

been caused by the absence from Toronto of members of the Executive Committee of this Company, one of whom is still absent in England.

" I have, &c.,

(Signed) " D. L. MACPHERSON,

" Provisional President, Interoceanic R. Co. of Canada.

" To the Hon. the Secretary of State, Ottawa."

" Office of the Interoceanic Railway Company of Canada.

" SIR,

" Toronto, 28th Nov., 1872.

" I have the honour to enclose a Memorandum from the Executive Committee of the Interoceanic Railway Company, referring to a Report of a Committee of the Honourable the Privy Council, approved by his Excellency the Governor-General on the 16th day of October last, a copy of which you transmitted to me for the information of the Interoceanic Railway Company of Canada.

" I regret the delay that has taken place in transmitting to the Government the accompanying Memorandum; it has been caused by the absence from Toronto of members of the Executive Committee of this Company, one of whom is still absent in England.

" I have, &c.,

(Signed) " D. L. MACPHERSON,

" Provisional President of the Interoceanic Railway Co. of Canada.

" To the Honourable the Secretary of State, Ottawa."

" MEMORANDUM.

" Office of the Interoceanic Railway Company of Canada,

" Toronto, November 28, 1872.

" The undersigned Executive Committee of the Interoceanic Railway Company of Canada have the honour to state, that they have had under consideration the Report of the Committee of the Honourable the Privy Council upon the subject of amalgamation of the Interoceanic Company and the Canada Pacific Railway Company, approved by his Excellency the Governor-General in Council on the 16th day of October last, and transmitted to the Provisional President of this Company. In reply, the undersigned beg respectfully to state, for the information of his Excellency the Governor-General, that the communications addressed to the Government by this Company, on the 30th day of September last and on the 25th day of November inst., fully set forth the reasons which induced this Company to decline amalgamation with the Canada Pacific Railway Company.

" The undersigned deem it unnecessary to re-state those grounds. They will merely add that the promoters of the Interoceanic Company are satisfied that the amalgamation of that Company with the Canada Pacific Company would not fulfil the anticipations of the Government, because, in their opinion, it would not secure the confidence of the people of the Dominion for the amalgamated Company, and that consequently amalgamation, under such circumstances, would be followed by certain failure when the time arrived for organizing the Company upon a Canadian proprietary basis.

" The principal matters referred to in the Report of the Committee of the Honourable the Privy Council having been, as already stated, discussed at length in the two communications above referred to, the undersigned only consider it necessary to remark upon one other point, now, for the first time, brought under the notice of the Interoceanic Company.

" The undersigned, with the utmost respect, beg to state they gather from the Report of the Honourable the Privy Council, that the Government impliedly charges the promoters of the Interoceanic Company with remissness in not communicating with the Government during the summer of 1871, and making a proposition for constructing and running the Canadian Pacific Railway.

" The undersigned submit that they do not see how they could have done so before the Government had announced its readiness to receive propositions.

" The Committee of the Honourable the Privy Council furnishes, in the opinion of the undersigned, an answer to this charge, as it appears by the Report that when Mr. Waddington and his associates approached the Government to tender for the construction and running of the railway, they were informed that the Government was not in a position to enter into negotiations.