

Railway upon the terms and conditions agreed upon at the union of British Columbia with Canada.

The following are the resolutions to have been moved *seriatim* by Hon. Mr. MACPHERSON:

*Resolved*, That by the Statute 35 Victoria, Chapter 71, the Interoceanic Railway Company and the Canadian Pacific Railway Company were permitted to amalgamate and form one Company, and the Government was empowered to agree with either of the said Companies, or in the event of their amalgamating, then, with the amalgamated Company for the construction and working of the said Canadian Pacific Railway.

*Resolved*, That the powers conferred upon Government by the fifteen clause of the Statute 35 Victoria, Chapter 71, were not intended to be exercised except in the event of the Interoceanic Railway Company and the Canadian Pacific Railway Company severally and unitedly failing or declining to agree with the Government to construct and work the Canadian Pacific Railway; that the concluding of an agreement with persons not incorporated by Parliament for constructing and working the said Railway without having by public notice invited tenders from any association of Her Majesty's subjects, able and willing to form a company and accept a charter under the provisions of the Statute 35 Victoria, Chapter 71, was not in accordance with the spirit and object of the said Statute; that such a proceeding was highly objectionable and contrary to the usual and well understood system of contracting for the construction of the public works of the Dominion.

*Resolved*, That the charter granted by order of His Excellency the Governor General in Council on the fifth day of February, 1873, incorporating Sir Hugh Allan and others, by the name of the Canadian Pacific Railway Company, confers upon that Company extraordinary and dangerous rights, powers and privileges.

*Resolved*, That the fourth clause of the said charter is highly objectionable; that it provides in effect that the whole available capital of the company shall be only one million dollars, ten per cent upon a nominal amount of ten millions, which one million is to be invested by the Receiver-General, and the interest paid, as received to the Company. That the 90 per cent mentioned in such fourth clause is illusory; that it affords no real security to the Government, while the provisions of that clause mainly protect the stockholders of the company from all further calls and

from liability to the creditors of the company in respect thereof.

*Resolved*, That the said charter does not provide adequate security for the completion and equipment of the whole line of railway; that it ought to provide that there should be retained by the Government out of the portions of the land and money granted and stipulated to be paid from time to time by the fourteenth and eighteenth clauses, not less than 10 per cent., as a security and guarantee for the completion and equipment of the railway; and that such percentage should not be paid to the Company until six months after the completion, equipment and working of the railway, and until the engineer of the government certifies that all the works proper to the railway have been duly performed; that the equipment is adequate, and that, in his opinion, the company have the means and appliances for efficiently working the railway.

*Resolved*, That the government should not have granted to the Canadian Pacific Railway Company the power to issue Bonds to the amount of \$40,000 a mile for the whole extent of the railway with the unusual provision that such Bonds may be a first charge upon the lands thereafter to be acquired by the company, and by that means charging such Bonds upon the fifty millions acres given as a subsidy for the construction of the railway before the Company is entitled to receive them; that such a power sanctioned by such authority is fraught with great and serious consequences and may effect most injuriously the credit of the Dominion; that the sanctioning of such a power is a pledge of the faith of the Dominion to the holders of such bonds that the lands, whatever may be the fate of the Company, shall be, and remain as security to such bondholders.

*Resolved*, That the fifteenth clause of the charter is highly objectionable, and if allowed to remain in force will be a great check and discouragement to the settlement of the Territory of the Dominion, situated between Lake Nipissing and the Pacific Ocean; and the settlement and price of the public lands on the line of the Canadian Pacific Railway, not allotted to the Company, ought not to have been made subordinate to the interests of, or dependent upon, the action of the Railway Company; that it is of extreme importance to the future welfare of the Dominion that the Government should retain possession of all the lands through which the Railway will pass, and full control over the settlement thereof; that the provisions of the said fifteenth clause of