

coterminous with one now in operation from Lake Champlain to Laprairie, opposite Montreal. Forty miles of this line are already under contract.

9. It is laid down that such an undertaking, if a line be not formed through New Brunswick, must prove most injurious to all commerce below Montreal, as the trade of Quebec, and the rest of Lower Canada, will proceed to Portland; and, at the same time, the proposed Anglo-American line would be preferred even to that between New York and Albany, seeing that, by means of canals (which have been fostered by a grant of a million and a half from Government), produce from Upper Canada must always find its way cheaper to Montreal than to the head of the Hudson. Part of Maine is very mountainous, but fair levels have been found.

10. But the average cost of single iron railways in Massachusetts has been £10,000 a mile (the import duty on British iron, the American being inferior and brittle, has added to the comparative cost), and by the adoption of a more economical system there is a wide field of competition open; while, besides the exports to Great Britain, a railway from Quebec to the Bay of Fundy would involve the supply of New Brunswick and parts of Maine—a vast district, and year by year increasing in importance.

11. A railway from Halifax to Quebec, though of national value, would not, in Mr. Pemberton's estimation, advantageously compete with that through Maine, in consequence of its great length and expense; but the shorter line from St. Andrew's to Woodstock and Quebec would not only do so, but immediately afford a stimulus to New Brunswick Colonisation and progress, while, from its large existing traffic, it would pave the way to the profitable formation of the greater trunk, to which it would be a most valuable feeder, and would be immediately remunerative to capitalists. At present, all the main supplies come from above Montreal, and from the Lake district of the Union.

12. While Canada and New Brunswick possess vast capabilities of increase (in New Brunswick alone there are 12,000,000 acres of ungranted lands) the greatest goods traffic will, according to Mr. Pemberton, consist in the summer transit by the lakes, the canals, and the St. Lawrence, seeing that in New England less goes by railway to Boston than by water to New York. [Mr. Pemberton, however, it appears to us, overlooks the consideration that, although railways, costing £10,000 a mile, may not compete with canals which have been mainly constructed at the expense of the State, it does not follow that wooden railways through Crown lands, costing, all things included, not more than £2,000 a mile, accompanied by large grants of Crown territory to replace the capital, and open winter and summer, would not advantageously compete with a river navigation, closed for six months in the year by the ice.]

13. In the United States, most of the lines have been constructed under the Government guarantee of a minimum dividend. But the profits have always far exceeded the return guaranteed; so that the public treasury has never been called on to fulfil its obligation.

14. The works in British America which have hitherto not only given