and if possible, be the means of throwing some light on this weighty charge against the Government of the day.

He might, if he felt so disposed, retort upon the Minister of Customs. No honourable gentlemen in that House was so open to observation. He might use the same argument, if argument unfounded invective could be called, in respect of that honourable gentleman, which he had so unscrupulously used against the honourable member for Lambton. He might repeat rumours—nay, more than rumours, which he had heard, which, if true, ought long since to have consigned the Minister of Customs to that political infamy which is, at least, one of the just punishments of "high crimes and misdemeanours." But, however great the provocation; however deserved the retribution, he had never in that House alluded to these but too well founded reports; to the many circumstantial proofs by which they were alleged to be established; nor did he intend to do so now. He knew it was easy to make accusations; he equally well knew it was sometimes difficult to make the refutation.

He (Mr. Wood) might refer the Minister of Customs to—

"Hon. Mr. McNabb votes to-day for dis-franchising Bill. Can you guarantee Peter an office if his father is put right?"

"Your telegram received. Any thing Hill engages to do I will carry out." To—

The order in Council when he was the leader of the Government of Nova Scotia in respect of coal mining locations, under which it has been asserted the Minister of Customs improperly taking advantage of his position as leader of the Government, secured to himself a large interest in the celebrated "Spring Hill coal mines." To—

His alleged clandestine connection with the contract for the completion of the railway from Truro to Pictou—He (Mr. Wood) had always abstained from pecuniary charges resting on no other foundation than "com-

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mon fame," and he should continue to act upon that principle.

Neither would he indulge in the spirit or adopt the style of that venerable and aged political sinner, the honourable member for Vancouver, Sir Francis Hincks. That gentleman had allied himself by turns to every political party, to every faction, which had sprung up or existed in Canada for the last forty years. He has been a radical, a reformer, a liberal, a conservative, a tory. He has been equally facile in accommodating his opinions to the change of situation. Commencing his political career as a ranting radical, he denounced the conservatives and tories as foes to the liberties of the people. Joining the tories, he stigmatized the reform and liberal party as rebels and annexationists, aiming at the destruction of British connection, and the overthrow of British supremacy on this continent. Nor has he been less versatile in his political creed.

At the head of a party of advanced liberal views he vindicated responsible government, and swept away a nominated Legislative Council. Associated with the Conservative party he defended a nominated Upper House, and declared it to be essential to the maintenance and continuance of limited monarchical institutions in the British possessions in North America. A professed free trader, he hesitated not to stand up as the champion of protection, and was the author of that absurd measure, since laughed to scorn, known as "The great national policy!" With great pretensions to financial ability, he, while Minister of Finance, in three years, ran up the ordinary expenditure of the country from \$14,000,000 to \$20,000,000! Loud in his professions of official integrity, he availed himself of his position as first Minister of the Crown, along with Mr. Bowes, Mayor of Toronto, to pocket £10,000, in negotiating the sale of Toronto bonds. Animated, as he claimed, by the loftiest patriotism, he launched the scheme for the construction of the Grand Trunk Railway, and mysteriously there appeared to his credit £50,000 of its paid-up stock, "without money and without price." While going about begging a recognition for past services to the country, he is met at every turn with the dark shadows of that monument of waste, extravagance, blighted hopes, and disappointed expectations, the foundations of which were laid by himself in the origin of that great undertaking. To escape the execrations of an outraged people, he took refuge in a Colonial Governorship, and having wearied out the Colonial office with fomenting factions in the colonies over which he presided, he at last retired into inactivity, and it is to be hoped, into obscurity. But his restless spirit could not tolerate repose. He returned to Canada, and held himself open for any offer of any party, and was ready to launch himself on any wave of faction that might carry him into office and emolument. Soon after his arrival, and acceptance of office in this country, he is re-

ported to have said at Ingersoll, when he was singing the cuckoo notes to the Reformers of Oxford, that his sympathies were with the Reform party; but, having been offered a position in a Conservative Government, he thought it his duty to Her Majesty to take it; for, as he said, "Her Majesty's Government must be carried on!" He wooed the Liberal party, but it spurned the advances of the grey-headed political lecher. He then paid his addresses to the Conservative party, which received his embraces, and has ever since maintained the meretricious connection, and is regarded as one of its great high priests. He has disavowed all sympathy, all connection with those who, in a generation now past, elevated him to position and power; and whom, with the characteristic ingratitude of the man, he now designates as "a band of hypocrites"—"an organized hypocrisy." He stands alone, the fossil relic of a by-gone generation; like

"The last rose of summer, left blooming alone;
His companions around him, all withered and gone."

And there, sir, for the present, he (Mr. Wood) intended to leave him, and to revert to the motion before the House. But, as introductory to the observations he had to make on that motion, he must make a few remarks in answer to the animaldevisions of the Minister of Customs (Dr. Tupper) the honourable member for Pictou (Mr. McDonald) and the honourable member for Vancouver (Sir Francis Hincks) upon the Liberal party, its policy and its leaders. It has been charged that the Reform party contributed nothing to the accomplishment of confederation; that since the union of the Provinces, that party and its leaders have sought its disruption, that they have endeavoured to arouse sectionalism, create dissatisfaction in the different Provinces, and to foment distrusts and jealousies, that the Liberal party has no policy, except that of obstruction, that it is opposed to material development, to the building of railways, the enlargement of old and the construction of new canals, to the making of needed harbours, the erection of light-houses, and generally to the promotion of all public works. On the other hand, it has been repeated with damning iteration, that the leader of the Government, the Minister of Justice, unaided and alone brought about Confederation—that by the wise policy of his counsels he has made that which only existed on paper a reality; and has by conciliation and a tender regard to the necessities and the just demands of the Provinces outside of old Canada, bound together all parts of the Dominion in unity, peace, and concord, that to the Conservative party and the exponents of the views of that party, in the person of the Minister of Justice and his Government, we must look for the future peace, advancement, and greatness of the nation.

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He (Mr. Wood) would venture to assert on the one hand that these charges were without the slightest foundation—in reason or in fact. They were false—false to the knowledge of the members of that House; false to the knowledge of the public intelligence of the Dominion; false to the knowledge of those who make them; while on the other hand, he contended, it was notorious that the Minister of Justice was slow to adopt the principle of Confederation, and that even at that time he was more than suspected of being hostile to its success—rather preferring, in so far as he is capable of forming any deliberate political opinion, a legislative to a federal union, and hoping at no distant day to see the jurisdiction of the Parliament of Canada extended over all the Provinces in all matters of legislation—in short, to see legislation usurp the place of confederation in the Dominion of Canada. Contrast this undeniable position of the First Minister with that of the leader of the Opposition. From the birth-day of the idea of Confederation, down to that hour, no man in the Dominion had done so much, in the House, out of the House, on the public platform, in the public press, at the social gathering, at the fireside, to inculcate and enforce the principle of Confederation in all its fullness, as the honourable member for Lambton. In season and out of season, through evil report and good report, in political adversity and many party discouragements of the past, and now in the present, the hour of his triumph, he had adhered, and still adheres, to the principle of Confederation with more than an eastern devotion; with more than a Roman firmness. Not a proposition had been made, not a measure had been introduced into that House, not a resolution had been moved, tending to cement more closely together the scattered Provinces, to establish a community of interests between them, to promote trade and commerce, to develop their latent resources, to facilitate and stimulate their industries, whether in the factory, in the field, in the workshop, in the mine, in the forest, or on the lakes and the seas, which had not received his able and his most earnest support. It had been his high and lofty aim, subordinating all other considerations, to make Confederation a complete success, and build up on this continent, on the foundations of the British North America Act, a great British power. If his contemporaries denied him this honour *then, the time would come when posterity and history would do him justice.*

There had not been so much difference in policy between the two great political parties as there had been in the means by which that policy should be carried out. *It had been and was the policy of the Opposition to have an honest and upright Government in this country. That the Government should rest its claims for support upon the merit of its policy and the wisdom and honesty of the measures adopted to carry it out, and not upon dollars and cents.* On the other hand it had been

and was the policy of the First Minister, not only since Confederation, but for the last twenty years, ever since he had acted a conspicuous part in the administration of public affairs to purchase support by a systematic course of bribery annually, under the forms of law in the appropriation Acts; by forced or voluntary contributions from an army of contractors, by an unwarrantable increase and multiplication of offices, and by the uniform prostitution of the patronage of the Crown to political and party purposes. We had no objection to any Government legitimately using this patronage among their friends; but the cardinal principle should never for an instant be departed from—"the public service, *first*; the reward for faithful political support, *second*;" and in the appropriation of public moneys, the first great question should be, "What does the public service require?" What will promote in the highest degree the general interests of the whole country?" In no case, under no circumstances, should any Government be open to the charge or the suspicion that even the smallest appropriation was made with the view of rewarding a partizan or of conciliating political support. This has always been the doctrine of the Liberal party. It was the rule of action of the Government of which he, Mr. Wood, was for four years a member. All patriotic men must subscribe to this principle. A departure from it leads inevitably to extravagance, and the rankest corruption; it destroys the independence of the representative; its influence is not confined to the halls of legislation, but it spreads through all classes of the elementary electoral body; it poisons all ranks of society; it substitutes selfishness for patriotism, cupidity for generosity, vice for virtue, and in its final results, dries up every disinterested, noble, and lofty sentiment of our nature, and saps the very foundations of the framework of society. He (Mr. Wood), repeated that before and since Confederation, the first Minister had retained place and power by an utter disregard of this principle, which with individual instances of direct bribery had done its work on the people of this country to an alarming extent. We meet at every turn scoffs and sneers at the mere supposition that there was any such thing as virtue, sincerity, truth, candor, or honesty in public men or in public life. Scepticism in the integrity of those occupying commanding positions of trust and power, and indifference to, and belief in the existence of vice in high places were gradually permeating all classes and conditions of men; and unless the people rose up in the might and majesty of their moral power and stayed the plague, shut up the flood-gates of corruption by hurling from power the men who had brought all these calamities on the country, his hope for the nation was gone. When it comes to this—when the Minister of Finance has the assurance, the unblushing effrontery, as did that honourable gentleman

last session, to stand up in his place in that House and admit that local appropriations to particular places were in a large degree determined in view of the fact whether or not the representatives from those places did or did not support the Government, we may well ask, can any one any longer refrain from "despairing of the Republic?" Who can withhold the ejaculatory prayer, "God pity our land!"

The Government through its measures in locating and constructing the Intercolonial Railway; in the establishment and organization of the Province of Manitoba; in the admission of British Columbia; in the measures for the building of the Pacific Railway; in the mode of preparation for the prosecution of various public works; in the stubborn refusal to give a good election law, and a law for the trial of electoral bribery and corruption, designedly leaving open the avenues for the direct use of money with impunity, of which in the elections which followed it availed itself to the fullest extent, must stand convicted of having through a course of years deliberately planned, and in so far as it could, executed one of the most astounding schemes for corrupting the whole body of the electors, and thereby to maintain and perpetuate its political power that was ever disclosed in the annals of any civilized country in the world.

For all this there was not the poor excuse of political pressure. A large majority of the representatives of both parties at the commencement of the first Parliament under Confederation were willing to let "by-gones be by-gones;" to forget the past and to hope for the future—generously to assist those who had been prominent in bringing about Confederation on paper, to establish and consolidate it in the minds and hearts of the people, to lend a hand in rearing on the formation-chart of our liberties, the superstructure of our new nationality, to enrich a column to adorn an entablature, and to assist in raising higher and higher in the sky the lofty dome of that edifice which should stand the shock and wear of ages, and afford a safe shelter, a sure protection to the people of a great country, and become the wonder and admiration of the nations of the world. The majority at the command of the Government was overwhelming. Honourable gentlemen on both sides, in the simplicity of their hearts believed the old days of the corruptions so rife in old Canada, had passed away never to return, and that all things had become new. He (Mr. Wood) was one of those who entertained these vain hopes, these patriotic aspirations. No one could say he had been a partisan. He thought all must admit that in his political career he had been guided by his convictions of right, however erroneous those convictions might be. It is said, "whom the gods determine to destroy, they first make mad." This Government of the first Minister, situated, circumstanced, and supported as he had mentioned, with a virgin constitutional chart in its hand, without a blot or a stain, em-

barrassed by no entanglements, deliberately departed from the highway of honest administration, and entered upon the long series of acts in violation of the constitution; bribery and corruption, too well known to need recapitulation, which culminated in those disclosures of July last, which cast a gloom over the Dominion of Canada, and shocked the moral sense of the civilized world. But he (Mr. Wood) was convinced the half had not been told. The country, by an accidental jar of the screen, had only a glimpse of what was behind the curtain; of what had been going on all these long years during which the first Minister had been governing this country. And when the country saw the criminals arraigned at the bar of public opinion on charges which, according to their own declarations, if proved true, should banish them, the truste guardians of the interests of a great and generous people, from the society of all honest men, and consign them to everlasting infamy; with what trembling, tumultuous anxiety have they awaited the publication of that evidence which, on their own admission, stamps them with the deepest guilt.

The only defence offered by Ministers and their defenders, is that bribery and corruption were practised in the last elections by many candidates of the Liberal party—that they should be condoned their offences because of their excellent policy, and their labours in the cause of "the great party of Union and Progress,"—because of their railway measures, and the impetus they have given to material progress in all the avenues of development and industry, and because to all these the Opposition had been persistently opposed. A poor excuse, if true, for the commission of great crimes. But it is not true. It is most untrue. Where he (Mr. Wood) would ask, is the evidence of it? Was it to be found in the parliamentary speeches, in the public utterances of those who were the leaders of the Liberal party? Was it to be found in the liberal subvention to railways in Ontario, in the railway schemes and undertakings fostered and aided by the Government there now being prosecuted, in the results of which might be seen the iron horse speeding his way in all directions all over that Province, and the iron track ramifying all parts of the country? Was it to be found in her munificence in insane asylum accommodation; in institutions for the deaf and dumb and the blind, and the unfortunate inebriate; in her reformatory prisons and her charitable and humane grants; in the reclamation of swamp lands; in her aids to drainage, in the improvement of navigable rivers, and in her other many and diversified public works, all tending to promote the interest of the country? Had not more been done in Ontario in this direction in the last four years than in the preceding twenty? He again asked, on what authority were these statements made? On what grounds did honourable gentlemen base their conclusions when

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they said they would support the Government, though it may have been guilty of irregularities, because it was in favour of railways and canals; and that they would make great efforts to maintain them in power, submit to many short-condings because that Government was first and foremost in all these things? Who had been first and foremost in this matter of the improvement of our inland waters and canals, or in the building of new ones? Who was it that at Confederation insisted that it should be solemnly declared in the Constitutional Act that so soon as the finances of the country would permit, the canals should be enlarged? and urged upon the Government the fulfilment of that pact in every session of Parliament from that day to this? Who was it that has urged the construction of the Sault Ste. Marie Canal? Who favoured the undertaking of the Ottawa and Huron Canal? Who first advocated the acquisition of the North-west Territories? Who first urged upon the Government the immediate construction of a coach road from Lake Superior to Fort Garry, and thence across the continent to the Pacific Ocean, and with all possible despatch a railway from Fort William to Fort Garry, and thence across the valley of the Saskatchewan to New Westminster in British Columbia? Who, sir, but the honourable member for Lambton? And yet they were told by the honourable member for Picton that from the consideration of the bearing of the policy of the Government upon all these great interests, he would be content that bribery and corruption should go on forever! He says,—“Let the Government be briber and corrupter, I care not; so long as I can prove of its policy in regard to these great questions I will vote its continuance in power.” Not only would he condone the offences of the past, but he would give a license for the future. From such a proposition he (Mr. Wood) turned with all the aversion of his nature. He heard it announced in that House with dismay. He would tell the honourable gentleman that the people of this House, though tainted, as some of its members unquestionably were, would never endorse such a sentiment. He was satisfied that the honest intelligence of the land would hear it with indignation and horror; that it would declare with crushing emphasis that all the wisdom, all the knowledge, all the forecast, all the excellency of judgment in the world in a Government, could never compensate the want of honesty, honour and truth. But the honourable gentleman is driven to no such alternative. Let him not be deceived. He (Mr. Wood) could show him as good and wise a policy, nay, more so, as had ever been propounded by the Government; (for to be quite confidential with the honourable gentlemen, he (Mr. Wood) had never been able quite to understand what, at any given period, was the policy on any public question of the gentlemen on the Treasury benches). He could point out to him on his (Mr. Wood's) side of

the House, intelligence the most settled and profound, patriotism the most exalted, judgment the most mature, industry the most indefatigable, and energy the most untiring, and to all these qualities were added honour, honesty, and truth. The party to which he (Mr. Wood) belonged, had never seen the day it could not count in its ranks great men by the dozen. It had a history of which it might well be proud. Its trophies constituted the very foundation of the liberties of the people. To that party we were indebted for responsible government. To that party we owed our magnificent municipal system. By the exertions of that party all religious denominational distinctions were swept away. The clergy reserves were taken from the churches and devoted to secular purposes, and every religious denomination was thrown for support on the liberality and voluntary contributions of its adherents. All the allurements of office, all the attractions of party triumph, could never induce it to abate one jot or tittle in its advocacy of a just and fair representation of the people in Parliament, although the success of the principle seemed almost impossible; and that party, as one man, gave its united strength to the consummation of Confederation; and since Confederation it has watched with the greatest vigilance the sacred charter of our liberties, struggling with its whole energy to hand down that instrument in all its essential provisions intact to posterity.

