

That we regret to be unable to advise that the investment of the money, under the Minute of the Privy Council of Canada, is in conformity with the Imperial Act of 30 & 31 Vict. c. 16.

We think that it was not the intention of the Imperial Legislature that the money should be *invested* at all; it was to be appropriated or set aside. The only sort of investment within the provisions of the Imperial Act would be, we think, an investment (if any such exists or can be conceived) the value of which does not fluctuate, and which is convertible at any moment without loss. Paying off with the railway loan, Canadian Government debts bearing a high rate of interest, may be, perhaps, an useful investment of the money raised, but does not seem to us to be an appropriation of it; and we think, therefore, that the spirit and intention of the Canada Railway Loan Act, 1867, has not been complied with.

We have, &c.  
(signed) *R. P. Collier.*  
*J. D. Coleridge.*

The Earl Granville, K.G.

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Enclosure 2, in No. 2.

My Lord,

Temple, 6 July 1869.

Encl. 2, in No. 2.

WE are honoured with your commands signified in Sir F. R. Sandford's letter of this date, stating that he was directed by your Lordship to forward an enclosed copy of a Despatch from the Governor General of Canada transmitting a copy of a Minute adopted by the Privy Council of Canada on the 18th June last, on the subject of the Intercolonial Railway Loan; and further stating that your Lordship requested to be informed, at the earliest possible date, whether the Minute affected the opinion expressed by us in our letter of the 28th June.

In obedience to your commands we have the honour to report,

That the Minute does not affect the opinion expressed by us in our Report of the 28th June.

We have, &c.  
(signed) *R. P. Collier.*  
*J. D. Coleridge.*

The Earl Granville, K.G.

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— No. 3. —

(No. 216.)

COPY of DESPATCH from The Earl Granville, K.G., to Governor the Right Honourable Sir John Young, Bart., G.C.B.

Sir,

Downing-street, 30 November 1869.

I HAVE the honour to acknowledge the receipt of your Despatch, No. 112,\* of the 28th October, enclosing a copy of a Minute of the Privy Council, dated the 12th of August, on the subject of the Intercolonial Railway Loan.

As this is a subject in which the Imperial Government is much interested, I should have been glad to have received the Minute at an earlier date.

I have, &c.  
(signed) *Granville.*

No. 3.  
Earl Granville, K.G.,  
to Governor the  
Right Hon. Sir  
John Young, Bart.,  
G.C.B.  
30 Nov. 1869.  
\* Page 11.

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— No. 4. —

(No. 12.)

COPY of DESPATCH from The Earl Granville, K.G., to Governor the Right Honourable Sir John Young, Bart., G.C.B.

Sir,

Downing-street, 15 January 1870.

I HAVE to acknowledge your Despatch, No. 163,† of 22nd December, explaining the cause of the delay in forwarding a copy of the Minute of Council of 12th August, on the subject of the Intercolonial Railway Loan.

Your Despatch furnishes a full and complete explanation of the delay.

I have, &c.  
(signed) *Granville.*

No. 4.  
Earl Granville, K.G.,  
to Governor Sir  
John Young, Bart.,  
G.C.B.  
15 January 1870.  
† Page 17.