

1626

STATEMENT OF PROCEEDINGS UNDER THE

Finance, that Thomas Baring, Esq., merchant, and George Carr Glyn, Esq., banker, of London, England, be appointed trustees for the Government of Canada, under the provisions of the Act of the Imperial Parliament, 30 Vict. c. 16.

The committee submit the above recommendation for your Excellency's approval.

Certified,
(signed) Wm. H. Lee, Clerk, P. C.

— No. 6. —

The Honourable J. Rose to the Chancellor of the Exchequer.

Fleming's Hotel, Clarges-street, W.,
London, 11 July 1868.

Sir,

I HAVE the honour to transmit herewith certain documents on the subject of the proposed loan for the construction of the Intercolonial Railway, to be guaranteed by the Commissioners of Her Majesty's Treasury, under the authority of "The Canada Railway Loan Act, 1867."

The terms of the Act of the Canadian Parliament, as well as the proposed line of railway, having been approved by Her Majesty's Government, it now only remains for the Commissioners of Her Majesty's Treasury to convey their sanction to the conditions of the loan, as detailed in Enclosures A. and B., and to approve of the form in which it is suggested the guarantee of Her Majesty's Government may be evidenced.

I have prepared, for facility of reference, a brief statement (Enclosure, No. 1) of the several Acts of Parliament, and of the communications which have taken place on this subject, to which I would very respectfully call your attention.

I shall be happy to give any further information which may be desired, and, as my public duties require my return to Canada as speedily as possible, I trust I may be pardoned if I express the hope that I may be favoured with an early communication of the views of Her Majesty's Government on the subject of the enclosed.

To the Right Hon. G. Ward Hunt, M.P.,
Chancellor of the Exchequer,
&c.

I have, &c.
(signed) John Rose,
Minister of Finance.

Enclosure in No. 6.

(No. 1.)

CANADA INTERCOLONIAL RAILWAY LOAN.

THE Canada Railway Loan Act authorised the Commissioners of Her Majesty's Treasury to guarantee, in such manner and form as they think fit, payment of interest not exceeding four per cent. on any principal sum not exceeding three millions sterling, to be raised by the Government of Canada for the purpose of constructing the Intercolonial Railway, on condition that Canada should pass an Act providing—

1st. For the construction of the railway; for its use by Her Majesty's troops; and provided the line should be approved of by a Secretary of State.

2nd. That the Canadian Act should provide, to the satisfaction of the Commissioners of the Treasury, for the raising and expenditure by Canada of the three millions on the railway; for creating a sinking fund, and for making the loan and the sinking fund charges on the revenue of Canada; for the appointment of trustees to manage the sinking fund; and lastly, for raising, on the sole credit of Canada, such further sum beyond the three millions as might be necessary to complete the line.

The Canada Act has complied with all these conditions, and authorised the raising of one million sterling beyond the three millions guaranteed by the Imperial Government, and has been approved of by Her Majesty's Principal Secretary of State for the Colonies.

The line has also been approved of by the Colonial Secretary, and Thomas Baring, Esq., and George Carr Glyn, Esq., have been named trustees by Canada for the management of the sinking fund.

The Canada Act provides that the work shall be performed and the money expended by a commission, named by the Canadian Government, and it is intended that operations shall be prosecuted by them as rapidly as possible.

Canada

30 & 31 Vict. c. 16.

31 Vict. c. 13.

Despatch, July 1868.