He (Mr. Wood) might be permitted to permit, in one or two brief remarks, to one or two side issues which had been raised. It had been stated that private letters and private documents had been stolen, and that these formed the evidence produced against the incriminated Ministers. Well, what has this House or this discussion to do with that? If any one had committed theft the Courts were open—prosecute the criminal. The evidence was laid before the House by command of His Excellency. The question for the House is what does it prove, not how was it obtained. If in connection with any letters or documents the privileges of the House had been violated, let honourable gentlemen formulate their charges. Sometimes it did happen in the mysterious ways of Providence, that after the greatest care had been taken to secure secrecy, something would intervene, something would come out, and that which was supposed to be securely hidden in the heart of man, is manifested to the world; and great crimes which, but for Providential intervention, would have remained wrapped in eternal secrecy, are exposed to the gaze of an astonished world. The detection and exposure of Ministers in the present case is an illustration of this Providential intervention. But why should Ministers complain? What harm has been done them? Letters or no letters, documents or no documents, you see, Mr. Speaker, Ministers insisted the evidence should be taken on oath, and as they presented themselves and told their story, why it all came

out. Why, sir, how could it be otherwise? For they would be sworn—they would speak on oath—they could not trust or believe themselves unless sworn. Who doubts they would have told the same story if no letters or telegrams had ever been produced? They are honourable men—all honourable men! Then why are they angry? Ah! sir, if the charges had not been clinched by these letters and those telegrams, you might have examined and cross-examined on the solemnity of a hundred oaths, to the great day of judgment, and not one solitary fact criminatory of Ministers which they are now compelled to admit when confronted by those documents, which cannot lie would have ever come to light—*Scripta manent!* Again it has been charged that certain documents, being in fact, in substance, all true, were published immediately after the failure of the Parliamentary Committee to proceed on the second of July. Well, what of it? Was not a furious and most indecent onslaught made on Mr. Huntington in this House, because he had made the charge on his "information and belief," without producing any confirmatory evidence? In the recent case of Major Persford, Secretary at War, the present Chief Justice of England, Sir Alexander Cockburn, moved for a committee of investigation on notice, and in so doing prefaced his resolution by a very elaborate and long speech, going over minutely all the documentary and other evidence which would be placed before the committee, in order to show the House there was a clear case for the intervention of Parliament. There it might have been objected there was a premature disclosure of the evidence to the prejudice of the accused. Although many participated in the debate, no such objection was raised. No doubt the proper course for Mr. Huntington would have been to have followed the precedent here given, and to have made a full disclosure from his place in Parliament. It will be recollected that after the committee had been appointed, on motion of the First Minister, Mr. Huntington did, on his motion to impound certain papers, attempt to read and state to the House all the evidence in his possession, but was violently interrupted by the First Minister, and on reference to you, Sir, was most wantonly and wrongfully stopped from proceeding with the statement with which he proposed to precede his motion. That these documents were not given to the House is not, therefore, the fault of Mr. Huntington, but of Ministers themselves. The publication in the public press could not have prejudiced Ministers. They had the same means of defence that Mr. Huntington had of attack; and the honourable member for Vancouver did avail himself of that weapon of defence. Ministers had a press at their command, ready to publish any explanations, any denials—do anything at the bidding of Ministers. It was ready to defend a Minister or defame an opponent—to affirm there was no truth in the charges of corruption

against Ministers, and at the same time to charge the Reform party with obtaining money from Jay Cooke & Co. to carry the elections against the Government—this same Jay Cooke & Co. being partners of Sir Hugh Allan in his Pacific Railway scheme, and through whom Sir Hugh drew and paid away for "preliminary expenses" \$40,000! Why, Sir, even the Minister of Customs did not think it beneath him the other evening, with the "sworn testimony" of the Commission before him, with great vehemence and pertinacity to make this senseless and meaningless accusation, without suggesting one tittle, one scintilla of proof, all the time knowing, as he must, that it was utterly fabulous, absolutely false. He (Mr. Wood) pronounced this charge a most infamous defamation on the part of the honourable Minister of Customs, and he meant to say and would call the attention of the Minister of Customs to the remark that he had from his place in that House made a charge against a great party, in support of which he never had, and never will have, the slightest proof whatever; for the best of all reasons, nothing of the kind ever occurred.

As he (Mr. Wood) had said before, the newspapers were open to Ministers and their supporters. They used them to slander their opponents. Why did they not use them to defend themselves? The evidence of the honourable member for Vancouver before the Commission was a mere repetition of what he had previously stated in the public press. He (Mr. Wood) found no fault at this. He merely alluded to it to show honourable gentlemen how senseless was the complaint of unfairness on the part of Ministers. The First Minister could have made his defence in the same manner. He did not choose to do so; and for his (Mr. Wood's) part, he attached the same weight to his sworn statements before the Commission as he would, had it appeared without oath in the public press—no more. The same might be said with regard to the other witnesses—the Minister of Marine, the Minister of the Interior, and the Minister of Public Works. All might have made their statements in the public press, and they would have been received by the public with just as much confidence as if made on oath. Why, he believed if they were incapable of stating the truth at all, they were just as able to state it without an oath as with it. These were the only Ministers who gave any evidence of importance; and therefore no unfair advantage was taken. The country had waited long and patiently for an investigation of these charges, and the Opposition had afforded every possible facility whereby an enquiry might be expedited; and failing the enquiry they thought that the country was entitled to have the evidence laid before it, and he fully justified the act. Without further prolonging the discussion, he would now proceed more directly to the motion. The motion said 'that the conduct of the Government in respect to the prorogation of this

'House on the 13th of August, and the acts disclosed in the evidence taken before the Royal Commission should deprive them of the confidence of this House, or expose them to the censure of this House.' He took it for granted that if the charges made against the Government by the honourable member for Sheffield were proved beyond all question, however painful it might be to them, honourable gentlemen would hold dearer to them their country than all personal ties. He hoped that the House would be able to rise up to the occasion as a whole. But he was no dictator. If, on the contrary, honourable gentlemen still believed, after all that had transpired, that there was nothing improper, nothing corrupt, nothing criminal in the transactions between Sir Hugh and Sir John, and the late Baronet, Sir George Cartier; if they believed from the relative positions they occupied one to the other that these transactions were decent and proper, that this was the way the Government of the country should be carried on, and that the Ministers of the day might repeat, as often as they liked, just such acts; then the painful duty which would devolve upon others would not be experienced by those whom he had just mentioned. He did not wish to follow the style, the manner or the matter of Ministers and their supporters in discussing this important question. The first branch of the charge was, that Sir Hugh made an agreement with certain American capitalists to furnish the money to take the stock, and to take a contract for the construction of the Canadian Pacific Railway, and that while these negotiations were going on (pending) the Government was aware of it. This branch of the charge went no further. It did not implicate the Government directly in these negotiations, but he contended the evidence conclusively established that for a long time after these negotiations commenced, the Government was aware of them; and from two interviews that took place, that the Government did not *disapprove* but *approved* of them. Now he was not prepared to say by any means that he censured the Government on this account alone. He was not prepared to say that the hon. member for Vancouver, Sir Francis Hincks, was censurable on this account. The hon. gentleman was most sensitive on this point; he had been most unjustly charged, no doubt, with having dabbled in Toronto bonds, and Grand Trunk stock, and therefore he seemed to feel very sore about the matter. He (Mr. Wood) was bound to say that he thought the conduct of Sir Francis Hincks was, viewed from the stand-point of that gentleman, unobjectionable. Taking his stand point that it was desirable to embark American capital in this scheme, which might be more easily accomplished than obtaining money in other directions to carry out the great undertaking, he could see nothing censurable, in itself, in his (Sir Francis,) connection with the matter so far as Americans were concerned. But the hon. gentleman should

have gone on and told them, if he ever did change his opinion, why he did it. This was the great question. It was a question for the Government. They had made a provision for the construction of this railway by the expenditure of a large amount of capital and enormous cessions of land. The work they had undertaken was one of vast magnitude, outrivalling in its proportions even the Mount Cenis Tunnel or the Suez Canal. It was a great undertaking, and would cost two or three hundred millions of dollars. (Cries of no one hundred millions.) He (Mr. Wood) was not an engineer, and the only light he had to guide him was that of experience, and the only way in which he could judge of the cost of the construction of railways was the cost of railways already built; and by reference to the cost of railways already built in all countries, it would be found that his estimate was not an over-estimate. The hon. member for Vancouver said that he gave the names of certain U. S. capitalists to Sir Hugh in July, 1871. Now it appeared from the evidence that the honourable gentleman must have had frequent interviews with Sir Hugh, and, in fact, he did not deny it. He could not, by the way, have had any interviews with him from August down to September, while engaged in his election in South Brant; but Sir Hugh stated that the honourable gentleman urged him in the strongest manner to undertake the construction of the road, saying that great profits and honour would come from it, and that he should secure the assistance of American capital; and yet did honourable members suppose that he did not tell all this to his colleagues? Well, then, they did know all about it. They did know that Jay Cooke, & Co. were early engaged in this matter; they did know that Jay Cooke, & Co. were the brokers for the Northern Pacific Railway; that they had their placards up in almost every public place all over the world, advertising the stock of the Northern Pacific Company for sale, and that they were trying to dispose of their securities all over Europe. They did know all this, and without their disapproval, at least, they knew that Sir Hugh was carrying on negotiations with Jay Cooke, & Co., this very firm who furnished the money for the purpose of obtaining a charter to form a body of capitalists, who should enter upon this great undertaking. Then, he asked, how it could be contended that this branch of the charge was not proven? Of course, Mr. Speaker, being yourself an eminent member of the profession, you know that lawyers are very careful about their statement of facts, particularly when they know that another was to follow, who would have the closing remarks. Now, he (Mr. Wood) appealed to the hon. member for Vancouver, and to the hon. member for Pictou, if, in the statement of facts which he had made, in respect of the negotiations between Sir Hugh and the Government and the Americans, was not borne out by the evidence.

Sir FRANCIS HINCKS—I say no.

Mr. WOOD—What will convince the hon. gentleman then? The evidence would have led one to suppose that these Americans came here and said, "We propose to build the Canadian Pacific Railway. Do you propose to let us?" and the Government answered no. But the Americans, on their first interview, brought along with them a certain proposition, signed by certain capitalists, because it was from this document the hon. member for Vancouver swore in his evidence he took the names. And yet that hon. gentleman said that he (Mr. Wood) overrated the evidence, when he said that the Government knew that Sir Hugh was negotiating with the Americans! Then, in October, these men came down again, and they had an interview with the whole Government nearly. The hon. member for Vancouver shook his head, but if he would take the blue book and look over it, he would find that this was true; ten members of the Government were present. Well, what did these men do? Why, they went into the Council Chamber, courtesies were exchanged, and they sat down, and then they looked at the Ministers, and the Ministers looked at them, and at last silence was broken; Sir Hugh was asked if he was prepared to make a proposition. Sir Hugh answered, "Are you prepared to entertain it if I make one?" The Government answered "No." Then, said Sir Hugh, "I am not prepared to make any proposition." That was the account of the interview given by the First Minister, flatly contradicted, as he (Mr. Wood) would show, from the nature of things and the sworn testimony of Sir Hugh. Did any one for a moment suppose no papers or documents were read, although produced; no talk about the railway, its course or its branches; nothing about land grants; nothing about a money subsidy; nothing about that, to talk over which, they had travelled thousands of miles.

Sir FRANCIS HINCKS—Nothing whatever was said.

Mr. WOOD—Nothing was said! What on earth then did they meet for? Why was the interview had? How can the members of the Government justify themselves in not speaking, in not finding out all they could as to what these capitalists were prepared to do, and what were their views in regard to this vast undertaking; in short, in not getting all the information they could on the subject? If the account given is correct, the Government was very derelict of duty. If the Government had any right to hold intercourse with these men at all, it neglected its duty in not obtaining all the information possible in respect of the ability of the parties to enter upon the enterprise, the nature of the undertaking and all other matters connected with it. He understood the honourable member for Vancouver to state in his evidence, that Ministers were looking about in all directions for infor-

mation concerning, and for men of capital to construct, the Pacific Railway. The First Minister made the same statement. He was most anxious he said to learn all that could be learned from all persons and all sources—and to enlist in it capital and capitalists wherever they could be found, and that he was inviting those in this country to take an interest in it, and thereby inspire confidence in the undertaking among capitalists in the great money markets of the world. The First Minister and the member for Vancouver met the American gentlemen first in the month of July, 1871, as he (Mr. Wood) had mentioned, when the member for Vancouver swears—"he heard what they had to say, and they produced a document signed by six, seven, or eight gentlemen of standing in the United States, and of known wealth. I forget their names now, but there was General Cass, Mr. Ogden was another, and, I think, Mr. Scott of Philadelphia, was another. The date was July, 1871, probably about from the tenth to thirteenth of July."

"I afterwards saw Sir Hugh Allan in Montreal." "I thought it was only fair to give him the list of names of those who were willing to engage in the building of the Pacific Railway. That conversation with Sir Hugh Allan must, I think, have taken place about the beginning of August."

Sir Hugh Allan, in speaking of this interview with the member for Vancouver, then Minister of Finance, swears—"In the autumn of 1871, I learned in conversation with Sir Francis Hincks, that certain American capitalists had proposed to the Government, through Mr. Waddington, to organize a company for the purpose of building the Canadian Pacific Railway, but that no action had been taken upon their proposition."

Again, in answer to the question—"Can you state particularly the conversation which passed between you and Sir Francis Hincks at the first interview, when it was suggested to you to apply to American capitalists for assistance?" Sir Hugh Allan swears—"At this distance of time I could not give any definite statement of the conversation, but I can give the general terms. Sir Francis Hincks came to my office in Montreal, and pointed out to me the fact that owing to the union with British Columbia, a railroad of that kind would have to be built; and that the Government had begun to enquire as to the means by which it could be built, and he himself was very anxious about it. They were not prepared to do anything, and had not made up their minds respecting it, but he wished to make enquiry in order to see in what way it could be carried out when the time came. He then stated that he felt very anxious that some of our own people should take it up and not leave it entirely in the hands of the Americans. He had no

"objection to American connections", but he thought the principal parties in it ought to be Canadians. He told me of an interview he had had with Mr. Waddington, Mr. Smith, and Mr. McMullen. He strongly recommended me to take up the enterprise, as being one which must redound greatly to any person who carried it out. He urged that it was a great enterprise; if the promoters succeeded they would be conferring a great benefit on the country. I was very reluctant to go into it at all. I felt that it was too large a matter, and too important, for a man with so much business on his hands as myself to engage in; but he was very urgent, and finally he persuaded me to agree to enter into it. At the same time I was very reluctant to do so. He then said that the best thing to do was to put myself in communication with those parties who have applied to us; you can make your own arrangement with them. You will find those gentlemen at New York, and you will find them more likely to take it up than the people in England, because they have already constructed two railways across the Continent, and are about commencing a third. They are much more likely to undertake it than our own people, who do not know anything about it, and who would be afraid of so large a sum."

And again to the question—"Were you induced by that conversation to enter into communication with your American associates?"

Sir Hugh Allan answered, "I was."

On the 7th December, 1871, Sir Hugh Allan telegraphs to C. M. Smith, of Chicago, as follows:—

"I do not think the Government will be prepared to deal with us sooner than the 18th inst. *Sir Francis Hincks is here*, (mark date) and hints at necessity of advertising for tenders to avoid blame."

