

it. When the railway was located there it raised the value of the property.

Hon. Mr. MACPHERSON—The land should have been secured before the railway was put there, in the way that railway companies manage.

Hon. Mr. PENNY—We know that a number of people were going about buying land everywhere they thought it possible the railway terminus would be located. Some went to Sault Ste. Marie, some to Nipegon, others to Prince Arthur's Landing, some to the town plot, and some went to all those places. Now, when a man goes to all the possible places it would be very odd indeed, if he did not hit the right one. But the hon. gentleman says the Government should have bought land at all those places. At what period should they have done so? We have evidence that Mr. Murdoch was surveying at this town plot in 1872. That was the time the late Government should have secured the land.

Hon. Mr. CAMPBELL—There was no question of a terminus before the change of Government.

Hon. Mr. PENNY—When the railway was proposed it must have been known there would be a terminus. Mr. McKellar says: "In 1872 I knew the railway was going there." That is, he knew it would come to some of those three or four eligible places, and the place selected was the most eligible. The hon. gentleman says the Government should have bought at Nipegon. Why did not the old Government buy there? As soon as they began surveying, they knew there must be a terminus somewhere. The hon. gentleman has told us of a financial expedient of the late Government which seemed to me not to be of remarkable value. If it be an advantage to the Government to borrow a little money from individuals, I could not lend them as much as the hon. gentleman did, but I would be happy, as far as my means would allow, to advance money on such terms.

Hon. Mr. CAMPBELL—It was not a question of borrowing money, but of buying land.

Hon. Mr. Penny.

Hon. Mr. PENNY—I can understand the Postmaster-General, instead of buying property in his own name, buying in some other person's, but why he should borrow money from a private individual I cannot understand.

Hon. Mr. MACPHERSON—There was no appropriation for it. As I have described, the land was under offer, and that offer would lapse in a month unless the purchase was made within that time. Instead of going to the bank to raise the money in any way which would have appeared improper in the Public Accounts, he got it from me.

Hon. Mr. PENNY—There may be a distinction, but I do not see it.

Hon. Mr. MACPHERSON—If the present Government had taken the same precaution, it would have saved \$100,000 for the land at the Kaministiquia, or about that. The point is that when they determined on placing the railway terminus at the town plot, they must have known what their intentions were before outsiders were informed of it, and they should have got the land under offer to them; and if they had done so they would probably have got it at ten dollars an acre.

Hon. Mr. PENNY—There was no probability of anything of the sort. Two years before that the country was all agog. When you come to buy land for a railway station everybody knows what that means. Speculators are on the alert. There is one paragraph in the report of the Committee appointed to investigate this land purchase to which the hon. gentlemen alluded—the one which says that certain parties were informed of the place where the terminus would be before the public knew of it—and it goes on with what professes to be a paraphrase of the evidence, the effect of which is that two gentlemen, Messrs. Savigny and Clark, swore that Mr. Davidson told them he had received information in advance from a very high authority. If that high authority means anything it means Mr. Mackenzie. When this was stated last night we were told that no reference was made to Mr. Mackenzie. If that be so, then it means