

with all other countries, some benefits of an Imperial kind would at once accrue from the completion of the Intercolonial Railway; the letters from England would pass over a shorter and cheaper route; and the movement of troops would gain in point of convenience and economy.

As to the probable amount of such financial benefits to the mother country, there would probably be some difference between the calculations suggested by the delegates and those formed by the official departments in the Imperial service to which the consideration of matters affecting the conveyance of troops or the carriage of letters would specially belong. It is unnecessary, however, at present to raise that question, and I readily grant that it involves others, both of kindly feeling towards Provinces so loyal and so important, and of general policy in the increased strength and compactness produced by rapid communication, which it would be impossible to reduce to figures and specify in estimates.

But still the national expenditure must be regulated by the national resources. And, however important may be the foregoing advantages, it has been found that objects of interest to Great Britain yet more urgent must yield to the necessity of not unduly increasing at the present moment the public burthens. For this reason, I can only express my deep regret that, while doing full justice to the ability of the arguments advanced by the gentlemen who visited this country as delegates upon the subject, and while far from undervaluing the benefits of an intercolonial communication by railway, Her Majesty's Government have not found themselves at liberty to accede to the proposal of granting Imperial aid towards the completion of the line between Halifax and Quebec.

I have, &c.
(signed) *E. B. Lytton.*