On the 8th December, the next day, Sir Hugh Allan writes to the same gentleman as follows:—

"*Sir Francis Hincks called at my office this day and said that while he was as anxious as ever to arrange with us about the Rail-road, THE FEELING OF THE GOVERNMENT was that if they closed an agreement with us without advertising for tenders, they would be attacked about it in the House. I think this may be true, and in view of it I see no use in your going to Ottawa at present. But I think we should meet and arrange preliminaries, and decide on a course of action. If, therefore, you could come here about the 15th inst., I would go to New York with you on the 18th, and we could then put the affair in shape. Please advise me if this suits you.*"

On the 23rd of December, 1871, Sir Hugh Allan enters into an agreement with the American capitalists, among them Jay Cooke & Co., in which was stipulated the stock the

Americans should hold, and the stock Sir Hugh should retain, and the furnishing of funds by the Americans to pay what Sir Hugh calls "preliminary expenses."

The Session of 1872 commenced in April, and ended on the 14th of June.

During the Session, some of the Americans were in Ottawa, and constantly in and out of the House. The Bill to incorporate the Canada Pacific Railway Company prepared at the instance of the Americans, was introduced and passed late in the Session. Sir Hugh Allan was frequently at Ottawa, and was known to be acting in concert with the Americans. Everybody else knew this, and it is impossible to conceive that the Government was not fully aware of the fact—especially after the evidence he (Mr. Wood) had cited. Sir Hugh Allan during all this time, and down to the 24th of October, 1872, did not know that either Americans or American capital was to be excluded, as is manifest from his correspondence with the Americans. The Act incorporating his Company contains no clause indicating that any such exclusion was intended by the Government. The only restriction is found in the 17th clause in the following words:—"Provided that the President of the Company, and a majority of the Directors shall reside in Canada and be subjects of Her Majesty."

Sir Hugh Allan has not the hardihood to deny that during all this time, although during the passing of the Canada Pacific Railway Charter through the House he was in daily communication with different members of the Government and especially with the Premier and the then Finance Minister (Sir Francis Hincks), that no intimation direct or indirect was given to him by the Government or any member thereof that American influence was to be excluded. Why, Sir, if such were then the fact why was not the exclusion put in the Charter of the Canada Pacific Railway Company? If it were expressed to Sir Hugh verbally why did he not communicate it to his American associates? Why did he on the 28th of March, 1872, enter into a supplemental agreement with his American partners containing particulars which were afterwards embodied in the General Pacific Railway Act (not in the Canada Pacific Railway Company's Act) and which Sir Hugh could not have known except from the Government? But Sir Hugh in his sworn testimony puts this matter at rest. Why did Sir Hugh on the 1st of January, 1872 allow the Americans to pay the fees and charges on the bill to incorporate the Canada Pacific Railway Company and the Canada Improvement Company amounting to \$246.06? Why did Sir Hugh on the 2nd of May, 1872, during the very time the Canada Pacific Railway Company bill was passing through the House, draw on Jay Cooke & Co. for \$40,000 for, as he says "preliminary expenses"? And in respect to this \$40,000 Sir Hugh Allan swears—"It was arranged that the Americans

"would advance money for 'necessary preliminary expenses,' (Mr. Wood—what that means all know) and they paid in \$40,000 American currency for this purpose. A large portion of this was spent to their perfect satisfaction." But as to whether or not the Government had knowledge of these negotiations, in fact, knew all about them—Sir Hugh's sworn testimony puts the matter at rest. In speaking of the interview which took place with the whole Government in the Chamber of the Privy Council on the 5th of October, 1871, Sir Hugh swears—"Mr. Smith, Mr. McMullen and myself I think were the only ones to represent that interest. (Mr. Wood—American interest). There was perhaps another, but I think there were only three. I think the members of the Government numbered altogether nine or ten, and the discussion was participated in by Sir Francis Hincks and the deputation. Sir George Cartier never spoke during the whole time. Very few of the other members spoke at all. No opinion was expressed by the Government on the subject. I remember that I explained to them the route by which it was proposed to take the Railway, the advantages it would give to the Provinces, the means by which it could be built and the results that would probably arise from it. I don't think anything was said by any member of the Government except merely asking explanations on points which they did not quite understand."

Again, in the evidence of Sir Hugh taken on oath for which honorable gentlemen were so enamoured, occur the following questions and answers:—

Question.—"Do you know when the Government became first acquainted with the agreement between you and your American associates of December, 1871? They were not aware of it at that time?" (Mr. Wood—mark the answer.)

Answer.—"No, not for long after."

Question.—"Not at the time of the legislation of 1872?"

Answer.—"They were aware that negotiations were going on, and had gone on, but they had never seen the agreement."

Mr. Speaker, Did you ever hear of a question being put in which the answer desired was more completely put into the mouth of the witness? Judge Day after putting the general question, declares to the witness, "they did not know it at that time." The witness taking the hint, makes the evasive answer, "No, not for a long time after." Then that impartial judge asserts interrogatively to the witness—"Not at the time of the legislation of 1872?" Mark the ambiguity and evasion in the answer—"They were aware negotiations were going on, and had gone on, but they had never seen the agreement." Then it turns out that the Government did know even of the agreement with the Americans "after" it was made, and that "at the time of the legislation

of 1872" "they were aware of the negotiations" and "knew all about the agreement with the Americans but they had never seen the agreement."

He would make one more citation from the evidence "taken on oath" on this branch of the indictment. Sir Hugh Allan having reference to the proviso in the 17th Section of the Canada Pacific Railway Company's Charter: "Provided that the President of the Company and a majority of the directors shall reside in Canada, and be subjects of Her Majesty" swears:

"And in consenting to the legislation introduced into the House, I thought I was only deferring to a prejudice which I myself considered without foundation. I did not hesitate to intimate that if a suitable opportunity offered, they should be permitted to assume a position in the Company as nearly like that which they and I had agreed upon as circumstances would permit. And as I entirely disbelieved the statements that were made as to their disposition to obstruct the Canadian Pacific, and considered that they might be of great use in furthering its construction, especially in the event of a failure of the negotiations in England, I had no hesitation in placing myself individually, in the position of favoring their admission into the Company, if circumstances should permit of it. It was in that spirit that what is said in my private letters now published, was written to the gentleman to whom they were addressed, and if matters had taken such a turn as to permit with propriety, of those intentions being carried out, I should have felt myself bound to adhere to them. But in point of fact, when the discussions as to the mode in which the Company should be formed, were entered upon with the Government late in the Autumn, I came to understand decisively, that they could not be admitted, and I notified them of the fact, and that the negotiations must cease between us, by a letter which has not been published in the *Herald*, but which was in the following terms:—

"Montreal, 24th October, 1872.

"MY DEAR MR. McMULLEN,—

"No action has yet (as far as I know) been taken by the Government in the matter of the Pacific Railroad. The opposition of the Ontario party will, I think, have the effect of shutting out our American friends from any participation in the road, and I apprehend all that negotiation is at an end. It is still uncertain how it will be given (the contract), but in any case the Government seem inclined to exact a declaration that no foreigners will have directly or indirectly any interest in it. But everything is in a state of uncertainty, and I think it unnecessary for you to visit New York on this business at present, or at all, till you hear what the result is likely to be."

"Public sentiment seems to be decided
"that the Road shall be built by Canadians
"only.

"Yours truly,

(Signed) "HUGH ALLAN."

So, Mr. Speaker, after all the interviews, private conversations, and social intercourse of Sir Hugh with different members of the Government, with whom he says, whenever he met any of them he was always talking "Pacific Railway;" after all the legislation and subsequent correspondence of all which the Government had knowledge and notice, yet the Government never announced to him that Americans and American capital were to be excluded till in the month of October, 1872!

But, it is said, the Premier had determined on exclusion during the legislation of 1872. If so, why did he not announce the fact to Sir Hugh? Why did he not incorporate that exclusion in the Pacific Railway Act, or in the Canada Pacific Railway Company's Charter? Ah, sir, the fact is, as Sir Hugh swears, and as his correspondence and acts demonstrate, no such exclusion was then intended, and no intimation of any such exclusion was ever given till late in the month of October, 1872. And, sir, let him (Mr. Wood) ask how this change of base was brought about? He would tell honourable gentlemen what Sir Hugh swears was the fact, that it was the odious Grits who accomplished this great act of state. It was they who first raised the objection to American influence. It was they who first bruited it from one end of the land to the other. It was they who gave the note of warning. It was they who sounded the tocsin of alarm—who roused public opinion to the appreciation of the onward march of the insidious foe—to the imminent danger that was threatening the independence, nay, the very existence of the free institutions of this country; and, in deference, if you please, sir, to a vulgar error, the Government was, at last, in the month of October, 1872, compelled, ostensibly at least, to exclude on paper Americans and American capital from this great enterprise—compelled for the present, at least, to abandon that "credit mobilier" which the First Minister had sanctioned by an Act of Parliament, the stock of which, like that of Oakes Ames' celebrated "credit mobilier" was "to be placed where it would do the most good," and the country was saved the infliction of one of the most gigantic schemes of bribery and corruption that was ever concocted in the world.

He (Mr. Wood) did not think it worth while to pursue this branch of the subject further. He had not intended when he commenced speaking to dwell at any length on the allegation in the charges of Mr. Huntington,—

"That in anticipation of the Legislation of
"last session, as to the Pacific Railway, an
"agreement was made between Sir Hugh
"Allan, acting for himself, and certain other
"Canadian promoters, and G. W. McMullen,

"acting for certain United States capitalists,
"whereby the latter agreed to furnish all the
"funds necessary for the construction of the
"contemplated railway, and to give the for-
"mer 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 was aware that
"negotiations were pending between these
"parties."

He had thought the fact of the existence of the agreement with the Americans and Sir Hugh Allan, and that the Government was aware, at least, that negotiations were pending between the parties, was so indisputable that no honest man could deny it. But the honourable member for Vancouver had the temerity to do so. He now has demonstrated before him much more than was charged. On the "sworn testimony" of himself and Sir Hugh Allan, his own witness, it is established beyond all reasonable doubt that not only did the Government know that "negotiations were pending," but it was aware of the existence of the agreement with the Americans, although it had not seen it. All this the honourable gentleman has brought down on himself and the honourable gentlemen on the treasury benches by his recklessness and rashness.

Before going to the second branch of the charge, he wished to refer to the very learned argument of the honourable member for Picton. That gentleman had said it was perfectly impossible there should have been any agreement between Sir Hugh Allan and the Americans, as the parties had no charter at the time the agreement was made,—that, circumstanced as they were, no legal agreement could be made. Did the honourable gentleman never hear of preliminary agreements among the promoters of an undertaking, in pursuance of which an Act of incorporation was sought and obtained, whereby such agreements, although not binding at first, became valid, binding and operative?

He (Mr. Wood) had heard of such things; had in fact come across such things in his reading. Mr. Speaker, this style of remark is trifling with the common sense of this House, and is unworthy even the honourable member for Picton. Such arguments are perfectly harmless. They may satisfy that honourable gentleman and his admirers, but they will not impose upon the plainest understanding in the House or the country. And now, Mr. Speaker, as to the second branch of the charge,—

"That, subsequently, an understanding was
"come to between the Government, Sir Hugh
"Allan and Mr. Abbott, one of the members of
"the Honourable House of Commons of Canada,
"that Sir Hugh Allan and his friends should
"advance a large sum of money for the pur-
"pose of aiding the elections of Ministers and

"their supporters at the ensuing general elections, 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 instance 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 United States capitalists under the agreement with him."

He (Mr. Wood) wished to treat this branch of the case as logically, as succinctly and as fairly as he possibly could. Let it not be forgotten that the complaint against the Government divides itself into two parts. The first he had disposed of; the second he was then entering upon. It was in substance, *"that an understanding was come to between Sir Hugh Allan and the Government, or some member or members of the Government, the purport of which was that Sir Hugh should advance money to aid in the election of Ministers and their supporters at the then approaching general election, and that ultimately Sir Hugh should be the President of a Company which should have the contract to build the Canadian Pacific Railway."*

If this part of the indictment failed, the whole charge would fall to the ground. This in fact was the gravamen of the complaint.

Whether honourable gentlemen would believe him or not, was to him a matter of indifference, but he could tell them that if the evidence before the House in the report of the Commissioners convinced him that these charges were unfounded no man in the country would be more pleased than himself. What personal object could he possibly have for pressing a verdict against Ministers? Why should he desire to destroy the character of the Minister of Justice? Why should he seek to fasten on the fair fame of his native land the foul stain of venality and corruption? Would the political success of himself and his party be any compensation for so great a disaster to the country? God forbid that any man should ever occupy a place in this House who would forswear his conscience and barter away the character of his political opponents, and the fair fame of his country for the doubtful advantages of a party triumph, who would pronounce incriminated ministers guilty of *"high crimes and misdemeanours"* on insufficient and inconclusive testimony! A charge of this kind could never be expected to be established by mere verbal evidence, unsupported by documentary proof, and the irresistible logic of facts. To a case so made out, no pretensions of innocent intention can be a defence, however solemnly sworn to. It is analogous to the case of fraudulent contracts or dealings so common in our courts. To ena-

ble the court in a civil action to interfere on the ground of fraud, it must be possessed of the facts. The intention of the parties to act fraudulently or otherwise is a conclusion to be derived from proved or admitted facts, and is not itself susceptible of proof, and is not properly a fact but is a result flowing from facts, or a conclusion of fact drawn by the court or jury. Evidence to prove conclusions of facts or conclusions from facts is never admitted—is never permitted—in civil suits or actions where the gist of the contention is fraud. From these observations, it will be seen that a large part of the evidence taken by the commission can have but little if any bearing upon the subject in controversy. Of this kind are all the statements of Sir John Macdonald, the Hon. Mr. Campbell, the Hon. Mr. Langevin, and Sir Hugh Allan, as to motives and intentions. These must be determined, as had been said, from admitted or proved facts and the surrounding circumstances, and not by direct evidence: for one obvious reason that the nature and character of motive and intention can be known only to the actor, and if he is permitted himself, by his own statement, to determine that character, there is an end to the whole case; for he cannot be contradicted directly, but only by a species of secondary evidence, mainly by inferences to be drawn from facts. For example, suppose the Premier were to be asked "did you sell the Canadian Pacific Railway contract to Sir Hugh Allan?" He most unquestionably would answer "No." Again, suppose the First Minister were to be asked "were you influenced in any way whatever in incorporating a new company, making Sir Hugh Allan president and giving that company the Canada Pacific Railway contract, from the fact that Sir Hugh Allan had advanced you and your colleagues \$162,000 to enable you to get returned such a House of Commons as would give you a majority," what would—what must his answer be but "No!" All the denials of all the men in the world cannot affect in the smallest degree the conclusion which must be drawn from the confessions of Ministers as to the character of the dealings and transactions of the Premier, the late Minister of Militia, and the Minister of Public Works with Sir Hugh Allan in respect of the Canadian Pacific Railway. We were told that we should look upon the transaction with a charity that "thinketh no evil"—with a pre-determined resolve to put an innocent construction on these most extraordinary disclosures; and judge them in the light of British precedents. Did any one tell him in all the history of British politics, if an accusation of this kind were brought before the public it had not been sternly condemned by the united voice of the Empire? He (Mr. Wood) knew of none. No doubt, if any such there were, honourable gentlemen who were to follow him would be able to point them out. (Sir John A. Macdonald—I can do so.) Mr. Wood—Well, then, the right honourable gen

tleman should be happy, and this House would know that the schoolmaster was abroad! Mr. Speaker, let us now proceed to examine the evidence. He would first take up that of the honourable member for Hochelaga (Mr. Beaubien,) of which he had made a synopsis. He says in substance:—

"I admit I got \$7,000. It was to be paid out of the \$85,000 contributed by Sir Hugh Allan for the election in Montreal East. I did not get it from that source. Some of my friends got some small sums from that fund. Some of my friends asked Sir Hugh to give me money to reimburse me some of my election expenses. Sir Hugh gave me \$7,000, for which I gave a receipt as near as I can recollect worded as follows:—'Received from Sir Hugh Allan, the sum of \$7,000, which I agree to repay within one year, if he be not sooner reimbursed along with other monies advanced by him in aid of the elections.' I suppose Sir George Cartier knew when I got the money. I suppose Sir Hugh told him. I had not the original receipt, only a copy. I gave the original receipt to Sir Hugh. It was drawn up in Mr. Abbott's office. For all I know that document is now in Sir Hugh's possession. I considered that receipt a note. I have no means of knowing whence he expected to be reimbursed. I had no idea at all where the money was to come from, and my opinion is Sir Hugh himself did not know where it was to come from. Many a time he said he did not know that he would ever be reimbursed. Sir Hugh told me all the money he was giving in support of the elections he thought would be a dead loss. I supposed he was to be reimbursed from the profits of the enterprise!"

