

meant. My hon. friend the Treasurer knows that to be an ordinary commercial phrase. Such offers are usual where a broker knows or feels that someone will offer par and he is anxious to get the issue. Will anyone here charge that Mr. Harty had any sinister motive, that there was a purpose behind his offer? There was some communication presumably between Hon. Mr. Ross and Mr. Harty.

The Premier—Yes. There is nothing in these communications from Mr. Harty.

Mr. Harcourt—Mr. Harty says in effect that he will give \$25,000 more than 93 1-3. No one will attempt to tarnish Mr. Harty's good name. No one thought more of his personal honor when a member of the House, and no one thinks more of it now than that gentleman who is to-day a leading figure in one of the strongest and best known industrial institutions in the country.

The Premier interjected the remark that no one was accusing Mr. Harty of improprieties.

Mr. Harcourt, proceeding, contended that it was clear that Mr. Harty never meant there was to be a commission. He simply meant he would give something better than the 93 1-2—the speaker thought that was the figure. In his (the speaker) advising the acceptance of that offer it must be borne in mind that it was an offer for Temiskaming Railway bonds, which were three per cent. less in value than a direct Provincial bond. "The offer, moreover, was coming from Canada, free from brokerage charges, commission, stamps and other charges, which for centuries have weighted down every loan brought into the London market, Brussels or elsewhere. This at 93 1-2 meant that it was equal to 96 per cent. plus \$25,000. In other words, if that offer had not been withdrawn and had been taken the Province would have got nearly par for an indirect issue, which would have been a better result than the hon. gentleman (the Treasurer) was able to bring about for a direct Provincial issue of bonds."

A Good Agreement.

The agreement he had signed, he repeated, did not bind the Province to accept any price for bonds thereafter to be issued. It could not have meant that. The value of a security depended upon its form. At the same time if the fates had been propitious to the late Government he would have continued the agency of Coates, Son & Co., as the standing of that firm was sufficient guarantee that it would, as in the past, have carefully and honestly conducted the business of the Province. "I want to state again most earnestly," he went on, "as to the alleged understanding with Mr. Harty, that Mr. Harty existed only in a mythical sense so far as I was concerned. I had no understanding with Mr. Harty at any time, and Mr. Harty, I am confident, had none, implied or otherwise, with other members of the then Government." In concluding, Mr. Harcourt said he had nothing to regret from first to last in the whole transaction; he had done his best for the Province, actuated only by that desire.

The Opposition Leader.

Hon. Mr. Ross followed. "In case the impression may prevail that there is something sinister in my telegram to Mr. Harcourt," he said, "or in my relation to the matter, 'I wish to repudiate, for myself, the idea that the transaction had any other element or consideration than one entirely connected with the sale to the best possible interests of the Province. I understood by 'commission' a consideration to the Province. Whatever construction may be put on it by hon. gentlemen opposite. I put no improper construction upon it, then or at any other time, and I am quite sure that Mr. Harty did not."

The Premier—What did plus \$25,000 commission mean?

Hon. Mr. Ross—That much more for getting the issue; just the same as a bonus. That is what it meant. That is what I understood it to mean. It would be an evil thing, and I would be ashamed of my existence, if it had ever occurred to me as a member of the late Government, that I was to share in any moneys

connected with a transaction on behalf of the Province of Ontario. The very conception of such a thing would freeze one's blood. It never occurred to me, and I am sure it never occurred to Mr. Harty. I do not even want to think that my hon. friend is looking for improper motives. If the term was "bonus" perhaps my hon. friend would not worry about it.

The Premier—I would not.

Hon. Mr. Ross—Then let him take my word for it that it meant bonus, and worry no longer.

The vote was then taken, and resulted in the defeat of the amendment by 64 nays to 24 yeas. With the exception stated, it was a straight party division. The pairs were as follows:—Hoyle-Smith (Soo), Nixon-Smith (Peel), Fraser-Kohler, Paul-Cameron.

The original motion was then declared carried.

Estimates Passed.

At the night session consideration of the estimates was resumed, a large number of votes being passed, including a total of \$412,395 for public buildings, \$95,260 for public works, \$212,410 for colonization roads, \$427,525 charges on Crown lands, \$160,172 for miscellaneous.

Progress was made in committee with the new railway bill.

The House adjourned shortly after 10 o'clock.

STOLE KAKABEKA POWER.

ASSERTS MR. HELLMUTH BEFORE PRIVATE BILLS COMMITTEE.

Thunder Bay Power Co. Seeks to Have Act of 1904 Set Aside—Current River Power—Port Arthur Bill Reported by the Committee.

The claim of the Government as owners of the water power sought to be exploited by the Current River Power Co. brought the company's bill to a stand before the Private Bills Committee. The point was raised by the town of Port Arthur, which objects to having the company coming into competition with the town plant against the will of the townspeople. Mr. George Thomas Marks assured the committee that his company owned the water power by patent since 1865 and by purchases made from farmers since that time. The committee decided to postpone till next week the task of making up their minds on the evidence.

Kakabeka is a spring perennial, and bloomed once more yesterday. Mr. I. F. Hellmuth, K. C., presented a bill respecting the Kakabeka Falls Land & Electric Co., Limited and to incorporate the Thunder Bay Power Company, and to have the act of 1904 set aside.

Mr. Hellmuth said he would not mince words, and that it was "a deliberate steal," a fraud which they had come there to get righted. Either their property should be returned or adequate compensation awarded.

The bill was left over till to-day.

The town of Port Arthur bill, with the amendment restricting the power of sale of the lands lately acquired, was reported.