

extravagant payment. The Secretary of State must be mistaken as to the manner in which the contract was given to Blair, for he [Mr. Macfarlane] held in his hand a letter from Mr. White to him stating that as soon as arrangements could be made, by the direction of the Postmaster, the despatch of the mails would take place, and that the contract had been given him at his present rate of payment. He was told to fill up his papers and forward them as early as possible. He did so, and the contract was signed, not by an unauthorised officer, but at the pure suggestion of the Postmaster himself. His securities were approved of by the Inspector of Post Offices. On the faith of that he entered upon the contract, and continued carrying the mails, for two months before the bargain was broken. So far from being a heavy gainer by the contract, he had lost two horses, during those two months. He knew he was carrying the mails at a severe loss. He had to erect stabling for his horses, the station being in the centre of a wood, and not a building within five or six miles. He had just got equipped and his arrangements completed, relying on the faith of the Government, when he found himself struck down in the interest of Purdy, who had supported the Government.

Hon. Mr. MILLER considered the explanations of the Secretary of State cast a new light on this case. The contract was first given without a regular bargain, and judging from the circumstances of Cumberland, doubtless, without any public notice. The whole matter appeared extraordinary in view of the smallness of the demand of the other bidders for the work, several of whom asked much less than \$800. He thought the Government bound to deal with this matter, seeing the contract was given without a tender, and could withdraw it, at 3 months, notice. He believed the Government deserved the thanks of the country in the matter.

Hon. Mr. McLELAN suggested the consideration of whether there might not be circumstances warranting the remuneration of Mr. Blair for loss in the first year's performance of the work. The road was not in a finished state, and the rate per mile might not have compensated him at that time. When the railroad had been opened a year, the route improved, and passengers become more numerous, tenders for the sum named by the Secretary of State might be expected. He believed Blair did lose largely the first year.

After some further remarks from differ-

ent members the subject dropped, the motion having been agreed to.

LIGHTHOUSES—PRINCE EDWARD.

Hon. Mr. HOWLAN moved that an humble address be presented to His Excellency the Governor General for a copy of all papers and minutes of Council relating to the building of lighthouses in Prince Edward Island since the first July last. He said he was one of the delegates who arranged the terms on which Prince Edward Island entered the Union. They had been assured it would receive the consideration it was entitled to from the Public Works Department. He complained of a disappointment in this respect, and pointed out the largeness of the ocean traffic which passed the Island, ascending and descending the Gulf, new lines of steamers using the channels of late which should be furnished with sufficient light houses for the protection of the whole trade. At the time of the Union, the Local Government contemplated the extension of the light-house system to the degree required, but they were assured the Dominion Government would see to this improvement. The bargain had not been carried out with the Island, while all that the needed lighthouses would cost would probably not exceed \$35,000. He learned the other day from the Secretary of State that it was not contemplated to build more than one of the nine asked for. In all common honesty, they were fairly entitled to those lighthouses, which would be a benefit to the whole trade of the Gulf.

Hon. Mr. SCOTT had no objection to the address moved for, but he thought it could not be argued that it was the intention of the late Government to build all those light-houses immediately. The Island seemed to have got on for a good many years without them, and it was rather extraordinary they should all become necessary since Confederation. It was quite clear from Mr. Mitchell's statement in the other House that the late Government did not contemplate proceeding with them faster than the needs of the Island and the trade required. There would be spent this year on those Island light-houses in building and repairing, \$16,000, or one-half the amount the last speaker claimed. There was, therefore, scarcely any ground for the complaint of neglect or breach of faith in the matter. Two new light-houses were to be built, including one at West Cape at a cost of \$10,000 or \$11,000.