Now, he (Mr. Wood) asked his honourable friend from Pictou to draw a conclusion from the statement of this witness. Here was a witness produced by the accused, put into the box by themselves, examined in chief and cross-examined by themselves, with no one to check extravagant statement or straighten on evasive answer, and he closed up by saying he got \$7,000 from Sir Hugh through Sir George Cartier, in aid of the Pacific Railway, and which was to be reimbursed to Sir Hugh as other moneys paid by him on account of the elections, from the profits of the Pacific Railway! What, again he (Mr. Wood) asked, was the inevitable inference? Could it be anything else than that Sir Hugh paid that \$7,000 along with all the other moneys paid by him in aid of candidates at the elections, on account of some connection he was promised or hoped to obtain in respect of the Canada Pacific Railway. He (Mr. Wood) paused for a reply. Honourable gentlemen are silent, and well they may be. Ah, say, honourable gentlemen, this was a subscription. A subscription indeed! The receipt given for it is very much like an election subscription! The sham is too patent to merit

an observation in reply to such a suggestion. Was that the way voluntary subscriptions to elections were procured? But, it is pleaded—grant that it cannot be explained by saying it is a voluntary subscription to an election fund; Sir Hugh expected to be reimbursed out of the profits from the Northern Colonization Railway between Montreal and Ottawa, from the railway which would carry it on to the Sault Ste. Marie, to the intersection of the Pacific at Mattawa, and from the railway projected from Ottawa to Toronto. What had the elections to the Commons of Canada to do with these projected railways? What had the Government at Ottawa or the Parliament of Canada to do with these railways? Nothing—absolutely nothing. The whole evidence showed that the only reason why Sir Hugh pretended to be interested in these minor enterprises was because in his opinion they were a means to an end. They would enable him to control the Government of the day. \$30,000,000 of money and 50,000,000 acres of land! All this is now disclosed. What was once mysterious is now manifest to the comprehension of the poorest understanding. Sir Hugh did not expect profits from these local enterprises. Dealing with these was merely a game at tennis-ball, preparatory to the titanic play of rocks and mountains. The real truth came out when his correspondence with his American associates was published. What was opaque then became transparent. The fogs, and clouds, and mists in which this great nabob of steamboats had hid himself rolled away, and he and his co-conspirators against the morality, the independence, and the liberties of the people, became revealed in all their deformity. Sir Hugh was pretending, only pretending, to take an interest in these local works, to secure his twenty-seven members in Quebec, and through them to operate upon the great leader (Sir George Cartier), who, as he said, and as the fact really was, had kept Sir John McDonald in power for twenty years, and he did operate upon him. He wrote, "In all these enterprises, all pointing to the Pacific Railway, I have expended \$350,000," and he swore, "These sums, with the preliminary expenses on the Pacific and various railways in which I was engaged, more or less connected with the Pacific enterprise, made up the amount to \$350,000."

The next person to whom he would allude was the right hon. gentleman at the head of the Government. That right hon. gentleman would address the House on this question, and make his own defence; and he b'la right to be heard; and he (Mr. Wood) hoped he would be listened to patiently and attentively; and he would fain wish it possible that, in the face of what seemed to him (Mr. Wood) incontrovertible facts, evidence, admissions, and logic, the Premier would be able to establish his innocence. It would be almost like a miracle; but it was said the days of miracles had not passed away.

The scene was now changed, in so far as the principal actors were concerned. Parliament had been prorogued on the 14th of June, 1872. About the middle of July, Sir George Cartier went to Montreal, and about the same time the Premier went to Toronto. It appeared about this time the Premier began to become alarmed at the unpopularity of his Government in the country, although one would think he might have known for some years back he had been gradually losing the confidence of the people, by the policy and measures of his government. He (Mr. Wood) did not know how this was in Quebec; but he knew one thing, and that was borne out in the evidence in the Commission, that at that time Sir George came to the conclusion it was necessary to make some desperate efforts to recover his lost ground in Quebec. The leader of the Government said that Sir George had, for some unexplained reason, become obnoxious to a large number of his supporters in the House, because of his connection, as solicitor, with the Grand Trunk Railway, and supposed opposition to the Northern Colonization Railway. He was quite prepared to think with the Premier that hostility to Sir George on this ground was irrational. Nevertheless it existed. Sir Hugh had availed himself of this prejudice and his money, and detached from Sir George, and attached to himself 27 of the 45 supporters of Sir George, and was fast undermining Sir George's own position in East Montreal; all for the purpose of extorting from the Government the building of the Canada Pacific Railway. A coldness existed between Sir George and Sir Hugh. It was necessary this breach should be made up. The defeat of Sir George, and the estrangement of his followers would overthrow the government. The general elections were at hand. The situation was becoming desperate. Something must be done. To prove the truth of these observations, and to illustrate the situation, he would cite an extract from the sworn evidence of Sir John Macdonald, and two letters of Sir Hugh—one to Mr. McMullen, dated 12th July, and one to General Cass, dated 1st July, 1872.

"I may say, with respect to the expression 'in that telegram, that this should be accepted by Sir Hugh Allan' that I had regretted to find that there had been a sort of coolness between Sir Hugh Allan, and Sir Cartier, and not only between Sir George Cartier and Sir Hugh Allan, but between Sir George and his Lower Canadian friends. They had got the idea that Sir George was not so friendly as he ought to have been to the Northern Colonization Road, in which a large number of Lower Canadians took great interest, especially the Montrealers, and of which Sir Hugh Allan was President, and that in fact they had got the impression that Sir George Cartier was throwing cold water on all those enterprises which Sir Hugh Allan had entered upon, and this of course, unless it were removed, would be fatal to Sir

"George Cartier, and in Lower Canada would lose him Parliamentary support, and, of course, lose the Government Parliamentary support. The idea had been industriously spread abroad that Sir George, as being the Solicitor or Counsel of the Grand Trunk Railway Company, was not anxious to promote any railway enterprise that might be a rival or competitor of that railway. This was so much the case that a good deal of feeling had been created respecting Sir George Cartier's supposed course of action, and that a deputation which has been already spoken of, which I am aware had come to Ottawa to press upon him so far as they could the necessity of taking an active interest in the Northern Colonization Road, and other railways, extending the Northern Colonization west, including the Pacific Railway, and that the Montreal interest, as represented by Sir Hugh Allan, should not be ignored. I sent that telegram on the 26th of July, and I was glad to receive a communication from Montreal, I am not sure whether it was from Sir George himself, or from Mr. Abbott, or Sir Hugh Allan, but from one of the three, stating that Sir George had expressed himself with respect to all these enterprises in a manner which satisfied the Montreal interest, including Sir Hugh Allan and his political friends in Montreal. And I may say here, that it was on hearing that, that any communication arose respecting election funds. When Sir George Cartier and I parted in Ottawa, he to go to Montreal, and I to go to Toronto, of course, as leading members of the Government, we were anxious for the success of our Parliamentary supporters at the elections, and I said to Sir George that the severest contest would be in Ontario, where we might expect to receive all the opposition that the Ontario Government could give to us and our friends, at the polls. I said to him, you must try and raise such funds as you can to help us, as we are going to have the chief battle there. I mentioned the names of a few friends to whom he might apply, and Sir Hugh Allan amongst the rest, and that he was interested in all those enterprises which the Government had been forwarding. When, therefore, I ascertained that Sir George had put it all right with his friends, I then communicated to my friends in Montreal, Sir George and Mr. Abbott, stating I hoped they would not forget our necessities; that they would see to raise some funds for us in Ontario. On the 30th, I think of July, I received a letter from Sir Hugh Allan, addressed to me at Kingston, stating that he had come to an arrangement with Sir George Cartier. He did not send me a copy of the arrangement itself, but he said he had come to an arrangement, and had reduced it to writing, stating generally the terms of the arrangement. I was not satisfied with this. It was not in accordance with my telegram of the 26th, and although it was exceedingly

"inconvenient for me, for I was in the heat of my election, and was receiving a most stern opposition, I telegraphed back at once that I would not agree to it at all, but that I would go down to Montreal that night or the next night, and see them, so that there might be no mistake or misapprehension in the matter. It appears that Sir George Cartier saw Sir Hugh Allan at once, and informed him that I objected to the arrangement that had been made, and that unless the proposition contained in my telegram of the 26th July was adhered to, that I would go down to Montreal and discuss the whole matter with them. I then received two telegrams, one from Sir Hugh Allan, and the other from Sir George Cartier, which I fortunately kept, which I shall read. This is dated 31st July. It is from Sir George Cartier. It commences as follows: 'I have seen Sir Hugh Allan. He withdraws the letter written to you, since you make objection to it, and relies for a basis of arrangement on your telegram to me, of which I gave him a copy, &c.'"

"MONTREAL, 12th June, 1872.

"G. W. McMULLEN, Esq.,
"Russell House, Ottawa,

"DEAR SIR,—

"I have this day received a telegram from you, dated at New York, asking me to meet you in Ottawa to-morrow on important business. I am unable to go, and if the important business refers to the Pacific Railroad scheme, I do not think it necessary I should go. *I believe I have got the whole matter arranged through my French friends by means of Sir G. that we will have a majority, and other things satisfactory.* I have told you all along that this was the true basis of operation, and that anything else was powder and shot thrown away, and I think so still. You should come here and see me before you carry out any important transaction or pay any money. I want you to get a correct copy of the Government Bill and our own Bill, because we have first to consider how far they will suit our friends, and we may have to go to New York to consult them.

"I will be in town to-morrow and Friday. I will be absent on Saturday, but will return here on Monday and be here till Friday.

Yours, truly,
(Signed), HUGH ALLAN."

MONTREAL, July 1st, 1872.

"G. W. CASS, Esq.,
"Liberty-street, New York.

"MY DEAR SIR,—The negotiations regarding the Canadian Pacific Railroad are now approaching a termination, and I have no reason to doubt they will be favourable to us. I have been given to understand by

"Mr. McMullen that he has regularly kept you informed of the progress and position of affairs; hence I have not communicated with you on the subject as often as I otherwise would have done. No doubt he informed you that, thinking as I had taken up the project, there must be something very good in it—a very formidable opposition was organized in Toronto, which, for want of better, took as their cry, 'No foreign influence,'—'No Yankee dictation,'—'No Northern Pacific to choke off our Canadian Pacific,' and others equally sensible.

"So much effect, however, was produced both in and out of Parliament by these cries and the agitation consequent on them, that after consulting Mr. McMullen I was forced unwillingly to drop ostensibly from our organization every American name, and to put in reliable people on this side in place of them. It will be apparent to you that at this point Mr. McMullen and I differed a little as to the means to be adopted to influence the Government itself. Two opposing companies desiring to build the railroad, were formed, the one from Ontario having the greatest number of names, while that from Quebec had the greatest political power,

"Mr. McMullen was desirous of securing the inferior members of the Government, and entered into engagements of which I did not approve, as I thought it only a waste of powder and shot. On a calm review of the situation I satisfied myself that the whole decision of the question must ultimately be in the hands of one man, and that man was Sir George E. Cartier, the leader and chief of the French party. This party has held the balance of power between the other factions. It has sustained and kept in office and existence the entire Government for the last five years. It consists of 45 men who have followed Cartier and voted in a solid phalanx for all his measures. The Government majority in Parliament being generally less than 45, it follows that the defection of one-half or two-thirds would at any time put the Government out of office. It was therefore evident that some means must be adopted to bring the influence of this compact body of members to bear in our favour, and as I soon made up my mind what was the best course to pursue, I did not lose a moment in following it up.

"A railroad from Montreal to Ottawa through the French country, north of the Ottawa river, has long been desired by the French inhabitants, but Cartier, who is the salaried solicitor of the Grand Trunk Railroad, to which this would be an opposition, has always interposed difficulties, and by his influence prevented it being built. The same reason made him desirous of giving the contract for the Canadian Pacific into the hands of parties connected with the Grand Trunk Railroad, and to this end, he

"fanned the flame of opposition to us. But I saw in this French Railroad scheme, and in the near approach of the general elections, when Cartier as well as others had to go to their constituents for re-election, a sure means of attaining my object, especially as I proposed to carry it through to the terminus of the Pacific. The plans I propose are in themselves the best for the interests of the Dominion, and in urging them on the public I am really doing a most patriotic action. But even in that view, means must be used to influence the public, and I employed several young French lawyers to write it up for their own newspapers. I subscribed a controlling influence in the stock, and proceeded to subsidize the newspapers themselves, both editors and proprietors. I went to the country through which the road would pass and called on many of the inhabitants. I visited the priests and made friends of them, and I employed agents to go amongst the principal people and talk it up.

"I then began to hold public meetings and attended to them myself, making frequent speeches in French to them, showing them where their true interests lay. The scheme at once became popular, and I formed a committee to influence the members of the Legislature.

"This succeeded so well, that in a short time I had 27 out of the 45 on whom I could rely, and the electors of the ward in this city which Cartier himself represents, notified him that unless the contract for the Pacific Railroad was given in the interests of Lower Canada he need not present himself for re-election. He did not believe this, but when he came here and met his constituents he found to his surprise that their determination was unchangeable.

"He then agreed to give the contract as required, in this way that there would be 17 Provisional Directors, of which Ontario would have 8 and we 9,—thereby giving us the control. We at once proceeded to organize the Company (our section) and they named me the President, D. McInnes, of Hamilton, Vice-President; E. L. de Bellefeuille, Secretary; and the Honourable J. C. Abbott, Legal Adviser.

"We have advertised that the books for subscription of stock will be opened 15th July at the different places named in the Act, and we have notified the Government that we are willing to take the contract for building the Canadian Pacific Railroad on the terms and conditions prescribed in the Act. The next thing to be done is to subscribe the stock, which must be done by British subjects only, and ten per cent. of the subscriptions must be paid in cash, at the time of subscribing. We have the right of subscribing nine-seventeenths (9-17) at present, and of taking up whatever the other party

"may not subscribe at the end of one month. I have arranged in the meantime that if you will send a certificate of the equivalent of \$1,000,000 gold having been placed by Jay Cooke & Co. to the credit of the Merchants' Bank of Canada, Montreal, in their own Bank in New York, it will accept the cheques for the subscription, but no money will pass till the contract is entered into, and then ten per cent. on the amount of stock awarded us will have to be paid in to the Receiver-General. Be pleased, therefore, to send me, as early as possible, powers of attorney to subscribe the stock and Jay Cooke & Co's certificate above mentioned. I have had several letters from England offering to take the whole thing up if we desire to part with it, but it looks to me too good to part with readily. If you desire any further information I will go to New York next week, if you desire it, and communicate with you personally. Please telegraph if you wish to see me, and the day. As you may suppose, the matter has not reached this point without great expense, a large portion of it only payable when the contract is obtained, but I think it will reach not much short of \$300,000.

Yours faithfully,

(Signed) HUGH ALLAN,

"I presume you desire that unless we can obtain and secure a majority of the stock you could not take any, but on this point I wish to be instructed."

H. A."

The foregoing extract from the evidence of Sir John and the letters of Sir Hugh give a lively photograph of the situation.

