

appear, on reference to the draft charter submitted by that company to the House of Commons, that they proposed to make their Board of Directors exclusively British: while on the other hand, the Interoceanic Company proposed by their draft charter to create a Board which of necessity needed only to be British as to the majority of it. And it was only in consequence of the desire of the Government and Parliament that the two charters should be identical, and of the objection of the Interoceanic Company to make their Board of necessity exclusively British, that the Canada Company took from the Interoceanic Company's charter the clause requiring only a majority to be British instead of the whole. And, moreover, the Canada Company have been actively engaged since their incorporation in negotiations with British capitalists, exclusively tending to the acquisition of means for the construction of the railway with every prospect of favorable result, should they be authorized to undertake it.

In the face of these facts it would seem that the somewhat elaborate argument of the Interoceanic Company, to prove the expediency of making the Company entirely Canadian and British was not only unnecessary and inapplicable; but possibly might be said to be out of place as coming from that Company.

The Interoceanic Company having however submitted various arguments in support of these propositions, proceed to apply them to the disadvantage of the Canada Company.

They assert that it is a matter of notoriety that one of the leading members of the Canada Company and its provisional President, has been engaged in negotiation with gentlemen connected with the Northern Pacific Railway, for the organisation of a Company for the construction of the road; and they say that the impression still exists everywhere, that his original scheme is unchanged, and that this company as they terms the Canada Company, is intended to co-operate with parties in the United States interested in the Northern Pacific Railway. And they declare that the Interoceanic Company share this belief.

That, in reality, is the chief ground stated by the Interoceanic Company for declining amalgamation; and as it is easy to shew that this ground is entirely unsupported by facts, the Canada Company hope that this erroneous impression being removed, the course of the Interoceanic Company may be materially changed.

With regard to the assertion that a belief "exists everywhere" that the Canadian Company still intend to carry out the design of combination with American capitalists, it is only necessary to say that the gentlemen who say so, no doubt speak truly as to some limited circle with which they are in immediate communication. But the Canada Company emphatically deny that beyond such a limited circle any such belief or even any idea of such a state of things is entertained.

The Canada Company are aware that a negotiation was commenced during the summer of eighteen hundred and seventy-one, between Sir Hugh Allan and certain American capitalists for the formation of a Company to construct and run the Canada Pacific Railway; but they are informed by Sir Hugh Allan, and have satisfied themselves by a full enquiry into the circumstances and details of that negotiation, that it was not initiated by Sir Hugh, and that it was commenced and supported by influential persons in Canada, as being the only combination that offered itself at that time for the construction and running of the road; but they are satisfied that that negotiation never possessed the character attributed to it by the Interoceanic Company, and they know that Sir Hugh Allan would never have consented to embark with foreign capitalists in a Canadian enterprise in which he takes so great an interest without the most perfect securities and guarantees for its control and conduct in the interest of Canada. But the discussion of the negotiation is entirely foreign to the proposition now being considered. That negotiation terminated when Sir Hugh Allan, engaged with others in the formation of the Canada Company and it has never been renewed.

The Canada Company never participated in that negotiation, and never considered or entertained any proposition, suggestion or intention of asking aid from American capitalists, or of combining with them for the prosecution of the Railway, or for any other purpose. The only negotiations they have carried on are those already alluded to with