

I would submit that the most advantageous connection for the Ontario Railways with the Canada Pacific Railway, is over the proposed line of this Company *via* Coutries Bay, and not *via* Callander.

I have the honor to be, Sir, your obedient servant,

J. D. EDGAR, *President Ont. Sault Ste. Marie Railway Co.*

SIR CHAS. TUPPER, K.C.M.G., Minister Railways and Canals.

HOUSE OF COMMONS, OTTAWA, 27th April, 1882.

SIR,—I have the honor to forward a Resolution passed by the Municipal Council of Port Hope, praying for aid to the Ontario and Sault Ste. Marie Railway.

I am your obedient servant,

A. T. WILLIAMS.

SIR CHAS. TUPPER, Minister Railways and Canals.

COUNCIL CHAMBER, PORT HOPE, 26th April, 1882.

A special meeting of the Municipal Council of the Port Hope Corporation was held at eleven o'clock a.m., for the purpose of passing the following Resolution, and to have the same forwarded forthwith to the Dominion Government of Canada.

Moved by Mr. Stevenson, seconded by Mr. Burnham,

That it is of the highest importance to the commercial and manufacturing interest of our Province, that the most direct access should be obtained for the Ontario system of railways to the Canadian Pacific Railway, and that in view of the change of route of the latter, by which it is brought down the valley of the Spanish River, to the shores of the Georgian Bay, it is clearly desirable to form the Ontario connection by a line passing to the South and West of Lake Nipissing, as proposed by the Ontario and Sault Ste. Marie Railway, a memorial be sent from this Council to the Dominion Government, praying that a sufficient sum be granted to the Ontario and Sault Ste. Marie Railway Company, to secure the construction of their line to connect with the Canadian Pacific Railway at Spanish River, and that all connecting railways be granted equal mining powers and traffic facilities over the subsidized railway.

P. R. RANDALL, *Mayor.*

J. E. GANDEB, *Town Clerk.*

TORONTO, 24th April, 1882.

MY DEAR SIR JOHN,—I have spent all day with the parties interested in obtaining a bonus for the road to Callander, and have drawn a statement which Brown takes down to-night.

There are some matters of importance which, although fully brought out in the statement, I will mention shortly here:—

1st. It is only at Callander that the C. P. R. are bound to interchange traffic on favorable terms, see Sec. of C. P. R. Act and Schedule B. to N. W. A. and Sault Charter.

2nd. There is no possible basis of an agreement between the two Companies on the theory that the Dominion will only assist the connecting road.

3rd. Edgar's offer is really to build for \$8,850 (\$6,000 from you and \$2,850 from Mowat) and consequently the lowest offer is not \$6,000, but \$8,850, because Edgar incorrectly, we think, assumes that the \$2,850 would be given to him whether he builds the Sault road or not. The resolution of Ontario House shows this is not so.

4th. Whatever the terms may be, and it should not be less than \$8,850, it ought to be given not on a mere mileage basis, but based on the relative cost of the different sections. All this is fully explained in the statement.

Yours very truly,

DALTON McCARTHY.

P.S.—I remain over to address the City Council to-night, in opposition to Edgar's motion for a petition in favor of his road.

Please show this to Sir Charles Tupper.

D. McC.

Right Hon. Sir JOHN A. MACDONALD, K.C.B.