Then Sir George Cartier saw, the leader of the Government saw, Sir Hugh Allan saw, too, that something must be done in the Province of Quebec to gain support for Sir George. Then Sir George was to go to Montreal and see if these matters could not be reconciled. It was not so stated in the evidence, but no doubt, according to the letters of Sir Hugh Allan it was so. He took it for granted that Sir John Macdonald had an opportunity to examine Sir Hugh Allan on this point, when the latter was being cross-examined before the Commission—but he had not done so—he would not say that these letters of Sir Hugh were good evidence against the Premier, they might be good evidence against Sir Hugh Allan if he were put on his trial for corruption against this House. They might not be moral evidence, but when they were filed and made part of his evidence at the instance of the Premier, he took it, they might be held as proper evidence against him, he having the opportunity of cross examination. On the 16th of July, or just about the time Sir John was distressed in view of what was going on in Ontario, Sir George was distressed at what was going on in Quebec, and Sir Hugh Allan who was

not distressed at all, was the chronicler of the events transpiring about him, and was in communication with honourables in the United States, and was giving these Americans an account of the progress of events from day to day. Therefore there was tremendous force in the letters unless Sir Hugh was asked to contradict them. Well, they all agreed, and it was said that Mr. McMullen had tried to influence inferior members of the Cabinet. He did not know which of the members of the Cabinet were the inferior, but he did not think Sir Francis Hincke was meant. It was well known that Sir Francis had stated after his defeat in West Brant, he would have resigned, but he did not feel justified in doing so until he had launched the Pacific Railway; Sir Francis knew a thing or two about launching railway schemes. He it was who launched the Grand Trunk Railway a quarter of a century ago. The aged patriarch snuffed the plunder afar off. Mr. McMullen was trying to influence inferior members of the Cabinet; but the great commercial man, Sir Hugh, saw that by laying his hand on the leaders, by securing Sir George, and taking advantage of the cupidity of Sir Francis, and the necessities of Sir John, he had the whole matter in his own hands; then he began to operate on principle and to work systematically, and soon obtained control over twenty seven members, and then he shook in Sir George's face defeat in his own Riding. They were all anxious, Sir Francis was anxious for an indefinite loan, Sir John was anxious for money to be used in Ontario elections, Sir George was anxious for his very political existence, and the Minister of Public Works with the \$32,000 in his pocket was anxious for the Quebec interest, but still more anxious, as some say, to pocket the money. Sir Hugh was anxious, but his anxiety was passing away for he had the Government of a great country in his power. And then Sir Hugh stated in his evidence that between the 16th and 31st of July, he had frequent interviews with Sir George, and on the 31st of July he wrote that he had the whole thing in his hands. It was said that Sir Hugh had got a verbal promise of payment for the money he had paid, but was it to be supposed that a commercial man would be satisfied with a mere verbal declaration? No. Sir Hugh said on the 29th of July Sir George sent for him. Did any one contradict that? He did have an interview with Sir George on the 29th, and the matter of agreement was talked over. Sir George probably talked a great deal, and Sir Hugh a very little. Both had an object to serve. On the 30th of July what occurred? Sir Hugh Allan, with Mr. Abbott, was seen at Sir George's again; they went there in the morning. He would take the evidence of Mr. Abbott and Sir Hugh Allan together on this point. He would be disposed to take that of Mr. Abbott's as the more accurate. According to that evidence, they discussed the matter

all the morning until about one o'clock, and they came to an understanding on the Pacific Railway. Sir Hugh said the railway letter was signed about one o'clock, but he was inclined to think he was mistaken; in fact, Mr. Abbott shewed he was. That letter was not signed then, but a conclusion was come to by them. Now, what did Sir Hugh Allan want the letter for, if he was not going to occupy a better position than anybody else, with respect to the railway? But they settled another matter. Just as Sir Hugh was going away, Sir George remembering Montreal East was requiring assistance, and calling to mind what Sir John had told him, by accident happened to say, notwithstanding he was charged by the First Minister to do so, "Oh! are you not going to help us in our elections?" Now, Sir Hugh knew what was coming, and had expected it all the time, therefore it did not surprise him; nor did it surprise the member for Argenteuil. But it must be noted that Sir Hugh Allan, in his evidence, never used the word subscribe, but the Commissioners were most studious in making use of that word. That word seemed to be the whole defence in the case. The Government had not disclosed what their defence was; but, as he understood it, it was on that word *subscription*. But was it to be believed that Sir Hugh Allan with all his wealth, with all his commercial greatness and enterprise, would not have been astounded with the request for \$100,000, unless he was to get a good sound consideration? But the request did not seem to shock either Sir Hugh Allan or the member for Argenteuil. Sir Hugh did not say where is your subscription list. No, for there was none. But what did he say? He said, make a memorandum of what you want; and then they began to talk how the request was to be put in the memorandum. Mr. Abbott then went away to fix it in his own office. And when there, he first framed the Pacific Railway letter, and then sat down to draft the other letter for Sir George Cartier. Then he and Sir Hugh took the two to Sir George's office. Sir George found fault with the railway letter, and made some corrections; and when he came to the other, it was all wrong, and he undertook to write out what it should be; but as he did not write very readily, Mr. Abbott undertook to write it, but found it most difficult to frame a letter which, if it came out, would be very unpleasant for the parties. He (Mr. Abbott) thought the whole thing should be left to memory; it should never be committed to writing. But it was finally settled, and read thus—

"DEAR SIR HUGH,—The friends of
"the Government will expect to be
"assisted with funds in the pending
"elections, and any amount which you
"or your Company shall advance for that
"purpose shall be repaid to you."

"GEORGE E. CARTIER."

"A memorandum of immediate requirements is below :—"

"Sir John A. Macdonald, \$25,000.

"Hon. Mr. Langevin, 15,000.

"Sir George E. Cartier, 20,000.

"Sir J. A. (additional), 10,000.

"Hon. Mr. Langevin, 10,000.

"Sir George E. Cartier, 30,000."

Now that was signed and delivered to Sir Hugh Allan; but note that it seemed important to the Commissioners—no doubt there was some legal principle struggling for birth in their minds—to find out whether or not he got the Railway letter before he received the "monetary conditions letter." It did not make any difference; but, as it happened, they were both got at the same time. Did the House believe that Sir Hugh Allan would ever have given a dollar of that money if the transaction had not been closed? He might have given \$5,000 or \$10,000; but it was not natural to suppose he would have given \$162,000. But the House was told this was a "subscription to elections." It was painful to see how the Commissioners thrust the word "subscription" into every man's mouth all through the examinations. From the beginning to the end of the investigation there was no person asked where the "subscription list" was; there was no person asked "was there any person's name to the list, or if Sir Hugh's name was on it." The House knew it was no "subscription," but a business transaction. There was not a person of common sense in the whole country who would get up and say that Sir Hugh Allan would have given all that money for a "subscription." It was proper for him to tell the House and the country that Sir Hugh allowed the Railway letter to be withdrawn; but not the monetary conditions letter. It must be borne in mind that when Sir George Cartier went to Montreal about this matter, Sir John Macdonald went to Toronto to make arrangements with Mr. Macpherson, under which Sir Hugh might be satisfied. Then he came to Kingston, and sent a telegram to Sir George on the 26th of July. This telegram bore a very important part in the whole matter.

It was—"Sir George Cartier, Montreal."

"Have seen Macpherson. He has no personal ambition, but cannot in justice to Ontario concede any preference to Quebec in the matter of the Presidency, or in any other particular. He says the question about the Presidency should be left to the Board. Under these circumstances, I authorize you to assure Allan that the influence of the Government will be exercised to secure him the position of President. The whole terms to be as agreed on between Macpherson and Abbott. The whole matter to be kept quiet until after the elections. Then the two gentlemen to meet the Privy Council at Ottawa, and settle the terms of a provisional agreement. This is the only practical solution of the difficulty, and should be accepted at once by Allan. Answer."

"JOHN A. MACDONALD."

He asked the House what was the great urgency at that time? Why should Sir Hugh Allan *accept at once*? Why did the first Minister telegraph down to Sir George in the midst of the excitement of the elections, that now the thing must be arranged? How long after that telegraph was sent did the Pacific Railway matter lie in abeyance? On the 26th of July there seemed to have been great difficulty. But why was that difficulty to be then settled; why was it to be determined then that Sir Hugh Allan was to be made President? Could the Minister of Customs give any other reason than that \$162,000 was wanted for the elections? It was nonsense to pretend there was any other reason. The country could not be trifled with in this way. The Railway letter was withdrawn, but Sir Hugh Allan had obtained all he wanted, for he had got Sir George to agree to the proposition of the first Minister. He knew that he was to be President, and that the contract was secured to him. It is true, there was nothing to show that any superior advantage was given to Sir Hugh; but it was not necessary that there should be. But there was, he must confess, something in that charter that was never contemplated by this House. It was understood by the House and the country that the Company was to be bound to take alternate blocks extending back twenty miles on either side of the Railway throughout its entire length, where the lands were unoccupied or unlocated; but by the charter, the Company is obliged to take only one mile in depth where the lands are not fit for agricultural purposes, and to make up for lands rejected, may take lands of the best quality in the North-west territory. If there was an honourable gentleman on the other side of the House who so understood the explanation of the Government he should like to hear him say so then. But it was not necessary for him to show that any undue advantage was given. The question was did they use their position for the purpose of obtaining money to aid them in the elections. If they did, the principles which govern every deliberative body in the world imperatively called upon that House to use every means at its command to overthrow them. The railway letter of the 30th July was communicated to Sir John Macdonald, who was not satisfied with it. The letter differed in no respect from the telegram, except that the number of the directors was stated. Sir Hugh did not care a fig about the letter; what he wanted was something with Sir George Cartier's signature to it, and he said, "you may consider the letter as withdrawn, and I will take the telegram in place of it;" but the cunning old fox kept the letter! He telegraphed to Sir John, telling him he might consider the letter of the 30th July from Sir George as withdrawn, and he would take his (Sir John's) telegram of the 26th July "as the basis of their agreement." Sir George Cartier had telegraphed in the same strain; and one showed

the telegram to the other, and the thing was all settled, and then Sir Hugh felt that he was master of the situation. He felt then that his solid phalanx of twenty-seven members had been of some use to him; he recollected that he might have to spend half a million, but what was that with a railway having thirty millions subsidy in cash, and enough land to carve out four or five provinces as large as Manitoba. In the letters to his American friends, Sir Hugh said, "I hope in ten days or so to have the contract signed, and would like to leave immediately after to go to England to raise the money to build the line. I have disbursed \$343,000 in gold, which I want to get repaid. I have still to pay \$13,500, which will close everything off. I will go to New York as soon as the contract is signed, say about 7th October, and would be glad to meet you there at that time." In the letter of the 6th August, to Mr. McMullen, Sir Hugh said, "I have been hoping from day to day that some conclusion which I could communicate to you would be arrived at respecting the Pacific Railroad negotiation, but some obstacle to cause delay has always intervened. The near approach of the elections, however, and the stand taken by my French friends, that they would lend no help till I pronounced myself satisfied, has at length brought the matter to a crisis, and I think the game I have been playing is now likely to be attended with success. Yesterday"—(and by this Sir Hugh Allan and Sir John Macdonald said that when he said yesterday he meant recently.)—"yesterday we entered into an agreement by which the Government bound itself to form a Company of Canadians according to my wishes. That this company will make me President." (Look at the telegram, "*You shall have the Presidency.*") The letter continued, "and that I and my friends will get a majority of the stock, and that the contract for building the road will be given to this company in terms of the Act of Parliament; Americans are to be carefully excluded, in the fear that they will sell it to the Northern Pacific. But I fancy we can get over that some way or other.

"This position has not been attained without large payments of money. I have already paid over \$200,000, and I will have at least \$100,000 more to pay. I must now soon know what our New York friends are going to do. They did not answer my last letter."

This letter was directed to "Dear Mr. McMullen." He (Mr. Wood) did not know Mr. McMullen, and he did not care to know him; but honourable gentlemen should recollect that every anathema that they hurled against Mr. McMullen did not stop short of falling with equal force on the Premier. As to the honour of the American gentlemen, Sir Hugh Allan swore they were highly honourable men!

Just at this period Sir Hugh writes to General Cass. It must not be forgotten that although Sir Hugh was cross-examined on these letters, no attempt was made to show them inaccurate.

The following is the letter to General Cass:

MONTREAL, 7th Aug., 1873.

"DEAR SIR,—I wrote you on 1st July, giving you a detailed account, up to that date, of the events and my movements in connection with the Canadian Pacific Railroad," &c. And further on, he said "It is unnecessary to detail the various phases through which it (that is, the negotiations), passed, but the result is that we yesterday signed an agreement by which, on certain monetary conditions," &c. Monetary conditions! He (Mr. Wood) wanted to call the attention of the House to the fact that this was the most important piece of evidence in the whole blue book.

It being six o'clock, the House rose for recess.

After recess, Mr. Wood resumed.

He was saying at the recess, that the great point of this whole case centered about the transactions that took place in Montreal between the 16th and 31st of July. He had gone on to show that on the 30th of July an understanding was come to between Sir George and Sir Hugh and Mr. Abbott, in respect of the Presidency of a Pacific Railway Company, and of the granting of the contract for the construction of the Canadian Pacific Railway to that company. He had demonstrated that from that time Sir George and Sir Hugh and the hon. member for Argenteuil acted harmoniously together. He had remarked, also, that they must confine themselves in respect of this matter to arguments deducible from the evidence taken under oath, and the letters of Sir Hugh, put in as part of his sworn testimony just as they stand, except as explained or directly contradicted by him. He had shown that from the evidence taken under oath, and especially from the depositions of the hon. member for Argenteuil and Sir Hugh, who were the only two living parties to the transactions with Sir George at Montreal, regarded in the light of Sir Hugh's explanations and declarations given at the time in the sincerity and confidence of private correspondence, it was apparent that Sir Hugh ultimately regarded the telegram from Sir John A. Macdonald of the 26th of July, which had been concurred in by Sir George himself, as "*the basis of an agreement*" or "*as an agreement*" between himself and the Government, to the effect that he should be made president of a company to be formed under Royal charter, either by the amalgamation of the two companies, the Canada Pacific and the Inter-Oceanic, if possible, and if impossible, of a company to be formed by the Government, to be composed as far as practicable of members of the two companies, and that this company should have the contract for the construction of the Canadian Pacific Railway on the terms of the

Act of the then last session. He had referred to two letters which had been written by Sir Hugh simultaneously with these occurrences to two of his American associates, and had said it must be borne in mind that Sir Hugh had sworn that these persons were honourable gentlemen! All honourable men! And that the First Minister having a profound interest in this controversy, although present when Sir Hugh "swore his swear" before the Royal Commissioners, and took no exception to this declaration of Sir Hugh, and although Sir John did cross-examine him, he did not attempt to contradict, explain away, or break the force of these letters—and he (Mr. Wood) had further asserted that the whole of Sir Hugh's depositions pointed conclusively to the absolute truth of the letters written by him contemporaneous with these events, and that the conclusion to be drawn from all these facts and circumstances was the great question before the House and the country. Sir Hugh, writing on the 7th of August, to General Cass, says: "We yesterday signed an agreement, by which on certain 'monetary conditions,' they agreed to form a company, of which I am to be the president, to suit my views, to give me and my friends a majority of the stock, and to give the company, so formed, the contract to build the road on the terms of the Act of Parliament, &c., &c." Now, he (Mr. Wood) asked Mr. Speaker, he asked the House, he asked Ministers of the Crown, who were involved in this matter, what did Sir Hugh mean by "monetary conditions?" Had any one ever yet been able to arrive at any other judgment, than the inevitable conclusion which flowed from it? Did he mean on "monetary conditions" relating to the Pacific Railway? The newspapers suggested that this was the way it was to be explained. But the absurdity, the impossibility of putting such a construction upon it, was found in the letter itself; because, immediately after he says, "On the terms and conditions of the Act of Parliament, a subsidy of \$30,000,000 cash, and 50,000,000 acres of land." If he had stopped "at monetary conditions," it might have been urged that this construction was the correct one; but, fortunately for the elucidation of this case; fortunately for the cause of truth and right, he did not stop there; he went on and said, according to the terms and conditions of the Act of Parliament, specifying explicitly what those terms and conditions were. Then he (Mr. Wood) asked the House, he asked Mr. Speaker, he asked the country, he asked the whole civilized world, wherever the English language was spoken, wherever purity of Government was valued, he asked them to put a construction upon these words, *certain monetary conditions?* What did Sir Hugh himself say about these "monetary conditions," before the Royal Commissioners? The hon. gentleman here referred to Sir Hugh's evidence on this point. He then continued—On the 31st of July, the agreement between Sir George

and Sir Hugh was cancelled, in so far as the railway letter was concerned, and Sir George and Sir Hugh adopted the telegram of the 26th of July, as the basis of the agreement, and Sir Hugh, writing on the 6th of August, said they had completed an agreement. What documents then remained in life? The telegram of the 26th of July, and the other the monetary letter of the 30th of July, wherein the Government said, "We want you to aid us in the elections, and we expect you to give \$110,000 at once." These were the documents that remained in force and vigour on the 6th of August, and the Commissioners knew it; and Sir Hugh's answer to the Commissioners was, that he had this agreement consisting of telegrams and the "monetary letter," but that he had no contract under the great seal of Canada; that he knew where the power of the Government lay in the matter. It lay with Sir George and Sir John, whose assent to the telegram agreement was verified by their signatures. He had more than this; when he wrote those letters on the 6th and 7th of August, he had their receipt for monies paid on the terms of the foot-note to the monetary letter of the 30th of July, and these were as strong as any document under the great seal of Canada, and he knew it. Every receipt given for every additional sum of money, was a recognition of the original contract. Hon. gentlemen might smile; it was not only in this House that such things were smiled at and jeered at, when transactions like this were brought to light, and charged home to them in their own homes and consciences. They tried to laugh it off and said, "There was no 'virtue in the world, and if you can get any 'thing for your vote, you had a right to do 'it.'" That was the scandalous immorality that these gentlemen were teaching in this country; and when it was brought home to them, they turned round and laughed. He would pursue their course of corruption a little further, from the "sworn testimony taken under oath." The only documents which could be called an agreement, were contained in Sir John's telegram of the 26th of July, and the letter of the 30th of July, the "monetary letter."

