

Comments by Governor Gipps on the issue of the sale of land to the Mechanics Institution at a lower than market price, causing a loss to the Land Fund.

The GOVERNOR replied, that what he had said on Tuesday was merely on the strength of newspaper reports. He had now before him the official returns of the sales, from which he had abstracted all the information he could relative to this sale. Two lots had been purchased by Mr. F.H. Osborne for the Mechanics' Institute, at the upset price of £140 each, while the average price which such lots realised, was £433, so that there was a loss to the land fund of £290 on each lot, or £580 on the two. A Mr Alexander Thompson bought two allotments next, one of which, according to the newspapers, was for the Presbyterian Church, and the other for the Episcopalian Church, by which he presumed was meant the Church of England. On one of these lots the land fund lost £240 and on the other £230; and then came Mr. McKillop, who purchased for the Roman Catholics, and Mr. Waterfield, who purchased for the Methodists. The total loss to the land fund was £1,729. The only difference between this case and the celebrated land conspiracy case was that in the latter the parties acted for their own individual profit, while the parties at Port Phillip had not any personal interest in the scheme.

*The Sydney Herald*, Friday 4 September 1840, page 1