

tionate part of the bonus of cash and land may be demanded by the Company on the completion and equipment of each twenty miles of road, on the following basis :—Central Section, first 900 miles, \$10,000 cash and 12,500 acres per mile ; second, 450 miles, \$13,333 and 16,666.66 acres per mile ; Eastern Section assumed at 650 miles, \$15,384.61 and 9,615.35 acres per mile. The Government must extinguish the Indian title to lands, and furnish the right of way, and must grant to the Company public lands as water front on navigable waters at the termini, and also permit the Company to take gravel, stone, or timber, for the work, from any public lands adjacent to the road, and to admit construction and other material free of duty ; also to advance money when required on rails and fastenings delivered on the route in advance of the requirements of construction. The Company has the power to change the location, so long as the terminal points are Callander, some point of junction with the Lake Superior section, Selkirk, Yellowhead Pass, and Kamloops are kept, and to build and run branch lines from any points on the main line, on giving notice and filing plans. The Company is to be exempt from taxation by the Dominion, or any Province hereafter to be established, or any municipality in such Province, on property relating to the construction of the road, and upon its capital stock, also upon its land in the North-West Territories, for twenty years. Section 15 reads —“ For twenty years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway, except such line as shall run south-west or to the westward of south-west, nor to within 15 miles of latitude 49. And in the establishment of any new province in the North-West Territories, provision shall be made for continuing such prohibition after such establishment until the expiration of the said period.” The Government holds, as additional security, one section in five of the Company's land grant. The Company is authorized to issue land grant bonds for \$25,000,000, and if this is done, \$5,000,000 is to be held by the Government, who pay four per cent. interest to the Company. If the Company prefers to sell more of the \$20,000,000 of land grant bonds it con-