

P A P E R S

RELATIVE TO

THE QUEBEC AND HALIFAX RAILWAY, AND PUBLIC
WORKS IN CANADA.Despatches from the Right Hon. Earl Grey,
Secretary of State.

(No. 299.*)

No. 1.

BRITISH
NORTH AMERICA.

No. 1.

COPY of a DESPATCH from Earl GREY to Governor-General the Earl of
ELGIN AND KINCARDINE.

MY LORD,

Downing-street, November 17, 1848.

1. THE Commissioners appointed by Her Majesty's Government to explore and survey the line of country offering the greatest advantages for the formation of a railway from Halifax, through New Brunswick to Quebec, having completed the duties with which they were charged, I have now the honour to transmit to your Lordship the final report of Major Robinson, addressed to the Inspector-General of Fortifications.

August 31, 1848.

2. I have perused this able document with the interest and attention it so well merits, and I have to convey to you the assurance of Her Majesty's Government that we fully appreciate the importance of the proposed undertaking, and entertain no doubt of the great advantages which would result, not only to the provinces interested in the work, but to the empire at large, from the construction of such a railway; but great as these advantages would be, it is impossible not to be sensible that the obstacles to be overcome in providing for so large an expenditure as would be thus incurred would be of a very formidable kind.

Before, therefore, Her Majesty's Government proceed to consider the question as to whether any steps should be taken to carry this plan into effect, it is necessary that we should be informed how the several provinces would be prepared to co-operate in its execution.

3. It is obvious that the cost of the work would be too great as compared to the return to be anticipated from the probable traffic, to give reasonable hope of its being undertaken by any Company as a private speculation. The question, therefore, arises whether it would be expedient that in some form public assistance should be given towards the accomplishment of an object in which the public is so much interested.

4. The answer to this question must, in a great measure, depend upon the degree of importance which the provinces attach to the opening of this line of communication, and upon the amount of exertion they would be prepared to make for the purpose. I am, therefore, anxious that the subject should be brought under the early consideration of the respective Legislatures, and that I should be placed in possession of their views with respect to it as soon as may be practicable.

5. In forming a judgment as to whether public assistance ought to be given towards the execution of the work, it will be necessary to take into consideration the different ways in which this might be done. Various modes of proceeding have been proposed: one is that of endeavouring to form a Company, by guaranteeing to them a certain minimum interest on the capital, to be invested in the undertaking.

This plan would, no doubt, possess some advantages, but on the other hand it would be attended with the disadvantage of depriving the public of the proper control over a great national work, and also of having a tendency to encourage inattention to economy both in the construction and subsequent working of the line. This last objection has been met by proposing that any Company formed

* Similar Despatches addressed to the Lieut.-Governors of Nova Scotia (No. 131, Nov. 17) and New Brunswick (No. 78, Nov. 17).