He (Mr. Wood) with the permission of the House, would here group together and read, in the order of date, the letter of Sir Hugh to Mr. McMullen of the 16th of July, the telegram of Sir John of the 26th of July, the two letters of Sir George, the railway contract letter, and the monetary letter of the 30th of July, the telegrams of Sir George and Sir Hugh to Sir John of 31st July, closing up the whole matter, and Sir Hugh's letters to Mr. McMullen and to General Cass, dated the 6th and 7th of August, giving an account of the transactions to his American associates, a speech of Sir Hugh's at a public meeting in Montreal, in the presence of Sir George, on the 9th August, and lastly, a letter to Mr. McMullen of the 16th of September, summing up the whole case with a statement of his outlay.

" MONTREAL, July 16, 1872.

" MY DEAR MR. McMULLEN,—I feared you had got entirely lost in the depths of matrimony, but I am glad to notice by your letter dated 11th inst., that you have got safely back.

" Since I saw you last, the Pacific Railroad (Canada) scheme has gone through many phases, and its present position is difficult to describe.

" Sir George Cartier has been in town for some days, and I have had several interviews with him. He now tells me that he does not now, and never did intend to deal with either Macpherson's Company or ours, and that he only allowed them to get incorporated as a matter of amusement. But he says he always intended that the Government would form its own Company, who would carry on the work under the orders of the Government, according to the views of the Government engineers, and with money furnished by the Government. He says that he and Sir John A. made up their minds to this long ago, but did not tell any of their colleagues.

" A kind of negotiation is going on with both Macpherson and myself, relative to the composition of this Government Company, but it has not come to anything as yet. Meantime the period of the elections is drawing near, and unless the matter is arranged satisfactorily to Lower Canada, Sir George Cartier's prospect of being returned is very slim indeed. I cannot foresee with any certainty the ultimate result, but the decision cannot be long put off.

" I will advise you as soon as anything is positively known.

" Yours truly,
(Signed) " HUGH ALLAN."

(Private.)

" July 26th, 1872.

" SIR GEORGE CARTIER, Ottawa:

" Have seen Macpherson. He has no personal ambition, but cannot, in justice to Ontario, concede any preference to Quebec in the matter of the P., or in any other particular. He says the question about the P. should be left to the Board. Under these circumstances I authorize you to assure Allan that the power of the Government will be exercised to secure him the position of P. The other terms to be as agreed on between Macpherson and Abbott. The whole matter to be kept quiet until after the elections; then the two gentlemen to meet the Privy Council at Ottawa, and settle the terms of a provisional agreement. This is the only practicable solution of the difficulty, and should be accepted at once by Allan. Answer.

(Signed), " JOHN A. MACDONALD."

" MONTREAL, 30th July, 1872.

" DEAR SIR HUGH,—I enclose you copies of telegrams received from Sir John A. Macdonald; and with reference to their con-

" tents I would say that in my opinion, the Governor in Council will approve of the amalgamation of your Company with the Inter-Oceanic Company, under the name of the Canadian Pacific Railway Company; the Provisional Board of the amalgamated Company to be composed of seventeen members, of whom four shall be named from the Province of Quebec, by the Canada Pacific Railway Company, four from the Province of Ontario by the Inter-Oceanic Railway Company, and the remainder by the Government; the amalgamated Company to have the power specified in the 10th section of the Act incorporating the Canada Pacific Railway Company, and the agreement of amalgamation to be executed between the companies within two months from this date.

" The Canada Pacific Company might take the initiative in procuring the amalgamation, and if the Inter-Oceanic Company should not execute an agreement of amalgamation upon such terms, and within such limited time, I think the contemplated arrangement should be made with the Canada Pacific Company under its charter.

" Upon the subscription and payment on account of stock being made, as required by the Act of last Session, respecting the Canadian Pacific Railway Company, I have no doubt but that the Governor in Council will agree with the Company for the construction and working of the Canadian Pacific Railway, with such branches as shall be agreed upon, and will grant to the Company all such subsidies and assistance as they are empowered to do by the Government Act. I believe all the advantages which the Government Act empowers the Government to confer upon any company, will be required to enable the works contemplated to be successfully carried through, and I am convinced that they will be accorded to the Company to be formed by amalgamation, or to the Canada Pacific Company, as the case may be.

" I would add, that as I approve of the measures to which I have referred in this letter, I shall use my best endeavours to have them carried into effect.

" Very truly yours.

(Signed), " GEO. E. CARTIER."

Private and Confidential.

" MONTREAL, 30th July, 1872.

" DEAR SIR HUGH,—The friends of the Government will expect to be assisted with funds in the pending elections, and any amount which you or your Company shall advance for that purpose shall be repaid to you.

" A memorandum of immediate requirements is below.

" Very truly yours.

(Signed), " GEO. E. CARTIER."

NOW WANTED.

"Sir John A. Macdonald, \$25,000.
 "Hon. Mr. Langevin, 15,000.
 "Sir George E. Cartier, 20,000.
 "Sir John A., (additional), 10,000.
 "Hon. Mr. Langevin, 10,000.
 "Sir G. E. C., (additional), 30,000."

"MONTREAL, 24th August, 1872."

"DEAR SIR,—In the absence of Sir Hugh Allan, I shall be obliged by your supplying the Central Committee with a further sum of \$20,000 upon the same conditions as the amount written by me at the foot of my letter to Sir Hugh Allan, on the 30th ult."

"GEORGE E. CARTIER."

"P. S.—Please also send Sir John Macdonald \$10,000 more, on same terms."

"MONTREAL, 31st July, 1872."

"TO SIR JOHN A. MACDONALD :

"Have seen Sir Hugh, he withdraws letter written you since you make objection to it, and relies for basis of arrangement on your telegram to me of which I gave him copy."

"Matters go on well here. Hope they are same with you. Don't think it is necessary for you to come down here Saturday. I want to be out of town on Sunday, but will remain here if you specially desire to see me. Answer."

"G. E. CARTIER."

"MONTREAL, 31st July, 1872."

"TO SIR JOHN A. MACDONALD :

"I have seen Sir Geo. Cartier to-day, you may return my letter or regard it as waste paper, it was not intended as anything official. Your telegram to Sir Geo. is the basis of our agreement, which I have no doubt you will approve of. He purposes to go out of town on Saturday afternoon, and I am persuaded his health will be benefitted thereby."

"HUGH ALLAN."

"MONTREAL, August 6, 1872."

"DEAR MR. McMULLEN,—I have been hoping from day to day that some conclusion which I could communicate to you would be arrived at respecting the Pacific Railroad negotiation, but some obstacle to cause delay always intervened. The near approach of the elections, however, and the stand taken by my French friends, that they would lend no help till I pronounced myself satisfied, has at length brought the matter to a crisis, and I think the game I have been playing is now likely to be attended with success."

"Yesterday we entered into an agreement by which the Government bound itself to form a Company of Canadians only, according to my wishes, that this Company will make me President, and that I and my friends will get a majority of the stock, and that the contract for building the road will be given to this Company in terms of the Act of Parliament. Americans are to be care-

"fully excluded in the fear that they will sell it to the Northern Pacific. But I fancy we can get over that some way or other."

"This position has not been attained without large payments of money. I have already paid over \$200,000, and I will have at least \$100,000 more to pay. I must now soon know what our New York friends are going to do. They did not answer my last letter."

"Yours truly,

(Signed) "HUGH ALLAN."

"MONTREAL, 7th August, 1872."

"G. W. CARR, Esq., New York :

"DEAR SIR,—I wrote you on 1st July, giving you a detailed account up till that date of the events and my movements in connection with the Canadian Pacific Railroad. I have not had any acknowledgment of the receipt by you of that letter, but I presume it reached you in due course. The questions I asked you, however, remain unanswered, and I now proceed to inform you of the progress of the negotiation since my letter."

"The policy I adopted has been quite successful. The strong French influence I succeeded in obtaining, has proved sufficient to control the elections, and as soon as the Government realized this fact, which they were unwilling to admit, and slow to see, they opened negotiations with me."

"It is unnecessary to detail the various phases through which it passed, but the result is that we yesterday signed an agreement by which, on certain monetary conditions, they agree to form the Company, of which I am to be President, to suit my views, to give me and my friends a majority of the stock, and to give the Company so formed the contract to build the road, on the terms of the Act of Parliament, which are \$30,000,000 in cash and 50 million acres of land with all other advantages and privileges which can be given to us under the Act, and they agree to do everything in their power to encourage and assist the Company during the whole period of construction. The final contract is to be executed within six weeks from this date—probably sooner."

"Our opponents are to get the minority of the stock, and they regard us with great jealousy and dislike in consequence of their defeat, and on that account the Government is obliged to stipulate that no foreigner is to appear as a shareholder, so as to avoid the former city of selling ourselves to the Northern Pacific, and succumbing to foreign influence. The shares taken by you, and our other American friends, will therefore have to stand in my name for some time."

"We shall get \$6,000,000 of the stock out of the whole capital of \$10,000,000."

"I again ask you if the parties are willing to take the reduced amount of stock in the same proportions as the amounts signed for previously."

"As is my duty, I offer it to you, but there are plenty desirous to get it. Ten per cent. on the amounts will have to be paid up and deposited in the hands of the Government as security, but will be returned, I think, as soon as the work is fully begun. The expenses incurred in bringing the matter to this point have been very great. I have already paid away about \$250,000, and will have to pay at least \$50,000 more before the end of this month. I don't know that even that will finish it, but I hope so.

"Of course this will all have to come from the subscribers of the \$6,000,000 stock. If you elect to go on with the subscription, I will visit New York about the end of this month to settle the details with you. Please reply as early as convenient.

"I am, yours faithfully,

(Signed) "HUGH ALLAN"

Speech of Sir Hugh at a public meeting in Montreal East on 9th Aug., 1872, in the presence of Sir George Cartier, as reported in the *Montreal Gazette*:

Sir HUGH ALLAN, who was received with loud cheers, accompanied by some groans, said:—

Gentlemen, I am very glad of this opportunity of appearing before you this evening, as I wish to thank you very sincerely for the confidence you continue to repose in me. I am proud of that confidence, and I will be careful not to do anything that might give you cause to withdraw it from me. I hope you will not believe any thing you may hear to my prejudice without giving me an opportunity of setting myself right with you, and you need not fear my being able to do so. (Cheers.) I presume you are all aware that I never interfere or take any active part in politics. The position I occupy in connection with the lines of steamships, prevents me from becoming a political partisan; and while I, in common with every man in the Dominion, have my own opinions on such matters, I have never communicated them to the public. This reticence is even more necessary in my position as a promoter of those great systems of railroads we are about to undertake. I need not tell you that even under the most favourable circumstances great difficulties have to be encountered, and we will need the good will, and, perhaps, even the active assistance of all parties in the Dominion, to bring to a favourable termination these gigantic enterprises. It would therefore be very unwise in me to act in such a manner as to excite the hostility of any party in the country. On this account I do not propose to make a political speech on the present occasion, but will rather confine my observations to the consideration of the present position of the great schemes contemplated. In a confederation of Provinces such as that in which we have the happiness to live, we must bear in mind that every Province has its own rights, which cannot be

disregarded by the others. I do not mean to contend that the population alone confers these rights. On the contrary, while that element has an important bearing on the question, there are others such as position, wealth, trade connections, and geographical situation which cannot be overlooked. It is in this sense, I have always contended, that Lower Canada and the city of Montreal, should have an influential voice in the arrangement of these railroad questions, and while I would do no injustice to any of the other Provinces, I maintain that as through lines of communication they have less direct interest in them than we have. (Cheers.) You are aware that two rival companies have been contending for the contract to build the Pacific Railroad. The policy of the Government is to have these companies amalgamated, and then to give the contract to the company thus formed. The terminus is to be at or near Nipissing, and arrangements are in progress for the construction of a branch from there to Hull, where it will join the Northern Colonization Railroad, thus virtually bringing the terminus of the Pacific Railroad to the east end of the city of Montreal. Measures to secure this amalgamation are already in progress. Your representative, Sir George E. Cartier, coincides with me on all these points, and in the basis of arrangement which he has agreed to recommend to his confreres in the Ministry on the Pacific Railroad question, they have been carefully kept in view. Of course you know that it is only a basis of arrangement that has been arrived at, but I am satisfied that if the views expressed by Sir George E. Cartier are adopted by the Government, as from their reasonable nature there is every reason to expect they will be, the interests of this city and of Lower Canada will be secured, while at the same time every consideration is given to all the other Provinces of the Dominion. I think no time should be lost in getting the contract prepared and signed as soon as the Government can meet. I have every reason to be satisfied with what Sir George has done, and I believe the results will be approved by all. (Cheers.) A speaker at one of the political meetings in this city last week ventured to insinuate, that in my negotiations with your representative I was contending for the interests of the lines of steamships with which I am connected, as much as for the railroad. This statement is entirely void of truth. I assure you, gentlemen, that the subject of steamships or mail contracts never was alluded to in any of our discussions directly or indirectly, and I appeal to Sir George Cartier himself to confirm the statement I now make, that I have made no attempt in any way to connect the Steamship Company or its vessels with the subjects discussed. The railroad, and that alone, has been under consideration. I trust these explanations will be satisfactory to you; and now, having arrived at this point, I must ask of you to

continue your full confidence in your faithful and long-tried representative, Sir George Etienne Cartier. I hope you will elect him by acclamation, and prove to him that you will be faithful to him as long as he is faithful to you, which I have no doubt will be as long as he is in Parliament. (Cheers.)

Montreal, Sept. 16, 1872.

"DEAR McMULLEN,—“I wanted at this time to have a meeting in New York to see what our friends there were disposed to do, but to-day I have a letter from General Cass, stating that he is leaving New York for Chicago, there to join Mr. Ogden, and the two are going to Puget Sound. They say no meeting can be held till the 15th of November, which will not do at all.

“I hope in ten days or so to have the contract signed, and would like immediately after to go to England to raise the money to build the line. I have disbursed \$343,000 in gold which I want to get re-paid. I have still to pay \$13,500 which will close everything off. I will go to New York as soon as the contract is signed, say about the 7th October, and would be glad to meet you there at that time.

"HUGH ALLAN."

