

payment of interest to meet the dividend payments for five years. And a preferential charge was created upon securities to the amount of \$8,250,000, to secure the payment by the Company to the Government, of the further sum of \$2,853,912 on or before the 1st February next, and of \$4,527,000 on the 17th August, 1888, these sums, together with the cash deposited, constituting an amount sufficient to provide the entire fund required for the secured dividend, during the whole period of ten years. The remainder of the authorized capital stock of the Company, amounting to \$35,000,000, was also deposited with the Government, subject to the right of the Company to issue any portion of it upon payment to the Government in advance of the amount required to pay the secured dividend upon the amount so issued.

I regret to say, however, that the arrangement so made has not attained its object in any degree. The stock markets of the world have been in a depressed state for some months. The credit of the Company, its means and resources, and the capabilities of the Northwest territories as an advantageous field for emigration and colonization, have been systematically decried, and assailed by the most calumnious and unfounded statements. And by such means, and by urging the possibility of the whole of the remaining stock of the Company being at any moment placed upon the market, any rise in the market value of the stock has been effectually prevented. In fact, when the amount paid in advance of dividends is considered, the stock will be found to have fallen much below the rate at which it was held, before the dividend was secured.

Although, therefore, the Company is possessed of ample means and resources, taken at their fair value, for the completion of its line within the time it has lately contemplated as practicable, it is not in a position to realize upon its property, or its remaining stock, without ruinous sacrifice. And the payment to the Government of