

## STATEMENT OF PROCEEDING UNDER THE

payable half-yearly at the banking houses of Messrs. Baring Brothers, and of Messrs. Glyn, Mills, Currie, & Co., in the City of London on presentation of the proper coupon for the same as hereunto annexed, namely, 2 per cent. on 1st April, and 2 per cent. on the 1st October in each year, the said principal sum and the interest thereon being charged on the Consolidated Revenue Fund of Canada immediately after the charges specifically made thereon, by sections 103, 104, and 105, of "the British North American Act, 1867"; and whereas under the authority of an Act of the Imperial Parliament of the United Kingdom of Great Britain and Ireland passed in the 30th year of Her Majesty's reign, chapter 16, the Commissioners of Her Majesty's Treasury are authorised to guarantee, in such manner and form as they think fit, payment of interest at a rate not exceeding 4 per cent. per annum on any principal money not exceeding 3,000,000 *l.* to be raised by way of loan by the Government of Canada for the purposes of the construction of the railway, and are further authorised to cause to be issued from time to time, out of the Consolidated Fund of the United Kingdom, or the growing produce thereof, any money required for giving effect to such guarantee; and the said Commissioners of Her Majesty's Treasury having accordingly guaranteed the due payment of such interest, such guarantee is testified so far as relates to the interest on the amount of this debenture until payment thereof, by the signature hereto of the undersigned duly appointed by the warrant of the said Commissioners for such purpose.

(C.)

FORM for £. 1,000,000, without Guarantee.

UNDER the authority of an Act of the Parliament of Canada, passed on the 21st of December 1867, entitled "An Act respecting the Construction of the Intercolonial Railway," this debenture entitles the bearer, 35 years after the date hereof, to the sum of lawful money of Great Britain, and to interest thereon in the meantime at the rate of 5 per cent. per annum, payable half-yearly at the banking house of \_\_\_\_\_ on presentation of the proper coupon for the same as hereunto annexed, namely, 2½ per cent. on 1st July, and 2½ per cent. on the 1st January in each year, the same being charged upon the Consolidated Revenue Fund of Canada immediately after the charges made thereon by sections 27, 28, 29, 30 and 31 of the aforesaid Act.

— No. 7. —

Mr. T. F. Elliot to Mr. G. A. Hamilton.

Sir,

Downing-street, 10 July 1868.

I AM directed by the Duke of Buckingham and Chandos to refer to Mr. Adderley's letter of the 16th of May last, on the Canadian Intercolonial Railway, and to your answer of the 22nd of May, in which it was agreed that if the Bay of Chaleur route be adopted, the provision of 1,000,000 *l.* sterling already made under the Act passed by the colonial legislature, may be accepted in addition to the sum of 3,000,000 *l.* sterling guaranteed by Her Majesty's Government.

The Duke of Buckingham and Chandos has now received a telegraphic message from the Governor General of Canada, announcing that the Bay of Chaleur line has been adopted by the Canadian Government. This is understood to be the short expression for the line surveyed on behalf of Her Majesty's Government, and reported on by Major Robinson, R.E., in 1848. I am desirous to acquaint you that his Grace will be prepared to approve of that line, as soon as he receives Lord Monck's Despatch conveying the decision.

I am directed to enclose an extract of a letter from Mr. John Rose, Canadian Minister of Finance, who is now in England, urging the importance of taking steps for raising the loan at as early a date as possible; and I am desirous to suggest that Mr. Rose should be enabled to enter into direct communication with the Treasury in order to arrange those matters connected with the line, on which the authority or assistance of their Lordships is required.

1 July 1868.

G. A. Hamilton, Esq.  
&c. &c. &c.I am, &c.  
(signed) T. Fred. Elliot.