

that I can see, to use extraordinary interposition to assist the creditors of that city in the assertion of their rights, for which the law provides ample remedies.

I am assured that there is no disposition on the part of the authorities of the city of Hamilton to evade their legal liabilities, and that an arrangement has been made, or is in progress, with the creditors of the city, by means of which it is confidently expected that the interests of those parties will be ultimately secured.

The complaint made by the Memorialists with respect to the risk and expense of sending out their debentures, in order to enable them to prove their claims against the Municipality of the city of Hamilton, is one that applies to the laws of evidence which are common to England and Canada; and I can hardly think it would be proper to make, by legislative enactment, the case of the creditors of the city of Hamilton, an exception from the rule which prevails whenever it becomes necessary on the part of a creditor to enforce his claims.

I have caused Messrs. Dawes to be informed of the cause of the delay in answering their former communication, and I have sent them copies of the enclosures in this Despatch.

I have, &c.
(signed) *Monck.*

Encl. 1, in No. 2.

Enclosure 1, in No. 2.

Copy of a Report of a Committee of the Honourable the Executive Council, approved by his Excellency the Governor General, on the 19th March 1863.

On a Despatch, dated 21st February 1863, from his Grace the Secretary of State for the Colonies, transmitting copy of a letter from the solicitor to the holders of certain bonds of the city of Hamilton, C. W., respecting the non-payment of interest thereon; and requesting that the applicants may be furnished with a reply to a previous application on the same subject, and that an account of the true merits and nature of the case may be also forwarded for His Grace's information;—

19 March 1863.

The Honourable the Attorney General, U. C., reports, that with respect to the request contained in the letter of the solicitors, of the 17th March 1862, which craves the attention of your Excellency to the protection of the interests of the Memorialists in any steps that may be taken; that no movement has been made to alter or derange the existing legal claims or securities of the Memorialists, as against the City of Hamilton, and that therefore no interference on the part of the Government can be exercised.

4 February 1863.

That in regard to the letter of Messrs. Dawes and Sons, in which they allude to petitions being about to be presented to both Houses of the Legislature of Canada, in reference to the failure of the City of Hamilton to meet the interest due on the debentures mentioned, he, the Attorney General, whilst deeply regretting that any necessity should exist on the part of the debenture holders to submit any remonstrance, is unable to find that relief can be afforded by the Government.

That the law under which these debentures were authorised, and the mode of enforcing payment of both principal and interest, provides for the collection of arrears of interest and accruing sums, and remains unaltered; and that there is no provision under which the Government of Canada can come to the relief of the Memorialists.

That the usual supervision by the Government over any measures which may be introduced for legislative action, will no doubt be extended to any proceedings which may be brought forward during the present Session, having for their object an alteration of the laws affecting the rights and interests of the Memorialists.

The Committee concur in the view expressed by the Honourable Attorney General, and submit the same for your Excellency's approval.

(Certified.)

W. H. Lee, C. E. C.