

the cost or the convenience of the terminal grounds be considered. The height of the banks was considered by the Engineer in charge of Surveys, Mr. *Murdoch*, a serious objection to the present site; and he, in his Report to the Government, suggested that a place further down the river "towards its mouth should be selected for the terminus, to obtain lower levels and longer navigation in the fall of the year." No notice, however, appears to have been taken of his recommendation. Your Committee is of opinion that had the suggestion of the Local Engineer been acted upon, a better terminus would have been obtained below the town plot, and at a much smaller cost. The line of railway could have been made to terminate on the river bank at the *McKellar* farm without increasing its length or passing through the town plot, while the river navigation would have been shortened, and the locality named possesses all the requisites for an important railway terminus. The obtaining of the necessary land would also have been greatly facilitated, as only one or two lot-owners would have had to be dealt with, whereas, at the town plot there were fifty-five, arranging with whom occupied two Valuators and a Solicitor for months, at a large expense to the country.

The evidence did not disclose any reason which, in the opinion of your Committee, can be accepted as satisfactory for deflecting the railway, in order to make it enter the town plot of *Fort William* at the western limit and then to pass through all the front lots to the eastern limit. From the *McKellar* farm towards the mouth of the river, the bank is of a convenient height for docks, and the land is favorable for terminal grounds; the river flows in a straight course to the lake, making the navigation safe and easy, whereas between the point named and that adopted for the terminus, there is a sharp elbow in the river which necessarily increases the awkwardness of navigating it. The distance from *Murillo* Station—the first station west of *Fort William*—is as nearly as possible the same to the river at the *McKellar* farm as to the terminus at the town plot. For these reasons your Committee is of opinion that the terminus was not judiciously chosen. Your Committee is further of opinion that it is to be regretted that in purchasing land at *Fort William* the Government should have departed from the course usually followed in acquiring land for railway purposes. Instead of resorting to arbitration—first tendering to the owners of the land the prices which the Government considered just, as provided for by law—the Government employed valuers whose duty it appears to have been to endeavour to agree with the land-owners as to the value of their lots and report to the Government. The following is an extract from their instructions:—"You will understand that you are not authorized to close any agreements; all you can do is to settle on a reasonable amount, subject to the approval of the Minister."

This shows that the Government reserved full power to deal with parties as might be deemed best, after receiving advice from the Valuers, so that the responsibility of the transactions rested entirely upon the Government.

The Valuers were directed to negotiate for land at the price which it commanded in December, 1874, when the plan of the railway reserve was filed.

It was, no doubt, difficult to determine what had been the value of lots in the town plot in 1874, as the transactions then were few, and restricted chiefly to parties who speculated on the chances of the railway going there. "The Government had fixed the terminus of the railway in the town plot in June, 1874, at which time, in the opinion of your Committee, the plan should have been filed, and so have prevented the speculation that subsequently took place. The Valuers, however, were not appointed until 1876. In December, 1875, the Chief Engineer, Mr. *Sandford Fleming*, addressed a letter to the Department of Public Works, of which the following is a copy:—

" CANADIAN PACIFIC RAILWAY,
" OFFICE OF THE ENGINEER-IN-CHIEF,
" OTTAWA, 11th December, 1875.

" F. BRAUN, Esq.,

" Secretary Public Works Department.

" SIR,—This time last year, the Minister instructed you to take the necessary action, under the Statute, with regard to obtaining a sufficient quantity of land for