

This statement renders it necessary : *First*, that I should explain to the Governor and Committee some of the circumstances which led to the suspension of sales of land lying within a limit of five miles of the railway line. *Second*, that I should take this, the earliest opportunity afforded me, of explaining to the Board what my views are.

*First*.—During the early part of last summer reports were rife in Canada, not in all respects favourable to the management of the Land Department, and scarcely in complete harmony with the straightforward and honorable character which has distinguished the Hudson's Bay Company and its Officers generally. I paid but little attention to these reports and detailed them to no one. Only in one letter to the Deputy-Governor did I remotely allude to them.

When in Manitoba last August, I heard frequent complaints that the general public had not the same opportunity of buying lands as a favoured few, and it was stated that a limited number of persons had actually secured all the valuable lands along the railway for a distance of about 150 miles, indeed as far as the route of the railway was then surveyed and definitely known ; that these persons for a comparatively small sum paid down, had been permitted to purchase every lot likely to become immediately valuable by the construction of the railway and the establishment of stations. It was further stated that directly after these lands passed out of the control of the Hudson's Bay Company, they were valued at an enormous increase.

I thought it possible that these statements were circulated by persons unfriendly to the Land Commissioner, and that if they had any foundation in fact, they were in all probability greatly exaggerated. Be that as it may, I deemed it a prudent course to suggest that there should be no further sales of lands contiguous to the line of railway,