

about 20,000,000 acres. Of the remaining \$15,000,000 of bonds, \$8,000,000 were held by the Government as security for a temporary loan of \$5,000,000, and the balance was to be paid over from time to time to the company for the improvement of the road. The temporary loan, which was made in July, 1885, was repaid in the following months of September and November, the Company having succeeded in disposing of bonds placed on the London market. A deed of mortgage, dated the 25th July, 1885, was executed, embodying the above conditions.

Further  
arrange-  
ment.

515. Early in 1886, the Company having almost completed the road, made another arrangement with the Government, under which they agreed to pay the amount actually advanced to them out of the \$20,000,000, viz., \$19,150,700, and the Government agreed to accept unsold lands of the company at the rate of \$1.50 per acre to the extent of the balance remaining due to them, being \$9,880,912 and interest. This arrangement was ratified by an Act 49 Victoria, chapter 9, passed on the 2nd June, 1886.

Repay-  
ment of  
loan.

516. On the 1st May, 1886, the Company paid the sum of \$9,887,347, and on the 1st July the sum of \$9,163,353, making the total of \$19,150,700. The total balance, including interest, was found to be \$10,189,521, in payment of which the Government took back 6,793,014 acres of the company's land subsidy.

Final  
agree-  
ment.

517. On the 16th and 20th of November, 1886, an agreement was signed, finally closing up all matters between the Government and the company, and the whole road is now the property of the Canadian Pacific Railway Company. Under the above agreement \$1,000,000 of land grant bonds were deposited with the Government as security for the improvement of the line passing Mount Stephen in the Rocky Mountains.