

Elphinstone, Lord

May 29, 1879

Hill, "Private", to Stephen

[Donald] Smith and Lord Elphinstone arriving this morning. Will send car to Chicago to meet Kennedy. Thompson is handling Reed very carefully & as a bank matter. Reed & Willius had made a compact & hold together about \$50,000 of the 12's. Farley's remarks & recent events show, I think, that "the old man has at least known what has been the intention of the enemy." Fisher says he never leaked anything to Wellington & is being blamed for things others are responsible for, as time will show. Reed & Farley had their heads to-

gether .Reed told G [redacted] that Hill had got the jump on the "old heads who should have been more fully awake." but that it was not too late to get something out of it yet. Farley evidently "expects finally to be retained in some capacity with a good salary." Klein has been sounding Sahlgaard and finds he has only about \$15,000 of the 3/m's & perhaps only \$5000 "I have learned a great deal within a few days of the Wellington tie business, which shows the matter much worse than I supposed. That fellow has or will make from \$30 to \$35,000 out of ties and wood, unless a much larger amt. is returned to the Land Dept. for stumpage that is now in sight." John Ross; the "King narrow gauge matter."