

THE ORDER OF EVENTS.

The date of the deed to the Government was the 11th day of June. But it was on the 9th day of March that Deputy Minister Butler wrote to Mr. Eminerson that the property should be secured, and that the Government should take options at once, before the intention to buy should be known. It was on the 16th of March that Mr. Butler asked Mr. Pottinger to instruct Mr. MacIlreith, as lawyer for the Department, "to go ahead and close the matter, using Mr. Henry Read as valuator."

It will be seen that the middlemen secured their options after the official visit of the Deputy Minister and before public notice was given that the property would be bought.

A VALUATION TO MATCH.

Keeping these dates in mind, we go back to the routine. As stated above, Mr. Read went to Halifax on the 12th of April and proceeded to make his valuation, giving an estimate of the value of each lot. If Mr. Read had gone to the men who had been the owners of the land he would have learned exactly what the lots were worth in the open market, since everyone of them had just been sold. On the stand Mr. Read testified that he made inquiries in the neighborhood and thus arrived at a decision. He did not go to the registry office to learn whether or at what price some of these lands had been recently transferred. Mr. Read, however, did go to the office of Mr. Henderson's lawyer, who proved to be Mr. Pearson, the partner in the transaction. He learned that Mr. Henderson had acquired about all the property that the Government needed, and was willing to sell it at 3 cents a foot. Mr. Read submitted his valuation of lots by items, appraising lot No. 2 at \$1,300 for land, \$1,700 for buildings and \$300 for damages; total, \$3,300. Lot No. 3 at \$7,300. Lots 5 and 5a, \$3,150. Lot 6 at \$27,100, and the Henderson and Potts lots at the price that was ultimately paid. It was a remarkable coincidence that these valuations totaled up to exactly the figure reached by Mr. Henderson's proposal to sell at 3 cents per square foot, and was considerably more than double the price for which Mr. Henderson and Mr. Pearson had just purchased the land.

EVERYBODY SATISFIED.

In his examination before the Public Accounts Committee Mr. Read testified that on the first day he went on the land he discovered that Mr. Henderson had purchased the properties. The manager told him that some of these purchases had been made recently. Yet he did not ask what price had been paid nor seek information from the previous owners, nor inquire about the assessed value until after he had made his own estimate. Mr.