

## CORRESPONDENCE RELATIVE TO THE

be built on Major Robinson's line. Any deviation from that line was, however, to be subject to the approval of Her Majesty's Government.

"Misapprehension arose between Earl Grey and Mr. Howe, of Nova Scotia, then conducting the negotiation, as to whether, in case Major Robinson's line were adopted, the Imperial guarantee would not also be extended to a lateral railway running from the main line through New Brunswick westward to the frontier of the United States.

"This side line, if constructed, would have much improved the commercial character of Major Robinson's line, as it would have formed a valuable feeder, and connected it with the general railway system of the United States. Acting, therefore, under the belief that the guarantee was to be so extended, the three Provinces of Canada, New Brunswick, and Nova Scotia, made an agreement to construct the railway from Halifax to Quebec in equal proportions, and proceeded to legislate upon it with a view to the immediate execution of the work.

"On its being ascertained that it had not been intended by the British Government to grant the guarantee to the local line above referred to, all the objections to Major Robinson's route revived, and the arrangements between the Provinces fell to the ground.

"Anxiously desiring the construction of the railway, the Provinces, although much disappointed at the frustration of their expectations, entered into a new arrangement.

"They agreed that if the railway was built along the valley of the River St. John, Nova Scotia would advance three-twelfths, Canada four-twelfths, and New Brunswick five-twelfths of the cost of the construction.

"This line promised great commercial advantages and a fair pecuniary return, and at the same time satisfied the condition imposed by the Imperial Government, that it should pass exclusively through British territory. The agreement thus altered was submitted to the Imperial Government for approval, but Sir John Pakington, then Colonial Secretary, in a Despatch dated 20th May 1852, intimated his disapproval of the proposed deviation from the eastern line, and that he, therefore, did not feel warranted in recommending the guarantee to Parliament. He, however, at the same time stated that the Imperial Government was by no means insensible to the great national object involved in the construction of the line, and that the most favourable attention would be given to any modification of the proposals then before him. The negotiations thus fell a second time to the ground."

Delegates of 1857,  
Proposals of.

The plan proposed in 1857 by the delegates from Canada and Nova Scotia was as follows :

House of Commons,  
210 of 1862,  
page 14.

In 1841 Canada had obtained from the Imperial Government a guarantee of interest on a loan of 1,500,000 l. for the construction of public works. The delegates of 1857 suggested that "the amount of this loan, including the sinking fund, should be granted by the Imperial Government in aid of the construction of the railway," and also that the Imperial Government should give a guarantee of the bonds of the Provinces of Nova Scotia and New Brunswick to the extent of their respective contributions.

Answer to Dele-  
gation of 1857.

This proposal was answered in a Despatch to the Governor of Canada, dated 15th of May 1858, in the following terms :

House of Commons,  
210 of 1862,  
page 3.

"Although participating with the members of the several local Governments, and with their own predecessors in office, in a strong sense of the importance of this object, Her Majesty's advisers cannot feel themselves justified in applying to Parliament for the required guarantee. Their reasons for declining to take this step are solely of a financial description. They feel that the heavy expenditure to which this country has been subjected of late years, and the calls upon the resources of the empire for pressing emergencies, do not leave them at liberty, for the present at least, to pledge its revenue to so considerable an extent for the purpose of assisting in the construction of public works of this character; however in themselves desirable."

Delegation of 1858.

The question was again brought under the notice of Her Majesty's Government in 1858, by delegates from Canada, Nova Scotia, and New Brunswick. They