

CANADA.

"After discussion of the foregoing Report, the following Resolution was carried unanimously :—

"That the Report of the Executive Committee, just read, be approved and adopted, and that the President be requested to transmit a copy of the same to the Government, as setting forth the reasons of this Board for declining amalgamation with the Canada Pacific Railway Company."

"A true extract from the minutes of the Provisional Board of the Interoceanic Railway Company of Canada.

"Toronto, Sept. 28, 1872."

(Signed) "JOHN HAGUE,
"Provisional Secretary.

"SIR,

"Ottawa, October 7, 1872.

"I am directed to acknowledge the receipt of your letter of the 28th ultimo, and inclosures, informing this Department that the Interoceanic Railway Company of Canada declines its amalgamation with the Canada Pacific Railway Company, as proposed by the Government, and intimating that the Company is prepared to enter into arrangement for the building and working of the Canadian Pacific Railway.

"I have, &c.,
(Signed) "E. PARENT,
"Under-Secretary of State.

"Hon. D. L. Macpherson,

"President, Interoceanic Railway Company, Toronto."

"Department of Secretary of State,

"SIR,

"Ottawa, October 16, 1872.

"I am directed to transmit to you the enclosed copy of a 'Memorandum of the 'Canada Pacific Railway Company,' upon the statement submitted by the Interoceanic Railway Company to the Government of Canada.

"I have, &c.,
(Signed) "E. PARENT,
"Under-Secretary of State.

"Hon. D. L. Macpherson,

"President, Interoceanic Railway Company, Toronto."

"Memorandum of the executive Committee of the Interoceanic Railway Company of Canada, upon the Memorandum submitted to the Government by the Executive Committee of the Canada Pacific Railway Company, dated 12th October, 1872.

"The undersigned, the Executive Committee of the Interoceanic Railway Company, offer their acknowledgments to the Honourable the Privy Council, for communicating to them the Memorandum of the Canada Pacific Company upon the communication addressed to the Government by the Interoceanic Company, on the 30th September last; setting forth their reasons for declining amalgamation with the Canada Pacific Company.

"The undersigned beg to say that when transmitting that statement to the Government, the Interoceanic Company had no intention of entering upon a controversy with the Canada Pacific Company through the medium of the Government. But they do not regret that the Government saw fit to communicate it to the Canada Pacific Company. The object of the Interoceanic Company was merely to communicate, frankly, to the Government the reasons which prevented their complying with the request of the Government to amalgamate with that Company.

"The Interoceanic Company decided against amalgamation after mature deliberation, and under the firm persuasion that they were acting in the true interests of the country. The undersigned will now proceed to comment briefly upon the Memorandum of the Executive Committee of the Canada Pacific Company.

"The undersigned observe that the Committee of the Canada Pacific Company profess to concur fully in the opinion which the Interoceanic Company holds, namely, that the importance to Canada of the Canadian Pacific Railway being owned and worked pre-eminently as a Canadian enterprise, cannot be exaggerated. It is matter for regret that the Canada Pacific Company, or its chief promoter, did not always entertain this opinion;