

Halifax to Quebec, but continuous railway communication, for the transport of men and stores, from Quebec to the western extremity of the Province of Canada.

We do not pretend to hold out the prospect of any immediate direct return on the outlay, because we have no data on which to base reliable calculations; but we must express the conviction that even in a financial point of view the cost of the road, although the entire outlay were assumed by the Imperial Government, would ultimately be more than saved by the lessened expenditure which England will be called upon to bear after its completion, by enabling her to reduce her military establishments in Canada.

But in the scheme submitted, the Provinces, cherishing, and sensible of the value of their connection with England, offer substantial aid and coöperation. It will be seen that our object is not to involve the Imperial Government in an undertaking in the hope of a pecuniary return, or to assume a liability in the special interest of any Colony. If the best interests of the Empire—the extension of her Commerce, and the permanence of British power on the continent of America, do not warrant the immediate construction of the work and the contribution of England towards it, we desire to abstain from urging considerations of minor weight on behalf of the enterprise; but the material aid which the Colonies are ready to extend affords sufficient proof that, in their opinion, its importance on national grounds has not been exaggerated.

We trust that a consideration of these views, (which, it is to be understood, are made subject to the approval of the Executive and Legislature of Canada,) may meet with the favorable and early attention of Her Majesty's Government. If provisionally acquiesced in, no time will be lost in seeking to obtain the sanction and coöperation of the other Provinces.

JOHN A. MACDONALD,
JOHN ROSS.

London, 13th November, 1858.

SIR,—

In the interview with which we were honored by the Secretary of State for the Colonies, on the subject of the Railway from Halifax to Quebec, Sir E. Lytton stated that while the construction of this work unquestionably entered into Imperial policy, it involved questions more peculiarly financial, and that he therefore wished us to address you, and, in submitting our united application, to add our views of the manner in which the British Exchequer would be affected by your assent to our proposal.

A reference to the enclosed copy of our joint letter to Sir E. Lytton will show you, that estimating the capital required to be £3,500,000, the Imperial Government are asked to apply £1,500,000 now payable by Canada,—and to guarantee, if necessary, the proposed grant by the three Colonies of £60,000 per annum, assuming, which we trust will not be questioned, that the obligations of the several Provinces will be honorably met, as has always hitherto been the case,—the amount of aid asked from the British Government to secure an object admittedly of vast Imperial interests is limited to the grant of £1,500,000, representing, at 4 per cent., an annual charge on the British Exchequer of £60,000.

Against this sum it is claimed that the construction of the Railway would relieve Great Britain of certain known charges.

✓	Payment to United States Government for the transmission of mails to and from Canada.....	£25,000	0	0
✓	Reduction in ocean services as now performed by the Cunard Line, Halifax being 547 miles nearer to Liverpool than New York, in proportion to the whole subsidy at least....	35,000	0	0