"G. W. McMULLEN,

553 Washington Street, Chicago, Ills."

The hon. gentleman then quoted from the evidence bearing upon these letters, and the interviews between Sir Hugh Allan and Mr. Abbott and Sir George Cartier. He then proceeded—he had now read all the direct evidence and cross examination bearing upon these letters. He wished to call the attention of honourable members of this House and the members of the Government who took the trouble to be present when the discussion of this most important question was going on, and particularly the attention of the honourable Minister of Customs to page one hundred and fifty of the blue book, containing the cross-examination of Sir Hugh, in which he explicitly states that the "monetary conditions letter" of Sir George, of the 30th July, and the telegrams of the 26th and 31st of July make the agreement to which he refers in his letters of the 6th and 7th of August. By an examination of the evidence of the Minister of Justice they would find that he started out by saying that from the very first, from the incorporation of the Ontario and Quebec Companies as he called them, he saw that it would never do to make a contract with either one or other of them. It was stated by Ministers in the House that it was intended that there should be competition; but the Minister of Justice told them that he never intended to give the contract to either company. Before the agreement was made, which they were then discussing, Sir George made the same communication to Sir Hugh Allan, as Sir Hugh states in his letter of the 16th of July. Sir Hugh under that date writes:—"Sir

"George Cartier has been in town for some days, and I have had several interviews with him. He now tells me that he does not now, nor never did intend to deal with either the Macpherson Company or ours, and that he only allowed them to get incorporated as a matter of amusement, etc., etc." Sir John Macdonald said that before he went to Toronto he did not intend to give the contract to either one company or the other, because it would create jealousies, and would be disastrous to the Government. Sir George entertained the same opinion; the Minister of Justice, as he (Mr. Wood) saw, went to Toronto on the 20th of July, and on the 26th sent the telegram in question from Kingston. Interviews were had between Sir George and Sir Hugh from the 16th down to the 30th of July, when the two celebrated letters were written by Sir George. Now, the only difference between the railway letter of Sir George, and the telegram of Sir John was, that by the former the number of directors was to be 17, and in the event of the failure to bring about an amalgamation of the two companies, the contract was to be given to the Canada Pacific Company, Sir Hugh having waived this letter of the 30th of July, and settled down on the telegram of the 26th, described the matter in his letter of the 6th of August as a closed agreement. He would not detain the House further with observations in this line, but would proceed to draw their attention to the opening paragraph of Sir Hugh's deposition. He (Sir Hugh) said, "With reference to my statement or to any other that I may make, I wish the Court to understand that at this distance of time—from one to two years—during which many changes have taken place, and as a matter of course, I cannot exactly charge my memory as to conversations about facts and figures which then took place, and therefore I can only state what then occurred to the best of my knowledge and belief." He (Mr. Wood) would like to have been in the Court as a lawyer, and have asked Sir Hugh in what he would put the greater confidence, his slippery memory of events that occurred two or three years ago, or the facts which he wrote down immediately in the midst of the negotiations. If Sir Hugh said that he wrote down a tissue of falsehoods to gentlemen in the United States—gentlemen as he said of position and honour—for the purpose of deceiving them, and that he now came into the august presence of the Royal Commissioners, and said that he had told lies in these things, what a picture would he present to the world! And if he were capable of doing these things, would it not have been the duty of Ministers to have probed these matters to the very bottom, to let the world know that this great Sir Hugh, with his high reputation, this prince-merchant, this owner of steamships—had really been for one or two years deliberately writing lies for the purpose of deceiving men who were desirous of undertaking a great

work in the Dominion of Canada. They must all recollect that Sir Hugh swore before the Royal Commissioners that these New York gentlemen were honourable men; while the satellites, the hangers-on, the place-men of a party, had denounced and vilified them. Who, he would ask, was right? He would not say this of the Government, because much as he suspected the Government, plainly as it appeared in the face of high heaven that they had been guilty of corruption, even in spite of all that, he could scarcely think that the Government approved of the attacks that had been made upon these American gentlemen. Then Sir Hugh was examined and cross-examined as to all these letters. He (Mr. Wood) had given them the substance of all the direct evidence and the cross-examination, and he declared to that House and the world, there was not one solitary statement in any of these letters, or in all the evidence, which controverted the irresistible inferential fact that for and in consideration of a large sum of money Sir Hugh got the Presidency and the contract, or the promise of the Presidency and the contract, which was in the month of January last fully consummated. That was what he got, and that was what he bargained for. It cost him a large sum of money. Nearly two hundred thousand dollars given to the Government, and nearly two hundred thousand dollars expended in corruption in other directions. Now, can it be possible all these payments were made on account of the Pacific Railway? On account of the getting of the contract? He had better refer again to the evidence. Sir Hugh swears—mind, evidence on oath!—"I am bound to say that these American gentlemen behaved in a most honourable and consistent manner. I arranged that the Americans were to advance money for the necessary 'preliminary expenses,' and they paid in forty thousand dollars, American currency, for this purpose, a large portion of which was expended to their perfect satisfaction, but owing to the change I thought it better to return them the money." When did Sir Hugh return the money? Not till he was compelled to do it, a day or two before he gave his evidence before the Commission. It was charged that Sir Hugh made an arrangement by which he was to get money from the Americans, and that this was used for the purpose of assisting the election of Ministers and their friends. He did get *forty thousand dollars*. Was any American gold then used in the elections? What would his honourable friends from Prince Edward Island say, if forty-thousand dollars of American gold were introduced by some Sir Hugh, at the instance of their Government, and spent in their Province for the purpose of perverting the people, and of annexing them to the United States? If forty thousand dollars might be introduced into the country for the purpose of securing a railway contract, why might not four mil-

lions be introduced for the purpose of securing the annexation of the country to the United States? What were the "preliminary expenses" necessary for, procuring of an Act of Incorporation? Mr. Speaker well knew from one to two hundred dollars. It must not be supposed that it was necessary to pay away money for the purpose of lobbying a measure through the Parliament of Canada. He never knew a dollar to be paid for this purpose, to the honour and credit of our common country be it said; but he did not know how long it might be possible to say this. He did not believe that any one member of this House could be approached in this way. How in the name of Heaven could forty thousand dollars be expended in "preliminary expenses!" But, Sir Hugh told them how it was done. He said: "These sums, (\$162,000 paid gentlemen on the treasury benches,) with the preliminary expenses on the Pacific, (forty thousand dollars,) and the various other roads in which said engaged, more or less directly connected with the Pacific enterprise, made up the amount of my advances to about \$350,000." Sir Hugh did not pay a dollar to Sir George or to Sir John, or to that price of statesmen, the Minister of Public Works, until the arrangement about the Pacific Railway was completed to his satisfaction. It was, so great was the urgency, as Sir John said in his telegram, "*to be made at once*;" it was "*to be accepted by Sir Hugh at once*;" and then "*it was to lie quiet until after the elections were over*." By the influence of those twenty seven members of whom he spoke, and by withholding money which was badly needed, he brought these two leaders down to definite terms; and this telegram of the 26th of July was the basis. He dealt only with the two chiefs, in whose hands the other members of His Excellency's Cabinet were merely as clay in the hands of the potter. The action of the other gentlemen shewed that they took no direct interest in this matter, and that they were perfectly satisfied with anything that was done, so that the elections were carried in favour of the Government. Sir Hugh paid this money, and the question was whether he would have done so if this promise had not been made to him. The evidence did not enable him to say that Ministers yielded more than they otherwise would have done, when they afterwards incorporated a company and made the contract, but what he did mean to say was that they took advantage of their position to obtain money with which to corrupt the country; that they induced Parliament to put the power to give this contract into their hands for the very purpose for which they used it. They must bear in mind this fact that at each recurring session for years, hon. members of the opposition had urged the passing of a law which would have effectually prevented the use of money at elections; and that

this same measure was vehemently urged at the session next before the elections; he would, therefore, ask the right hon. gentleman at the head of the Government, how it was, knowing that a general election was at hand; knowing, as he must have known, that undue influences were brought to bear at elections; how it was that he dared, in the face of these facts, to rise in his place as he did, in the session preceding the elections, and say that he had very grave doubts about the advisability of a proper election law—to say that in Ireland Judge Keogh had made some extra judicial observations on an election trial, which excited the mob; he asked him how he dared to do this, except that he well knew he could only retain power by wholesale corruption. Was he (Mr. Wood) making a violent assumption, when he told the House and country that he believed that the whole of the Pacific Railway legislation of the previous session was part of a deliberate scheme, for the accomplishment of that which has been done. The House and country had a right to consider it a deliberate scheme, until the contrary was shown; and when he (Sir John) got this power into his hands, he only waited for the opportunity of the elections to make use of it, and thereby obtained the means by which he might corrupt whole constituencies; and it was most effectively accomplished; there was no question about that. Well, it was said in justification, "We admit that this money was paid; we admit that it would not have been paid had it not been for the arrangement with Sir Hugh; but, nevertheless, we yielded nothing in return for it; we show that we did not give Sir Hugh his own way in regard to the directors; we show that we were as careful as we could be about the terms; that we did all that we could to induce leading men in all sections, and in all situations of life in the country, to take an interest in this enterprise; and that we yielded nothing in granting to Sir Hugh the contract." Admitting all that is asked, the argument would go for nothing. Whether Sir Hugh lost or made anything, did not alter the nature of the transaction; if Sir Hugh lost, it rather deepened the guilt of Ministers, they were doubly dishonest. It is said there is a species of honour among thieves. Ministers, according to their own showing, cannot claim to possess even that virtue. Sir Hugh got something for his money or did not. If he received anything, the country lost it. If he received nothing, Ministers are still his debtors to the amount of \$162,000, which they can only re-pay by robbing the country to that amount. What a position for any Government to occupy! But, hon. gentlemen, say "you are entirely mistaken. This was a subscription! Look at the evidence of Judge Connolly, and Mr. Beandry, and the other Montreal gentlemen, they all spoke of Sir Hugh's subscription!" It was

a queer subscription. It was something like the Dutchman's subscription. He was asked to subscribe towards a church. He did subscribe, and put the subscription list in his own pocket and kept it. Sir Hugh's subscriptions were the receipts which he kept in his pocket, under the terms of the letter of the 30th of July. Could any one be deceived by such transparent nonsense? But, Mr. Speaker, he (Mr. Wood) would not pursue the subject further. If the evidence did not prove the guilt of Ministers, no evidence could do it. If the House did not "a true verdict give, according to the evidence," God pity the land. He (Mr. Wood) would now detain the House briefly on the facts and circumstances attending the prorogation on the 13th August last.

On the 1st of April, the charge was made by Mr. Huntington, and it was voted down. On the 8th of April, a Committee was appointed at the instance of the Government, and it was suggested that the evidence should be taken on oath; and accordingly the Oaths Bill was introduced. The Bill passed this House rapidly but lingered in the Senate; but was assented to on the 3rd of May. The Committee were ready to go on taking evidence; but it was objected by the Government that Sir Hugh Allan, Sir George Cartier and Mr. Abbott were absent in England, without whose presence nothing should be done. But immediately on the charge being made, these gentlemen should have been notified, and they should have come back as quickly as possible. But at the instance of the Government an adjournment took place to the 22nd of July, and the House, as was stated by the First Minister, would adjourn over till the 13th of August. He would not stop there to make any observations about the prorogation, only to remark, that it was contended that, prior to his making that statement to the House, the Prime Minister had consulted the Crown on the subject, and had obtained the sanction of the Crown to prorogation on the 13th of August. No such announcement was made to the House when he was there; but he heard what was said, and he must confess, in the face of much abler Parliamentarians than himself, that it did strike him as strange that prorogation should be unalterably fixed upon to take place on the 13th of August, without any conditions. Suppose the evidence had disclosed, as the Commission did disclose, the guilt of the Government, would this House be doing its duty to the country to let the House be prorogued to meet perhaps a year from that day? It was absurd, and therefore such a decision could not be arrived at by the Crown in advance, for the Crown could not forecast what the result of the investigation would be. The House saw the Oaths Act which it had passed disallowed on the 31st of July. Who urged the disallowance of that Act? Did anybody? Did it take its natural course? If it did, why was not the Senate Act disal-

lowed? Why were not other Acts disallowed? It was possible, and perhaps the House was bound to assume, that no extraordinary expedition was used in getting the Act disallowed. But the only way to test that Act was to test it in our Courts. He hoped the Minister of Justice had not come to that pass that he was willing that the constitutional law of this country should be at the beck of the law officers of the Crown in England. He had heard him say that this Parliament had absolute control over its laws. No person had been more emphatic than the Minister of Justice in declaring that in matters affecting the Dominion of Canada alone, and involving no Imperial policy or interest, the Parliament of Canada was absolute in its power. He would ask the Minister of Justice, if he would like to have matters of constitutional law affecting Canada alone, decided by law officers of the Crown in England? He had more confidence in the opinion of the Minister of Justice as a lawyer, were he in a position to judge independently in a matter of that nature affecting Canada alone, than in the opinion of the Solicitor or Attorney-General of England, and more confidence in the opinion of the member for Cardwell in a question of constitutional law affecting merely the domestic economy of the House of Commons of Canada, than in the opinion of both the Solicitor and Attorney-General of England. We all know, said Mr. Wood, what was the well-considered, careful and deliberate opinion of the member for Cardwell on this subject. It was enough to say it was, and he (Mr. Wood) believed it still was, directly at variance with that of the law officers of the Crown in England. But he (Mr. Wood) supposed that these gentlemen, largely influenced by the opinion of the First Minister, that it was unconstitutional, and being referred by him only to the 18th clause of the British North American Act, reading—

—“The privileges, immunities and powers to be held, enjoyed and exercised by the Senate, and by the House of Commons, and by the members thereof, respectively, shall be such as are from time to time defined by Act of the Parliament of Canada, but so that the same shall never exceed those at the passing of this Act held, enjoyed and exercised by the Commons House of Parliament of the United Kingdom of Great Britain and Ireland, and by the members thereof.”

Jumped to the conclusion that, interpreted by that clause, the Oaths Act was notoriously *ultra vires* of that clause, and it manifestly was, and therefore *ultra vires* of all the Legislative powers expressly or impliedly delegated to the Parliament of Canada by the Constitutional Act. The legality of the Oaths Act was not rested on the 18th section of the Act, but on the 31st section to which the Minister of Justice made no reference, which in enumerating and summing up the

powers of the Parliament of Canada, declares—

“It shall be lawful for the Queen, by and with the consent of the Senate and House of Commons, to make laws for the order, peace and good government of Canada in relation to all matters not coming within the classes of subjects by this Act, assigned exclusively to the Legislatures of the Provinces.”

The Oaths Act in no way increased the “privileges” of the Commons, nor did it trench upon the prerogatives of the Crown, or the rights, independence, or liberties of the people. It was simply a domestic matter in no way affecting the interests or the policy of the Empire. It was merely ancillary, or in aid of the proper exercise of the inherent powers of the House of Commons, and would beyond doubt have been held to be within the competency of the Parliament of Canada by the Courts of Law, on argument, both in this country and in England, and therefore it was *unconstitutionally disallowed*.

But, Sir, why all the haste that was exhibited to get rid of this Oaths Act? The Minister of Justice says because, if acted upon, the whole proceedings would have been void. Would they? The Minister of Justice surely does not need to be told the only way the proceedings could be made void would be by the judgment of a court of competent jurisdiction that the Act was *ultra vires*—void *ab initio*. However, the Act was disallowed, and that put an end to the Committee's taking the evidence on oath. The Minister of Justice offered a Commission; the minority of the Committee would not accept it, on the ground among others, that it would be unprecedented and unconstitutional. They therefore had nothing for it but to report to the House, and ask for further instructions. But the House was adjourned to the 13th August. Their hands were therefore tied till the 13th August; and it was asserted by the Ministerial press that even then the House would meet to do no business, but would be instantly prorogued. The public anxiety was great; the country asked for explanation, for information; and the Allan and McMullen letters were published. His Excellency must have been put in possession of these documents. Indeed, in a subsequent despatch to the Colonial Office he admits it. It is needless to say Ministers knew all about them. Several courses were open to them. They could have defended themselves in the public press if they had any defence to make, or they could have seen the Crown and arranged for a reasonably speedy meeting of the House, and had a proclamation issued to that effect, and in the House determined what was to be done under the changed circumstances induced by the disallowance of the Oaths Act. They might have recommended the House to instruct the Committee to proceed with the inquiry without oath, or have

created a Statutory Commission consisting of persons in the House or out of it. They did none of these things. They waited to the 13th August, met the Commons, refused to allow it to do any business, prorogued it, and unceremoniously and ignominiously turned its members out of doors.

But the Crown compelled Ministers to agree to call the House together in eight or ten weeks, and they were obliged to summon the House for the 23rd of October—a short respite for the wicked—only from the 13th August to the 23rd October. There is no reason why they should not have called it together as soon as proper notice could have been given upon failure of the Committee on account of the disallowance of the Oaths Act. Had they done so, they would have spared themselves the imputation of being desirous of doing—in fact doing—what no Ministry in England had ever done—the issuing of a Royal Commission without the authority of Parliament, to investigate accusations and charges against themselves. The excuse that some of the members were in British Columbia, others were on the ocean, some on the Continent, and some in one place and some in another, was just as available for not calling the House together for the twenty-third of October as on the 13th of August. No reason has been shown, and none can be given except a deliberate plan to kill off the Parliamentary Committee of Enquiry into the delinquencies of Ministers, and to substitute Royal Commissioners in its stead, selected by the very persons who were to be tried by them. This was the scheme; and His Excellency in the despatches brought down, inadvertently admits it. While, therefore, it was legal and constitutional, considered in the abstract for His Excellency to prorogue Parliament on the 13th of August, it was an inexpedient, inadvisable, and unconstitutional exercise of the proroguing prerogative of the Crown—exercised under circumstances, and for a purpose for which he (Mr. Wood) affirmed no precedent could be cited in the Parliamentary history of the mother country. But it was said the Crown had pledged its faith, and the Crown and Ministers entered into a compact that in any event the Parliament should be prorogued on the 13th August, and therefore, whatever might intervene the compact must be carried out. What a justification for that most unwarrantable act! Suppose the committee had taken the evidence on oath, as the House believed it would be; suppose the committee had reported the charges proved (as we now see plainly they must have done) was that report, that judgment of “guilty,” to be simply received by the House and laid on the table, and then Parliament to be prorogued, and no action taken on it till Parliament should be re-assembled next February or March, or it may have been next August, and in the meantime guilty Ministers be permitted to go on blundering and plundering as “aforetime?” He

(Mr. Wood) had only to ask the question to show the utter absurdity of the position in respect of this matter taken by the Crown, the Government, and last, but not least, the hon. member for St. John's (Mr. Palmer) whose letter to the First Minister on this subject has been seized hold of by His Excellency as his justification for a more than questionable Act, and incorporated in a despatch to the Colonial Office, and thereby both the letter and the fame of the writer have become immortal! Can the First Minister, can any one in the House or out of it, suggest any reasonable justification for the prorogation on the 13th of August?

