

I have further to inform your Excellency, that the Executive Government of Canada will without delay, bring under the consideration of their Legislature, now in Session, the subject of the proposed Railway, and they express their confident opinion that Parliament will invest them with ample powers to carry out the proposals submitted, or such other as may on further consideration be found necessary.

Mr. Howe represents that the Assembly of Nova Scotia will be dissolved without delay; and after the Elections, a special Session will be called, for the purpose of taking into consideration the subject of the Halifax and Quebec Railway.

When Canada and Nova Scotia may have legislated on this important subject, it will be for the consideration of your Excellency whether the Legislature of New Brunswick should not be convened, with a view to such legislative action as circumstances may require in this Province, for aid towards this great undertaking.

All which is respectfully submitted.

(Signed)

ED. B. CHANDLER.

(Copy)

"At a Conference held at Toronto, composed of the Executive Council of Canada, and certain Members of the Executive Councils of Nova Scotia and New Brunswick, on the subject of the proposed Line of Railway from Halifax to Quebec or Montreal,—

"Mr. Chandler, on behalf of the Province of New Brunswick, submits the following proposals:—

"That the Government of New Brunswick will guarantee to Her Majesty, for the purposes of such Railway, all the ungranted Crown Lands through which such Railway may pass within the Province, to the extent of ten miles adjoining on each side thereof, to be disposed of in such manner as may be deemed most advisable to Her Majesty's Government; also to secure, at the expense of the Province, a sufficient breadth of way, and the necessary stations, over or upon private property, as may be required for the use of the said Railway, and to charge upon the General Revenues of the Province, a sum not exceeding £20,000 per annum, for a period not exceeding twenty years from and after the time of completing the said Railway, and while the same is kept in operation, for or towards making good any deficiency of such an annual dividend out of the net profits of such Railway, as will be equal on the capital invested in its construction and equipment.

"Mr. Chandler also submits herewith, a copy of the Resolution of the Assembly of New Brunswick, passed at their last Session, and concurred in by the Legislative Council, as expressing the renewed pledge of those two Branches of the Legislature for aid in the construction of the proposed Railway from Halifax to Quebec.

(Signed)

E. B. CHANDLER."

(Copy)

#### MEMORANDUM.

"The Honorables Joseph Howe, of Nova Scotia, and E. B. Chandler, of New Brunswick, having in accordance with the invitation of the Governor General proceeded to Canada, in order to confer with his Excellency, and with his Executive Council, on the subject of the projected Railroad between Quebec and Halifax, and having had opportunities, in the presence of his Excellency, of explaining their views most fully, and of hearing those entertained by the Canadian Government, it is proposed to reduce to writing the conclusions which have been arrived at. It is admitted by all the parties, that the work is one of great national importance, and that the three Provinces would be much benefited by its construction. It seems scarcely probable that money can be obtained on more favourable terms than those on which the Imperial Government has offered to aid in procuring it, and it is therefore the anxious desire of all the parties to this Conference, that the obstacles which present themselves to the success of the enterprise, may not prove insurmountable. The most important of these seems to be the determination of the two Houses of the New Brunswick Legislature, not to assume any greater liability than that already agreed to, and which amounts to a concession of the right of way and stations, of ten miles of vacant land on each side, and a Grant of £20,000 currency per annum for twenty years. It seems then desirable to offer as many distinct propositions as possible for the consideration of New Brunswick, and to urge upon the Government of that Province to take the responsibility of submitting some one of them to the Legislature for its sanction. The following propositions might, it is conceived, be sanctioned by Canada and Nova Scotia:—

"1st. That each Province should be responsible for the cost of the portion of the Road passing through its own territory:

"2d. That New Brunswick should make a separate and distinct agreement for the construction of its portion of the Line, with private contractors, who might possibly be induced to undertake the work on liberal terms:

"3d. That the Line between Halifax and Quebec should be undertaken on the joint account of the three Provinces, and that the Crown Lands lying five miles on each side of the Line should be conceded by each Province for the benefit of the Road, and that until payment of the cost of construction, and interest, the receipts should be common property, after which each Province to own that portion of the Road which passes over its own territory.

"Should the Lower Provinces determine to aid in constructing the Railway from Halifax to Quebec upon either of the plans suggested, it is more than probable that with as little delay as possible the Line