

“I readily admit that from the time when the proposals made through Mr. *McMullen* were first submitted, I was most anxious, but solely on public grounds, that these negotiations should fall into other hands. After having prevented, as I believed I had done, the communication to Sir *Hugh Allan*, I determined to let him know what was going on. I accordingly gave him the names of the American gentlemen who had made the informal communication, but I certainly could not have requested Sir *Hugh* to communicate with them. I did not then even know that Sir *Hugh Allan* was prepared to embark in the scheme, but I readily admit that I was of opinion that several of the American names were wholly unobjectionable, and that Sir *Hugh Allan* was as likely as any other Canadian capitalist to secure co-operation both in England and Canada. Mr. *McMullen* refers to an interview, or interviews, with two prominent railway bankers at New York, and prior, I think, to my first communication to Sir *Hugh Allan*, in the month of August, 1871. During my brief visit to New York in August, 1871, which, I may observe, was wholly unconnected with Pacific Railway matters, I had interviews with the gentleman referred to, and I believe that I did suggest that the American capitalists, who were inclined to promote the undertaking, would find Sir *Hugh Allan* a better medium of communication with the Canadian Government than Mr. *McMullen* and his Chicago friends. I acted entirely in the interest of the Canadian people in suggesting to the gentlemen referred to that the parties who had brought the scheme before the Government had not the standing that it was desirable they should have. I was on my way to New Brunswick and Nova Scotia when the conversations in New York took place, and I certainly never gave any address to Sir *Hugh Allan*. On my return I gave him a list of names, and he remarked that he knew all or most of them by reputation. The next reference to me in Mr. *McMullen's* letter is to the meeting of Council on the 5th of October, 1871, when Mr. *McMullen* says:— ‘It was at once apparent that they were not fully in accord among themselves.’ How this was apparent it would be difficult for Mr. *McMullen* to show, inasmuch as to the best of my recollection no member of the Government said a word except Sir *John*. Sir *John* asked Sir *Hugh Allan* whether he had any proposition to submit, to which Sir *Hugh* replied by enquiring whether, if he made a proposition, the Government would be prepared to consider it, or enter into negotiations; to which Sir *John* replied that they were not prepared to do so, and Sir *Hugh* rejoined that in that case he did not think it advisable to make any suggestion. I have no recollection whatever of holding any private conversation with Mr. *McMullen*, and I cannot believe it possible that I could have discussed with him the views of Sir *George Cartier*. It must be borne in mind, that all this time, and for many months afterwards, indeed till after the Session of Parliament of 1872, the objects of the promoters of the Pacific scheme and of the Government were wholly at variance. Mr. *McMullen* and his followers, both before and after their association with Sir *Hugh Allan*, were trying in every possible way, and for this they cannot be blamed, to get the Government committed to entrust the building of the railroad to their Company, while the Government were anxious simply to get all possible information so as to enable them to submit a scheme to Parliament that would be acceptable to capitalists, without being too burdensome to the country. It is alleged that after Sir *Hugh Allan* returned from England, I said something about advertising for tenders, so as to avoid blame. I must, in the first place, declare that I never made any authorized communication to Sir *Hugh Allan*, nor do I recollect that the subject of advertising for tenders was ever under the consideration of the Government. If Sir *Hugh Allan* was pressing for immediate action, nothing would be more natural than that I should point out to him that the Government could not enter into a contract without having previously submitted a scheme to Parliament. I may have talked of advertising for tenders as a mode of ascertaining not only the terms of capitalists, but also whether there were any other parties prepared to make offers. I cannot now recollect what passed at these conversations, but I am clear that I merely gave expression to my private opinion, and that I