Right Honourable Sir JOHN A. MACDONALD.—Yes. I can—and will.

MR. WOOD.—Well, we must possess ourselves in patience. Wonders will never cease. If the First Minister succeeds he will have performed the greatest achievement of the age.

Well, Mr. Speaker, Parliament was prorogued. The Parliamentary Committee had been murdered. All difficulties were now removed to the setting up the favourite tribunal of the Government to try themselves—a court composed of Royal Commissioners. Were they? He (Mr. Wood) asserted that a Royal Commission might just as legally and constitutionally have been issued at one time as another, while Parliament was sitting or in vacation; while the committee was living and in full vigour, as after it had expired. He (Mr. Wood) thought there was some misapprehension, some confusion about this matter in the mind of the Crown and its responsible advisers.

The authority to issue Royal Commissions on any and all subjects, rests in prerogative, not on statute, or on authority, or power delegated to the Crown by Act of Parliament. It is a right inherent in the Crown—a pure, simple, prerogative right. The only limitation thrown around the exercise of this prerogative, is that of usage and custom within which it has been exercised, and which were said to form its constitutional limits, the transcending of which while it might be technically legal would yet be unconstitutional. It has been supposed, and His Excellency seems to have thought that our Canadian Act 31 V., c. 38, gave power to the Crown to issue Royal Commissions. That is an entire mistake. It does not, nor does it assume to do, anything of the kind.

Right Hon. Sir JOHN A. MACDONALD.—It gives to the Crown the statutory right to issue Commissions.

MR. WOOD.—It does no such thing. Let him for one moment refer to that statute. Listen to the first section.

“Whenever the Governor in Council deems it expedient to cause inquiry to be made into and concerning any matter connected with the good Government of Canada, or

question to position in the Crown, at least, the (Mr. Palmer) on this sub-Excellency question—despatch to the letter become, can any suggest any rogation on

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"the conduct of any part of the public business thereof, and such inquiry is not regulated by any special law; the Governor may, by the Commission in the case, confer upon the Commissioners or persons by whom such inquiry is to be made, the power of summoning before them witnesses, and of requiring them to give evidence on oath, &c."

The prerogative right to issue Commissions is recognized by the statute as existing. It neither adds to nor takes away that right. It leaves it precisely where it found it. But wherever a Royal Commission, at the passing of the Act might issue, and whenever, in virtue of that prerogative right, after the passing of the Act, a Royal Commission did issue, the statute enabled the Crown to confer upon the Commissioners the power to summon witnesses, &c. In short, the Act simply enables the Crown to clothe its Commissions, which it might issue by virtue of its prerogative with compulsory powers, but in no way widened or narrowed the subject, matters upon which Commissions might issue. These were left precisely as they were before the Act was passed.

The declaration in the statute—"When over the Governor in Council deems it expedient to cause inquiry to be made into and concerning any matter connected with the good Government of Canada, or the conduct of any part of the public business thereof," gives no new power to the Crown to issue Commissions. On all these subjects, whatever they were, the Crown, by virtue of prerogative, always had the power of issuing Commissions. And the real question resolves itself into this, does the conduct of Ministers of the Crown, having seats in the House of Commons, in respect of their administration of the Government, according to sound policy, and as to whether they individually or collectively have been guilty of corrupt practices, either in the administration of public affairs, or in their own elections or that of their supporters, come within the class of cases comprehended in the declaration in the Act just read? Or does the inquiry into the conduct of Ministers of the Crown, in respect of the matters he had indicated, belong exclusively to the House of Commons; forming, in fact, one of its chief "immunities, powers, and privileges."

It may be taken for granted, as admitting of no dispute, that it peculiarly belongs to the House of Commons, as the grand inquest of the nation constitutionally competent to inquire into all grievances, even upon "common fame," and to examine into the conduct of all public functionaries, and especially those who combine political with administrative duties, to take the initiative in all such investigations; and, by itself, or by the course it shall point out, or the means it shall employ or direct, to prosecute the same to final judgment. Therefore, there can be no doubt the House of Commons had jurisdic-

tion over the charges made by Mr. Hontington against Ministers. Had the Crown, through a Royal Commission, concurrent jurisdiction? This can only be determined by the practice of Parliament and the Crown through ages. Precedent is the land mark of constitutional law; and he (Mr. Wood) would defy the Minister of Justice to cite a solitary precedent in justification of the issue of the Royal Commission. It must be borne in mind that the Crown cannot clothe its Commissioners by virtue of its prerogative with power to examine witnesses on oath. In that respect, without the statutory aid, the Crown is powerless. Its Commissioners were, in regard to administering an oath, as helpless as the Parliamentary Committee. Often has the Crown proposed to interfere in matters peculiarly affecting the privileges of the House of Commons and its members, or in matters peculiarly within its province, as affecting the members of the Administration or of the House, but in every instance without one single exception such proposed interference has been sternly and firmly rejected, and he (Mr. Wood) again repeated that in no case has the Crown ever intervened in any of those matters to the investigation of which the House had pledged itself by Royal Commission, or otherwise, except at the special instance and solicitation of the Commons. The first case he would cite was that of the impeachment of Lord Bacon. The following is a synopsis of that portion of the trial bearing on the question under consideration:—

19TH MARCH, 1620.

"Mr. Secretary Calvert brings a message from the King:—That this Parliament hath sat a long time, and Easter is near come, and thinks it is fit there should be a cessation for a time; yet the King will appoint no time, but leaves it to yourselves.

"That the King taketh notice of the accusations against the Lord Chancellor. That the King was very sorry a person so much advanced by him, and sitting in so high a place, should be suspected. That the King cannot answer for all others under him. His care in the choice of the best men hath been great. But his comfort was that the House was careful to preserve his honour. That His Majesty, if the accusation shall be proved, will punish it to the full.

"And His Majesty thought not fit to have the affair hang long in suspense; therefore would not have anything to hinder it.

"But for the furtherance thereof, His Majesty will, if it be thought fit, grant a Commission, under the Great Seal of England, to examine all upon oath that can speak of this business; the Commissioners to be six of the Upper House, and twelve to be chosen in the Commons.

"That His Majesty was sorry the Chancellor should be so questioned; he hopeth he

will be cleared; but if not, he assured the House, he will punish it.'

"Thereupon a debate followed, and some members having approved of the Commission,

"Sir Edward Coke spoke, and cautioned the House to take heed this Commission did not hinder the manner of their Parliamentary proceedings against a great delinquent."

"Sir Edward Sackville recommended that, 'after sending thanks to the King for the message, that Mr. Secretary let the King know we desire the same message to the Lords, and to have them consent, before we give any answer to the point of the Commission.'"

The message was accordingly sent as suggested.

"Afterwards Mr. Secretary, from the King, reported 'That he had acquainted the King with the thanks of this House. That as the House desired His Majesty will be pleased to send a message to the Lords about the Commission, and receive their answer; that so they and this House may proceed with an unanimous assent, as hitherto they have done.'"

In 1842, Lord John Russell introduced a Bill for the better discovery and prevention of bribery at elections. It provided for the appointment of a tribunal to consist of members of both Houses to be appointed by the Crown. But this provision was struck out of the Bill in the Commons, the House refusing to delegate to the Crown so important a duty as naming the persons to compose the tribunal, although it limited the Crown to members of Parliament, 5 and 6 V. c. 103.

In 1843, a Bill was introduced to authorize the issue of a Commission, and to delegate to the Crown the selection of Commissioners to make enquiry into election frauds, bribery, and corruption in Sudbury. Whereupon the Right Hon. C. W. Wynn (who was one of the most eminent constitutional authorities that ever sat in Parliament) observed—"that he might be thought to have too great a constitutional jealousy of the Crown, but he did not like in a case where a gross breach of the privileges of that House, and of Parliament was involved in the inquiry that the Crown should select the Commissioners." The House refused to pass the Bill as it was; but on motion of Sir James Graham the obnoxious clause was struck out, and the House itself named the Commissioners, and inserted their names in the Act—6 and 7 V. c. 97.

In 1852, Lord John Russell introduced a general Bill for inquiry into corrupt practices at elections. It passed the Commons. It provided that in any case when the Commons passed an address for the purpose, the Crown should appoint Commissioners. This provision was opposed in the House of Lords. Lord Derby said—"Parliament will not confer these powers in blind confidence,

"without knowing the agents to whom the execution of them is to be entrusted, and we have always hitherto required that the Commissioners should be named in the Bill." Lord Redeadele considered that "the House of Commons ought to insert the names of the Commissioners into their address, and not to leave it to the Ministry of the day." So on motion of the Lord Chancellor, it was agreed that the Commissioners should be named in the address to the Crown before it left the Commons, and so the Bill passed, and is now the Act 15 and 16 V. c. 67.

In 1868, the Act 31 and 32 V. c. 125, giving power to the judges to try controverted elections was passed. In that Act however, Parliament by the 56 section carefully retained its power to inquire into corrupt practices under Commissions "to be issued in conformity with the provisions of the Act of 1852," to which he had just referred.

He would name one more precedent having a strong bearing on the question under consideration.

In 1871, Ministers submitted to the House of Commons a Bill for the regulation of the army, the prominent feature in it being the abolition of the sale of army commissions. It passed the Commons. It was sent up to the House of Lords. On its second reading the abolition clause was struck out. The regulation and in fact the creation of the right of the sale of commissions rested on Royal prerogative, and not on Statute. All now admit that, as a constitutional proposition. While the Bill was hung up, as he had stated, in the House of Lords, the Ministry obtained from the Queen a Royal warrant, effecting precisely what the Queen had asked and invited the Parliament to do in the Royal speech. It was held by all the great lights of the Constitution, in both Houses, that this was an unconstitutional act, because the question having been submitted to Parliament by the Queen in the Royal speech, and Parliament having entered upon the consideration of the question while it was pending before Parliament, the Crown by Royal prerogative had taken it out of the hands of Parliament and assumed to dispose of it by Royal prerogative.

So in the present case the House of Commons had taken the initiative in the prosecution of an enquiry into the charges made against Ministers at the instance of Ministers themselves. It was acting evergetically. It had appointed its Committee of Enquiry. It was impatient of delay, and the Crown intervenes while the case is pending in the Commons, and assumes the right to effect that by the issue of a Royal Commission, the accomplishment of which Ministers had committed to the House of Commons. The words "lawful" and "constitutional" in this connection must not be confounded. An act may be legal and yet not constitutional. In the case of the issue of the Royal warrant

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abolishing the sale of army commissions, the act was no doubt legal and operative, but there is no question it was unconstitutional. It would be legal for the Queen to withhold her consent to a Bill passed by both Houses of Parliament; but it would unquestionably be unconstitutional. It would be legal for the Governor-General to withhold the money voted for the defence of the country, but who would say that that would not be an unconstitutional act? It would be legal for the Crown to issue a Commission to enquire into the guilt or innocence of any person charged with the commission of a crime while the case was pending for trial in a Court of law, but to do so would be unconstitutional. And so in the present case, it was legal for the Governor-General to issue a Royal Commission of Enquiry, whether the Parliamentary Committee were living or dead, whether it was proceeding with the inquiry or not; but as he (Mr. Wood) had shown, in whatever aspect it was viewed, in whatever way it was tested, whether by the light of reason, or by the principles which have invariably governed this exercise of the Royal prerogative, or by the precedents deducible from and established by long years of practice and usage, or by the doctrines and maxims of the great "apostles and prophets of the British Constitution," the act was most unquestionably unconstitutional.

Well, Sir, honourable gentlemen on the treasury benches obtained this Commission at the expense of a strained, a wrenched, a violated constitution; and much good it has done them. They have got more. They have a supporter in the person of the hon. member for Picton, who, in face of the disclosures of that Commission in "*evidence taken under oath*"—just the way, you know, Mr. Speaker, they wanted it taken—is bold enough to propose in his amendment to the motion of the hon. member for Lambton, first, to admit the whole case against Ministers; secondly, to condone all their crimes, and lastly to express unshaken confidence in them. Confidence he (Mr. Wood) supposed that they would go on in the same course the Minister of Justice had been pursuing for the last twenty years! Really, Mr. Speaker, if he (Mr. Wood) did not know the member for Picton was a "solemn" man and never indulged in "chaff," he would feel disposed to look upon his amendment as a "grim joke."

Mr. Speaker, what has been the consequence of the policy of the first Minister except to perpetuate his political power by corruption? Consult your own knowledge of the vast strides the insidious foe has made within the few past years. In old Canada this deadly mission was confined to the few; since Confederation it has spread to the many. It is fast entering every house, every hamlet, every work-shop, every habitation, in the land. Belief in public virtue is fast passing away. Such were the tides of corruption

that rolled over the land in the last general elections, that the moral sense of the whole people was struck with paralysis. Its effect can be seen in scoffs and sneers at the mention of honesty in politics and virtue in our public men, in all classes of society. The poison is fast permeating the whole body politic. Something must be done to stay the fell destroyer, or the future greatness of our country is an illusion. We have been referred to the United States for instances of corruption. But "Boss Tweed," with all his public plunder; Albany lobby with all its devotees; Washington with its Onkes Ames Credit Mobilier are now more than rivalled by the Right Honourable Sir John A. Macdonald with his Sir Hugh Allan—McMullen Pacific Railway Scheme. In the United States the voice of the nation demanded in tones of thunder that the names of all those connected with the public plundering in New York, or the Onkes Ames Credit Mobilier swindle in Washington should be struck off the roll of the public men of that great country, and it was done amid the execrations of the nation. Do we, the people of Canada, possess less virtue, or less abhorrence for wickedness in high places than the people of the United States? God forbid. He hoped the event would show that they were not degenerate sons of their noble and self-denying sires who had laid the foundations of a great nation in these British Colonies, but that they would be found equal to the momentous occasion.

Sir FRANCIS HINCKS—The honourable gentleman is preaching.

Mr. WOOD—It would be well for that aged political sinner if he would, even at this late day, soften and prepare his heart for the reception of the Gospel. That honourable gentleman seemed to think all men were to be bought and sold. His code of morals was that of the gentlemen who flourished in the reign of Charles the II. The member for Vancouver was out of temper because he had not succeeded in raising in the Canadian Pacific Railway a twin monument to that he had reared for himself in connection with the Grand Trunk.

Before taking his seat he (Mr. Wood) would refer to a calumny of the Minister of Customs (Dr. Tupper). That gentleman in endeavouring to prejudice the gentlemen from the Island Province, had stated that the Opposition had opposed the introduction of that Province. The Minister of Customs must have noticed that he (Mr. Wood) at the time gave a flat contradiction. He (Mr. Wood) would take this occasion publicly to repeat that denial. The charge was wholly false. So far from opposing the union of that Province, its introduction was warmly seconded by the Opposition on every occasion when it was brought up in that House. In 1869, the leader of the Opposition either moved or seconded resolutions conferring on the Govern-

ment authority to treat for the union, and no one hailed with greater satisfaction its final admission than the leader of the Opposition, and all those acting with him. The Opposition had gone farther than the Government in efforts to induce Newfoundland to come into the Union. It proposed to leave them their Crown lands. The Government refused to do this; and, as a consequence, the terms of union were rejected by people of Newfoundland on this ground alone. But it was nothing unusual for the Minister of Customs to indulge in these misrepresentations. In his statement of facts, he was perfectly reckless. He was always charging the opposition with sectionalism, while he himself was the greatest sectionalist in that House. In sectionalism, "he lived, and moved, and had his being." By it he had elevated himself and attained to a height from which he would soon fall like — like night.

Sir JOHN A. McPHERSON—He will rise again.

Mr. WOOD—Not until the trumpet shall sound at the great day of judgment, and then only to the resurrection of darkness!

But, Mr. Speaker, he (Mr. Wood) must close. In his desire to clear up matters, he had formulated a few facts, and made a few comments in regard to the motion now in Mr. Speaker's hands. To those who took an interest in this matter, he need not suggest that the eyes of the world were upon that House. This was the hour which was to decide whether or not this country was capable of taking its position among the free nations of the world. This was the time for this House to show whether or not it was prepared to stamp out anything like corruption in high places in the Government of the land. He admitted that the remedy was attended with certain painful reflections. In every case of departure from the highway of public morality, such were the consequences. But should they look at consequences like these? No! Rather "Let justice be done, though the heavens should fall!" and in thus pronouncing judgment, he was influenced by no other considerations than a high sense of duty that he owed to his country and his God.

[The honorable gentleman resumed his seat amidst thunders of loud and long continued applause.]

