

contract price is £1,224,000, and £150,000 is the amount of the Provincial guarantee.

18. What is the amount of Provincial debentures issued for all the sections amalgamated with the Grand Trunk line by the Agents of the Province in London? State the amounts on the Grand Trunk and on each section amalgamated?—Before the amalgamation of the St. Lawrence and Atlantic Company with the Grand Trunk, £400,000 of Provincial debentures had been issued to that Company. Since the amalgamation, £605,800 of Provincial debentures have been issued to the Grand Trunk Company, of which £67,500 have been given in right of the St. Lawrence and Atlantic Company, £250,000 on the Quebec and Richmoult, and £288,300 in right of the Grand Trunk proper. This last is up to the latest date of our Returns from London namely, the 31st of August last. The sections from Montreal to Toronto, and from Quebec to Trois Pistoles are the sections entitled to the Provincial guarantee.

57.500
250.000
288.300
605.800
400.000
1005.800

19. Are any of the Provincial Debentures issued directly to the Contractors?—No, the Contractors receive all their payments from their Company in money.

20. Are the Company restricted from selling the Debentures of the Province below par?—They are not sold by the Company, they are issued by the Agents of the Province to the Shareholders of the Company at par, on their paying for them in full, and they are then subjected to the control of the holders like any other description of property.

21. Describe the process by which payments on account of works are made by the Company?—The Engineer-in-Chief of the Company, Mr. Alexander Ross, receives at the end of each month from his different Sub-engineers, accounts of the progress of each and every work. These several statements are considered and arranged in his office, and he submits to each monthly meeting of the Board of Directors, certificates detailing under the several heads of Expenditure the amounts to which the Contractors are entitled for the previous month. This process is adopted for each of the sections which I have named in a previous answer. The certificates having been considered by the Board, Resolutions authorizing the payments of the sums to which the Contractors are entitled, are passed and recorded. Payment is, in the following week, made to the Contractors under the authority and superintendence of the Finance Committee of Directors. This practice is strictly in accordance with the English practice, and was adopted on the Railway Company of which I was Secretary for eight years in England, during which period we expended upwards of eight millions sterling on Works,

22. Describe the proceedings adopted to entitle the Company to the money paid in London by the Shareholders on account of Provincial Debentures?—When we are aware that works on the sections of the Railway entitled to the Provincial Guarantee, have been executed to the extent of £100,000, I write, by direction of the Board, to the Secretary of the Board of Works, and enclose a certificate from the Engineer-in-Chief of the Company, stating the amount of work done on each section. I also request that the Board of Works will issue orders to the Agents of the Province in London, Messrs. Glynn and Baring, to release from their charge as agents, and to hand to the Company, the proportion that 40 per cent. bears to the amount certified by the Chief Engineer. The Board of Works instruct their officer to put himself in communication with the Chief Engineer of the Company, and also personally to visit and report upon the works upon which the release is sought. The Railway Commissioners subsequently meet and authorise the Receiver General to instruct the London agents of the Province to release such amounts as they,