

the Government, and that which *Henderson*, the builder, admitted having received. His statement of the materials which were used in the building, was confirmed by Mr. *Taylor*, an Engineer, who carefully measured them last year. Mr. *Law*, a builder, gave substantially the same evidence as to the quantity of material. The lumber and other material received by *Henderson* for the building from *Oliver, Davidson & Co.*, but not used by him, as well as a quantity of hardware, have not been accounted for to the satisfaction of your Committee.

After having heard and weighed the evidence which has been adduced during the enquiry, your Committee find it difficult to believe that the persons who enriched themselves at the expense of the people of *Canada* had not in some way ascertained, in advance of the public, that the Government had determined to locate the terminus of the Canadian *Pacific Railway* on the town plot of *Fort William*, and in this connection your Committee call attention to the following evidence:—

Messrs. *Clark* and *Savigny*, of *Toronto*, testified before your Committee that in the fall of 1874, Mr. *Davidson*, of *Oliver, Davidson & Co.*, had told each of them that he had been informed on very high authority that the terminus would be in the town plot, and that he had shown to each of them a plan or tracing, on which the lots required for the railway were "colored in lake or pink;" that this coloring delineated with strict accuracy the lots which were afterwards taken by the Government; that Messrs. *Clark* and *Savigny* related to your Committee the circumstances which had impressed upon their memories, beyond the possibility of error, the date of Mr. *Davidson's* conversation, and that it could not have been held later in the season than the time named by them. Mr. *Davidson* stated that the conversations referred to by Messrs. *Clark* and *Savigny* took place in the early part of 1875, and that he had obtained his information from his Solicitor, Mr. *Leys*, who, he believed, had got it in the Crown Lands Department at *Toronto*, and where, he believed, he also had got the plan of the town plot whereon the railway reserve was colored.

Mr. *Leys* testified substantially to the same effect. Mr. *Mackenzie* (the Prime Minister) in his evidence before your Committee stated that, in the autumn of 1874, he had written to Mr. *Pardee*, the Commissioner of Crown Lands of *Ontario*, informing him that the railway would probably go in the direction of the town plot, and requesting him to prevent, as far as possible, the taking up of lands there for speculative purposes.

Mr. *Mackenzie* also stated in his evidence that, when he requested the Department of Justice to appoint Mr. *Brown* to act with the Valuators, he was not aware that Mr. *Brown* was one of the firm of *Oliver, Davidson, & Co.*, but your Committee submits that he might have been aware of it, for in the return (No. 52) to an Address of the Senate, which has been laid upon the tables of both Houses of Parliament during the present Session, will be found: "Articles of agreement (entered into on the 9th day of February, 1875), made in duplicate between *Adam Oliver*, of the Town of *Ingersoll*, County of *Oxford*, Province of *Ontario*, lumber merchant; *Joseph Davidson* of the City of *Toronto*, County of *York*, Province of *Ontario*, lumberer; and *Peter Johnson Brown*, of the said town of *Ingersoll*, Esq., carrying on together the business of contractors, as partners under the name, style and firm of 'Oliver, Davidson & Company,' of the first part, and Her Majesty Queen *Victoria*, represented herein by the Minister of Public Works of the Dominion of *Canada*, of the second part, etc." These articles of agreement were for the construction of the Canadian *Pacific Telegraph* from *Lake Superior* to the *Red River*, and were signed first by Messrs. *Oliver, Davidson* and *Brown*, and, underneath, on behalf of the Queen, by Mr. *Mackenzie*, the Minister of Public Works, and countersigned by *F. Braun*, the Secretary of the Department.

All which is respectfully submitted.

M. A. GIRARD,
Chairman.

The Honorable Mr. *Macpherson* moved, seconded by the Honorable Mr. *Aikins*, That the said Report be adopted.

The Honorable Mr. *Haythorne* moved in amendment, seconded by the Honorable Mr. *Simpson*,